 Articles Of Incorporation

CHAPTER I. GENERAL PROVISIONS

Article 1. (Corporate Name)
The name of the Company shall be "Samsung Jeungkwon Chusik Hoesa", which shall be written in English as "Samsung Securities Co., Ltd." (hereinafter called the "Company").

Article 2. (Purpose)
1. The objective of the Company shall be to engage in the following business activities.
(1) Financial investment services in accordance with the Financial Investment Services and Capital Market Act (hereinafter, referred to as "FISCMA"), including:
   (a) Dealing
   (b) Brokerage
   (c) Collective investment scheme service
   (d) Trust service
   (e) Non-discretionary investment advisory service
   (f) Discretionary investment advisory service
(2) Financial services permitted by the FISCMA and other relevant laws
(3) Auxiliary services permitted by the FISCMA as a financial investment service provider
2. The Company shall be allowed to engage in any businesses permitted/authorized, registered, or reported in accordance with the FISCMA or other relevant laws, other than those as referred to in the above Paragraphs 1, 2, and 3.

Article 3. (Location of Head Office and Establishment of Branches)
1. The Company shall have its head office in Seoul.

2. The Company may establish branches, liaison offices, representative offices, or subsidiaries within or outside Korea, as it deems necessary, as determined by the Board of Directors or such committee as authorized by the Board of Directors.

Article 4. (Method of Public Notices)
The Company shall post public notices on its website, http://www.samsungpop.com. If the website is unavailable because of circumstances beyond the Company's control, public notices shall be posted in the JoongAng Daily newspaper, or if this is unavailable, in the Korea Herald Business newspaper.

CHAPTER II. SHARES

Article 5. (The Amount of Authorized Capital)
The total number of shares to be issued by the Company shall be 120,000,000 shares.
Article 6. (Face Value per Share)
The face value of shares issued by the Company shall be five thousand (5,000) Won per share.

Article 7. (Type of Shares)
The shares to be issued by the Company shall be common shares in registered form and preferred shares in registered form.

Article 7-2. (Number and Description of Preferred Shares)
1. Preferred shares to be issued by the Company shall be non-voting, and the number thereof shall not exceed 60,000,000 shares. The number and kind of preferred shares to be issued by the Company shall be determined by the Board of Directors or such committee as authorized by the Board of Directors. The duration of all or a portion of preferred shares may not be specified.
2. In case of preferred stocks without voting rights, the Board of Directors or such committee as authorized by the Board of Directors will decide the stimulated dividend rate based on the par value.
3. In case the dividend on common shares is none, the dividend on preferred shares may be declared none.
4. In the case of rights issue or bonus issue, the holders of preferred shares shall be entitled to the same type of preferred shares they hold; provided that in the case of rights issue the Company may, if necessary, issue only one kind of shares, where
all the shareholders shall be entitled to such kind of shares to be issued.

5. If the Company cannot distribute dividends on preferred shares, the preferred shares shall be deemed to have voting rights during the period between the next general meeting of shareholders immediately following the general meeting at which a resolution not to distribute dividends on preferred shares is adopted and the end of the general meeting of the shareholders at which a resolution to distribute dividends on such preferred shares is adopted.

**Article 8. (Kind of Share Certificates)**

Share certificates of the Company shall be issued in 8 denominations of one, five, ten, fifty, one hundred, five hundred, one thousand and ten thousand share(s).

**Article 9. (Preemptive Rights)**

1. New shares to be issued by the Company shall be allocated to the shareholders in proportion to their respective shareholdings.

