

2017 First Extraordinary General Shareholders' Meeting Agenda Handbook

December 8, 2017

Location: B1F., No.9, Sec. 2, Beitou Rd.,
Beitou Dist., Taipei City 112, Taiwan

This document is prepared in accordance with the Chinese version and is reference only. In the event of any discrepancy between the English version and the Chinese version, the Chinese version shall prevail.



中國人壽保險股份有限公司
CHINA LIFE INSURANCE CO., LTD

China Life Insurance Co., Ltd.

2017 First Extraordinary General Shareholders’ Meeting Agenda Handbook

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China Life Insurance Co., Ltd.
Procedure for the 2017 First Extraordinary General
Shareholders' Meeting

- I. Announcement for the meeting in session
- II. The opening address of the chairman
- III. Report Items
- IV. Discussion
- V. Election
- VI. Other Matter
- VII. Motions
- VIII. Meeting adjourned

Report Item

Proposed by the Board

Agenda: The status of private placement of securities

Explanation:

- I. Action has been taken in accordance with the “Directions for Public Companies Conducting Private Placements of Securities”.
- II. Pursuant to Article 43-6 of the “Securities and Exchange Act”, private placements of securities may be carried out within one year of the date of the resolution of the shareholders’ meeting. The General Meeting of shareholders of the Company has approved the capital raising plan in Annual General Shareholders’ Meeting dated May 26, 2017. This plan includes the raising of capital by private placement of new common shares that can be conducted once within a year after the resolution at the General Meeting of shareholders. In consideration of our strategic development and the market situation at the time of raising new capital, the Company did not proceed to offer shares through private placement after the Annual General Shareholders’ Meeting .
- III. This proposal has been approved by the 11th meeting of the 20th Board of Directors.

Discussion

Proposed by the Board

Agenda: The Company plans to offer NT\$1 for acquiring the traditional policies and riders from the spinoff of Allianz Taiwan Life. Approval is respectfully requested.

Explanation:

- I. Allianz Taiwan Life Insurance Co, a subsidiary of German insurer Allianz SE, intends to sell approximately 78,000 traditional policies with a guaranteed interest rate of 4% or higher and approximately 169,000 riders to the Company, and transfer approximately 44,000 policyholders. The Company plans to pay a symbolic amount of NT\$1 for this transaction. As per the financial figures of Allianz Taiwan Life as of 31 December 2016, the Company can assume corresponding assets of NT\$49.8 billion in total, including the statutory reserves of NT\$27.6 billion and NT\$22.2 billion additional amount. The actual amount of the transaction will be subject to the valuation of statutory reserve on the completion date plus the NT\$22.2 billion additional amount. The transferred assets from this transaction will mainly be cash (NTD), policy loans, and related receivables from the policies.
- II. The Company expects that the acquisition of the aforementioned policies can enlarge the scale of operations and increase the number of clients with the opportunity of remarketing. The cost of those policies is approximately 3.3%, the Company estimates it can make profits from the portfolio as long as its investment return achieve 3% or higher.
- III. The fairness opinion on the price for the acquisition of traditional insurance policies from the spinoff of Allianz Taiwan Life, issued by CPA George Chou from BDO Taiwan, is exhibited in Attachment I. The Company also engages Lexcel Partners to provide the legal consultation and assistance in the review and negotiation of the agreement.
- IV. The Sale and Purchase Agreement, the Spin-off Plan and the Service Agreement binding the Company and Allianz Taiwan Life are exhibited in Attachment II for reference.
- V. It is proposed that the Chairman or a designated representative shall be

authorized with the full power of attorney in handling the matters of any addition and amendment to, negotiation and signing of the Sale and Purchase Agreement, Spin-off plan, and Service Agreement and related issues.

- VI. The proposal has been approved by the 9th meeting of the 3rd Audit Committee (Special Committee) and the 10th meeting of the 20th Board of Directors. The review result of the Audit Committee (Special Committee) is exhibited in Attachment III. Approval is respectfully requested.
(Please refer to page 10~41)

Resolved:

Election

Proposed by the Board

Agenda: To elect succeeding directors

Explanation:

- I. The Company's corporate directors, "VIDEOLAND Inc." and its representative Yu-Ling Kuo and "Lan Wan Investment Corporation" and its representatives Tony T.M. Hsu and Roy Meng, had resigned from the board of directors on October 31, 2017. The Company called for an extraordinary general shareholders' meeting within 60 days thereafter for the election of succeeding Directors to fill the 3 vacancies pursuant to Article 201 of the Company Act.
- II. Pursuant to Article 19 of the Company's Articles of Incorporation, the Company employs the nomination system for election of directors, whereby the shareholders elect candidates from the candidate list. The succeeding directors shall serve the remaining term from December 8, 2017 to May 25, 2020.
- III. The list of director candidates has been reviewed and approved by the 11th meeting of the 20th board of directors. Please refer to page 6 for the list of candidates.
- IV. We hereby propose for election.

China Life Insurance Co., Ltd. Candidates for Directors

| # | Name | Gender | Education/Experience/Current Position | Holding Shares | Representative |
|---|---------------|--------|--|----------------|---|
| 1 | Alan Wang | Male | <p>Education: Master of Science in Management and Administrative Sciences, University of Texas at Dallas</p> <p>Current Position: Chairman & CEO of China Life</p> <p>Experience: 1. Chairman & CEO of China Life 2. President of China Life</p> | 959,200,000 | China Development Financial Holding Corporation |
| 2 | Yu-Ling, Kuo | Female | <p>Education: Master in Finance, National Taiwan University</p> <p>Current Position: 1. President of China Life 2. Director of CCB Life</p> <p>Experience: 1. Director of China Life 2. President of China Life</p> | 959,200,000 | China Development Financial Holding Corporation |
| 3 | Hui-Chi, Shih | Female | <p>Education: Master of Accounting, National Taiwan University</p> <p>Current Position: Executive Vice President, China Development Financial Corporation</p> <p>Experience: 1. Senior Vice President, China Development Financial Corporation 2. Manager, Shin Kong Bank 3. Deloitte & Touche</p> | 959,200,000 | China Development Financial Holding Corporation |

Other Matter

Proposed by the Board

Agenda: Release of restrictions on competitive activities of the Company's Directors. Approval is respectfully requested.

Explanation:

- I. According to Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
- II. The Company has acquired 19.9% equity shares of CCB Life Insurance Co., Ltd. (hereinafter referred to as "CCB Life") in June, 2011. In order to assist CCB's business development and maintain its leading position in Mainland China's insurance industry, the Company has assigned our directors to be the directors or related positions of CCB Life. Therefore, with the provision that the release shall not impair the Company's interests, it is proposed to release the director, who is assigned to be the director or related positions of CCB Life in order to assist its operation, from any non-competition restriction according to the Company Act, other relevant laws and regulations or contracts.
- III. Aforementioned Personnel :
(If any additional personnel, the information will be supplemented in the EGM)

| Name | Representative | Current position in the Company | Current position in CCB Life (Mainland China) |
|--------------|---|---------------------------------|---|
| Yu-Ling, Kuo | China Development Financial Holding Corporation | President, China Life | Director, CCB Life |

- IV. This proposal has been approved by the 11th meeting of the 20th Board of Directors. Approval is respectfully requested.

Resolved:

Motions

Shareholdings of the Board of Directors (As of November 9, 2017)

| Title | Name | Gender | Date Elected | | | Term (Years) | Shareholdings on the record date | | Note |
|-------------------------|---|--------|--------------|-------|-----|-----------------|-------------------------------------|------------------------------|------|
| | | | Year | Month | day | | Holding Shares | Holding Percentage (%) | |
| Chairman | Alan Wang Representative of Tai Li Investment | Male | 106 | 5 | 26 | 3 | 502,057 | 0.01% | |
| Director | Stephanie Hwang Representative of Tai Li Investment | Female | | | | | | | |
| Director | Lauren Hsien Representatives of EVER-RICH Co., Ltd. | Female | 106 | 5 | 26 | 3 | 137,165 | 0.00% | |
| Independent Director | Louis T. Kung | Male | 106 | 5 | 26 | 3 | 0 | 0 | |
| Independent Director | Wei-Ta Pan | Male | 106 | 5 | 26 | 3 | 0 | 0 | |
| Independent Director | Wen-Yen Hsu | Male | 106 | 5 | 26 | 3 | 0 | 0 | |
| Total | | | | | | | 639,222 | 0.01% | |

The Board was consists of nine directors, of which three are independent directors.

The total number of legal shares should held by the directors is 90,873,561 shares.

The Company has established an Audit Committee, therefore the minimum shareholding requirement for the supervisors is not applicable.

China Life Insurance Co, Ltd.
Supplementary fairness opinion
of the price for the acquisition of traditional insurance policies
from the spinoff of Allianz Taiwan Life

English Translation of a Report Originally Issued in Chinese

To: The Board of Directors of China Life,

I issued an Fairness Opinion of the price offered by China Life Insurance Co., Ltd. (hereinafter referred to as “China Life”/“the Acquirer”) for the acquisition of a portion of the traditional insurance policies (hereinafter referred to as “transferred policies/the subject of valuation”) from Allianz Taiwan Life (hereinafter referred to as “Allianz”) to the engagement of your Company (hereinafter referred to as the of “Fairness Opinion”) on the basis of the assessment completed on August 11, 2017. As stated in the Fairness Opinion, the reference price to the rational acquisition of the aforementioned insurance policies fall within the range from NT\$-46,296 million to NT\$-50,832 million. The Board plans to offer NT\$1 to acquire the transferred policies and assume corresponding assets of NT\$49.8 billion in total, including the statutory reserves of NT\$27.6 billion and NT\$22.2 billion additional amount as per the financial figures of Allianz as of 31 December 2016.

In my opinion, the aforementioned offer of the Board for the acquisition is conformity with the referable price range of our Fairness Opinion, and hold that the consideration for the acquisition is rational and appropriate.

BDO Taiwan
Certified Public Accountants
Taipei, Taiwan, R.O.C.
11 October 2017

(The extract of English documents is for reference only)

DATED 19 OCTOBER 2017

ALLIANZ TAIWAN LIFE INSURANCE CO. LTD.
AS SELLER

AND

CHINA LIFE INSURANCE CO., LTD.
AS PURCHASER

AGREEMENT FOR THE
SALE AND PURCHASE OF THE
TRADITIONAL LIFE INSURANCE ASSETS AND
LIABILITIES OF ALLIANZ TAIWAN LIFE
INSURANCE CO. LTD.

THIS AGREEMENT is made on 19 October 2017

BETWEEN:

- (1) **ALLIANZ TAIWAN LIFE INSURANCE CO. LTD.**, a company limited by shares incorporated in accordance with the laws of R.O.C. with registration number 89283591 and registered office is at 5th Fl., No. 100, Section 5, XinYi Road, XinYi District, Taipei, Taiwan ("**Seller**"); and
- (2) **CHINA LIFE INSURANCE CO., LTD.**, a company limited by shares incorporated in accordance with the laws of R.O.C. with registration number 03434016 and registered office is at 5th Fl., No. 122, Dunhua N. Road, Song Shan District, Taipei, Taiwan ("**Purchaser**").
- each, a "**Party**" and together, the "**Parties**".

THE PARTIES AGREE as follows:

1. INTERPRETATION

1.1 In this Agreement:

"Agreed Accounting Principles" means the Taiwanese GAAP;

"Appointment Notice" has the meaning given to it in sub-clause 7.2.4;

"Assets" means assets of the Business set out in Part B of Schedule 1;

"Association" has the meaning given to it in Clause 24.2;

"Award" has the meaning given to it in Clause 24.5;

"Business" means the legacy traditional life insurance business of the Seller set forth in Part A of Schedule 1 as conducted by Legacy Traditional Business Unit ("傳統保單事業一部") of the Seller as an independently operated business as at the Effective Time (or, where the context otherwise requires, other relevant time) in the R.O.C.;

"Business Assets" means the Business, Assets and Liabilities, excluding Excluded Liabilities;

"Business Day" means any day (other than a Saturday or Sunday or public holiday) on which banks in the R.O.C. are open for the transaction of normal business;

"Business IT Systems" means the independent information technology systems used by the Seller for the Business which is or will be separated by the Seller from the Seller's other IT systems;

"CBC" means the Central Bank of the Republic of China (Taiwan);

"Claim" has the meaning given to it in paragraph 1.1 of Schedule 7;

"**Completion**" means completion of the sale and purchase of the Business and the Assets and the assumption of the Liabilities in accordance with this Agreement;

"**Completion Balance Sheet**" has the meaning given to it in sub-clause 7.1.1;

"**Completion Date**" means

(i) 18 May 2018 if all Conditions are satisfied and the Objection Period set forth in Clause 10.5 has lapsed before this date; or

(ii) if any of the Conditions is not satisfied or the Objection Period set forth in Clause 10.5 has not lapsed before 18 May 2018, the third Friday of the month immediately following the month during which the last of the Conditions to be satisfied is satisfied if the Objection Period has lapsed before this Friday (or in case such Friday is not a Business Day the first preceding Business Day),

or such other date as may be mutually agreed by the Parties in writing, and, in either case; **provided that** (a) such date shall not be later than the Long Stop Date, (b) on such date the Separation – except for any activities to be performed on the Completion Date – has been completed, and (c) on such date the Seller has completed the conversion of its foreign shareholder's funds for capital increase into New Taiwan Dollars pursuant to the timeline agreed by the CBC;

"**Conditions**" has the meaning given to it in Clause 3.1;

"**Controlling Interest**" means:

(a) the ownership or control (directly or indirectly) of more than fifty per cent. (50%) of the issued voting share capital of the relevant undertaking; and/or the ability or power to exercise such control over the relevant undertaking, including through the undertaking's articles, contractual or other arrangements; and/or

(b) the ability to direct the casting of more than fifty per cent. (50%) of the issued voting share capital exercisable at general meetings of the relevant undertakings on all, or substantially all, matters; and/or

(c) the right to appoint or remove directors of the relevant undertaking holding a majority of the voting rights at meetings of the board of directors on all, or substantially all, matters

save that in determining whether or not a "**Controlling Interest**" subsists no account shall be taken of any right or control to the extent that the exercise of such right or control is prohibited by, or would necessarily involve a breach of, applicable law, rules or regulations of a Regulatory Authority or a contractual agreement with minority shareholders or joint venture partners;

"**Data Migration**" means the tasks, activities, processes and procedures to be carried out by the Seller and the Purchaser to separate, extract and transfer, the required Records from the Business IT Systems and to enable the Purchaser to

receive and migrate the required Records into the Purchaser's IT Systems in accordance with the Separation Plan and the Services Agreement;

"**Data Room**" means the virtual data room hosted by Interlinks Inc. between 6 July 2017 and 11 August 2017 (Taiwan time) and containing those documents listed in the Data Room Index as contained on the DVD dated 10 October 2017;

"**Data Room Index**" means the index of documents in the Data Room set out in Schedule 1 of the Disclosure Letter;

"**Disclosure Letter**" means the letter from the Seller to the Purchaser in relation to the Warranties having the same date as this Agreement, the receipt of which has been acknowledged by the Purchaser;

"**Dispute**" has the meaning given to it in Clause 24.2;

"**Dispute Notice**" has the meaning given to it in sub-clause 7.2.1;

"**Dissenting Policy holder**" has the meaning given to it in Clause 10.5;

"**Documents**" has the meaning given to it in Clause 9.4;

"**Effective Time**" means 00:00 on the Completion Date;

"**Excluded Liabilities**" means (i) any criminal or administrative liabilities (including but not limited to tax or sanctions by the Regulatory Authority), and/or (ii) any joint and several liabilities arising under the Business Merger and Acquisition Act, in relation to the Business or Business Assets before the Completion.

"**Final Completion Balance Sheet**" has the meaning given to it in Clause 7.2.10;

"**FSC**" means the Financial Supervisory Commission of the R.O.C.;

"**Guidelines**" means any written guidelines, directives, notices, policies or circulars issued and published by the Regulatory Authority in relation to the Business, the Assets and the Liabilities;

"**IC**" means the Investment Commission of the Ministry of Economic Affairs of the R.O.C.

