

THE COMPANY'S ARTICLES OF ASSOCIATION RELATING TO
SHAREHOLDERS' MEETING

Shareholders' Meeting

Clause 33 The Board of Directors shall call for a Shareholders' Meeting which is an Annual General Meeting within four (4) months from the last day of the fiscal year of the Company.

Shareholders' Meetings other than the one referred to in the first paragraph shall be called Extraordinary General Meetings. The Board of Directors may call an Extraordinary General Meeting anytime it deems appropriate, or shareholders holding not less than one-fifth (1/5) of the total number of shares sold, or shareholders being not less than twenty-five (25) persons holding in aggregate of not less than one-tenth (1/10) of the total number of shares sold, may submit their request to the Board of Directors to call an Extraordinary General Meeting at any time, but the reasons for calling such a meeting must be clearly stated in the request. The Board of Directors shall proceed to call a Shareholders' Meeting to be held within one (1) month of the date of receipt of such request from the said shareholders.

Clause 35 In order to constitute a quorum at a Shareholders' Meeting, shareholders and proxies (if any) of not less than twenty-five (25) persons or not less than one-half (1/2) of the total number of shareholders must be present, and in either case such shareholders shall hold in aggregate not less than one-third (1/3) of the total number of shares sold.

At any Shareholders' Meeting, if one (1) hour has passed from the time specified for the meeting and the number of shareholders attending the meeting is still inadequate to constitute a quorum, the meeting shall be cancelled if the meeting was called at the request of shareholders. If the meeting was not called at the request of shareholders, the meeting shall be called once again and the notice of meeting shall be delivered to the shareholders at least seven (7) days prior to the date of the meeting. No quorum is required at the latter meeting.

Clause 36 The Chairman of the Board of Directors shall be the Chairman of Shareholders' Meetings. In the event that the Chairman of the Board is not present at the meeting or unable to perform his duty, the Vice-Chairman shall preside over the meeting. If there is no Vice-Chairman or the Vice-Chairman is not present at the meeting, or unable to perform his duty, the shareholders present at the meeting shall elect one of the shareholders among them to be the Chairman of the meeting.

Clause 42 The Board of Directors shall deliver the following documents, together with the notice of the Annual General Meeting, to the shareholders:

- (1) A copy of the balance sheet and profit and loss statement, which has been audited by the auditor together with the auditor's report.
- (2) Annual report of the Board of Directors.

Voting

Clause 37 In casting votes at the Shareholders' Meeting, one share shall be counted as one vote. Any shareholder who has a special interest in any matter proposed at the meeting, shall not be entitled to vote on such matter, except voting for the election of directors. Resolutions of the Shareholders' Meeting shall require:

- (1) In ordinary cases, a majority of the votes of the shareholders who are present and cast their votes in the meeting is required. In the case of a tie vote, the Chairman of the meeting shall have a casting vote.
- (2) In the following cases, a vote of not less than three-fourths (3/4) of the total number of the votes of the shareholders who are present and are eligible to vote at the meeting is required:
 - (a) The sale or transfer of the whole or substantial part of the business of the Company to other persons;
 - (b) the purchase or acceptance of any transfer of the business of another public or private company by the Company ;
 - (c) the entering into, amendment, or termination of any agreement with respect to the granting of a lease, in whole or in substantial part, of the Company's business, the assignment of the management of the Company's business to any other persons, or the amalgamation of the business with other persons for the purpose of profit and loss sharing;
 - (d) The amendment to the Company's Memorandum of Association or Articles of Association;
 - (e) The increase or decrease of the Company's registered capital ;
 - (f) The dissolution of the Company;
 - (g) The issuance of debentures of the Company;
 - (h) The amalgamation of the Company with another company.

Method of Election of Directors

Clause 17 The directors shall be elected at the Shareholders' Meeting in accordance with the following criteria and procedures:

- (1) A shareholders shall have one (1) vote per share.
- (2) Each shareholder may exercise all the votes he or she has to elect one or several persons as director(s), but the shareholder cannot allot his or her votes to any person in any number; and
- (3) The candidates who received the highest votes in their respective order of the votes shall be elected as the directors until all of the director positions that the Company has, or are to be elected at such meeting, are filled. In the event the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman of the meeting shall have a casting vote.

Clause 18 At each annual general meeting, one-third (1/3) of the total number of the directors shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third (1/3) shall retire from office.

Retiring directors in the first and second years following the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office the longest shall retire.

Retiring directors are eligible for re-election.

Directors' Remuneration

Clause 32 A director is entitled to receive remuneration in the form of a reward, a meeting allowance, a pension, a bonus, or any other benefit fixed by a Shareholders' Meeting by a vote of not less than two-thirds (2/3) of the total number of the votes of the shareholders who are present at the meeting and are eligible to vote.

The provisions of the first paragraph above do not affect the rights of the Company's officers or employees who have been elected as director(s), to receive remuneration and other benefits for their position as the Company's officers or employees.

Payment of Dividend

Clause 47 No dividend shall be paid other than out of profits. If the Company still has an accumulated loss, no dividend shall be distributed.

Dividends shall be paid according to the number of shares held, with each share receiving an equal amount.

The Board of Directors may pay interim dividends to the shareholders from time to time if the Board deems that the profits of the Company justify such payment, and shall report such payment to the shareholders at the next Shareholders' Meeting.

In the case where the Company has not yet completely sold all shares which have been registered or where the Company has already registered an increase in capital, the Company may pay dividends, in whole or in part, by issuing new ordinary shares to the shareholders provided that it has received approval from the Shareholders' Meeting.

Dividends shall be paid within one (1) month from the date of the resolution of the Shareholders' Meeting or of the Board of Directors' Meeting, as the case may be. The shareholders shall be notified in writing of such payment of dividend, and the notice shall also be published in a newspaper for at least three (3) consecutive days.

Clause 48 The Company shall allocate not less than five (5) percent of its annual net profit less the accumulated losses brought forward (if any) to a reserve fund until this fund attains an amount not less than ten (10) percent of the registered capital.

Auditor

Clause 43 The auditor shall not be a director, staff member, employee, or any person holding any position in the Company.

Clause 45 The auditor has the duty to attend every Shareholders' Meeting at which the balance sheet, profit and loss statement, and the problems relating to the accounts of the Company are to be considered in order to clarify the auditing of accounts to the shareholders. In this regard, the Company shall also deliver to the auditor the report and documents which the shareholders are to receive at that Shareholders' Meeting.