2. Notwithstanding the above Paragraph 1, new shares may be allocated to persons other than shareholders in the following cases:

   (1) If the Company issues new shares or causes underwriters to underwrite new shares in accordance with Article 9 and Article 119 of the Financial Investment Services and Capital Markets Act ("FISCMA");
(2) If the Company issues new shares through a public offering by a resolution of the Board of Directors or such committee as authorized by the Board of Directors in accordance with Article 165-6 of the FISCMA;
(3) If the Company allocates new shares to members of the Employee Stock Ownership Association in accordance with Article 165-7 of the FISCMA;
(4) If the Company issues new shares upon the exercise of stock options in accordance with Article 542-3 of the Commercial Act;
(5) If the Company issues new shares for the purpose of soliciting foreign investment (including foreign financial institutions) pursuant to the Foreign Investment Promotion Act, where such investment (and related issues) is determined by the Board of Directors or such committee as authorized by the Board of Directors;
(6) If the Company issues new shares for the issuance of securities deposit receipts in accordance with Article 165-16 of the FISCMA;
(7) If the Company issues new shares for the purpose of soliciting domestic investment (including financial institutions).
3. If shares are not subscribed for as a result of waiver or loss of the preemptive right of the shareholders to subscribe for new shares, or if fractional shares remain at the time of allocation of new shares, such shares may be disposed of by a resolution of the Board of Directors or such committee as authorized by the Board of Directors.
4. Under Clause 2 of the Regulation, before the Company allocates new stocks to entities other than existing stockholders, the Company shall notify or announce the stockholders two weeks in advance on relevant information designated by law.

**Article 9-2. (Public Offering)**

1. The Company may issue new shares by public offering to the extent that the new shares do not exceed 50% of the total number of issued and outstanding shares by a resolution of the Board of Directors or such committee as authorized by the Board of Directors, pursuant to Article 165-6 of the FISCMA.

2. If the Company issues new shares by public offering, the type, quantity and issue price of the shares to be newly issued shall be determined by a resolution of the Board of Directors or such committee as authorized by the Board of Directors; provided that the issue price of such new shares shall not be less than the price prescribed by Article 176-8 of the Enforcement Decree of the FISCMA.

**Article 9-3. (Base Date for Calculation of Dividends for New Shares)**

When the Company issues new shares by rights issue, bonus issue, stock dividend, or exercise of stock options, with respect to the distribution of dividends on the new shares, the new shares shall be deemed to have been issued at the end of the fiscal year immediately preceding the fiscal year in which the new shares are issued; provided, however, that with respect to the interim
dividend on new shares issued by rights issue, bonus issue, stock dividend, or exercise of stock options, after the record date for interim dividend under Article 42, Paragraph (3), the new shares shall be deemed to be issued immediately after the record date for interim dividend.

**Article 9-4. (Redemption of Shares)**
The Company may, by a resolution of the Board of Directors or a special resolution of the general meeting of shareholders, redeem the shares of the Company in accordance with the relevant laws and regulations; provided, however, that the amount of such redemption shall be within the limit of profit payable to its shareholders as dividends.

**Article 10. (Stock Options)**
1. The Company may grant stock options to its officers and employees (including officers and employees of the related companies as set forth in Article 542-3 of the Commercial Act; the same shall apply for the purpose of this Article) by a resolution of the Board of Directors or a special resolution of the general meeting of shareholders pursuant to Article 542-3 of the Commercial Act, to the extent permitted by the Commercial Act; provided, however, that if the Company grants the stock options to its officers and employees by a resolution of the Board of Directors, the Company shall obtain the approval of a general meeting of shareholders convened for the first time following such
a resolution. The stock options may be associated with the Company’s performances corresponding to market performances and management guidelines.

2. The person to whom stock options may be granted are the officers and employees who have contributed or have the capacity to contribute to the establishment, management, overseas business, technical innovation, etc. of the Company; provided, however, that the officers and employees who may not be entitled to stock options under the relevant laws and regulations shall be excluded.

3. The shares to be issued to the officers or employees by the exercise of their stock options (in case the Company pays, either in cash or treasury shares, the difference between the exercise price of stock options and the market price, they refer to the shares which are the basis for such calculation) shall be common shares in registered form.

4. The total number of shares to be delivered in accordance with the exercise of stock options shall be up to the extent permitted by the relevant laws and regulations.

