

Topoint Technology Co., Ltd

Articles of Incorporation

Chapter 1 General Provisions

- Article 1 This Company is established in accordance with the provisions under the Company Law and named Topoint Technology Co., Ltd.
- Article 2 The Company operates the following businesses:
- 1 Manufacturing and sale of special micro drill-bits for printed circuit boards.
 - 2 Manufacturing and sale of special digital drills for printed circuit boards.
 - 3 Manufacturing and sale of processing of peripheral equipment for printed circuit boards.
 - 4 Generam import & exporting transaction and agency businesses.
 - 5 Apart from franchising business, other businesses not prohibited or restricted by the laws.
- Article 3 The company's head office is located in Taipei County, Taiwan Province. Where necessary, the board of directors may resolve to set up local or foreign branches.
- Article 3.1 The Company's amount of foreign investment is not subject to the forty percent restriction under the *Company Law*.
- Article 3.2 Where the Company has to provide endorsement and guarantee as a result of business requirements, such endorsement or guarantee shall be provided in accordance with the regulations of the securities authorities.
- Article 4 Public announcements of the Company shall be executed in accordance with the provisions under Article 28 of the *Company Law*.

Chapter 2 Shareholding

- Article 5 The Company's total capital is two Billions New Taiwan Dollars, divided into two hundred million shares with a par value of One New Taiwan Dollar each, and may be issued at different times. The board of directors shall be authorised to administer matters concerning share issue. Within the aforesaid total capital, three hundred million New Taiwan Dollars shall be set aside for exercise of options for employee stock option certificates, warrant-attached preference shares, warranted-attached corporate bonds, totalling thirty million shares, issuable at different times in accordance with the board of directors' resolution.
- Article 5.1 The exercise price of employee stock warrants is not subject to Article

53 of “Regulations Governing the Offering and Issuance of Securities by Securities Issuers” when obtain the consent of at least two-thirds of the voting rights represented at a shareholders meeting attended by shareholders representing a majority of the total issued shares.

The issuer shall be required to list the information specified in Article 56-1 of “Regulations Governing the Offering and Issuance of Securities by Securities Issuers” in the notice of reasons for convening the shareholders meeting

The issuer is allowed to register multiple issues over a period of one year from the date of the shareholders resolution

Article 5.2 To transfer shares to employees at less than the average actual repurchase price, a company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders meeting attended by shareholders representing a majority of total issued shares, and must have listed the information specified in Article 10-1 of “Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies” in the notice of reasons for that shareholders meeting.

Article 6 Shareholders shall complete a specimen signature card for the Company’s record. All future collection of share dividends and exercise of stock options in writing shall be based on the said specimen signature. Except if otherwise provided by the *Company Law* or securities rules, the Company’s share registration and transfer operations shall be governed by the provisions under the *Regulations Governing the Acquisition or Disposal of Assets by Public Companies* as promulgated by the Securities and Futures Commission, Ministry of Finance

Article 7 The Company’s shares are bearer shares signed or stamped by three or more members of the board of directors and issued upon lawful authorisation; otherwise, scriptless share registered with a central depository may be issued. Such central depositories may request the company to combine shares for issuance of securities with larger face values.

Article 8 Alterations in shareholders’ register may not be carried out within sixty days before an ordinary shareholders’ meeting, thirty days before an extraordinary shareholders’ meeting, or five days before the record dates on which the Company has decided to distribute dividends and bonus or other benefits.

Chapter 3 Shareholders’ Meeting

Article 9 Shareholders’ Meetings are divided into ordinary and extraordinary meetings.

Ordinary meetings are lawfully convened every every by the board of directors within six months after the end of a financial year. Extraordinary meetings are convened as and when necessary.

Article 10 Shareholders unable to attend shareholders' meetings may authorise a proxy to attend the meetings on his behalf by providing a signed and stamped power of attorney indicating the scope of authorisation. Save as otherwise provided by the Company Law, the *Regulations Governing the Acquisition or Disposal of Assets by Public Companies* as promulgated by the competent authorities shall govern.

Article 11 Save for Company shares under Article 179 of the Company Law that are without voting rights, every share shall be entitled to one vote.