"**Independent Expert**" means an internationally recognised firm of accountants, independent of the Parties being:

- (a) acceptable to the Seller and the Purchaser; or
- (b) failing their agreement within seven (7) days after receipt of an Appointment Notice, nominated by or on behalf of the Chairman for the time being of the Certified Public Accountants Association, the R.O.C.;

"**Insurance Policies**" means the insurance products in relation to the Business and sold by the Seller in the R.O.C. which are in force at Completion or under which any liability (whether current or future, certain or contingent) remains unsatisfied or outstanding at Completion which, for the avoidance of doubt, include the Suspended Policies but exclude the Lapsed Policies;

"**Intellectual Property Rights**" means any patents (including supplementary protection certificates), trade marks, service marks, trade names, logos, domain names, designs, utility models, design rights, moral rights, topography rights, rights in databases, copyrights, inventions, trade secrets, the sui generis rights of extraction and/or re-utilisation relating to databases, know how, business names, get up, and all other intellectual property and neighbouring rights and rights of a similar or corresponding character in any part of the world (whether or not registered or capable of registration) and all applications and rights to apply for the protection of any of the foregoing;

"**Lapsed Policies**" (失效保單) means insurance policies that are suspended for two (2) consecutive years or more and which cannot be reinstated, due to (i) failure of payment for premium by the Policyholders, (ii) the remaining policy value in case of automatic policy loan is insufficient to continue paying for premium due, or (iii) default in repayment of principals and payment of interests in case of policy loans by the Policyholders which results in the policy value being less than outstanding loan amount;

"**Liabilities**" means liabilities relating to the Business set out in Part C of Schedule 1, excluding the Excluded Liabilities;

"**Last Accounting Date**" means 31 December 2016;

"**Long Stop Date**" means 12 months after signing of this Agreement or such other date as may be mutually agreed between the Parties in writing;

"**Losses**" means all costs, claims, damages, liabilities, losses and expenses including, without limitation, costs, expenses and reasonable consultant, expert or attorney fees incurred as a result of defending or settling a claim alleging such a liability and "**Loss**" means any such loss;

"**Materials**" has the meaning given to it in sub-clause 16.1.2;

"**Migration Committee**" has the meaning given to it in Clause 8.3;

"**Net Asset Value**" means Twenty Two Billion and Two Hundred Million New Taiwan dollars (NT\$22,200,000,000);

"**Notice**" has the meaning given to it in Clause 23.1;

"**NT\$**" means the lawful currency for the time being of the R.O.C.;

"**Objection Period**" has the meaning given to it in Clause 10.5;

"**Policyholder**" means a policyholder of any Insurance Policy;

"**Policyholder Data**" means information and data held by the Seller in respect of a Policyholder under or relating to any Insurance Policy;

"**Pre-Completion Balance Sheet**" has the meaning given to it in Clause 6;

"**Proper Purpose**" has the meaning given to it in Clause 15.5;

"**Purchaser's Completion Documents**" has the meaning given to it in sub-clause 13.1.2;

"**Purchaser's IT Systems**" means the information technology systems owned or used by the Purchaser as such systems may be upgraded, replaced or modified to enable the Purchaser to operate and manage the Assets and Liabilities with effect from the Effective Time as contemplated by this Agreement;

"**Purchase Price**" has the meaning given to it in Clause 4.1;

"**Purchaser Warranty**" means a statement contained in Clause 13.1 and

"**Purchaser Warranties**" means all those statements;

"**Records**" means (i) all Policyholder Data, and (ii) other books and records relating exclusively to any of the Business Assets (used by the Seller). For greater certainty, Records includes insurance manuals and guides used by the Seller for day to day business in Taiwan (including but not limited to underwriting, claims, and policy processing manuals) as of the Completion Date; **provided that** the Records shall not include any correspondence, records or other information held solely in electronic mail form;

"**Regulatory Authority**" means any multinational, national, federal, state, provincial or local governmental or regulatory or supervisory authority or entity or body or any subdivision thereof, including without limitation, the FSC, the IC, the R.O.C. Financial Ombudsman Institution, any agency, instrumentality, division, department, the Life Insurance Association of the Republic of China, the Actuarial Institute of Chinese Taipei, court or other body thereof;

"**Registered Trade Marks**" means any trade marks or service marks, trading names, logos, company names and rights in get-up of products registered in any country prior to the date of this Agreement in the name of any member of the Seller's Group;

"**Reserve Assets**" means those assets held by the Seller which will be more specifically detailed in the Completion Balance Sheet, and shall be transferred and paid by the Seller to the Purchaser in cash form and in NT\$;

"**Reserves**" means those reserves and/or funds meeting the requirements of R.O.C. law and the Regulatory Authority, for liabilities which remain contingent, unsatisfied or outstanding under the Insurance Policies (being limited to the insurance reserves, detailed list in Schedule 5 ("**Insurance Reserves**"), insurance claims payable (including other insurance payables) and premium receipts in advance), in each case as at the Effective Time;

"**R.O.C.**" means the Republic of China (Taiwan);

"**Seller's Group**" means the Seller and any company (i) which has direct or indirect Controlling Interest on the Seller, (ii) over which the Seller has direct or indirect Controlling Interest, or (iii) which is directly or indirectly under common Controlling Interest of the ultimate holding company of the Seller from time to time;

"**Separation**" means the separation of the Business Assets from the other businesses and operations of the Seller prior to the Effective Time and the transfer of the Business Assets to the Purchaser, including, for the avoidance of doubt, activities relating to the same undertaken by the Parties on the Completion Date or on the date following the Completion Date in accordance with this Agreement and the Separation Plan;

"**Separation Plan**" has the meaning given to it in Clause 8.1;

"**Services Agreement**" has the meaning given to it in Clause 8.1;

"**Spin-Off Plan**" has the meaning given to it in Clause 2.2;

"**Sum Compensated**" has the meaning given to it in paragraph 6 of Schedule 7;

"**Sum Recovered**" has the meaning given to it in paragraph 6 of Schedule 7;

"**Supplemental Disclosure Letter**" means the letter from the Seller to the Purchaser in relation to the Warranties having the same date as the Completion Date;

"**Surviving Provisions**" means Clauses 1, 3.9, 11.7, and 17 to 25 (inclusive);

"**Suspended Policies**" (停效保單) means insurance policies that are suspended due to failure of payment for premium by the Policyholders for less than two (2) consecutive years which can be reinstated;

"**Taiwanese GAAP**" means generally accepted accounting principles in the R.O.C. applying to the life insurance industry;

"**Taxes**" means any form of taxation, levy, duty, stamp duty, charge, contribution, withholding or impost of whatever nature including occupation, use, service, service use, value added, transfer and recording taxes or any taxes in respect of custom duties or social matters (including without limitation social security charges or contributions), imposed by any taxing authority (whether domestic or foreign) (including any related fines, penalties, additional taxes, surcharges or interest) imposed, collected or assessed by, or payable to, a Tax Authority and "**Tax**" shall be construed accordingly;

"**Tax Authority**" means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise or stamping function including, without limitation, the National Taxation Administration of the R.O.C.;

"**Termination Program**" has the meaning given to it in Clause 10.5;

"**Trade Marks**" means the Registered Trade Marks and all unregistered trade marks, service marks, trading names, logos, company names and rights in get-up of products, owned by the Seller's Group that have been used in connection with the Business at any time prior to the Completion Date;

"**Transaction Documents**" means this Agreement, the Spin-Off Plan, the Separation Plan and the Services Agreement as well as any other annexes, attachments or schedules thereto and any other documents in relation thereto or executed or required to be executed thereunder;

"**Transitional Services**" means the services provided by the Seller to assist the Purchaser to use the Records in the Business IT Systems during the transitional period as agreed in the Services Agreement;

"**Working Hours**" means 09:00 to 17:30 on a Business Day in the R.O.C.; and "**Warranties**" means a statement contained in Schedule 6 and "**Warranties**" means all those statements.

1.2 In this Agreement, a reference to:

1.2.1 a document in the "**agreed form**" is a reference to a document in a form approved and for the purposes of identification initialled by or on behalf of each Party;

1.2.2 a statutory provision includes a reference to the statutory provision as modified or re-enacted or both from time to time before the date of this Agreement and any subordinate legislation made under the statutory provision (as so modified or re-enacted) before the date of this Agreement;

1.2.3 a "**person**" includes a reference to any individual, firm, company, corporation or other body corporate, government, state or agency of a state or any joint venture, association or partnership, works council or employee representative body (whether or not having separate legal personality);

1.2.4 a "**Party**" includes a reference to that Party's successors and permitted assigns;

1.2.5 a Clause, paragraph or Schedule, unless the context otherwise requires, is a reference to a clause or paragraph of, or schedule to, this Agreement;

1.2.6 "**books**", "**records**" or other "**information**" means books, correspondence, records or other information held in any form including paper, electronically stored data, magnetic media, film and microfilm;

1.2.7 a time of day is a reference to the time in the R.O.C.;

1.2.8 the singular includes the plural and vice versa; and

- 1.2.9 one gender includes all genders.
- 1.3 The headings in this Agreement do not affect its interpretation.
- 1.4 In this Agreement, a company shall be deemed to be a "**subsidiary**" of another company (such second-mentioned company being, for the purposes of this Agreement, a "**holding company**") if that second-mentioned company has a Controlling Interest in the first mentioned company.
- 1.5 A reference to "**so far as the Seller is aware**" means the actual knowledge of those individuals listed in Schedule 8 in each case as at the date of this Agreement and on the Completion Date, as the case may be.
- 1.6 All warranties, representations, indemnities, covenants, agreements and obligations in this Agreement given or entered into by the Seller are given or entered into in respect of the Business only save as otherwise expressly provided.
- 1.7 The ejusdem generis principle of construction shall not apply to this Agreement. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the senses of the words preceding those terms.

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2. **SALE AND PURCHASE BY WAY OF SPIN OFF**

- 2.1 On and subject to the terms of this Agreement and subject to Completion, the Seller agrees to sell and transfer, and the Purchaser agrees to purchase and accept, in each case with effect from the Effective Time, the Business Assets and Purchaser further agrees to assume the Liabilities with effect from the Effective Time.
- 2.2 The Seller and the Purchaser acknowledge and agree that the transfer of the Business Assets is intended to be a transfer of the Business on a going concern basis by way of the spin-off in accordance with the R.O.C. Business Mergers and Acquisitions Act and/or the Financial Institution Merger Act. The Parties agree to sign a spin-off plan in the form as set forth in Schedule 2 (the "**Spin-Off Plan**") no later than three (3) Business Days after Seller's and Purchaser's shareholders meetings approve the Spin-Off Plan. For the avoidance of any doubt, the effectiveness of this Spin-Off Plan is contingent on the Completion of the transactions contemplated under this Agreement. In case this Agreement is not completed or is terminated, the Spin-Off Plan shall not be deemed effectiveness.
- 2.3 With effect from the Effective Time, the Purchaser shall duly and properly perform all the Liabilities and the Purchaser shall indemnify the Seller and keep the Seller fully and effectively indemnified from and against all Losses which may be made against or suffered or incurred by the Seller on or after the Effective Time in respect of the Liabilities.

RESTRICTED

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- 2.4 The Seller and the Purchaser agree to take all necessary actions and/or execute and deliver (or procure the execution and delivery of) all such documents as may be necessary for giving full effect to Clauses 2.1, 2.2 and 2.3.
3. **CONDITIONS**
 - 3.1 The Completion is conditional on the conditions listed in Schedule 3 (the "**Conditions**") being satisfied on or before the Long Stop Date and the Objection Period pursuant to Clause 10.5 having expired. Save for (a) the Conditions not being satisfied on or before the Long Stop Date and the Objection Period pursuant to Clause 10.5 not having expired or (b) this Agreement being terminated, no other conditions shall prevent the Parties from the Completion.
 - 3.2 Each Party shall use all reasonable endeavours to achieve satisfaction of each Condition applicable to it as soon as possible after the date of this Agreement and, in any event, by no later than the Long Stop Date, in particular:
 - 3.2.1 the Purchaser shall (at its own costs)
 - (a) duly prepare or procure the preparation of all necessary documents (save for any documents which are not related to the Purchaser) in connection with the application to the FSC and file the application, jointly with the Seller, for approval of the purchase of the Business Assets and assumption of the Liabilities pursuant to this Agreement;
 - (b) obtain all the necessary licenses, authorisations and approvals required by applicable law in the R.O.C. to carry on the business comprising the Business Assets with effect from the Effective Time; and
 - (c) convene the shareholders meeting on 8 December 2017 to approve the transactions contemplated under this Agreement and the Spin-Off Plan.
 - 3.2.2 the Seller shall (at its own costs)
 - (a) duly prepare or procure the preparation of all necessary documents (save for any documents which relate solely to the Purchaser) in connection with the application to the FSC and file the application, jointly with the Purchaser, for approval of the sale and transfer of the Business Assets by the Seller to the Purchaser pursuant to this Agreement;
 - (b) duly prepare or procure the preparation of all necessary documents in connection with the application to the FSC and file the application for approval of the capital increase of the Seller; and
 - (c) use its reasonable effort to assist Allianz SE to prepare all necessary documents in connection with the application to the

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FSC and the IC, and file the application, for approval of the increase of Allianz SE's investment and shareholding in the Seller and, if required, the sale and transfer of the Business Assets by the Seller to the Purchaser.

3.3 Before making or causing to be made any of the filings or notifications to the Regulatory Authority, subject to applicable laws relating to the sharing of information, the Party that is preparing or causing the preparation of such filing or notification shall provide the other Party with a draft of the filing or notification and a reasonable opportunity to review such draft, and shall consider in good faith the views of such other Party regarding such filing or notification. Promptly after any of the filings or notifications have been made, the Party that has made such filing or notification shall provide a copy thereof to the other Party.

3.4 If, at any time, the Seller or the Purchaser becomes aware of a fact, matter or circumstance that might prevent a Condition from being satisfied, it shall immediately inform the other Party in writing.

3.5 Without limiting the generality of the other undertakings pursuant to this Clause 3, either Party agrees to the extent applicable to the application on its part, to take or cause to be taken the following actions:

(a) the prompt provision to a Regulatory Authority of all information, documents or testimony requested by such Regulatory Authority or that are necessary, proper and advisable to obtain any approval as listed in Schedule 3 or permit completion of the transactions contemplated by this Agreement; and

(b) negotiate in good faith with any applicable Regulatory Authority for the purpose of seeking to remove any onerous condition that such Regulatory Authority may have imposed.

3.6 Either Party shall not take any action that would reasonably be expected to hinder or delay, as applicable, the obtaining of any such approvals from the applicable Regulatory Authorities.

3.7 If, at any time following the submission of any application of the approval as listed in Schedule 3 with a Regulatory Authority, either Party questions the feasibility of obtaining any of such approval from such Regulatory Authority or receives any negative comment on the other Party from the Regulatory Authority, the Seller and the Purchaser shall meet and consult with the other in good faith to determine the feasibility of obtaining such approval and conclude such consultation within forty five (45) days.

3.8 If the Conditions have not been satisfied by the Long Stop Date, the Seller or the Purchaser may terminate this Agreement by giving written notice to the other Party save for the Surviving Provisions; **provided that** no Party shall be liable to the other Party for the termination due to Conditions having not been satisfied by the Long Stop Date and that a Party may not terminate this

Agreement pursuant to this Clause 3.8 if it is in material breach of any of its obligations under Clauses 3.2 to 3.6.

3.9 Each Party's further rights and obligations cease immediately on termination, but termination does not affect a Party's accrued rights and obligations at the date of termination.

4. CONSIDERATION

4.1 The purchase price (the "**Purchase Price**") payable by the Purchaser on the Completion Date for the Business Assets under this Agreement is NT\$1.

4.2 At the Completion the Purchaser shall pay the Purchase Price to the Seller in accordance with the provisions of Clause 11.3.

5. PRE-COMPLETION UNDERTAKINGS

5.1 Seller's Obligations

From the date of this Agreement until the Completion Date, the Seller undertakes (with respect solely to the Business, the Business Assets of which it is selling and the Liabilities of which it is transferring) to:

5.1.1 carry on the Business as a going concern in the ordinary course consistent with past practice as carried on prior to the date of this Agreement including, in all-material respects, internal policies, practices and guidelines with respect to underwriting, claims handling, reserving and distribution, except as agreed by the Purchaser in writing or otherwise as contemplated by, or in connection with, this Agreement or as required by law or any Regulatory Authority;

5.1.2 maintain its books, accounts and records relating to the Business in the usual manner and in compliance with R.O.C. law and the requirement of the Regulatory Authority in all material respects as well as on a basis consistent with the past practice of the Seller as carried on prior to the date of this Agreement; and

5.1.3 use commercially reasonable endeavours to maintain its relationships with the Policyholders, suppliers and customers in relation to the Business.

5.2 Clause 5.1 does not apply in respect of, and shall not operate to restrict or prevent any act or omission which is required by any laws, regulations or by any Regulatory Authority, or by the Agreed Accounting Principles, or by the Guidelines.

6. PRE-COMPLETION BALANCE SHEET

No later than five (5) Business Days prior to the Completion Date, the Seller shall provide to the Purchaser a balance sheet of the Business Assets as at the last day of the second month prior to the Completion Date (the "**Pre-Completion Balance Sheet**"). The Pre-Completion Balance Sheet shall

be prepared by the Seller in good faith on the basis of the principles set out in sub-clauses 7.1.2 and 7.1.3 and in the same format as the pro forma balance sheet set out in Schedule 5.

7. COMPLETION BALANCE SHEET AND TRUE-UP

7.1 Form

7.1.1 No later than sixty (60) Business Days after the Completion Date or such other date as may be mutually agreed by the Seller and the Purchaser, the Seller shall deliver to the Purchaser a balance sheet of the Business Assets as at the end (23:59) of the day immediately prior to the Completion Date (the "**Completion Balance Sheet**") and the related documents and its working papers underlying this information in each case used in relation to the preparation of the Completion Balance Sheet as the Purchaser may reasonably request to verify the Completion Balance Sheet.

7.1.2 The Completion Balance Sheet shall be prepared by the Seller (i) in accordance with the Seller's financial statements as at the Completion Date which statements have to be prepared in accordance with the Agreed Accounting Principles; and (ii) in the same format as the pro forma balance sheet set out in Schedule 5.

7.1.3 The Seller agrees that all the Reserve Assets will be transferred to the Purchaser in cash form and in NT\$ and the amount so calculated will be used for the purposes of the payment and assignment of the Reserve Assets upon the Completion Date under Schedule 4 of this Agreement.

7.2 Agreement and Determination of the Completion Balance Sheet

7.2.1 Within thirty (30) Business Days after receipt of the Completion Balance Sheet provided by the Seller pursuant to sub-clause 7.1.1, the Purchaser may give a notice to the Seller (the "**Dispute Notice**") that it does not agree with the Completion Balance Sheet and must include in that notice reasonable description or reservation of the disputed matters and the reasons for that disagreement.

7.2.2 If within the period of thirty (30) Business Days set forth in Clause 7.2.1 above the Purchaser does not give a Dispute Notice or communicates to the Seller its agreement with the Completion Balance Sheet, in the absence of manifest error, the Completion Balance Sheet as provided by the Seller pursuant to Clause 7.1.1 shall be final and binding on the Parties.

7.2.3 If a Dispute Notice is given by the Purchaser under sub-clause 7.2.1, the Seller and the Purchaser must:

- (a) each appoint a representative to discuss each matter raised in the Dispute Notice; and

- (b) ensure that its representative makes a genuine effort to negotiate an agreement on each such matter within ten (10) Business Days after the Dispute Notice is given.

7.2.4 If a matter raised in Dispute Notice is not agreed within ten (10) Business Days after the Dispute Notice is given, then the Purchaser may, on the eleventh (11th) Business Day after the Dispute Notice is given, by written notice to the Seller (the "**Appointment Notice**") require that all outstanding matters be referred to the Independent Expert in accordance with the provisions of this Clause 7 for determination.

7.2.5 If a matter raised in Dispute Notice is not agreed within ten (10) Business Days after the Dispute Notice is given and the Purchaser does not give an Appointment Notice in accordance with Clause 7.2.4, the Completion Balance Sheet as provided by the Seller pursuant to Clause 7.1.1 shall be final and binding on the Parties.

7.2.6 The Seller and the Purchaser must:

- (a) jointly appoint and mandate the Independent Expert to determine the matters in dispute and to notify the Parties of any such determination; and
- (b) use reasonable endeavours to provide the Independent Expert with any information, assistance and cooperation reasonably required by the Independent Expert and in a timely manner.