5. The stock options may be exercised until an expiry date determined by a resolution of the general meeting of shareholders or the Board of Directors and such expiry date shall be determined within a period not exceeding eight (8) years from the date when two (2) years have elapsed from the date of the general meeting of shareholders or the date of the Board of Directors' meeting at which a resolution to grant such stock options is
adopted; provided, however, that the person to whom a stock option is granted should serve the Company for at least two (2) years after the date of such resolution in order to exercise such stock option, unless otherwise set forth by relevant laws and regulations.

6. The terms and conditions for stock options, such as the contents and exercise price thereof shall be determined by a special resolution of the general meeting of shareholders or by a resolution of the Board of Directors in accordance with the relevant laws and regulations and the Articles of Incorporation; provided, however, that such matters which are not provided for as matters reserved for resolutions of the general meeting of shareholders or the Board of Directors' meeting under the relevant laws and regulations or the Articles of Incorporation may be determined by the Board of Directors or a committee authorized by the Board of Directors.

7. The Company may cancel the grant of stock options by a resolution of the Board of Directors in any of the following cases:
(1) In case the relevant officer or employee voluntarily retires from his/her office or leaves the Company after the grant of stock options;
(2) In case the relevant officer or employee causes substantial damages to the Company due to his/her willful misconduct or negligence;
(3) In case the relevant officer or employee is officially charged, reported to investigative authorities, or recommended to resign by
the Financial Services Commission, in violation of the FISCMA, rules and regulations derived from the FISCMA, or rules of the Financial Services Commission; and,

(4) In case any of the causes for cancellation set forth in the stock option agreement occurs.

Article 11. (Transfer Agent)
1. The Company shall appoint a transfer agent to make entries in the Register of Shareholders.
2. The transfer agent, the location of its services and the scope of its operation are to be determined by the Board of Directors or such committee as authorized by the Board of Directors of the Company and to be announced in public.
3. The Company shall keep the Register of Shareholders and a copy thereof at the office of the transfer agent and entrust the transfer agent to deal with any entry into the Register of Shareholders, registration or deregistration of pledges, notation of entrustments or cancellation thereof, issuance of share certificates, receipt of notices and other related matters.
4. The procedures for the activities referred to in Paragraph 3 above will comply with the Regulation on the Securities Transfer Agency Business of the Transfer Agent.

Article 12. (Report of Name, Address, Seal of Shareholders)
1. Shareholders and registered pledgees shall report their names, addresses, and seals or signatures to the transfer agent referred to in Article 11.
2. Shareholders and registered pledgees who reside in foreign countries shall appoint and report the place where, and an agent to whom, notices will be given in Korea.
3. The same shall apply in case of any changes in matters referred to in Paragraphs 1 and 2 above.

**Article 13. (Closing of Register of Shareholders and the Record Date)**

1. The Company shall suspend any entry into the Register of Shareholders of any alteration of a shareholder’s name, registration or deregistration of pledge, or notation of entrustments or cancellation thereof for one (1) month from the day following the last day of each fiscal year; provided, however, that the Company may adjust such closing period to the extent it does not exceed three (3) months if there is unavoidable reason and in such case, the Company shall place a notice of the adjustment of closing period in the Company’s website (http://www.samsungpop.com) two (2) weeks prior to the commencement of such closing period.
2. The Company shall let the shareholders who are entered into the Register of Shareholders on the last day of each fiscal year exercise their rights thereof at the ordinary general meeting of shareholders.
3. In case where the Company convenes an extraordinary general meeting of shareholders or where deemed otherwise necessary, the Company may, by resolution of the Board of Directors or such committee as authorized by the Board of Directors, set the record date or close the Register of Shareholders for a certain period not exceeding three (3) months by giving at least two (2) weeks' prior public notice; provided that if the Board of Directors or such committee as authorized by the Board of Directors deems it necessary, the Company may close the Register of Shareholders and set the record date at the same time.