Article 12 Save as otherwise provided by the Company Law, shareholders' resolutions shall be adopted when more than a simple majority of the shareholders representing issued and outstanding shares, of which more than half with voting rights vote in affirmation.

Chapter 4 Directors and Supervisors

Article 13 The Company shall have seven directors and three supervisors serving a three-year term, appointed by the shareholders' meeting from persons with the capacity to act. The term of office of a director or shareholder may be extended upon his (her) re-election. The total number of bearer shares held by all directors and supervisors shall be subject to the provisions under the *Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies* as promulgated by the competent authorities.

Article 14 The board of directors shall comprise of directors. The chairman of the board of directors shall be elected from among such directors in the presence of more than two-thirds of the members of the board of directors and of which more than half vote in affirmation. The chairman of the board of directors shall represent the Company in external affairs.

Article 15 Where the chairman of the board directors is on leave or, for reasons, is unable to exercise his powers of office, appointment of the chairman's proxy shall be governed by the provisions under Article 208 of the *Company Law*.

Article 15.1 Directors shall attend board of directors' meetings. A director who is unable to attend a board of directors' meeting may appoint other

directors as his proxy, provided that a power of attorney is presented. A proxy, however, may only be appointed by one person. Directors living overseas may appoint other directors living within the country to act as his regular proxy at board of directors' meetings; however, registration shall be made with the competent authorities. The same applies to changes. Where teleconferencing is used for board of directors' meetings and directors participating in such meetings via teleconferencing shall be deemed to have attended the meetings in person.

Article 15.2 The board of directors shall be authorised to deliberate directors' and supervisors' remuneration, based on their level of participation with the Company's operations and amount of contribution, with reference to the industry's norms.

Article 15.3 The Company may purchase liability insurance for its directors and supervisors. The board of directors shall be authorised to deliberate on the insurance coverage based on market norms. The period of such insurance coverage shall commence on their date of assumption of office until their date of release from office.

Chapter 5 Managers

Article 16 The Company shall have managers, the appointment and dismissal, and remuneration of whom shall be governed by the provisions under Article 29 of the *Company Law*.

Chapter 6 Accounts

Article 17 At the end of every financial year, the Company's board of directors shall prepare the following statements, to be delivered to the supervisors for inspection thirty days before a shareholders' meeting, thereafter, propose for acceptance at the shareholders' meeting.

- (1) Business Report
- (2) Financial Statements
- (3) Proposals for Profit or Loss Appropriation

Article 18 Any surplus in the final accounts shall first be provided for income tax payment, setting off of accumulated losses, thereafter, set aside ten percent as statutory reserve, followed by the provision for special reserve as provided by the law. At least

fifty percent of the remaining profits available for distribution shall be set aside for distribution in the current year, the distribution of which shall be as follows:

- (1) Below three percent for director's and supervisors' remuneration;
- (2) More than one percent but less than twenty five percent as staff bonus;
- (3) After deduction of the aforesaid items (1) and (2), the remaining shall be distributed as shareholders' dividends.

In view of the Company's current business growth, and in consideration of its future business development plans, financial structure and shareholders' equity, the Company shall adopt a dividend policy comprising stock and cash dividends, of which cash dividends shall not be lower than ten percent of the total shareholders' dividends distributed for the same year.

Chapter 7 Supplementary Provisions

Article 19 All matters not provided herein shall be governed by the *Company Law*.

Article 20 These Articles are formulated on the 21st day of March 1996.
First Amendment on 10th December 1997
Second Amendment on 23rd March 1998
Third Amendment on 7th September 1999
Fourth Amendment on 20th September 1999
Fifth Amendment on 18th April 2000
Sixth Amendment on 9th April 2001
Seventh Amendment on 16th June 2002
Eighth Amendment on 6th June 2003
Ninth Amendment on 28th June 2004
Tenth Amendment on 28th June 2004
Eleventh Amendment on 29th June 2005
Twelfth Amendment on 20th January 2006
Thirteenth Amendment on 20th June 2006
Fourteenth Amendment on 15th June 2007
Fifteenth Amendment on 13th June 2008