7.2.7 The Independent Expert will be engaged as an expert by both Parties and not as an auditor or arbitrator and will be directed to decide the matters raised in the Dispute Notice:

- (a) applying the Agreed Accounting Principles; and
- (b) exercising the Independent Expert's own, skill, judgment and experience.

7.2.8 The Independent Expert shall be instructed that prior to its own decision he shall give each of the Parties the opportunity to present their views in writing and, on either Party's request, in an oral hearing. The Independent Expert's decision shall not go beyond the issues and specific value in dispute. The Independent Expert's decision will be communicated to the Parties and, in the absence of manifest error, will be final and binding on the Parties. In the event of a manifest error, the relevant part of the decision will be submitted to the Independent Expert for correction. The process shall be conducted in Taipei and the language shall be in both Chinese and English.

7.2.9 The costs of the Independent Expert must be borne equally by the Seller and the Purchaser.

7.2.10 When:

- (a) the Seller and the Purchaser reach agreement on the Completion Balance Sheet as confirmed by the Parties in writing;
 - (b) the Seller and the Purchaser are deemed to reach agreement on the Completion Balance Sheet pursuant to Clause 7.2.2 or Clause 7.2.5; or
 - (c) the Completion Balance Sheet is finally determined at any stage in accordance with the procedures set out in this Clause 7.2.
- the Completion Balance Sheet as so agreed or determined shall constitute the relevant final Completion Balance Sheet (the "**Final Completion Balance Sheet**") for the purposes of this Agreement and shall be final and binding on the Parties.

7.3 Access to Personnel and Records

To the extent legally permitted, the Purchaser shall, to the extent that Records of the Business are transferred to the Purchaser, (i) within sixty (60) Business Days after the Completion Date or such other date as may be mutually agreed by the Seller and the Purchaser; and (ii) during the dispute period in case of dispute on the Completion Balance Sheet in accordance with Clause 7.2, provide the Seller, its employees, agents and advisers upon reasonable notice, access during the Working Hours to premises and personnel (including, without limitation, actuarial, finance and reinsurance staff) and to relevant Records of the Business transferred within the power or control of the Purchaser for the purposes of preparing the Completion Balance Sheet as contemplated by sub-clause 7.1.1.

7.4 True-up

Within fifteen (15) Business Days of the Final Completion Balance Sheet having been agreed or determined in accordance with Clause 7.2:

- 7.4.1 if the amount of the Net Assets / (Liabilities) before transfer of Reserve Assets set out in the Final Completion Balance Sheet is less than the amount of the Net Assets / (Liabilities) before transfer of Reserve Assets set out in the Pre-Completion Balance Sheet, the Seller shall transfer to the Purchaser an amount in cash equal to such shortfall amount; and
 - 7.4.2 if the amount of the Net Assets / (Liabilities) before transfer of Reserve Assets set out in the Final Completion Balance Sheet exceeds the amount of the Net Assets / (Liabilities) before transfer of Reserve Assets set out in the Pre-Completion Balance Sheet, the Purchaser shall return to the Seller an amount in cash, equal to such difference,
- in each case, such payment shall be made by transfer of funds for same day value to the bank account which is notified in writing to the Party required to make a payment under this Clause 7.4 by the other Party.

8. SEPARATION AND MIGRATION PLANNING AND TRANSITIONAL SERVICES

8.1 The Parties agree and acknowledge that the objective of the Parties in relation to the Separation is the timely and effective separation of the Business Assets from the Seller and the transfer of the Business Assets to the Purchaser in a state such that the Purchaser is capable of operating and managing the Business Assets in a competent and functional manner from the Effective Time. The Parties agree to execute the Services Agreement ("**Services Agreement**") in the form and substance as Schedule 9 to this Agreement, concurrently with the execution of this Agreement. The Parties acknowledge and agree that the Services Agreement includes the separation plan (the "**Separation Plan**"), Data Migration, Transitional Services and any respective supporting services by the Seller as further defined in the Services Agreement.

8.2 From the date of this Agreement, the Parties shall cooperate in good faith to plan and prepare for the implementation of the transactions contemplated by this Agreement and the Services Agreement.

8.3 As soon as reasonably practicable after the date of this Agreement, the Parties shall establish (at their own costs) a joint migration committee to oversee and manage the Separation and the Data Migration referred to in Clause 8.1 (the "**Migration Committee**") comprising an equal number of suitable representatives nominated by the Seller and the Purchaser, such representatives to have the requisite skills, knowledge and experience to discuss, co-ordinate and make arrangements to give effect to the Services Agreement. Any decision by the Migration Committee shall require the approval of at least one nominee of the Purchaser and one nominee of the Seller. The Parties acknowledge and agree that the Migration Committee will be the primary forum through which the Seller and the Purchaser will work together to implement the Separation Plan, Data Migration and other matters under the Services Agreement and will meet on a regular basis as appropriate to this end.

8.4 The Migration Committee shall in good faith coordinate for the execution and implementation of the Services Agreement. It is the Purchaser's plan to complete the Data Migration on or within a certain period after the Completion Date, subject to discussion and agreement by the Parties.

8.5 The Parties shall comply with their respective obligations under the Services Agreement and shall provide or deliver to each other such information or tasks as another Party may reasonably require to perform its obligations under the Services Agreement. For avoidance of doubt, it will be the obligation of the Seller to proceed with the Separation on condition that the Purchaser completes the matters required for the Separation provided in the Services Agreement, and the obligations of the Seller and the Purchaser to have the data and the required Records appropriately migrated to the Purchaser's IT Systems in a timely, functional and effective manner.

8.6 The Seller agrees to bear all of the expenses, fees, prices and costs for the preparation services and the Transitional Services, as further set forth in the

Services Agreement. The Purchaser agrees to pay the prices and costs of the services for the Data Migration and the post migration supporting services provided by the subcontractors engaged and paid by the Seller for DMS IT development (as defined in the Schedule 3 of the Services Agreement), as further set forth in the Services Agreement. For the avoidance of any doubt, each Party shall pay its own costs in relation to the performance of its obligations and the completion of its tasks under the Services Agreement.

8.7 If the transactions contemplated by this Agreement are not completed and this Agreement is terminated for the reasons other than that item 4 of the Seller's Conditions in Schedule 3 is not satisfied before the Long Stop Date or Allianz SE does not complete the capital injection into the Seller, fifty percent (50%) of all prices, costs and expenses actually paid by the Seller for the preparation services in relation to the Business IT Systems (as further defined in the Services Agreement) as set forth in Schedule 3 of the Services Agreement shall be reimbursed by the Purchaser to the Seller within two (2) weeks after this Agreement is terminated.

8.8 Save for the interfaces between the Business IT Systems and the Purchaser's IT Systems as agreed by the Parties in the Separation Plan and/or the Services Agreement, each Party agrees and acknowledges that the Separation Plan, or any other provision of this Agreement:

8.8.1 does not grant or shall not be deemed to grant permission to a Party, its representatives or group members to access; and

8.8.2 such Party shall not (and shall procure that its representatives or group members will not) access prior to the Completion Date,

in the case of the Purchaser, the Business IT Systems, and in the case of the Seller, the Purchaser's IT Systems, or any other network, including without limitation, systems, local area networks, wide area networks, virtual private networks, or networks connected to third party systems of the other Party (as the case may be).

9. UNDERTAKINGS RELATING TO THE IMPLEMENTATION OF TRANSFER OF BUSINESS

9.1 The Seller and the Purchaser in relation to the transfer of the Business shall together, as soon as practicable after the date of this Agreement, meet with the FSC to discuss the steps and timetable for the transfer as necessary.

9.2 Each Party shall use its reasonable endeavours to achieve the steps and timelines agreed by the Parties following discussion with the FSC to implement the transfer of the Business.

9.3 Each Party agrees to keep the other Party informed of all material developments relating to, or which may materially impact upon, the timely implementation of the transfer and the steps proposed therein.

9.4 The Seller and the Purchaser in respect of the transfer of the Business will: (i) consult with each other with regard to any material communications, correspondence or documents (collectively, "Documents") relating to obtaining the approvals required to give effect to the transfer of the Business to be sent, filed or submitted by either of them to, or received by either of them from the Regulatory Authority (including but not limited to the FSC and any other competent authorities that the Parties shall file for their approvals required to give effect to the transactions contemplated by this Agreement) at such time as will allow the other Party a reasonable opportunity to provide comments on such Documents; (ii) give each other all information reasonably requested by that Party in connection with any application relating to obtaining the approvals required to give effect to the transfer of the Business Assets; (iii) take into account the reasonable comments of the other in relation to any such Documents to be sent, filed or submitted by either of them to the Regulatory Authority; (iv) provide each other with copies of all such Documents (except the documents solely related to each Party) either sent to, or received from, the Regulatory Authority to implement the transfer of the Business (except the documents solely related to each Party); and (v) where requested, allow persons nominated by the other Party to attend any meeting or telephone call with the Regulatory Authority in relation to obtaining the approvals required to give effect to the transfer of the Business.

9.5 The Parties undertake that all information to be provided to the Regulatory Authority in connection with the transfer of the Business shall be true and accurate and not misleading in any material respect.

10. NOTICE OF TRANSFER

10.1 As soon as reasonably practicable after the execution of this Agreement or unless otherwise required under the securities or insurance law which requires the Seller or the Purchaser to make a public announcement immediately after the execution of this Agreement or any material development of the transaction contemplated under this Agreement, the Parties shall procure that an announcement of transfer relating to the sale and purchase of the Business Assets is published. Such announcement shall be given without prejudice to the rights and obligations of the Parties, as against each other, under this Agreement.

10.2 The Parties must execute all documents and do all other things necessary to qualify as, and give effect to a spin-off under the R.O.C. Business Mergers and Acquisitions Act, to the extent possible, of the Business, including without limitation (but subject to any additional or new requirements as may be imposed by the relevant Regulatory Authority):

10.2.1 preparing a public announcement, in a form to be agreed between the Seller and the Purchaser, to be published jointly in a national newspaper in the R.O.C. by the Seller and the Purchaser with respect to the spin-off which will include, without limitation, the following details:

- (a) names of the Seller and the Purchaser;

- (b) the scope of the Business Assets and the Liabilities to be transferred; and
- (c) a period of no less than thirty (30) days for the Seller's creditors (including the Policyholders) to raise objection.

10.2.2 publishing the public announcement after the Seller's shareholders' meeting referred to item 2 of the Seller's Conditions in Schedule 3 and the Purchaser's shareholders' meeting referred to item 2 of the Purchaser's Conditions in Schedule 3 respectively approve the transactions contemplated by this Agreement; and

10.2.3 after the Seller's shareholders' meeting referred to item 2 of the Seller's Conditions in Schedule 3 and the Purchaser's shareholders' meeting referred to item 2 of the Purchaser's Conditions in Schedule 3 respectively approve the transactions contemplated by this Agreement, the Parties shall procure that a notice, which will include, without limitation, the details set forth in Clause 10.2.1(a) to 10.2.1(c), is sent to each of the Policyholders and creditors in relation to the Business Assets, informing them of the transfers to be effected under this Agreement.

10.3 Upon satisfaction of all the Conditions listed in Schedule 3, the Parties shall procure that a public announcement, in a form to be agreed between the Seller and the Purchaser and approved or acknowledged by the FSC, will be published jointly by the Parties in a national newspaper in the R.O.C.

10.4 Upon satisfaction of all the Conditions as listed in Schedule 3, the Parties shall procure that a notice, in a form to be agreed between the Seller and the Purchaser, is sent to each of the Policyholders, informing them of the transfer to be effected on the Completion Date.

10.5 If a Policyholder raises his/her objection to the transfer of his/her Insurance Policy to the Purchaser within any thirty (30) days period of time as notified by the Seller (the "**Objection Period**") and does not withdraw such objection before the Completion Date (the "**Dissenting Policyholder**"), the Seller shall exercise its best effort to deal with and settle with the Dissenting Policyholder by offering to refund the policy value and terminate the Insurance Policies of such Dissenting Policyholders (the "**Termination Program**").

10.6 Notwithstanding Clause 10.5 above, if a Regulatory Authority imposes or requests a condition or requirement which deviates from the Termination Program, the Parties shall use their reasonable endeavor to discuss and negotiate in good faith (a) with the Regulatory Authority for the purpose of seeking to remove such condition or requirement, and (b) with each other to determine if Reserve Assets adjustment mechanism may make the imposed condition or requirement mutually acceptable. If such condition or requirement cannot be removed or agreed by the Seller within ninety (90) days after it is imposed or made, and the Parties cannot agree within such period on a mechanism that makes the condition or requirement acceptable for both Parties, a Party may terminate this Agreement by giving written notice to the other Party save for the Surviving Provisions.

10.7 To clarify any Policyholder's concern or inquiry regarding the identity and other matters of the Purchaser, the Purchaser agrees to provide the Seller with all non-confidential documents and information reasonably requested by the Seller or the Policyholder.

11. COMPLETION

11.1 Completion shall take place at 10 a.m. at the office of Baker & McKenzie, Taipei Office, on the Completion Date.

11.2 If the effective date set forth in the Spin-Off Plan needs to be changed, the Parties agree to change such effective date to the Completion Date in accordance with this Agreement.

11.3 On the Completion Date, the Seller and the Purchaser shall do all those things respectively required of them in Schedule 4. The Purchaser shall pay to the Seller the Purchase Price by transfer of funds for same day value to the account which is specified in Schedule 4 or any other account which is subsequently notified in writing to the Purchaser by the Seller at least three (3) Business Days prior to the Completion Date.

11.4 Neither the Seller nor the Purchaser is obliged to complete this Agreement in relation to the sale and purchase of the Business Assets unless the sale and purchase of the Business Assets is completed simultaneously.

11.5 If the Purchaser or the Seller fails to comply with any of its obligations under this Clause 11 and Schedule 4 (whether that failure amounts to a repudiatory breach or not), then the Seller (in the case of non-compliance by the Purchaser), or the Purchaser (in the case of non-compliance by the Seller), may by notice in writing to the defaulting Party (without prejudice to any other rights of the Purchaser or the Seller, as the case may be, under this Agreement):

11.5.1 proceed to such Completion to the extent reasonably practicable and require the defaulting Party to perform its obligations pursuant to Schedule 4 within three (3) Business Days or such other period deemed appropriate by the notifying party; or

11.5.2 postpone such Completion to such date as the notifying Party may specify (being a date not later than the Long Stop Date).

11.6 If a Party postpones the Completion to another date in accordance with sub-clause 11.5.2, the provisions of this Agreement shall apply as if that other date is the Completion Date.

12. SELLER'S WARRANTIES AND LIMITATIONS OF LIABILITY

12.1 The Seller warrants and represents to the Purchaser that as at the date of this Agreement and at Completion the Warranties set out in Schedule 6 are true, accurate and not misleading.

12.2 The Warranties are qualified by the facts and circumstances disclosed in the Disclosure Letter or the Supplemental Disclosure Letter or in any of the documents annexed to the Disclosure Letter or the Supplemental Disclosure Letter and by all information disclosed in the Data Room to the extent that the information disclosed in the Data Room is provided to the Purchaser in a disk.

12.3 The Purchaser acknowledges and agrees that:

12.3.1 no representation or warranty (express or implied) has been made by the Seller or any of its respective directors, supervisors, shareholders, employees or advisers as to, and no provision of this Agreement will be construed as a representation or warranty (express or implied) as to:

(a) the accuracy of the forecasts, estimates, projections or statements of intent provided to the Purchaser—or their advisers on or prior to the date of this Agreement (whether in the transaction summary document prepared by The Hongkong and Shanghai Banking Corporation Limited dated April 2017, the actuarial report prepared by Towers Watson Hong Kong Limited entitled Valuation of Legacy Block as of 31 December 2016 dated 18 April 2017, presentations or otherwise) or in the Data Room;

(b) the future performance, probable success or future profitability of the Business;

(c) the adequacy of the Reserve Assets, Reserves or provisions for losses, claims, premiums, policy benefits and expenses in respect of the Business; or

(d) any judgment based on and the appropriateness of any actuarial principles, assumptions or methodologies adopted by the Seller and applied by the Seller in the preparation of the Appointed Actuary Opinion of the Seller for the year ended on 31 December 2016; and

12.3.2 subject to compliance by the Seller with Clauses 6 and 7, the applicable R.O.C. laws and the requirements by the Regulatory Authority, the Seller shall not have any liability to the Purchaser if the Reserve Assets are not adequate to meet the liabilities assumed by the Purchaser pursuant to this Agreement.

12.4 The Seller hereby covenants and undertakes to the Purchaser that the Seller shall compensate and indemnify the Purchaser and keep the Purchaser fully and effectively compensated, indemnified and harmless from and against all Losses and/or additional liabilities to the Liabilities which may be made against or suffered or incurred by the Purchaser on or after the Effective Time, caused by or arising from (i) any inaccuracy in or breach of the Warranties, (ii) failure of the performance of provisions under this Agreement, and/or (iii) any statutory joint and several liabilities with the Seller arising from the spin-off and claimed against the Purchaser under the Business Mergers and

Acquisitions Act, **provided that** the statutory joint and several liabilities are claimed against the Purchaser within two (2) years after the Completion Date.

13. **THE PURCHASER'S WARRANTIES AND THE PARTIES' REMEDIES AND UNDERTAKINGS**

13.1 The Purchaser represents and warrants to the Seller that as of the date of this Agreement and at Completion:

13.1.1 it is a company duly incorporated and validly existing under the laws of the R.O.C.;

13.1.2 it has the right, power and authority, and has or will have taken all action necessary, to execute, deliver and exercise its rights and perform its obligations, under this Agreement and each document to be executed at or before the Completion to which it is expressed to be a party (the "**Purchaser's Completion Documents**") and it is not aware of any facts or circumstances which may reasonably be expected to prevent, delay or otherwise negatively affect the fulfilment of the approvals listed Schedule 3;

13.1.3 subject to the approval listed in Schedule 3, it has the relevant licenses, authorisations and approvals required by applicable law in the R.O.C. as the case may be to carry on the business comprising the Business Assets to be acquired by it pursuant to this Agreement;

13.1.4 its obligations under this Agreement and the Purchaser's Completion Documents are, or when the relevant Purchaser's Completion Document is executed will be, binding on and enforceable against the Purchaser;

13.1.5 the Purchaser will, at the Completion, have immediately available on an unconditional basis the necessary cash resources to meet its obligations under this Agreement and the Purchaser's Completion Documents;

13.1.6 the execution and delivery of, and the performance by the Purchaser of its obligations under this Agreement and the Purchaser's Completion Documents will not:

(a) result in a breach of any provision of the memorandum or articles of association or by-laws or equivalent constitutional documents of the Purchaser;

(b) result in a breach of, or constitute a default under, any instrument to which the Purchaser is a party or by which the Purchaser is bound;

(c) result in a breach of any order, judgment or decree of any court or governmental agency to which the Purchaser is a party; or

(d) save as set out in Schedule 3, require the Purchaser to obtain any consent or approval of, or give any notice to or make any registration with, any Regulatory Authority which has not been

obtained or made at the date hereof on an unconditional basis; and

13.1.7 the Purchaser is not insolvent or unable to pay their debts as they fall due and will not become insolvent as a result of entering into this Agreement.