CHAPTER III. BONDS

Article 14-1. (Issuance of Bonds)
1. The Company may issue bonds as a decision from the Board of Directors.

2. The Board of Directors may delegate the authority to issue bonds to the representative director; the price and type of such bonds shall be decided by the Board of Directors and the period shall not exceed one year.

Article 14-2. (Issuance of Convertible Bonds)
1. The Company may issue convertible bonds to persons other than existing shareholders of the Company by resolution of the Board of Directors to the extent that the total face value of such convertible bonds shall not exceed six hundred (600) billion won in any of the following cases:
(1) Convertible bond issued in the method of general public offering;
(2) Convertible bond issued to attract foreign investments in accordance with the Foreign Investment Promotion Act for the purpose of raising funds for businesses;
(3) Overseas issuance of Convertible bonds or the issuance for a strategic alliance; and,
(4) Convertible bond issued to domestic and foreign financial institutions and corporations for urgent funding need.

2. The Board of Directors or such committee as authorized by the Board of Directors may determine that the convertible bonds referred to in Paragraph 1 may be issued on the condition that conversion rights will be attached to only a portion of the convertible bonds.

3. The shares to be issued upon conversion shall be either common shares or preferred shares. The issue price shall be equal to or more than the face value of the shares, and be determined by the Board of Directors or such committee as authorized by the Board of Directors at the time of the issuance of the relevant convertible bonds.

4. The period during which conversion rights may be exercised by a holder of convertible bonds shall commence on the date immediately following the issuance date of the convertible bonds and end on the date immediately preceding the redemption date thereof. However, the Board of Directors or such committee as authorized by the Board of Directors may adjust the conversion
period within the above period by its resolution in accordance with relevant laws and regulations.

5. For the purposes of any distribution of dividends or interest on the shares issued upon conversion, the convertible bonds shall be deemed to have been converted into shares at the end of the fiscal year immediately preceding the fiscal year during which the relevant conversion rights are exercised; provided that, with respect to the interim dividend on new shares issued upon conversion after the record date for interim dividend under Article 42, Paragraph 3, the new shares shall be deemed to be issued immediately after the record date for interim dividend.

Article 14-3. (Issuance of Bonds with Warrants)

1. The Company may issue bonds with warrants to persons other than existing shareholders of the Company by resolution of the Board of Directors to the extent that the total face value of such bonds with warrants shall not exceed six hundred (600) billion won in any of the following cases.

(1) Bonds with warrant issued in the method of general public offering;

(2) Bonds with warrant issued to attract foreign investments in accordance with the Foreign Investment Promotion Act for the purpose of raising funds for businesses;

(3) Overseas issuance of bonds with warrants or the issuance for a strategic alliance; and,
(4) Bonds with warrant issued to domestic and foreign financial institutions and corporations for urgent funding need.

2. The amount of new shares which can be subscribed for by the holders of the bonds with warrants shall be determined by the Board of Directors or such committee as authorized by the Board of Directors; provided that the maximum amount of such new shares shall not exceed the aggregate face value of the bonds with warrants.

3. The shares to be issued upon exercise of warrants shall be either common shares or preferred shares. The issue price shall be equal to or more than the face value of the shares, and be determined by the Board of Directors or such committee as authorized by the Board of Directors at the time of the issuance of the relevant bonds with warrants.

4. The period during which the warrant holder may exercise his/her right to subscribe for new shares shall commence on the date immediately following the issuance date of the bond with warrants and end on the date immediately preceding the redemption date thereof. However, the Board of Directors or such committee as authorized by the Board of Directors may adjust the exercise period of warrants within the above period by its resolution in accordance with relevant laws and regulations.