13.2 Notwithstanding that either Party becomes aware at any time before or after the Completion (whether or not by reason of the Disclosure Letter, the Supplemental Disclosure Letter or any of the documents annexed to the Disclosure Letter or the Supplemental Disclosure Letter):

13.2.1 of a fact or circumstance which gives rise to or which would or might give rise to a Claim;

13.2.2 that there has been a breach of any other provision of this Agreement; or

13.2.3 that there may be a claim against either Party under any representation, statement, assurance, covenant, undertaking, indemnity, guarantee or commitment given by or on behalf of either Party in connection with this Agreement.

Neither Party shall be entitled to terminate or rescind this Agreement or treat this Agreement as terminated (other than termination as permitted under this Agreement) and, accordingly, each Party waives all and any rights of rescission it may have in respect of any such matter (howsoever arising or deemed to arise), other than any such rights in respect of fraud of the other Party or the Seller's Group.

13.3 Either Party of this Agreement undertakes to the other Party, that, save in the case of fraud, either Party shall not make any claim against any employee, director, supervisor, shareholder, agent, officer or advisor of the other Party on whom it may have relied before agreeing to any term of, or entering into, this Agreement.

13.4 The Purchaser confirms that it is not aware as at the date of this Agreement of any fact, matter or circumstance which constitutes a breach of any Warranty.

13.5 The Purchaser represents and agrees and the Seller represents and agrees that it has not and will not in connection with the transactions contemplated by this Agreement and any Transaction Documents make any other payment or transfer anything of value, offer, promise or give a financial or other advantage or request, agree to receive or accept a financial or other advantage either directly or indirectly:

13.5.1 to any governmental official or employee (including employees of a government corporation or public international organisation) or to any political party or candidate for public office; or

13.5.2 to any other person or entity if such payments or transfers would violate or cause (a) the Seller to be in violation of the laws of U.S., Germany or

the R.O.C. (or any part thereof), or (b) the Purchaser to be in violation of the laws of U.S., Germany or the R.O.C.

13.6 It is the intention of the Seller and the Purchaser that in the course of their respective negotiations and performance of this Agreement and the Transaction Documents no payment or transfers of value, offers, promises or giving of any financial or other advantage or requests, agreements to receive or acceptances of any financial or other advantage will be made either directly or indirectly which have the purpose or effect of public or commercial bribery or acceptance of or acquiescence in bribery, extortion, kickbacks, greasing or other unlawful or improper means of obtaining or retaining business, commercial advantage or the improper performance of any function or activity.

14. POST-COMPLETION UNDERTAKINGS

14.1 To the extent any monies are received by the Seller's Group under or in respect of any Asset after the Completion, the Seller undertakes to hold such monies on trust for the Purchaser and to pay such monies to the Purchaser as soon as practicable and in any event within thirty (30) days of receipt.

14.2 Subject to Clause 14.1, if any Assets of the Seller are not, or is not capable of being transferred on the Completion Date for any reason, the Seller shall to the extent permitted by law, on and from the relevant Completion Date, hold any such Assets as trustee for the Purchaser absolutely, or otherwise as the Purchaser shall reasonably direct and the Purchaser and Seller shall use their reasonable endeavours to procure the transfer of such Assets as soon as practicable after the Completion Date.

14.3 If any Liabilities of the Seller are not, or is not capable of being transferred on the Completion Date for any reason, the Purchaser shall to the extent permitted by law, on and from the relevant Completion Date, perform all the obligations of the Seller under the relevant Liability and shall indemnify the Seller against each Loss in respect of any failure on the part of the Purchaser to perform those obligations, or otherwise as the Seller shall reasonably direct and the Purchaser and Seller shall use their reasonable endeavours to procure the transfer of such Liabilities as soon as practicable after the Completion Date.

14.4 For the avoidance of doubt, the Seller shall be responsible for the commission, remuneration, rebate and/or any other similar payable to the Seller's sales personnel, the Seller's agents and any other distribution channels of the Seller in relation to the Insurance Policies being underwritten and issued prior to the Completion Date.

15. USE OF, MAINTENANCE AND ACCESS TO RECORDS

15.1 The Seller shall (subject to compliance with applicable law) have the right to retain copies of all Records relating to periods ending on or prior to the Completion Date:

- 15.1.1 as required by any applicable law, regulation, rule or direction of any court of law, Regulatory Authority or stock exchange; or
- 15.1.2 as may be necessary for the Seller to perform its obligations pursuant to this Agreement or any of the Transaction Documents;
- provided that** any use or process of the Records shall be subject to any applicable law, regulation, rule or direction of any court of law, Regulatory Authority or stock exchange.
- 15.2 The Parties acknowledge that each of the Seller and the Purchaser may sell or market life insurance products to any customers, including the Policyholders, as an open market. However, the Seller will use best efforts to avoid any organized campaigns on the distribution of life insurance products not targeting at the mass customers but solely at the Policyholders, unless such Policyholders already maintained other insurance policies with the Seller before the execution of this Agreement.
- 15.3 Each Party agrees that, with respect to all Records existing as of the Completion Date, it shall (and will procure each member of its group shall):
- 15.3.1 comply in all material respects with all applicable laws relating to the preservation and retention of records; and
- 15.3.2 apply preservation and retention policies that are no less stringent than those generally applied by it.
- 15.4 To the extent permitted and as required under applicable laws, for the period of ten (10) years from the Completion the Purchaser shall make available to, or provide access to, the Seller and its representatives any Records relating to the Business Assets with respect to periods prior to the Completion Date which are reasonably requested in writing (within a reasonable scope and period after reasonable notice being given and within normal business hours) for a Proper Purpose; **provided that** the Seller shall treat all information and documents to which they have access hereunder as confidential (unless otherwise specifically permitted by law) and reimburse the Purchaser all reasonable out of pocket costs in allowing such access.
- 15.5 To the extent permitted and as required under applicable laws, for the period of ten (10) years from the Completion, the Seller shall, and shall procure that each member of the Seller's Group shall, make available to, or provide access to, the Purchaser and its representatives any records of the Seller relating to the Business Assets with respect to periods prior to the Completion Date which are reasonably requested in writing (within a reasonable period after reasonable notice being given and within normal business hours) for a Proper Purpose; **provided that** the Purchaser shall treat all information and documents to which they have access hereunder as confidential (unless otherwise specifically permitted by law) and reimburse the Seller or member of the Seller's Group all reasonable out of pocket costs in allowing such access.

- 15.6 For the purposes of Clauses 15.3 and 15.4, "**Proper Purpose**" shall mean the access required by a Party to investigate any matters relating to the Businesses before the Completion Date, in order to comply with any applicable law or reporting requirements (including in relation to finance or tax), or to respond to requests or inquiries made by any regulatory authority, stock exchange, court of law or Regulatory Authority.
- 15.7 Nothing in Clauses 15.3 or 15.4 shall oblige a Party to allow access to information which:
- 15.7.1 is confidential or commercially sensitive to the activities and operations of that Party other than in relation to the Business;
- 15.7.2 cannot be shared with the other Party following the Completion in accordance with applicable laws, rules or regulations; or
- 15.7.3 to the extent that the other Party is prevented or restricted from disclosing such information to third parties pursuant to non-disclosure or confidentiality obligations which are binding on the other Party.
- 15.8 The Seller and the Purchaser shall cooperate with each other and use their good faith and commercially reasonable efforts to give effect to the provisions of this Clause 15.
16. **SALES LITERATURE & INTELLECTUAL PROPERTY RIGHTS**
- 16.1 Except as otherwise expressly permitted under this Agreement or one or more Transaction Documents as soon as reasonably possible after the Completion Date and in any event by no later than six (6) months after the Completion Date:
- 16.1.1 the Purchaser shall not represent that the Seller or any member of the Seller's Group retains any connection with the Business transferred to that Purchaser and shall ensure that no item of sales literature or publicity material relating to the Business transferred to that Purchaser is distributed or issued by it after the Completion Date with any reference to any member of the Seller's Group and the Purchaser shall not use or adopt any other trade mark or trade name, corporate name or design that is confusingly similar to the Registered Trade Marks; and
- 16.1.2 the Purchaser shall cease to use the Trade Marks on all materials owned or used by, or on behalf of, that Purchaser, including any business stationery (including schedules), inventories, periodic statements, customer agreements, packaging materials, publicity releases and forms, overseas emergency assistance service cards, websites and email ("**Materials**").
- 16.2 Nothing in this Agreement shall oblige the Purchaser to remove or obliterate any Trade Marks from:
- 16.2.1 any Materials (or copies of such Materials) in existence prior to the Completion Date (and to which the Trade Marks were applied prior to the

the Completion Date) that have been issued to or otherwise distributed to Policyholders or any Records that are delivered by the Seller to the Purchaser;

16.2.2 the product names of the Insurance Policies carrying out the Seller's trade name, whichever is not permissible for any amendment to replace with the Purchaser's name, due to the sales having been ceased and consequently de-registered with the Regulatory Authority; **provided that** the Purchaser's use shall be only to the extent of re-issuance of the policy provision documents (保單條款) or any other Materials or documents bearing the product name for the performance of the provisions under the Insurance Policies by the Purchaser or in the event that a Policyholder claims for the loss of the foregoing document;

16.2.3 any notice sent to the Policyholders or announcement made pursuant to Clause 10; or

16.2.4 any non-Policyholder facing Records that are used for internal purposes only.

16.3 The Seller hereby grants the Purchaser, with effect from the Completion Date, a non-exclusive, perpetual, worldwide, assignable, irrevocable, royalty-free licence (with the right to sub-licence) to use all Intellectual Property Rights (excluding any Trade Marks, save for those provided under Clause 16.2) subsisting in the Records and Business Assets (including but not limited to reproducing, copying, translating or amending the Records and/or extracting all or a substantial part of the contents of any database comprising the Records) and such materials and emergency assistance service cards in respect of which the Purchaser is not required to remove or obliterate the Trade Marks under Clauses 16.2, solely for the purposes of the Business, but only in accordance with the limitations on use of the Records under this Agreement and subject to any restrictions on use prescribed by all applicable laws, statutes, regulations, rules, orders, directives, requirements, standards, guidelines and industry codes of practice, in each case having legal effect or stipulated by any Regulatory Authority.

17. CONFIDENTIAL INFORMATION

17.1 Subject to Clauses 17.2 and 18.1, the Seller undertakes to the Purchaser, and the Purchaser undertakes to the Seller, the Seller acting for itself and as agent and trustee for each other members of the Seller's Group, that it shall treat as confidential all information received or obtained as a result of entering into or performing this Agreement which relates to:

17.1.1 the other Party including, where that other Party is the Seller, each member of the Seller's Group and where that other Party is the Purchaser, the Purchaser;

17.1.2 the provisions or the subject matter of this Agreement or any document referred to herein and any claim or potential claim thereunder;

17.1.3 in the case of the Seller, any information relating to the Business Assets following the Completion; or

17.1.4 the negotiations relating to this Agreement or any documents referred to herein.

17.2 Clause 17.1 does not apply to disclosure of any such information as is referred to in Clause 17.1:

17.2.1 which is required or requested to be disclosed by law, by a rule of a listing authority, court of law, or stock exchange to which any Party is subject or submits or by a Regulatory Authority or other authority with relevant powers to which any Party is subject or submits, whether or not the requirement has the force of law; **provided that** the disclosure shall, so far as is practicable and to the extent permissible under R.O.C. law, be made after consultation with the other Party and after taking into account the other Party's reasonable requirements as to its timing, content and manner of making or despatch;

17.2.2 to an adviser for the purpose of advising in connection with the transactions contemplated by this Agreement; **provided that** such disclosure is essential for these purposes and is on the basis that Clause 17.1 applies to the disclosure by the adviser;

17.2.3 by the Seller to any member of the Seller's Group or by the Purchaser to its affiliate;

17.2.4 to a director, supervisor, officer or employee of a member of the Seller's Group or the Purchaser's affiliate whose function requires him to have the relevant confidential information; or

17.2.5 to the extent that the information has been made public by, or with the consent of, the other Party.

17.3 Without prejudice to Clause 17.2, each Party acknowledges and agrees, for itself and as agent on behalf of each member of its group that if a Party to this Agreement or a member of that Party's group considers that disclosure of any such information as is referred to in Clause 17.1 is required for a genuine business purpose, such disclosure shall be permitted subject to the recipient having entered into a confidentiality undertaking to keep such information confidential.

17.4 The restrictions contained in this Clause 17 shall continue to apply for a period of three (3) years after Completion or the termination of this Agreement, whichever is earlier.

18. ANNOUNCEMENTS

18.1 Subject to Clauses 10.1 and 18.2, the Seller (acting for itself and as agent on behalf of each member of the Seller's Group) undertakes to the Purchaser and the Purchaser undertakes to the Seller (and the Seller acting for itself and as agent and trustee for each member of the Seller's Group) that it will not, before

or after the Completion, make or send a public announcement, communication or circular concerning the transactions referred to in this Agreement unless it has first obtained the other Parties' written consent, which may not be unreasonably withheld or delayed.

18.2 Clause 18.1 does not apply to:

18.2.1 a public announcement, communication or circular made or sent by the Purchaser after the Completion to a customer, client, business partner or supplier of the Business Assets informing it of the Purchaser's purchase of the Assets or made or sent by the Seller before such Completion to a customer, client, business partner or supplier informing it of, or with a view to assisting with, the transfer of the Business Assets to the Purchaser as contemplated by this Agreement; or

18.2.2 a public announcement, communication or circular required or requested by law, by a rule of a listing authority by which any Party's or Party group's shares are listed, a stock exchange on which any Party's or Party group's shares are listed or traded or by a Regulatory Authority or other authority with relevant powers to which any Party or Party's group is subject or submits, whether or not the requirement has the force of law; **provided that** the public announcement, communication or circular so far as is practicable be made after consultation with the other Party and after taking into account the reasonable requirements of the other Party as to its timing, content and manner of making or despatch.

19. **COSTS AND TAXES**

19.1 All the Taxes (other than the tax on Seller's income or capital gains) and fees arising from the transfer of the Business Assets, including but not limited to the business tax, transfer tax, securities transaction tax, registration fees and stamp duty shall be borne by the Purchaser. Within ten (10) days after the Seller receives the Purchase Price, the Seller will issue and deliver a receipt to the Purchaser in respect of the Purchaser's acquisition of the Business Assets.

19.2 Except where this Agreement or the relevant document provides otherwise, each Party shall pay its own costs (including legal costs) relating to the negotiation, preparation, execution and performance by it of this Agreement and of each document referred to in it.

20. **GENERAL**

20.1 A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each Party.

20.2 The failure to exercise or delay in exercising a right or remedy provided by this Agreement or by law does not impair or constitute a waiver of the right or remedy or an impairment of or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by this Agreement or by law prevents further exercise of the right or remedy or the exercise of another right or remedy.

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20.3 If a Party fails to pay a sum due from it under this Agreement on the due date of payment in accordance with the provisions of this Agreement, that Party shall pay interest on the overdue sum from the due date of payment until the date on which its obligation to pay the sum is discharged at the rate being the sum of 5% per annum (whether before or after judgment). Interest accrues and is payable from day to day.

20.4 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable under the laws of any jurisdiction, that shall not affect:

20.4.1 the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

20.4.2 the legality, validity or enforceability under the laws of any other jurisdiction of that or another provision of this Agreement.

20.5 The protection of the rights and interests of creditors, Policyholders, and other stakeholders of the Seller in relation to the Business shall follow the R.O.C Business Mergers and Acquisition Act, Financial Institution Merger Act and other relevant laws and regulations of the R.O.C. The Purchaser undertakes to protect the security and privacy of the Policyholder Data transferred from the Seller under this Agreement in a degree no less than the regulatory requirements under the Personal Data Protection Act of the R.O.C.

21. **ENTIRE AGREEMENT**

21.1 This Agreement and each document referred to in it constitutes the entire agreement and supersedes any previous agreements between the Parties relating to the subject matter of this Agreement.

21.2 Either Party acknowledges and agrees that unless otherwise provided for under this Agreement:

21.2.1 no member of the Seller's Group or adviser to the Seller, or neither the Purchaser nor advisor to the Purchaser has made any representation or warranty (whether express or implied) that the Purchaser or the Sellers, as the case may be, considers material which is not set out in the Transaction Documents;

21.2.2 it has not entered into the Transaction Documents in reliance on any representation or warranty except those set out in the Transaction Documents; and

21.2.3 it will not contend to the contrary.

21.3 For the avoidance of doubt, regardless of any statutory remedy that may exist, the Seller does not have any liability of any kind to the Purchaser for any representation, warranty, covenant or obligation except in respect of the remedies set out in this Agreement and the Transaction Documents.

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21.4 Nothing in this Clause 21 shall have the effect of limiting or restricting any liability arising as a result of any fraud, wilful misconduct or gross negligence of the Seller, a member of the Seller's Group or the Purchaser.

22. ASSIGNMENT

22.1 Subject to Clause 22.2 or otherwise provided under this Agreement, neither the Purchaser nor the Seller shall assign, transfer, declare a trust of the benefit of or in any other way alienate any of its rights under this Agreement whether in whole or in part.

22.2 Each of the Purchaser or the Seller may, with the consent of the other Party (such consent not to be unreasonably withheld) respectively, assign to a member of the Seller's Group or an affiliate of the Purchaser under the R.O.C. Company Act ("Affiliate") (as the case may be) the benefit of the whole or any part of this Agreement; provided that:

22.2.1 if the assignee ceases to be a member of the Seller's Group or an Affiliate of the Purchaser, it shall, before ceasing to be so, assign the benefit so far as assigned to it to another member of the Seller's Group or another Affiliate of the Purchaser, as the case may be;

22.2.2 the assignee shall not be entitled to receive under this Agreement any greater amount than that to which the assigning Party would have been entitled; and

22.2.3 no obligations of the Seller or the Purchaser (as the case may be) shall transfer pursuant to this Clause 22.2.

23. NOTICES

23.1 A notice or other communication under or in connection with this Agreement (a "Notice") shall be:

23.1.1 in writing; and

23.1.2 delivered personally, or sent by registered mail, or courier by an internationally recognised courier company (e.g. FedEx or DHL) or by fax, to the Party duly to receive the Notice at its address set out in Clause 23.3 or to such other address, person or fax number as the Party may specify by not less than seven days' written notice to the other Party received before the Notice was despatched.

23.2 In the absence of evidence of earlier receipt, a Notice shall be deemed to have been duly given if:

23.2.1 delivered personally, when left at the address referred to in sub-clause 23.1.2;

23.2.2 sent by registered mail or courier, two (2) Business Days after posting it; and

23.2.3 sent by fax, when confirmation of its transmission has been recorded on the sender's fax machine.

23.3 The address referred to in sub-clause 23.1.2 is:

| Name of Party | Address | Fax No. | Marked for the attention of |
|--|--|------------------|-----------------------------|
| Allianz Taiwan Life Insurance Co. Ltd. | 7 th Fl., No.100, Section 5, XinYi Road, XinYi District, Taipei, Taiwan | +886 2 8789 2199 | Danny Lam, CEO |
| CHINA LIFE INSURANCE CO., LTD. | 5 th Fl., No. 122, Dunhua N. Road, Song Shan District, Taipei, Taiwan | +886 2 8712 9055 | President |

24. GOVERNING LAW AND ARBITRATION

24.1 This Agreement and any non-contractual obligations arising out of or in connection with the Agreement is governed by, and shall be construed in accordance with, the laws of the R.O.C.

24.2 Any dispute, controversy or claim arising from or connected with this Agreement, including one regarding the existence, validity or termination of this Agreement or the consequences of its nullity and any contractual, pre-contractual or non-contractual rights, obligations or liabilities or other dispute (a "Dispute") shall be referred to the Chinese Arbitration Association, Taipei (the "Association") and finally resolved by arbitration under the R.O.C. Arbitration Law and the arbitration rules of the Association in force as at the date of this Agreement, which rules are deemed to be incorporated by reference into this Clause 24.2 and as may be amended by the rest of this Clause 24.2.

24.3 The arbitral tribunal shall consist of three arbitrators. The Seller shall have the right to appoint one arbitrator and the Purchaser shall have the right to appoint one arbitrator. Once two arbitrators have been appointed by the Seller and the Purchaser pursuant to this Clause 24.3, such appointed arbitrators shall jointly select and appoint the third arbitrator (or failing agreement, the Association shall promptly appoint the third arbitrator).

24.4 The seat of the arbitration shall be Taipei Taiwan, all hearings shall take place in Taipei Taiwan, and the language of the arbitration shall be English and Chinese.

24.5 Any award of the arbitral tribunal (the "Award") shall be made in writing and shall be final and binding on the Parties from the day it is made. The Parties undertake to carry out the Award without delay.

24.6 The Parties waive any right to refer points of law or to appeal to the courts, to the extent that such waiver can validly be made. The Parties shall not be deemed, however, to have waived any right to challenge any Award on the ground that the arbitral tribunal lacked substantive jurisdiction and/or on the

ground of serious irregularity affecting the arbitral tribunal, the proceedings or the Award to the extent allowed by law of the seat of arbitration. Nothing in this Clause 24.6 shall be construed as preventing any Party from seeking conservatory or interim relief from any court of competent jurisdiction.

25. **GOVERNING LANGUAGE**

25.1 This Agreement is drawn up in the English language. The Seller shall provide the Purchaser with the Chinese translation of this Agreement. Once this Agreement is translated into Chinese, the English language text prevails.

25.2 Each notice, demand, request, statement, instrument, certificate or other communication given, delivered or made by a Party to any other Party under or in connection with this Agreement shall be in English and Chinese.

26. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts (including by facsimile or by an electronic scan delivered by electronic mail), each of which when executed and delivered is an original and all of which together evidence the same agreement.

EXECUTED BY THE PARTIES

Signed by _____)
for and on behalf of _____)
ALLIANZ TAIWAN LIFE INSURANCE)
CO. LTD.)
AS THE SELLER)

Signature _____
Name Danny Lam

Signed by _____)
for and on behalf of _____)
CHINA LIFE INSURANCE CO., LTD.)
AS THE PURCHASER)

Signature _____
Name Yu-Ling, Kuo

SPIN OFF PLAN

SPIN-OFF PLAN OF ALLIANZ TAIWAN LIFE INSURANCE CO. LTD. (THE "SPIN-OFF PLAN")

Allianz Taiwan Life Insurance Company Limited ("Allianz Taiwan") contemplates to transfer certain of its traditional life insurance policy business, including assets and liabilities (collectively, "Business Assets") to China Life Insurance Co., Ltd. ("China Life"), by way of spin off through no capital reduction in accordance with the Business Mergers & Acquisitions Act (the "Spin-Off") in exchange for cash consideration to be paid by China Life without issuance of any new shares. The details of the Spin-Off Plan, which have been prepared in accordance with applicable law, are as follows:

Article 1 Companies Participating in the Spin-Off

As of the date of the Spin-Off Plan, the authorized capital of Allianz Taiwan is NT\$ 22,383,000,000, divided into 2,238,300,000 shares at the par value of NT\$10 per share and the paid-in capital of Allianz Taiwan is NT\$ 6,183,000,000, divided into 618,300,000 shares at the par value of NT\$10 per share.

As of the date of the Spin-Off Plan, the authorized capital of China Life is NT\$ 38,000,000,000, divided into 3,800,000,000 shares at the par value of NT\$10 per share and the paid-in capital of China Life is NT\$ 37,863,984,000, divided into 3,786,398,400 shares at the par value of NT\$10 per share.

Upon the completion of the Spin-Off, China Life will assume the Business Assets. China Life's head office will still be located at 5th Fl., No. 122, Dunhua N. Road, Song Shan District, Taipei, Taiwan and the territories within which China Life can conduct its businesses are the Republic of China (Taiwan) ("ROC") and other territories permitted by laws.

Article 2 Articles of Incorporation of China Life

The Articles of Incorporation of China Life are not required to be amended because of the Spin-Off.

Article 3 Method of Spin-Off

On the Effective Date (defined as below), Allianz Taiwan will transfer the Business Assets to China Life by way of the Spin-off in accordance with the Business Mergers and Acquisitions Act in exchange for cash to be paid by China Life to Allianz Taiwan.

Article 4 Effective Date

The contemplated effective date of the Spin-Off is 18 May 2018 or such other date as mutually agreed by Allianz Taiwan and China Life ("Effective Date").

Article 5 Scope, Value, Spin-Off Assets and Spin-Off Liabilities of the Business Assets and the Valuation Basis

(a) Scope: the legacy traditional life insurance business of Allianz Taiwan set forth in Appendix A as conducted by Legacy Traditional Business Unit ("傳統保單事業一部") of Allianz Taiwan as an independently operated business.

(b) Net asset value of the Business Assets is NT\$ 22,200,000,000.

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- (c) Assets: Estimated at NT\$ 50,600,000,000 ("Spin-Off Assets")
- (d) Liabilities: Estimated at NT\$ 28,400,000,000 ("Spin-Off Liabilities").

The aforementioned net asset value has been agreed by the parties to this Spin-Off Plan. The aforementioned Spin-Off Assets and Spin-Off Liabilities are estimates as of the Effective Date on the basis of pro-forma figures applying Taiwanese GAAP as of 31 December 2016.

(f) If the scope, Spin-Off Assets and Spin-Off Liabilities of the Business Assets need to be adjusted as required by the applicable laws and regulations or, the competent authorities, the board of directors of Allianz Taiwan and China Life or any person designated by them are authorized to make necessary adjustment without convening a shareholders meeting.

Article 6 Consideration to be provided by China Life

China Life will pay cash in the amount of NT\$ 1 to Allianz Taiwan as consideration for the Business Assets to be assumed by China Life. Such consideration has considered the expected increase of the aforementioned Liabilities (which include the insurance reserves) in accordance with the underlying valuation of the Business Assets.

Article 7 Assumption of Rights and Obligations

On the Effective Date, China Life will assume the Spin-Off Assets and Spin-Off Liabilities of the Business Assets in accordance with the Spin-Off Plan. Allianz Taiwan and China Life shall jointly proceed with any necessary transfer procedures.

Article 8 Methods to Protect the Rights and Interests of the Creditors and Policyholders

Notice of the Spin-Off shall be sent to the creditors (including Policyholder) and public announcement in a national newspaper shall be made in ROC as soon as the Spin-Off has been approved by the shareholders' meeting of Allianz Taiwan and the shareholders' meeting of the China Life. Any such notice shall set forth at least a thirty (30) day period for creditors (including the Policyholders) to raise their objections in accordance with the Business Mergers & Acquisitions Act.

Notice to be approved by the Financial Supervisory Commission ("FSC") shall be sent by Allianz Taiwan to the Policyholder and public announcement to be approved by FSC shall be made in a national newspaper in R.O.C., informing them of the transfer to be effected on the Effective Date after the Spin-Off has been approved by the FSC and Allianz Taiwan's capital injection has been approved by the Investment Commission of Ministry of Economic Affairs ("IC").

If a policyholder raises his/her objection to the transfer of his/her insurance policy to China Life within any thirty (30) days period of time as notified by the Seller and does not withdraw such objection before the Effective Date ("Dissenting Policyholder"), Allianz Taiwan shall deal with and settle with the Dissenting Policyholder by offering to refund the policy value and terminate the insurance policies of such Dissenting Policyholder.

Article 9 Employee

Allianz Taiwan will not transfer any employee to China Life under the Spin-Off Plan.

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Article 10 No Interruption of Service to Policyholders

In order to ensure a smooth transfer and not to cause interruption of services to the policyholders, the parties hereto agree to establish a joint committee to oversee and manage the separation.

Article 11 Governing Law

The Spin-Off Plan shall be governed by the laws of the ROC.

Article 12 Other Provisions

Any term or condition of this Spin-Off Plan which is invalid or contradicts any relevant laws or regulations and thereby becomes invalid shall be ineffective to the extent of such invalidity. The director or officer of the Parties so authorized by the Board of Directors or the Shareholders Meeting shall revise this Plan in such a manner to resolve any contradiction in accordance with relevant laws and regulations.

If there is any change required by the competent authorities to the terms and conditions of this Plan and such change is agreed by the parties hereto, the authorized persons of the parties may revise this Plan without convening a Board of Directors meeting or a Shareholders Meeting.

Should there is any matter not provided in the Spin-Off Plan, it shall be subject to the provisions separately agreed by the parties in the Agreement for the Sale and Purchase of the traditional Life Insurance Assets and Liabilities of Allianz Taiwan Life Insurance Co. Ltd, which shall prevail, and any captioned terms not defined in the Spin-Off Plan shall have the same meaning therein.

IN WITNESS WHEREOF, the parties hereto have caused the Spin-Off Plan to be executed by their duly authorized representatives as of [Date].

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ALLIANZ TAIWAN LIFE INSURANCE CO. LTD.

By: _____

Name: Danny Lam

Title: CEO

CHINA LIFE INSURANCE CO., LTD.

By: _____

Name: Yu-Ling. Kuo

Title: President

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Annex A

The Business comprises all policies with the following product/ endorsement code and product/ endorsement name.

| Prod Code | Product Name |
|-----------|-------------------------|
| ADDR | 安聯人壽意外傷害保險附約 |
| AHIR | 安聯人壽意外傷害保險附約 |
| AMRN | 安聯人壽意外傷害保險附約 |
| AMRS | 安聯人壽意外傷害保險附約 |
| CHR | 安聯人壽一年定期癌症醫療健康保險附約 |
| CHW0 | 安聯人壽菁英終身壽險 (甲型) |
| CHW1 | 安聯人壽菁英終身壽險 (乙型) |
| CHW2 | 安聯人壽菁英終身壽險 (丙型) |
| CR | 安聯人壽一年定期癌症健康保險附約 |
| CR2 | 安聯人壽新一年定期癌症健康保險附約 |
| CTB | 安聯人壽新防癌定期健康保險附約 |
| CTI | 安聯人壽新防癌定期健康保險 |
| CTR | 安聯人壽防癌定期健康保險附約 |
| CWB | 安聯人壽新防癌終身健康保險附約 |
| CWI | 安聯人壽新防癌終身健康保險 |
| CWR | 安聯人壽防癌終身健康保險附約 |
| DDR | 安聯人壽一年定期重大疾病暨特定傷病健康保險附約 |
| DR | 安聯人壽殘廢給付保險附約 |
| DTB0 | 安聯人壽重大疾病定期健康保險附約 (甲型) |
| DTB1 | 安聯人壽重大疾病定期健康保險附約 (乙型) |
| DW2 | 安聯人壽新潮流終身壽險 (202型) |
| DW3 | 安聯人壽新潮流終身壽險 (312型) |
| DWB0 | 安聯人壽重大疾病終身健康保險附約 (甲型) |
| DWB1 | 安聯人壽重大疾病終身健康保險附約 (乙型) |
| DW10 | 安聯人壽重大疾病終身健康保險 (甲型) |
| DW11 | 安聯人壽重大疾病終身健康保險 (乙型) |
| DWR | 安聯人壽重大疾病終身壽險附約 |
| EAI | 安聯人壽多利養老保險 (增值型) |
| EAI2 | 安聯人壽多利養老保險 (特別增值型) |
| EN1 | 安聯人壽金滿意養老保險 |
| EN2 | 安聯人壽金滿意分紅養老保險 |
| EN3 | 安聯人壽圓滿福養老保險 |
| EN5 | 安聯人壽圓滿養老保險 |
| ENR | 安聯人壽養老保險附約 |
| FIR | 安聯人壽骨力強傷害保險附約 |
| HII | 安聯人壽寶健醫療定期保險 (甲型) |

RESTRICTED

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| Prod Code | Product Name |
|-----------|--------------------------|
| HHR | 安聯人壽寶健醫療定期保險附約 (甲型) |
| HMR | 安聯人壽一年定期住院醫療費用保險附約 |
| HSH | 安聯人壽寶健醫療定期保險 (乙型) |
| HSHR | 安聯人壽寶健醫療定期保險附約 (乙型) |
| MBR | 安聯人壽重大燒燙傷傷害保險附約 |
| NDR | 安聯人壽享安心殘廢照護健康保險附約 |
| PAAR | 安聯人壽金平安傷害保險附約 |
| TL0 | 安聯人壽定期壽險 |
| TL1 | 安聯人壽寶平安還本定期壽險 |
| TLR | 安聯人壽定期壽險附約 |
| WA0 | 安聯人壽家樂5 5 5 增值終身壽險 (甲型) |
| WA1 | 安聯人壽家樂5 5 5 增值終身壽險 (乙型) |
| WA0N | 安聯人壽新家樂5 5 5 增值終身壽險 (甲型) |
| WA1N | 安聯人壽新家樂5 5 5 增值終身壽險 (乙型) |
| WB0 | 安聯人壽家福5 1 0 增值終身壽險 (甲型) |
| WB1 | 安聯人壽家福5 1 0 增值終身壽險 (乙型) |
| WCR0 | 安聯人壽新勇健終身健康保險附約 (甲型) |
| WCR1 | 安聯人壽新勇健終身健康保險附約 (乙型) |
| WDS1 | 安聯人壽家和終身壽險 |
| WDS2 | 安聯人壽家興終身壽險 |
| WE | 安聯人壽祥安增額終身壽險 |
| WF0 | 安聯人壽7 1 1 增值終身壽險 (甲型) |
| WF1 | 安聯人壽7 1 1 增值終身壽險 (乙型) |
| WH0 | 安聯人壽勇健醫療終身保險 (甲型) |
| WH10 | 安聯人壽勇健醫療終身保險 (乙型) |
| WH11 | 安聯人壽勇健醫療終身保險 (丙型) |
| WH11 | 安聯人壽勇健醫療終身保險 (丁型) |
| WIR0 | 安聯人壽勇健醫療終身保險附約 (甲型) |
| WSR0 | 安聯人壽勇健醫療終身保險附約 (乙型) |
| WIR1 | 安聯人壽勇健醫療終身保險附約 (丙型) |
| WSR1 | 安聯人壽勇健醫療終身保險附約 (丁型) |
| WL1 | 安聯人壽萬世富終身壽險 |
| WL1N | 安聯人壽萬世福終身壽險 |
| WLC | 安聯人壽快樂人生終身壽險 |
| WLP | 安聯人壽全民選本終身壽險 |
| WLR | 安聯人壽終身壽險附約 |
| WLRN | 安聯人壽新終身壽險附約 |
| WPR | 安聯人壽重大疾病及二至六級殘廢豁免保險費附約 |
| WPTD | 安聯人壽要保人豁免保險費健康保險附約 |
| WSB | 安聯人壽家齊增額分紅終身壽險 |

| Prod Code | Product Name |
|-----------|----------------------|
| WY2K | 安聯人壽富貴千禧終身壽險 |
| YHB | 安聯人壽享健康健康保險附約 |
| YHR | 安聯人壽一年定期住院醫療日額健康保險附約 |
| YSR | 安聯人壽一年定期手術醫療健康保險附約 |

| Endorsement Code | Endorsement Name |
|------------------|-----------------------|
| TIB | 安聯人壽關懷生命提前給付批註條款 |
| EDLER | 安聯人壽附約延續批註條款 |
| EDHMR | 安聯人壽實支實付住院醫療費用保險金批註條款 |
| EDS | 安聯人壽人壽保險及傷害保險批註條款 |
| EDYER | 安聯人壽一年期附約延續批註條款 |

THIS SERVICES AGREEMENT (this "Services Agreement") is made on 19 October 2017

BETWEEN

SERVICES AGREEMENT

Dated 19 October 2017

between

ALLIANZ TAIWAN LIFE INSURANCE CO. LTD.

and

CHINA LIFE INSURANCE CO., LTD.