5. For the purposes of any distribution of dividends or interest on the shares issued upon any exercise of warrants, such shares shall be deemed to have been issued at the end of the fiscal year immediately preceding the fiscal year during which the relevant
subscription money is fully paid: provided that, with respect to the interim dividend on new shares issued upon exercise of the pre-emptive right after the record date for interim dividend under Article 42, Paragraph 3, the new shares shall be deemed to be issued immediately after the record date for interim dividend.

**Article 15. (Applicable Provisions for the Issuance of Bonds)**
The provisions of Articles 11 and 13 hereof shall be applicable mutatis mutandis to the issuance of bonds.

**CHAPTER IV. GENERAL MEETING OF SHAREHOLDERS**

**Article 16. (Convening of Meeting)**
1. General meetings of the shareholders of the Company shall be of two types: Ordinary and Extraordinary.
2. Ordinary general meetings of shareholders shall be convened within three (3) months after the close of each fiscal year, and extraordinary general meeting of shareholders shall be convened when necessary.

**Article 17. (Authority to Convene)**
1. Unless otherwise provided for in the relevant laws and regulations, the general meeting of shareholders shall be convened by the representative director of the Company in accordance with a resolution of the Board of Directors or such committee as authorized by the Board of Directors.
2. If the representative director is unable to perform his/her duty, the provision of Article 34, Paragraph 2 shall apply mutatis mutandis.

Article 18. (Chairman)
1. The representative director shall serve as chairman of the general meeting of shareholders; provided, however, that if the number of the representative director is more than one (1), the Board of Directors shall elect the chairman of the general meeting of shareholders.
2. In case the representative director is unable to perform his/her duties, the provision of Article 34, Paragraph 2 shall apply mutatis mutandis.

Article 19. (Chairman's Authority to Maintain Order)
1. The chairman of a general meeting of shareholders may order persons, who intentionally speak or behave obstructively or who disturb the proceedings of the meeting, to stop a speech or leave the place of the meeting.
2. The chairman of a general meeting of shareholders may restrict the time and number of speeches of a shareholder as deemed necessary for the purpose of smooth proceeding of the meeting.

Article 20. (Notice and Public Notice of Convening of General Meeting)
1. When convening a general meeting of shareholders, a written or electronic notice thereof setting forth the time, date, place and agenda of the meeting shall be sent to the shareholders at least two (2) weeks prior to the date of such meeting.

2. The written notice of a General Meeting of Shareholders to be given to shareholders holding one-hundredth (1/100) or less of the total issued and outstanding voting shares may be substituted by giving public notice of the convening of the General Meeting of Shareholders in the "Joong-Ang Daily" and "The Herald Business", which are published in the city of Seoul, or in the electronic disclosure systems run by the Financial Services Commission or the Korea Exchange. The public notice shall be made two (2) weeks prior to the date set for such Meeting and the notice via the said publications shall be made at least twice.

Article 21. (Place of Meeting)
The General Meeting of Shareholders shall be held in the city where the head office is located or any other places adjacent thereto as required.

Article 22. (Voting Right)
Except as otherwise provided by the relevant laws and regulations, each shareholder shall have one vote per share.

Article 23. (Limitation to Voting Rights of Cross-Held Shares)
If the Company, parent company, or any of its subsidiaries, alone or in aggregate, hold shares exceeding one-tenth (1/10) of the total number of issued and outstanding shares of another company, the shares of the Company held by such other company shall not have voting rights.

**Article 24. (Split Voting)**

(1) If any shareholder who holds two (2) or more votes wishes to split his/her votes, he/she shall notify in writing the Company of such intent and the reasons therefor no later than three (3) days before the date set for the General Meeting of Shareholders.

(2) The Company may refuse to allow the shareholder to split his/her votes, unless the shareholder acquired the shares in trust or otherwise holds the shares for and on behalf of some other person.

**Article 25. (Voting by Proxy)**

(1) A shareholder may exercise his/her vote through a proxy.

(2) In the case of Paragraph 1 above, the proxy holder shall file with the company the documents (power of attorney) evidencing the authority to act as a proxy before the General Meeting of Shareholders.