1. **ALLIANZ TAIWAN LIFE INSURANCE CO. LTD.**, a company limited by shares incorporated in accordance with the laws of R.O.C. with registration number 89283591 and registered office is at 5th Fl., No. 100, Section 5, XinYi Road, Xin Yi District, Taipei, Taiwan (the "**Seller**"); and
 2. **CHINA LIFE INSURANCE CO., LTD.**, a company limited by shares incorporated in accordance with the laws of R.O.C. with registration number 03434016 and registered office is at 5th Fl., No. 122, Dunhua N. Road, Song Shan District, Taipei, Taiwan (the "**Purchaser**").
- each, a "**Party**" and together, the "**Parties**".

BACKGROUND

- (A) The Seller and the Purchaser have entered into an Agreement for the Sale and Purchase of the Traditional Life Insurance Assets and Liabilities of Allianz Taiwan Life Insurance Co. Ltd. Dated 19 October 2017, pursuant to which the Seller has agreed to sell, and the Purchaser has agreed to purchase, the Business including Assets and Liabilities by way of spin off on the terms and subject to the conditions set out therein (the "**SPA**"). This Services Agreement is entered into between the Parties in consideration for the Purchaser's payment of Purchase Price and assumption of the Liabilities from the Seller under the SPA.
- (B) The Seller and the Purchaser agree to implement the Separation Plan by complying and performing their respective obligations under this Services Agreement.
- (C) The Parties acknowledge and agree that the Parties shall complete and give effect to the Data Migration as soon as possible in accordance with the terms and subject to the conditions set out herein.

NOW IT IS AGREED as follows:

1. Interpretation

- 1.1 In this Services Agreement:

| | |
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| "Affiliates" | means any company (i) which has direct or indirect Controlling Interest on a Party, (ii) over which a Party has direct or indirect Controlling Interest, or (iii) which is directly or indirectly under common Controlling Interest of the ultimate holding company of a Party from time to time; |
| "Business" | has the same meaning given to it in the SPA; |
| "Business Day" | has the same meaning given to it in the SPA; |
| "Business IT Systems" | has the same meaning given to it in the SPA; |
| "Completion Date" | has the same meaning given to it in the SPA; |
| "Confidential Information" | has the meaning set out in clause 18.1; |
| "Data Migration" | has the same meaning given to it in the SPA; |
| "Force Majeure" | means, with respect to a Party, an event beyond the control of such Party (or any person acting on its behalf), including acts of God, storms, floods, riots, fires, earthquakes, sabotage, civil commotion or civil unrest, strikes, lockouts, interference by civil or military authorities, riots, insurrections or other hostilities, embargo, fuel or energy shortage, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources; |
| "Intellectual Property Rights" | has the same meaning given to it in the SPA; |
| "Law" | means any national, provincial, regional, local or foreign law, statute or ordinance, or any rule, regulation, standard, ruling or guideline of any Regulatory Authority; |
| "Purchaser Manager" | Contract has the meaning set out in clause 12.1(a); |
| "Purchaser's Systems" | IT has the same meaning given to it in the SPA; |
| "Records" | has the same meaning given to it in the SPA; |
| "Regulatory Authority" | has the same meaning given to it in the SPA; |

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| "Representatives" | means, with respect to a person, the directors, officers or employees authorized by such person to represent such person; |
| "R.O.C." | has the same meaning given to it in the SPA; |
| "Schedule Amendment" | means a Schedule Amendment substantially in the form attached hereto as Exhibit A; |
| "Seller Manager" | Contract has the meaning set out in clause 12.1(b); |
| "Separation" | has the same meaning given to it in the SPA; |
| "Separation Plan" | has the same meaning given to it in the SPA; |
| "Seller's Group" | has the same meaning given to it in the SPA; |
| "Services" | has the meaning set out in clause 2.2; |
| "SPA" | has the meaning set out in Background (A); |
| "Supporting Period" | means a period for no more than six (6) months after the completion of the Data Migration for the Post Migration Supporting Services; |
| "Taxes" | has the same meaning given to it in the SPA; |
| "Tax Authority" | has the same meaning given to it in the SPA; |
| "Transaction Documents" | has the same meaning given to it in the SPA; |
| "Transitional Period" | means the period from the Completion Date to the date when the Data Migration is completed, which period must not exceed twelve (12) months from the signing date of the SPA or nine (9) months from the Completion Date, whichever is later; provided that the Purchaser may extend the Transitional Period once for a period up to six (6) months by sending a written notice to the Seller at least two (2) months prior to the expiration of the original Transitional Period; |

"Virus" means any malicious computer code or instructions that adversely affects the operation, security or integrity of:

- (a) a computing, telecommunications or other electronic operating or processing system or environment;
- (b) software programs, data, databases or other computer files or libraries; or
- (c) computer hardware, networking devices or telecommunications equipment,

including viruses, Trojan horses, time bombs, back door devices, worms or any other software routine or hardware component designed to permit unauthorized access, disable, erase or otherwise harm software, hardware or data or perform any other such harmful or unauthorized actions, and similar malicious code or data.

1.2 In this Services Agreement, capitalized terms defined in the SPA but not defined herein shall have the meaning given the term in the SPA.

1.3 A statutory provision includes a reference to the statutory provision as modified or re-enacted or both from time to time before the date of this Services Agreement and any subordinate legislation made under the statutory provision (as so modified or re-enacted) before the date of this Services Agreement;

1.4 A **"person"** includes a reference to any individual, firm, company, corporation or other body corporate, government, state or agency of a state or any joint venture, association or partnership, works council or employee representative body (whether or not having separate legal personality);

1.5 A **"Party"** includes a reference to that Party's successors and permitted assigns;

1.6 A time of day is a reference to the time in the R.O.C.;

1.7 The singular includes the plural and vice versa; and

1.8 One gender includes all genders.

2. Sub-Projects and Services

2.1 The Seller and the Purchaser agree that the four (4) sub-projects set out in Schedule 1 are required to complete the Separation, including but without limitation, to establish and separate the Business IT Systems from the Seller's

IT systems, to provide the Purchaser with the Transitional Services, to assist the Purchaser to complete the Data Migration to the Purchaser's IT Systems, and to provide the Purchaser with the Post Migration Supporting Services. The Separation Plan refers to the timetable and steps set forth under Schedule 2.

2.2 Subject to the terms and conditions of this Services Agreement:

(a) for Sub-Project 1, the Seller agrees to establish the Business IT Systems, transfer the required Records to the Business IT Systems and separate the Business IT Systems from the Seller's IT systems (the **"Preparation for the Transitional Services"**, or **"Preparation Services"**) prior to the Completion Date. The details of the Preparation Services to be provided by the Seller and the matters to be completed by the Purchaser for Sub-Project 1 are set forth in the Item 2-(1) of Schedule 2.

(b) for Sub-Project 2, the Seller agrees to provide the services for assisting the Purchaser to transfer the required Records from the Business IT Systems to the Purchaser's IT Systems (the **"Data Migration Services"**). The details of the Data Migration Services to be provided by the Seller and the matters to be completed by the Purchaser for Sub-Project 2 are set forth in Item 2-(2) of Schedule 2.

(c) for Sub-Project 3, subject to the Regulator Approval set forth in clause 7.1, the Seller agrees to provide the services for the Purchaser to use the Records in the Business IT Systems during the Transitional Period (the **"Transitional Services"**). The details of the Transitional Services to be provided by the Seller and the matters to be completed by the Purchaser for Sub-Project 3 are set forth in Item 2-(3) of Schedule 2.

(d) for Sub-Project 4, the Seller agrees to provide the post-migration supporting services to the Purchaser (the **"Post Migration Supporting Services"**). The details of the Post Migration Supporting Services to be provided by the Seller and the matters to be completed by the Purchaser for Sub-Project 4 are set forth in Item 2-(4) of Schedule 2.

The Preparation Services, the Data Migration Services, the Transitional Services and the Post Migration Supporting Services are hereinafter collectively referred to as the **"Services"**.

2.3 Notwithstanding anything in this Services Agreement to the contrary, including the provision of clause 2.2, the Seller shall not be obliged to provide any Services if it would breach any Law or regulatory requirements; **provided that:**

(a) the Parties shall, and shall procure that their respective Affiliates shall obtain (or cause to be obtained) such agreements, waivers and licenses necessary to provide such Services; and

- (b) if any fees or any other payments for license or authorization for use of any Intellectual Property or any agreement, waiver or consent of any Affiliate or any third Party are required or any obligation is required to be incurred, the Seller shall be responsible for such fees, payments or obligations (unless the Purchaser agrees to pay such fees or make such other payments or incur such obligations) to obtain any such agreements, waivers and licenses.

3. No Transfer of Technology or Technical Know-how and Change of User's Requirements

- 3.1 The provision of the Services does not require and shall in no case involve any transfer of technology or technical know-how.
- 3.2 In the event that the Purchaser following the date of this Services Agreement requires changes to Schedule 2 and, as a result, requires additional Services from the Seller, the Parties shall in good faith discuss the terms and conditions for the provision of any such Services with a view to agreeing on a Schedule Amendment (the form set forth in Exhibit A), which shall not be unreasonably withheld or delayed.

4. Subcontractors

The Seller may subcontract the whole or any portion of the Services and/or relevant rights and obligations under this Services Agreement to any other person; **provided that** (i) such other person shall be subject to the obligations of the Seller and confidentiality provisions set out herein, and the Seller shall remain responsible for the performance by such subcontractor of all of its obligations hereunder with respect to the Services provided by such subcontractor, (ii) the Seller shall procure the performance of any such subcontracted Services in accordance with the terms and conditions of this Services Agreement as if the Seller is performing this Service Agreement by itself, and (iii) the Seller shall be liable for all performance of the subcontractor.

5. Personnel

The Seller shall, subject to the Law, make available to the Purchaser such personnel as may be necessary to provide the Services; **provided that** (i) the Seller shall have the right to designate which competent personnel it will arrange to provide such Services and remove and replace such personnel at any time, or (ii) the Purchaser can request the Seller to replace such personnel upon the Seller's consent.

6. Mutual Warranties and Obligations

- 6.1 Mutual Warranties:
Each Party hereby warrants to the other Party that as of the date of this Services Agreement:

- (a) it is duly organized and validly existing under the laws of R.O.C.;
- (b) subject to the approvals from the Regulatory Authority as set forth in clause 7.1, it has the legal right and full power and authority to execute and deliver, and to exercise its rights and perform its obligations under this Services Agreement and all the documents which are to be executed by it as envisaged by this Services Agreement; and
- (c) subject to the approvals from the Regulatory Authority as set forth in clause 7.1, nothing contained in this Services Agreement will result in a breach of any provision of its constitutional documents or result in a breach of any order, judgment or decree of any Regulatory Authority to which it is bound.

6.2 Mutual Obligations

Without limiting any obligations of the Parties under this Services Agreement, each Party shall:

- (a) cooperate in connection to the provision of the Services and provide on a timely basis such information as is reasonably required;
- (b) participate in discussions in connection to the provision of the Services to the extent reasonably required by the other Party in order to facilitate decision-making in relation to the Services;
- (c) not take any action that would interfere with or materially increase the cost of the provision of the Services, unless otherwise agreed by the Parties; and
- (d) comply with any and all Laws applicable to the performance of their obligations under this Services Agreement.

7. Regulatory Authority Approvals

- 7.1 Each Party shall cooperate with the other Party in obtaining the approvals or no objection position from the Regulatory Authority necessary for the provision of the Transitional Services. Each Party agrees to cooperate with the other Party in good faith for filing the application with the Regulatory Authority for the Transitional Services to be provided by the Seller to the Purchaser under this Services Agreement in accordance with the applicable Law.
- 7.2 Notwithstanding anything in clause 2 to the contrary, if the Parties fail to obtain approval or no objection position set forth in clause 7.1 necessary to provide any of the Transitional Services, the Parties shall establish alternative arrangements, such as using a third party, for the provision of the Transitional Services, at the expenses of the Seller.

8. Electronic Security

8.1 Each Party shall maintain, or procure the maintenance of, reasonable security measures relating to Viruses, and take commercially reasonable measures to ensure that, in connection with the provision of the Services, no Virus or similar items are coded or introduced into either its own (including its Affiliates) or the other Party's (including its Affiliates) computer networks or databases. The Seller shall procure its subcontractor (if applicable) to maintain, or procure the maintenance of, commercially reasonable security measures relating to Viruses, and take commercially reasonable measures to ensure that, in connection with the provision of the Services, no Virus or similar items are coded or introduced into either its own (including its Affiliates) or the Purchaser's (including its Affiliates) computer networks or databases. If, in connection with the provision of any Services, a Virus is found to have been introduced into such computer networks or databases, the Parties shall use their reasonable efforts to cooperate and to diligently work together to eliminate the effects of such Virus.

Notwithstanding the above, any facility used by the personnel or permissible users of each Party or any activities to access the Business IT System or to have interface with the Purchaser's IT Systems, shall abide by the security guidelines agreed by the Parties.

8.2 Each Party shall:

- (a) not attempt to obtain access to, use or interfere with any information technology systems or data used or processed by the other Party except to the extent required to receive (in the case of the Purchaser) or provide (in the case of the Seller) the relevant Services;
- (b) exercise commercially reasonable care to prevent unauthorized persons from accessing the Business IT Systems, relevant facilities and related computer, technology systems and networks; and
- (c) exercise due care to prevent data leakage.

9. No Agency

Except to the extent as approved by the Regulatory Authority for Sub-Project 3, nothing in this Services Agreement shall be deemed in any way or for any purpose to constitute any Party acting as an agent of another unaffiliated Party in the conduct of such other Party's business.

10. Ownership of Intellectual Property Rights

10.1 Except as otherwise expressly provided in this Services Agreement and without prejudice to any provision of the SPA:

(a) the Seller, the Purchaser and their respective Affiliates shall retain all rights, title and interest in and to their respective Intellectual Property Rights and any and all improvements, modifications and derivative works. No license or right, express or implied, is granted under this Services Agreement by the Seller, the Purchaser or their respective Affiliates in or to their respective Intellectual Property Rights, except that, solely to the extent required for the provision of the Services in accordance with this Services Agreement, the Seller (for itself and on behalf of its Affiliates) hereby grants to the Purchaser (and its respective Affiliates) a non-exclusive, revocable license during the term of this Services Agreement to such Intellectual Property Rights in connection with this Services Agreement, but only to the extent and for the duration necessary as permitted by this Services Agreement. Upon the expiration of such time, or the earlier termination in accordance with clause 16, the license to the relevant Intellectual Property Rights will concurrently terminate; **provided that** all licenses granted hereunder shall terminate immediately upon the expiration or earlier termination of this Services Agreement in accordance with the terms hereof. The foregoing license is subject to any licenses granted by others with respect to Intellectual Property Rights not owned by the Seller or its Affiliates, provided that the Seller shall or shall procure its Affiliates to obtain such license in accordance with clause 2;

(b) subject to the limited license granted in clause 10.1(a), in the event that any Intellectual Property Rights is created solely by a Party in the performance of its obligations or completion of the matters required under this Services Agreement, all right, title and interest throughout the world in and to all such Intellectual Property Rights shall vest solely in the Party's unconditionally and immediately upon such Intellectual Property Rights having been developed, written or produced, unless the Parties agree otherwise in writing; and

(c) no Party (or its Affiliates) shall have any rights or licenses with respect to any Intellectual Property Rights or facility of any other Party. All rights and licenses not expressly granted in this Services Agreement are expressly reserved by the relevant Party. Each Party shall from time to time execute any document and take any other action reasonably requested by any other Party to effectuate the intent of this clause 10.

10.2 Each Party's Affiliates shall have the benefit of, and shall be entitled to enforce the provision of, this clause 10.

11. Divestitures

If an Intellectual Property Right licensed by the Seller or its Affiliates hereunder is sold or divested, the Seller shall manage to provide for the continuity of such Intellectual Property Right on the same terms and conditions as are in effect

immediately prior to such sale or divestiture, and in a manner which does not cause a degradation in the standards set forth herein and without requiring a material change to the Purchaser's business processes or operations. If such measures are not reasonably acceptable to the Purchaser, the Parties shall cooperate reasonably and in good faith to attempt to find an alternative arrangement reasonably acceptable to the Purchaser that meets the foregoing standards.

12. Primary Points of Contact for this Services Agreement.

12.1 Each of the Seller and the Purchaser shall appoint an individual to act as the primary point of operational contact for the administration and operation of this Services Agreement, as follows:

(a) The individual appointed by the Purchaser as the primary point of operational contact pursuant to this clause 12.1(a) as set forth in Schedule 4 (the "**Purchaser Contract Manager**") shall have overall operational responsibility for coordinating, on behalf of the Purchaser, all activities undertaken by the Purchaser and its Affiliates and Representatives hereunder, including coordinating the performance of the Purchaser's obligations hereunder, acting as a day-to-day contact with the Seller Contract Manager and to the extent permissible under the Law, making available to the Seller the data, facilities, resources and other supports from the Purchaser required for the Seller to be able to provide the Services in accordance with the requirements of this Services Agreement. The Purchaser may change the Purchaser Contract Manager from time to time upon written notice to the Seller pursuant to clause 23. The Purchaser shall use best efforts to provide at least fifteen (15) days prior written notice of any such change.

(b) The individual appointed by the Seller as the primary point of operational contact pursuant to this clause 12.1(b) as set forth in Schedule 4 (the "**Seller Contract Manager**") shall have overall operational responsibility for coordinating, on behalf of the Seller, all activities undertaken by the Seller, its Affiliates and Representatives hereunder, including coordinating the performance of the Seller's obligations hereunder and acting as a day-to-day contact with the Purchaser Contract Manager and to the extent permissible under the Law, making available to the Purchaser the data, facilities, resources and other support services from the Seller in accordance with the requirements of this Services Agreement. The Seller may change the Seller Contract Manager from time to time upon written notice to the Purchaser pursuant to clause 23. The Seller shall use best efforts to provide at least fifteen (15) days prior written notice of any such change.

12.2 The Parties shall ensure that the Seller Contract Manager and the Purchaser Contract Manager shall meet in person or telephonically as frequently as

necessary or advisable for the performance of the Parties' obligations hereunder.

13. Service Charges and Cost of Service

13.1 Except otherwise agreed by the Parties, the prices and costs estimated for the Services to be provided by the Seller or the subcontractor engaged by the Seller are set out in Schedule 3. Subject to Clause 8.7 of the SPA, the Seller agrees to bear all the expenses, fees, prices and costs for the Preparation Services and the Transitional Services set out in Schedule 3. The Purchaser agrees to pay the prices and costs of the Data Migration Services and the Post Migration Supporting Services (set out in Schedule 3) provided by the subcontractors engaged by the Seller for DMS IT development. For the avoidance of any doubt, each Party shall pay its own costs in relation to the performance of its obligations and the completion of its tasks under Schedule 2 and this Services Agreement.

13.2 For the prices and costs of the Data Migration Services and the Post Migration Supporting Services provided by the subcontractor(s) engaged and paid by the Seller for DMS IT development, the Seller will invoice the Purchaser on a quarterly basis. The Purchaser shall pay such invoice along with the business Tax of clause 14.2 on a quarterly basis within thirty (30) days of receipt.

14. Tax

14.1 If and to the extent that a business Tax under the R.O.C. Law is or shall be applicable in connection with any payment actually made by the Purchaser under this Services Agreement, the Parties shall cooperate in good faith to segregate amounts payable under this Services Agreement into (a) taxable Services and (b) non-taxable Services.

14.2 If a business Tax under the R.O.C. Law is chargeable in respect of any payment actually made by the Purchaser under this Services Agreement, the Seller shall deliver a valid value added Tax invoice or invoices (as appropriate) to the Purchaser and, following receipt of a valid invoice agreed by the Purchaser, the Purchaser shall pay the Seller the amount of such Tax on the date specified on such invoice.

14.3 If and to the extent that a stamp duty under the R.O.C. Law is or shall be applicable for the execution of this Agreement, each Party shall be responsible for such stamp duty on its part respectively.

14.4 Within thirty (30) days of receiving notification of the commencement of any business Tax under the R.O.C. Law audit by an R.O.C. Tax Authority which involves any provision of the Services, the Party receiving such notice shall notify the other affected Party of such audit. Thereafter, the Party receiving such notice shall control all proceedings taken in connection with such business Tax audit and shall take reasonable steps to keep the other affected Party informed of the progress of any such audit; **provided that** where any

other affected Party is liable for the payment of such Tax pursuant to this clause 14.2, the controlling Party shall not settle or otherwise compromise such audit without the consent of any other affected Party (which consent shall not be unreasonably withheld or delayed). The affected other Party shall have the right (but not the duty) to participate in any proceeding to contest such Tax liability, and shall have the right to retain Tax advisers or counsel at its own expense.

15. Limitation on Liability

- 15.1 Except as otherwise specifically set forth in this Services Agreement, no Party provides any warranty or representation, express or implied, with respect to the Services and any other matters set forth in this Services Agreement.
- 15.2 Without prejudice to clause 17, the aggregate liability of each Party for losses resulting from a breach under this Services Agreement, including from the Seller's failure to supply a Service in accordance with the terms of this Services Agreement, shall not exceed the aggregate amount of the prices and costs of the Services set out in Schedule 3.

16. Terms and Termination

- 16.1 Subject to earlier termination in accordance with clause 16.2 to 16.3 or extension by the Purchaser in accordance with clause 16.5, this Services Agreement shall expire at the end of the Supporting Period.
- 16.2 During the term of this Services Agreement, the Seller may terminate its own obligations under this Services Agreement:

- (a) if the SPA is terminated; or
- (b) if the Purchaser commences a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar Law now or hereafter in effect or seeking the appointment of a trustee, receiver, administrator, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall take any corporate action to authorize any of the foregoing.

- 16.3 The Purchaser may terminate the Seller's provision of the Services in whole or in part: (i) upon the termination of the SPA; or (ii) upon providing at least sixty (60) days' prior written notice to the Seller (unless a longer notice period is specified in this Services Agreement).

- 16.4 If a Party is in material breach of the terms of this Services Agreement (the "Defaulting Party") and the Defaulting Party fails to cure such breach within

thirty (30) days of the other Party delivering a notice of such breach to the Defaulting Party, the Parties shall use their reasonable endeavor to discuss and negotiate in good faith with each other to determine if and when the Defaulting Party's material breach can be cured. If the Parties cannot resolve this within forty five (45) days thereafter, the Parties shall submit the issue to the Migration Committee for resolution.

- 16.5 The Purchaser may extend the Transitional Period once for up to six (6) months by sending a written notice to the Seller at least two (2) months prior to the expiration of the original Transitional Period.

17. Force Majeure

- 17.1 No Party (or any person acting on its behalf) shall have any liability or responsibility for any interruption, delay or other failure to fulfill any obligation (other than a payment obligation) under this Services Agreement so long as and to the extent to which the fulfillment of such obligation is prevented, frustrated, hindered or delayed as a consequence of circumstances of a Force Majeure; **provided that** such Party (or such person) shall have exercised reasonable efforts to minimize the effect of a Force Majeure on its obligations.

- 17.2 In the event of an occurrence of a Force Majeure, the Party whose performance is affected thereby shall give notice (orally or in writing) of suspension as soon as reasonably practicable to the other Party stating the date and extent of such suspension and the cause thereof, and such Party shall resume the performance of such obligations as soon as reasonably practicable upon the cessation of such Force Majeure and its effects.

- 17.3 During the period of a Force Majeure, the Purchaser shall be entitled to seek an alternative service provider at its own cost with respect to the Services affected. If a Force Majeure shall continue to exist for more than one hundred and eighty (180) consecutive days, either the Seller or the Purchaser shall be entitled to permanently terminate the Services affected.

18. Confidential Information

- 18.1 Subject to clause 18.2 of this Services Agreement, the Seller undertakes to the Purchaser, and the Purchaser undertake to the Seller, the Seller acting for itself and as agent and trustee for each other members of the Seller's Group, that it shall treat as confidential all information received or obtained as a result of entering into or performing this Services Agreement which relates to:

- (a) the other Party including, where that other Party is the Seller, each member of the Seller's Group and where that other Party is the Purchaser, the Purchaser; or

- (b) the provisions or the subject matter of this Services Agreement or any document referred to herein and any claim or potential claim thereunder;
 - (c) in the case of the Seller, any information relating to the Business Assets following the Completion; or
 - (d) the negotiations relating to this Services Agreement or any documents referred to herein.
- 18.2 Clause 18.1 does not apply to disclosure of any such information as is referred to in clause 18.1:
- (a) which is required or requested to be disclosed by the Law, by a rule of a listing authority, court of law, or stock exchange to which any Party is subject or submits or by a Regulatory Authority or other authority with relevant powers to which any Party is subject or submits, whether or not the requirement has the force of law; **provided that** the disclosure shall, so far as is practicable and to the extent permissible under R.O.C. law, be made after consultation with the other Party and after taking into account the other Party's reasonable requirements as to its timing, content and manner of making or dispatch;
 - (b) to an adviser for the purpose of advising in connection with the transactions contemplated by this Services Agreement; **provided that** such disclosure is essential for these purposes and is on the basis that clause 18.1 applies to the disclosure by the adviser;
 - (c) by the Seller to its Affiliates or by the Purchaser to its Affiliates;
 - (d) to a director, supervisor, officer or employee of a member of the Seller's Group or the Purchaser's Affiliate whose function requires him to have the relevant confidential information; or
 - (e) to the extent that the information has been made public by, or with the consent of, the other Party.
- 18.3 Without prejudice to clause 18.2, each Party acknowledges and agrees, for itself and as agent on behalf of each member of its group that if a Party to this Services Agreement or a member of that Party's group considers that disclosure of any such information as is referred to in clause 18.1 is required for a genuine business purpose, such disclosure shall be permitted subject to the recipient having entered into a confidentiality undertaking to keep such information confidential.
- 18.4 The restrictions contained in this clause 18 shall continue to apply for a period of three (3) years after the end date of the Transitional Period or the termination of this Services Agreement, whichever is earlier.

19. Further Assurances

The Seller and the Purchaser shall, and shall procure that their respective Affiliates shall execute and deliver, or shall cause to be executed and delivered, such documents and other papers and shall take, or shall cause to be taken, such further actions as may be reasonably required to carry out the provisions of, and give effect to the transactions contemplated by this Services Agreement.

20. Data Protection

- 20.1 Each Party shall ensure that it has secured such consents, registrations and notifications as may be required by the Law to enable such Party and its Affiliates to process personal data to the extent required to provide and receive, as appropriate, its rights and obligations under this Services Agreement.
- 20.2 Each Party acknowledges that it shall take appropriate technical and organizational measures to protect personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorized disclosure or access and against all other unlawful forms of processing.

21. Entire Agreement

- 21.1 This Services Agreement and each document referred to in it constitutes the entire agreement and supersedes any previous agreements between the Parties relating to the subject matter of this Services Agreement, **provided that** terms and conditions not provided herein shall refer to the SPA and the SPA shall prevail should there be any discrepancies between the SPA and this Agreement.

22. Assignment

- 22.1 This Services Agreement shall not be assigned, in whole or in part, by operation of Law or otherwise without the prior written consent of the Parties. Any attempted assignment in violation of this clause 22.1 shall be void.
- 22.2 This Services Agreement shall be binding upon, shall inure to the benefit of, and shall be enforceable by the Parties hereto and their successors and permitted assigns.

23. Notices

- 23.1 A notice under or in connection with this Agreement (a "**Notice**") shall be:
 - (a) in writing; and
 - (b) delivered personally, or sent by registered mail, or courier by an internationally recognized courier company (e.g. FedEx or DHL) or by fax, to the Party duly to receive the Notice at its address set out in clause 23.2 or to such other address, person or fax number as the Party

may specify by not less than seven days' written notice to the other Party received before the Notice was dispatched.

23.2 In the absence of evidence of earlier receipt, a Notice shall be deemed to have been duly given if:

- (a) delivered personally, when left at the address referred to in sub-clause 23.1(b);
 - (b) sent by registered mail or courier, two (2) Business Days after posting it; and
 - (c) sent by fax, when confirmation of its transmission has been recorded on the sender's fax machine.
- (d) The address referred to in sub-clause 23.1(b) is:

| Name of Party | Address | Fax No. | Marked for the attention of |
|--|--|------------------|-----------------------------|
| Allianz Taiwan Life Insurance Co. Ltd. | 7 th Fl., No.100, Section 5, XinYi Road, XinYi District, Taipei, Taiwan | +886 2 8789 2199 | Danny Lam, CEO |
| CHINA LIFE INSURANCE CO., LTD. | 5 th Fl., No. 122, Dunhua N. Road, Song Shan District, Taipei, Taiwan | +886 2 8712 9055 | President |

24. Severability

24.1 If any term or other provision of this Services Agreement is invalid, illegal or incapable of being enforced under any Law or as a matter of public policy, all other conditions and provisions of this Services Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated by this Services Agreement is not affected in any manner materially adverse to any Party.

24.2 Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties to this Services Agreement shall negotiate in good faith to modify this Services Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Services Agreement be completed as originally contemplated to the greatest extent possible.

25. Amendment and Waiver

25.1 No provision of this Services Agreement may be amended, supplemented or modified except by a written instrument signed by the Parties.

25.2 No provision of this Services Agreement may be waived except by a written instrument signed by the Party against whom the waiver is to be effective.

25.3 No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

25.4 The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by the Law.

26. Counterparts

This Services Agreement may be executed in any number of counterparts (including by facsimile or by an electronic scan delivered by electronic mail), each of which when executed and delivered is an original and all of which together evidence the same agreement.

27. Governing Law

This Services Agreement and any non-contractual obligations arising out of or in connection with this Services Agreement is governed by, and shall be construed in accordance with, the Laws of the R.O.C.

28. Arbitration

28.1 Any dispute, controversy or claim arising from or connected with this Services Agreement, including one regarding the existence, validity or termination of this Services Agreement or the consequences of its nullity and any contractual, pre-contractual or non-contractual rights, obligations or liabilities or other dispute (a "Dispute") shall be referred to the Chinese Arbitration Association, Taipei (the "Association") and finally resolved by arbitration under the R.O.C. Arbitration Law and the arbitration rules of the Association in force as at the date of this Services Agreement, which rules are deemed to be incorporated by reference into this clause 28.1 and as may be amended by the rest of this clause 28.1.

28.2 The arbitral tribunal shall consist of three arbitrators. The Seller shall have the right to appoint one arbitrator and the Purchaser shall have the right to appoint one arbitrator. Once two arbitrators have been appointed by the Seller and the Purchaser pursuant to this clause 28.2, such appointed arbitrators shall jointly select and appoint the third arbitrator (or failing agreement, the Association shall promptly appoint the third arbitrator).

28.3 The seat of the arbitration shall be Taipei Taiwan, all hearings shall take place in Taipei Taiwan, and the language of the arbitration shall be English and Chinese.

28.4 Any award of the arbitral tribunal (the "Award") shall be made in writing and shall be final and binding on the Parties from the day it is made. The Parties undertake to carry out the Award without delay.

28.5 The Parties waive any right to refer points of law or to appeal to the courts, to the extent that such waiver can validly be made. The Parties shall not be deemed, however, to have waived any right to challenge any Award on the ground that the arbitral tribunal lacked substantive jurisdiction and/or on the ground of serious irregularity affecting the arbitral tribunal, the proceedings or the Award to the extent allowed by law of the seat of arbitration. Nothing in this clause 28.5 shall be construed as preventing any Party from seeking conservatory or interim relief from any court of competent jurisdiction.

AS WITNESS this Services Agreement has been signed by the Parties (or their duly authorised representatives) on the date stated at the beginning of this Services Agreement.

For and on behalf of **ALLIANZ TAIWAN**)
LIFE INSURANCE CO., LTD.)
.....)
Name: Danny Lam)
Title: CEO)

For and on behalf of **CHINA LIFE**)
INSURANCE CO., LTD.)
.....)
Name: Yu-Ling Kuo)
Title: President)

The review result of the Audit Committee (Special Committee)

China Life Insurance Co., Ltd.

Minutes of the 9th session of the 3rd Audit Committee (Special Committee)

Time: October 19 2017 (Thursday), 9:30 am

Location:

Conference Room, 12F., No.122, Dunhua N. Rd., Taipei City 105, Taiwan (R.O.C.)

Discussion

Agenda: The Company plans to offer NT\$1 for acquiring the traditional policies and riders from the spinoff of Allianz Taiwan Life. Approval is respectfully requested.

Decision: All attending committee members agreed to adopt the proposal as its content is.

China Life Insurance Co., Ltd.

Rules of Procedures for Shareholders' Meetings

First adopted at shareholders' meeting on April 30, 1992

First amendment was made on April 23, 1998

Second amendment was made on May 21, 2002

Third amendment was made on June 14, 2013

Article 1 (Basis)

These Rules are adopted according to Paragraph 2 of Article 182-1 of the Company Act and the provisions of the Rules Governing the Conduct of Shareholders' Meetings of Public Companies.

Article 2 (Principles for application)

This Corporation's shareholders' meeting, unless as provided by applicable laws or regulations or the Articles of Incorporation, shall be proceeded according to these Rules.

Article 3 (Convening shareholders' meeting and shareholders' meeting notices)

Unless provided by applicable laws or regulations, this Corporation's shareholders' meetings shall be convened by the board of directors.

This Corporation shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) no later than 30 days prior to the date of a regular shareholders' meeting or no later than 15 days prior to the date of a special shareholders' meeting. Moreover, this Corporation shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS no later than 21 days prior to the date of the regular shareholders' meeting or no later than 15 days prior to the date of the special shareholders' meeting. In addition, the meeting agenda and supplemental meeting materials shall be prepared for each shareholders' meeting no later than 15 days prior to the date of the shareholders' meeting so that they are available for review by the shareholders at any time and displayed at this Corporation and the professional shareholder services agent designated thereby as well as distributed on-site at the meeting place.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors, amendments to the articles of incorporation, the dissolution, merger, or demerger of this Corporation, or any matter under the subparagraphs of Paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act shall be set out in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.

A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be

included in the meeting agenda. In addition, when the circumstances of any subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders' meeting is held, this Corporation shall publicly announce that it will receive shareholder's proposals, and the location and time period for their submission, which period for such submission may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in the discussion of such proposal.

Prior to the issuance date of notice of a shareholders' meeting, this Corporation shall inform the shareholders submitting proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the board of directors shall explain the reasons for exclusion of any shareholder's proposals not included in the agenda.

Article 4 (Presence by shareholder's appointment and authorization)

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation in which the scope of the proxy's authorization is specified.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting, and shall deliver the proxy form to this Corporation no later than 5 days prior to the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is included in the latter proxy form to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise his voting rights in written or electronic manner, a written notice of proxy cancellation shall be given to this Corporation no later than 2 days prior to the meeting date. If the cancellation notice is given later than that time, votes cast at the meeting by the proxy shall prevail.

Article 5 (Place of a shareholders' meeting)

The venue for a shareholders' meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6 (Preparation of documents such as the attendance book)

This Corporation shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of eligible personnel shall be assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend a shareholders' meeting based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors with soliciting proxy forms shall also bring their identification documents for verification.

This Corporation shall furnish the attending shareholders or their proxies (collectively, "shareholders") with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7 (The chairperson and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman of the board shall act in place of the chairman. If there is no vice chairman or the vice chairman is also on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the managing directors to act as chairperson, or, if there are no managing directors, one of the directors shall be appointed to act as chairperson. Where the chairman does not make such a designation, the managing directors or the directors shall mutually select from among themselves one person to serve as chairperson.

When a managing director or a director serves as chairperson, as referred to in the preceding paragraph, the managing director or director shall be the one who has held that position for six months or more and understands the financial and business conditions of this Corporation. The same shall be true for a representative of a juristic person director that serves as chairperson.

It is advisable that shareholders' meetings convened by the board of directors be attended by a majority of the directors.

If a shareholders' meeting is convened by a party other than the board of directors with power to convene, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chairperson from among themselves.

This Corporation may appoint the attorneys, accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Article 8 (Documentation of a shareholders' meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 (Calculation of the shares in attendance and the call of the meeting)

Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares by which voting rights are exercised in written or electronic manner.

The chairperson shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met and the attending shareholders still represent less than one third of the total number of issued shares after two postponements, the chairperson shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of Article 175 of the Company Act, of which all shareholders shall be notified to convene another shareholders' meeting within 1 month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for voting by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10 (Discussion of proposals)

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party other than the board of directors with the power to convene.