**Article 26. (Method of Resolution)**
Except as otherwise provided in the applicable laws and regulations, all resolutions of the General Meeting of Shareholders shall be adopted by the affirmative vote of a majority of the shareholders present; provided that such votes shall, in any event, represent not less than one-fourth (1/4) of the total number of issued and outstanding shares.

**Article 27. (Minutes of the General Meetings of Shareholders)**

The substance of the course of the proceedings of the general meeting of shareholders and the results thereof shall be recorded in the minutes and shall be preserved at the head office and branches of the Bank, after being affixed with the names and seal impressions or signatures of the chairman and the directors present.

**CHAPTER V. DIRECTORS, THE BOARD OF DIRECTORS AND COMMITTEES**

**Article 28. (Number of Directors)**

The Company shall have at least three (3) but not more than nine (9) directors. The number of outside directors, meeting the definition under the Commercial Act, the FISCMA, and other relevant laws and regulations, shall be more than 1/2 of the total number of directors.

**Article 29. (Election of Directors)**
1. Directors shall be appointed at the general meeting of shareholders; provided, however, that outside directors shall be elected from the persons recommended by the Outside Director Candidate Recommendation Committee.

2. Except as otherwise provided for in the relevant laws and regulations, the directors shall be elected at a general meeting of shareholders if the approval of a majority vote of the shareholders present at such meeting is obtained and such majority also represents at least one-fourth (1/4) of the total number of shares issued and outstanding.

3. In case two (2) or more directors are appointed, the cumulative voting system provided for in Article 382-2 of Commercial Act shall not be applicable.

**Article 30. (Term of Office)**

1. Directors shall be elected for a term of not more than three (3) years, and shall be eligible for immediate re-election.

2. Independent directors shall be eligible to serve no more than five (5) consecutive years. If immediately re-elected as described in paragraph 1 above, their term of office shall be not more than one (1) year.

3. In applying paragraphs 1 and 2 above, the term of office of the directors shall be extended up to the close of the ordinary general meeting of shareholders convened in respect of the last fiscal year of such term of office, in case his/her term of office expires on a date prior to such ordinary general meeting of shareholders.
Article 31. (Election of Directors in case of Vacancy)
1. Any vacancy in the office of the director shall be filled by a resolution of a general meeting of shareholders. However, if the number of directors does not fall below the number prescribed by Article 29 and there is no difficulty in the administration of business, the foregoing shall not be applicable.
2. In case two (2) or more directors are appointed, the cumulative voting system provided for in Article 382–2 of Commercial Act shall not be applicable.

Article 32. (Election of Representative Director, etc.)
1. At least one (1) representative director shall be elected among directors by the resolution of the Board of Directors.
2. A number of chairman, vice chairman, president, vice president, senior managing director and managing director shall be elected among directors by the resolution of the Board of Directors or such committee as authorized by the Board of Directors, when deemed necessary for business.

Article 33. (Duties of Directors)
1. The representative director shall represent the Company and control all affairs of the Company.
2. The vice presidents, the senior managing directors, and the managing directors shall assist the representative director and immediate supervisors, and shall perform their respective duties
as determined by the Board of Directors or such committee as authorized by the Board of Directors. In the event that the representative director is unable to perform his/her duties, the vice presidents, the senior managing directors, and the managing directors shall take his/her place in the order indicated. In case two (2) or more directors are of the same position, the order of priority shall be determined by the Board of Directors or such committee as authorized by the Board of Directors.

**Article 33-2. (Duty to Report)**

If any director finds any facts which may cause substantial losses to the Company, such director shall promptly report to the Audit Committee thereof.

**Article 34. (Board of Directors)**

1. The Board of Directors shall consist of directors and the Board of Directors shall resolve all important matters relating to the Company.

2. The chairman shall be elected among directors by the resolution of the Board of Directors.

3. The meeting of the Board of Directors shall be convened by the chairman or the representative director. In the event that the chairman or the representative director are unable to perform their duties, it can be convened by a director empowered by the Board of Directors.

4. He or she who convenes the meeting of the Board of Directors
shall give notice to each director of the date, time and place twenty-four (24) hours prior thereto in writing, electronic document, or verbally; provided that such notice may be omitted with the consent of all directors.

Article 34-2. (Committees)
1. The Company may establish the following committees within the Board of Directors by the resolution of the Board of Directors:
   (1) Executive Committee;
   (2) Audit Committee;
   (3) Outside Director Recommendation Committee
   (4) Compensation Committee
   (5) Risk Management Committee
   (6) Internal Transaction Committee; and
   (7) Other committee as deemed necessary by the Board of Directors.
2. Composition, power and operation of each committee shall be determined by the resolution of the Board of Directors, except as otherwise provided for in the relevant laws and regulations.
3. Articles 35, 36 and 37 shall apply mutatis mutandis in respect of the committees.

Article 34-3. (Executive Committee)
1. The Company may establish the Executive Committee as set forth in Article 34-2 by a resolution of the Board of Directors.
2. The Executive Committee shall perform its duties in accordance with the resolution and regulation of the Board of Directors and
shall deliberate and resolve any matters delegated by the Board of Directors from time to time.

3. Details concerning composition and operation of the Executive Committee shall be determined by the Board of Directors.

4. The Board of Directors shall supervise the conduct of business of the Management Committee and the liabilities of the Board of Directors shall not be reduced by virtue of the delegation of its duties to the Management Committee.

Article 34-4. (Audit Committee)

1. The Company shall establish the Audit Committee as set forth in Article 34-2 by a resolution of the Board of Directors.

2. Details concerning composition and operation of the Audit Committee shall be determined by the Board of Directors.

Article 34-5. (Outside Director Recommendation Committee)

1. The Company shall establish the Outside Director Recommendation Committee as set forth in Article 34-2 by a resolution of the Board of Directors.

2. Details concerning composition and operation of the Outside Director Recommendation Committee shall be determined by the Board of Directors.

Article 34-6. (Compensation Committee)

1. The Company shall establish the Compensation Committee as set forth in Article 34-2 by a resolution of the Board of Directors.
2. Details concerning composition and operation of the Compensation Committee shall be determined by the Board of Directors.

**Article 34–7. (Risk Management Committee)**

1. The Company shall establish the Risk Management Committee as set forth in Article 34–2 by a resolution of the Board of Directors.
2. Details concerning composition and operation of the Risk Management Committee shall be determined by the Board of Directors.

**Article 34–8. (Internal Transaction Committee)**

1. The Board of Directors may decide to establish an Internal Transaction Committee subject to Article 34–2.
2. The organization, administration and other details of the Internal Transaction Committee shall be determined by the Board of Directors.

**Article 35. (Resolution of the Board of Directors)**

1. Unless required otherwise by relevant law, the presence of the majority of all directors shall constitute a quorum for a meeting of the Board of Directors and the resolutions of the Board of Directors shall be adopted by a majority of the votes of the directors attending the meeting.
2. A director having a special interest with respect to the resolution shall not exercise his voting right.
3. The meetings of the Board of Directors may be held by means of a video conference or other similar arrangement whereby all or part of the directors may participate in the meeting and vote on matters at the same time. In such case, a director participating in the meeting by such arrangement shall be considered present at the meeting.

**Article 36. (Minutes of the Meeting of the Board of Directors)**

1. The substance of the proceedings of the Board of Directors shall be recorded in the minutes
2. The minutes shall include agenda, proceedings, results, opponents and his/her cause of opposition and on which the names and seals of all directors present shall be affixed or which shall be signed by such persons.