The chairperson may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions) unless by a resolution of the shareholders' meeting. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chairperson in accordance with statutory procedures by agreement of a majority of the votes represented by the attending shareholders and then continue the meeting.

The chairperson shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders. When the chairperson is of the opinion that a proposal has been discussed sufficiently to be put to a vote, the chairperson may announce the discussion closed and call for a vote.

Article 11 (Shareholder speech)

Before speaking, an attending shareholder shall specify on a speaker's slip the subject of his speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairperson.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Unless with the consent of the chairperson, a shareholder may not seek more than twice on the same proposal and each single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairperson may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chairperson and the shareholder that has the floor, and the chairperson shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chairperson may respond in person or direct relevant personnel to respond.

Article 12 (Calculation of voting shares and recusal system)

Voting at a shareholders' meeting shall be calculated on the basis of the number of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders at the same time, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13 (Voting on a proposal)

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2 of Article 179 of the Company Act.

When this Corporation holds a shareholders' meeting, it may allow the shareholders to exercise voting rights in written or electronic manner. When the voting rights are exercised in written or electronic manner, the method of such exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights in written or electronic manner will be deemed to have attended the meeting in person. However, a shareholder will be deemed to have waived

his/her rights when voting on the extraordinary motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation no later than 2 days prior to the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

In the event the shareholder intends to attend the shareholders' meeting in person after he/she has exercised voting rights in written or electronic manner, the shareholder shall retract his declaration of voting already exercised under the preceding paragraph in the same manners by which the voting rights were exercised no later than 2 days prior to the date of the shareholders' meeting. If the notice of such retraction is submitted later than that time, the voting rights already exercised in written or electronic manner shall prevail.

When a shareholder has exercised voting rights both in written or electronic manner and by appointing a proxy to attend the shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

A proposal will be deemed as passed and has effect as it is passed by votes if no shareholders object it in written or electronic manner, meanwhile, all attending shareholders have no objection to the proposal after the chairperson consults with them. In case of any objection the proposal shall be voted on by the shareholders. Except as otherwise provided in the Company Act and this Corporation's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote on each proposal the chairperson or a person designated by the chairperson shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. On the same day the shareholders' meeting is held after the conclusion of the meeting, this Corporation shall input the results based on the numbers of votes for and against the proposal or the number of abstentions into the MOPS.

When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chairperson, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders' meeting resolutions or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting and recorded.

Article 14 (Election)

The election of directors at a shareholders' meeting shall be held in accordance with the Rules for Election and Appointment of Directors adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15 (Meeting minutes and signature)

Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairperson of the meeting and a copy shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes under the preceding paragraph by means of a public announcement on the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Corporation.

Article 16 (Public disclosure)

On the day of a shareholders' meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure thereof at the place of the shareholders' meeting.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under the Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 (Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chairperson may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public equipment set up by this Corporation, the chairperson may prevent the shareholder from doing so.

When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder out of the meeting place.

Article 18 (Recess and resumption of a shareholders' meeting)

When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 (Implementation)

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

Articles of Incorporation of China Life Insurance Company Limited

CHAPTER I General Provisions

- Article 1 In accordance with Company Limited by Shares by the Company Act, the Company was established and named China Life Insurance Company Limited.
- Article 2 The Company aims at providing life insurance, developing social welfare and assisting industries.
- Article 3 The Company's head office is located at Taipei City. The Company shall apply for approval to set up branch offices in appropriate locations in the country or overseas when necessary.
- Article 4 All public announcements to be made by the Company shall be in accordance with the provisions of Article 28 of Company Act.

CHAPTER II Business

- Article 5 The Company's business category is "H501011 Life Insurance Enterprises".

CHAPTER III Shares

- Article 6 The total amount of share capital of the Company is set to be NT\$45 billion which is divided into 4 billion and 500 million shares. Each share is equal to NT\$10. Those shares which have not been issued, depending on actual situations, are to be issued in installments by the Board of Directors as authorized. Preferred shares may be issued from the preceding entire shares.
- Article 6-1 The Company shall transfer the shares that they repurchased to the employees at an average price lower than it paid for the repurchase. Prior to the transfer, this act shall be adopted by two-third of voting rights exercised by the shareholders present at the latest shareholders' meeting who represent a majority of the outstanding shares of the Company.
- Article 6-2 The Company may issue the Class B Preferred Shares in installments, and the rights and other important issuance terms of the Company's preferred shares are as follows:
- I. Where the Company has surplus earnings after the settlement of account at the end of fiscal year, it shall first cover the losses in the previous fiscal years and pay the taxes by laws. After setting aside legal reserve and special reserve as provided in laws or reversing special reserve, the remaining earnings, if any, may be applied first to distribute the dividends of Class B Preferred Shares may be distributed in the current year.
 - II. The dividend rate of Class B Preferred Shares is capped at 8% per annum on the issue price. Cash dividends will be distributed annually. Once the

Company's financial statements have been approved in the annual general meeting of the shareholders, the Board shall be authorized to set the record date for the distribution of the payable preferred share dividends for the previous year. In the year of issuance and redemption, the distribution of the payable dividends shall be calculated based on the actual issuance days of that year.

- III. The Company has sole discretion on the distribution of Class B Preferred Share dividends. If after annual audited accounts are prepared, there is no earning or insufficient earning for distributing dividends of Class B Preferred Shares, or if such kind distribution will cause the Company's capital adequacy ratio to fall below the minimum requirement stipulated by the law or the competent authorities or other necessary consideration, the cancellation of distributing Preferred Share dividends by resolution of the Company will not be deemed as an event of default. The Class B Preferred Shares issued are specified as non-cumulative, and the undistributed dividends or shortfalls in dividends distributed shall not be cumulative and shall cease to accrue and be payable, therefore no deferred payment will be paid in subsequent years where there are earnings.
- IV. Except for the dividend prescribed in subparagraph 2 of this paragraph, Class B Preferred Shares, are not entitled to participate in the distribution of cash or stock dividends with regard of the common shares derived from earnings or capital surplus.
- V. The distribution priority for shareholders of Class B Preferred Shares on the residual property of the Company is ahead of shareholders of common shares and of shareholders of other preferred shares issued later, and the preferential order is lower than the proposers, beneficiaries and general creditors. Yet the distribution shall not exceed the issuance amount.
- VI. The holders of the preferred shares will have no voting rights and no rights to vote on election of directors but are entitled to be elected as directors. Holders of outstanding Class B Preferred Shares have mandatory voting rights in Class B Preferred Shareholders' meetings or Shareholders' meetings that involve the rights and obligations of shareholders of Class B Preferred Shares.
- VII. Class B Preferred shares may not be converted to common shares.
- VIII. The Class B Preferred Shares issued by the Company have no maturity, and shareholders of Class B Preferred Shares do not have the right to request the Company to redeem preferred shares possessed by shareholders. In addition, the Company may set a redemption date of the Class B Preferred Shares not earlier than the next day after five years of issuance. Where the Company redeems all or partial of the outstanding Class B Preferred Shares with the actual issuance price and the unredeemed preferred shares shall continue to enjoy rights and obligations of issuance terms prescribed in preceding subparagraphs.

The board is authorized to determine the annual dividend rate and issuance terms upon actual issuance after considering the situation of capital market and the willingness of investors to subscribe in accordance with Articles of Incorporation and related laws and regulations.

Article 7 The share certificates issued by the Company are all registered. The share certificates shall be affixed with the signature or personal seals of chairman of the directors and two or more directors, shall be assigned with serial numbers, and shall be duly certified by laws before issuance.

The Company is exempted from printing any share certificate for the share issued. The Company shall appoint a centralized securities custody enterprise/institution to make recordation of the issue of such shares.

The total amount of the shares of the Company that all the directors and supervisors hold shall be in accordance with “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” by the competent authority.

Article 8 Distribution of dividends issued by the Company shall be made by the resolution of shareholders’ meeting. If there is no surplus earnings provided, the Company shall not distribute the dividends from its capital.

Article 9 When shareholders open an account, they shall fill in and keep the signature card. The content, change, loss or damage of the signature card shall be made by “Regulations Governing the Administration of Shareholder Services of Public Companies”. The signature card shall be presented when taking dividends and bonus, or liaising with the company in writing and exercising other rights.

Article 10 The stock affair of the Company shall be conducted by relevant laws and the competent authority.

When doing transfer of shares, both transferor and transferee shall present the application forms with their signatures and personal seals. The forms are submitted to the Company or a registrar designated by the Company for register of share transfer. The transferee is not to be entitled the shareholder rights until the register of share transfer is successful.

Article 11 Upon loss or difficulty of identification due to damage of share certificates, the application of replacement or reissue of a new one shall be adopted by “Regulations Governing the Administration of Shareholder Services of Public Companies”.

Article 12 Taiwan Depository & Clearing Corporation shall, upon request, consolidate and replace by high-denomination securities.

CHAPTER IV Shareholders’ Meeting

Article 13 Shareholders’ meeting shall be of the following two kinds: regular meeting and special meeting. The regular meeting shall be convened by the Board of Directors within six months after close of each fiscal year. The special meeting is to be held when necessary. In case shareholders are unable to attend the meetings in person for any cause, as provided in Article 177 of Company Act,

they may appoint a proxy in writing to attend such meetings.

The preferred shareholders' meeting may be convened in accordance with the relevant laws when it is deemed necessary.

- Article 14 A notice to convene a regular meeting of shareholders shall be given no later than 30 days prior to the scheduled meeting date, and no later than 15 days for a special meeting. The date, place, and cause(s) or subject(s) of a meeting of shareholders to be convened shall be indicated in the notice to be given to shareholders.
- Article 15 Except in the circumstances of no voting right set forth in Item 2, Article 179 of Company Act, and of voting right which cannot be exercised as provided in Item 2, Article 197-1 of Company Act, a shareholder shall have one vote in respect of each share in his/her possession.
- Article 16 The chairman of the Board of Directors shall preside the shareholders' meetings. In case the chairman of the Board of directors is on leave or absent or cannot exercise his power for any cause, the vice chairman shall act on his behalf. In case the vice chairman is also on leave or absent or cannot exercise his power for any cause, the chairman of the Board of directors designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the Board of Directors.
- Article 17 Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.
- Article 18 The date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting shall also be recorded on the resolutions adopted at the shareholders' meeting. This shall be affixed with the signature or seal of the chairman of the meeting. The preceding resolutions shall be kept in the Company along with the attendance cards of the shareholders present and the power of attorney for attendance.

CHAPTER V Board of Directors

- Article 19 The Board of Directors of the Company has nine directors who were elected by the shareholders' meeting from among the persons with disposing capacity. The term of office of a director shall be three years, and he/she may be eligible for re-election. The directors shall include not less than two independent directors, and not less than one-fifth of the director seats.
- A candidate nomination system shall be adopted in the Company for electing both independent directors and non-independent directors. The shareholders shall elect from among those listed in the slate of director candidates at shareholders' meeting.
- The professional qualifications of independent directors, the limit of holding shares and doing other jobs, the recognition of independence, the method of nomination and other rules to be followed are in accordance with the rules made

by the authority in charge of securities affairs.

Article 20 Directors constitute the Board of Directors. They shall elect the chairman of the directors, who externally represent the Company, from among the directors by a majority vote at a meeting attended by over two-thirds of directors present, and may elect a vice chairman of the Board to assist in the same manner. The Company may buy liability insurance for the directors, and the Board of Directors may set up a secretariat.

Article 21 The scope of duties and power of the Board of Directors is as follows:

1. To examine and establish corporate rules and regulations;
2. To certify business policies;
3. To examine and/or screen the budget and final account;
4. To draw up the plan of surplus earnings distribution;
5. To draw up the plan of increasing or reducing the capital; and
6. To exercise other duties and power given by laws and shareholders' meetings.

Article 22 In addition to the first board meeting to be held in accordance with the Company Act, others shall be convened by the chairman of the Board of Directors. In case the chairman of the Board of Directors is on leave or absent or unable to exercise his/her power and authority for any cause, the vice chairman shall act on his behalf. In case both the chairman and the vice chairman are both on leave or unable to exercise their power and authority for any cause, the chairman of the board of directors shall designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect among themselves an acting chairman of the Board of Directors.

The directors shall attend every board meeting in person, but in case a director is absent for any cause, he/she may appoint a proxy to attend the board meeting on his/her behalf. He/she shall execute a power of attorney stating therein the scope of power authorized with the cause(s) or subject(s) of such meeting to be convened.

The preceding proxy shall only accept one power of attorney. Resolutions of the Board of Directors, unless otherwise provided by law, shall be adopted by a majority vote of the directors at a board meeting attended by a majority of the directors.

Article 23 President, vice president and other senior staff members may be invited to a board meeting when necessary, but they shall not be entitled voting right.

Article 24 The remuneration of the chairman of the Board of Directors, vice chairman, directors and independent directors shall be decided by the Board of Directors by a scope of power authorized, depending on their participation of the Company's business, the value of their contribution and the duties they take, and with reference to the industry level of the country and overseas. Only the remuneration of independent directors is fixed, which is decided by the Board of Directors.

CHAPTER VI Audit Committee and Other Functional Committees

- Article 25 The Company shall establish an audit committee, composed of all of the independent directors. The committee shall include not less than three members, and one of whom shall be the convener. At least one member shall be specialized in accounting or finance.
- Article 26 The Company may establish other functional committees by laws.
- Article 27 The preceding committees' execution of the duties and power, and rules to be followed shall be in accordance with relevant laws and the Articles of Incorporation.

CHAPTER VII Managerial Personnel

- Article 28 Appointment and dismissal of president and vice president shall be adopted by Article 29 of Company Act.
- Article 29 The Company has one president who conducts all the business of the Company under the resolutions of the Board of Directors. The president may represent the Company within his/her execution of the duties and power, and several executive vice presidents and vice presidents shall be appointed to assist the president.

CHAPTER VIII Accounting

- Article 30 The fiscal year of the Company shall start from 1st January and end at 31st December. At the end of each fiscal year, general final account shall be prepared.
- Article 31 At the close of each fiscal year, the Company shall prepare the following statements and documents which shall be examined and certified by the Board of Directors. The statements and documents shall also be approved by the shareholders' meeting and shall be submitted to the competent authority for auditing:
1. the business reports;
 2. the financial statements; and
 3. the surplus earnings distribution or deficit compensation proposals.
- Article 32 Where the Company makes profits, it shall allocate no less than 0.5 percent of the profits to be the remuneration of employees, and no more than 3 percent to be the remuneration of directors. But the Company shall reserve the amount of money to be used to cover its losses if it still has accumulated losses, and later it shall allocate the remuneration in proportion for employees and directors. The preceding remuneration of employees may be given in the form of share certificates or cash. The remuneration of directors shall only be given to non-independent directors.
- Article 33 The Company adopts residual dividend policy in order to keep expanding the business scale, meet the demands for capital and long-term financial plan of the Company, and pursue sustainable and stable development. Where the Company has surplus earnings after the settlement of account at the

end of fiscal year, it shall first cover the losses in the previous fiscal years and pay the taxes by laws. After setting aside legal reserve and special reserve as provided in laws or reversing special reserve, and may distribute preferred share dividends thereafter, the balance, if applicable, shall be added to beginning retained earnings as the unappropriated retained earnings, thirty to one hundred percent of which shall be distributed as dividends for common shares. The proposal of surplus earnings distribution shall be submitted by the Board of Directors to the shareholders' meeting for approval. In case the unappropriated retained earnings is less than NT\$0.5 each share, it may be reserved and not distributed on the basis of canon of economy.

According to the Company's business plans, the surplus earnings distribution shall be based on the capital required and retained for distributing stock dividends, but it may reserve a proportion for distribution in the form of cash dividends. Where cash dividends are distributed in that year, the total amount of cash dividends shall not be less than ten percent of the total amount of dividends. The proportion of the preceding stock dividends and cash dividends may be adjusted appropriately, depending on that year's actual profits and capital condition. The Board of Directors shall draw up the proposal and submit to the shareholders' meeting for deciding the most appropriate dividend policy.

CHAPTER IX Supplemental Provisions

Article 34 In case the Articles of Incorporation are not complete, other situations shall be in accordance with the Company Act and relevant laws.

Article 35 The Articles of Incorporation were established on 12th April 1963, by all of the promoters. The first amendment was on 12th June 1969; the second was on 30th April 1973; ----- ; the thirty second was on 15th June 2007; the thirty third was on 13th June 2008; the thirty fourth was on 19th December 2008; the thirty fifth was on 19th June 2009; the thirty sixth was on 18th June 2010; the thirty seventh was on 24th June 2011; the thirty eighth was on 22nd June 2012; the thirty ninth was on 17th June 2014; and the fortieth was on 31st May 2016; and the forty first was on 26th May 2017.

China Life Insurance Co., Ltd.

The Procedures for the Election of Directors

First adopted at shareholders' meeting on April 30, 1992

First amendment was made on May 21, 2002

Second amendment was made on June 13, 2008

Third amendment was made on June 24, 2011

Fourth amendment was made on June 22, 2012

- Article 1: The election procedure for the Company's directors shall be proceeded in accordance with the Procedures.
- Article 2: For the elections of directors, Except as otherwise provided by the Company's Articles of Incorporation, each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 3: The Company's directors shall be elected by the shareholders' meeting from among the persons with disposing capacity. The number of directors will be as specified in the Articles of Incorporation, and those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 4: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.
- Article 5: The Company shall prepare the ballots and specify the attendance card numbers and number of voting rights associated with each ballot.
- Article 6: The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 7: If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.
- Article 8: Elections of independent and non-independent directors at Company shall be conducted in accordance with the candidate nomination system with voting rights separately calculated for independent and non-independent director positions.

Article 9: A ballot is invalid under any of the following circumstances:

- I. The ballot was not prepared in accordance with the Procedures.
- II. A blank ballot is placed in the ballot box.
- III. The writing is unclear and indecipherable or has been altered.
- IV. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
- V. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
- VI. No candidate's account name (name) or shareholder account number (identity card number) is provided in the ballot.
- VII. Two or more names of the candidate are entered in one ballot.

Article 10: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the chair on the site.

Article 11: The board of directors of the Company shall issue notifications to the persons elected as directors.

Article 12: The relevant provisions of the Company Act, the Company's Articles of Incorporate, and other applicable acts shall apply with regard to any matters not provided for herein.

Article 13 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