**Article 37. (Remuneration and Severance Allowance of Directors)**

1. Remuneration of directors (i.e. salary, bonus, severance allowance, etc.) shall be determined by the Board of Directors or such committee as authorized by the Board of Directors, within the ceiling set by the general meeting of shareholders.
2. To determine the remuneration mentioned in Paragraph 1, the Board of Directors or such committee as authorized by the Board of Directors may adopt "Officer's Remuneration Regulations" or "Officer's Severance Pay Regulations."
CHAPTER VI. ACCOUNTING

Article 38. (Fiscal Year)
The fiscal year of the Company shall be from January 1st to December 31st.

Article 39. (Preparation and Maintenance of Financial Statements)
1. The representative director of the Company shall prepare the following documents to be submitted to the ordinary general meeting of shareholders, together with supplementary data and business reports, and have such documents audited by the Audit Committee no later than the deadline set by relevant laws and regulations:
(1) Balance sheet;
(2) Statements of profit and loss;
(3) Documents which display the Company’s financial status and management performances and are designated by enforcement ordinances of the Commercial Act; and
(4) Consolidated financial statements as designated by enforcement ordinances of the Commercial Act

2. The Audit Committee shall submit an audit report to the representative director no later than the deadline set by relevant laws and regulations.
3. The Company shall keep on file copies of the documents described in Paragraph 1 above, together with the business report and Audit Committee's audit report thereon, as stipulated by relevant laws and regulations.

4. Immediately upon obtaining approval for the documents mentioned in Paragraph 1 above from the general meeting of shareholders, the Company shall make a public notice of the balance sheet and the opinion of an external auditor.

**Article 39-2. (Election of Outside Auditor)**

The Company shall appoint an outside auditor, with the approval of the Audit Committee, in accordance with the Act on External Audit of Stock Companies, and shall report to the general meeting of shareholders held during the fiscal year of the appointment, notify shareholders on the shareholder register as of the record date by letter or email, or make a public notice on the Company's website.

**Article 40. (Disposition of Profits)**

The unappropriated retained earnings for each fiscal year of the Company shall be disposed of as follows:

1. Legal Reserves;
2. Other statutory reserves;
3. Dividends;
4. Voluntary reserve; and
5. Other retained earnings to be appropriated.
Article 41. (Dividends of Profits)
1. Dividends of profits may be paid in either cash or shares.
2. Dividends mentioned in Paragraph 1 shall be paid to the shareholders entered in and the pledgees registered with the register of shareholders of the Company as of the last day of each fiscal year.
3. Dividends may be paid in cash to the shareholders entered in and the pledgees registered with the register of shareholders of the Company as of June 30 (the "record date for interim dividend") each year, by resolution of Board of Directors or such committee as authorized by the Board of Directors.
4. Accumulated unpaid dividends shall not accrue interest.
5. In the case of stock dividends, if the Company has issued several classes of shares, different classes of shares may be allotted by a resolution of the general meetings of shareholders.

Article 42. (Extinct Prescription of the Right for Payment of Dividends)
1. Right for payment of dividends shall be extinguished, if the right is not exercised for five(5) consecutive years.
2. Upon the expiry of the prescription of dividends in Paragraph 1, such dividends shall be returned to the Company.

CHAPTER 7 ADDENDUM
Article 43. (Scope of Application)

Matters not specifically provided for herein shall be in conformity with a special resolution of the general meeting of shareholders or the relevant provisions of the Commercial Act and other laws.

Adopted on October 19, 1982
Amended on February 24, 1984
  September 1, 1984
  September 1, 1986
  December 26, 1987
  August 25, 1989
  February 12, 1991
  May 22, 1992
  November 25, 1992
  May 28, 1994
  May 27, 1995
  May 25, 1996
  May 31, 1997
  December 9, 1997
  May 30, 1998
  May 29, 1999
  May 27, 2000
  June 2, 2001
  June 1, 2002
  June 5, 2003
  May 25, 2004
June 3, 2005
June 2, 2006
June 4, 2009
June 1, 2010
June 3, 2011
June 5, 2012