



Sercomm Corporation Rules for Shareholders Meetings Procedure

- Article 1. The rules of procedures for Sercomm's (the Company's) shareholders meetings shall be carried out in accordance with these Rules unless otherwise prescribed in laws and regulations.
- Article 2. The attendance of a shareholder meeting is recorded according to the sign-in card on the date of a shareholder meeting. The Company shall furnish attending shareholders with the meeting agenda handbook, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of Directors, pre-printed ballots shall also be furnished.
- Article 3. The voting at the shareholders' meeting shall be based on the number of owned shares.
- Article 4. A shareholders' meeting shall be convened in a location where Sercomm is located or a location appropriate for the shareholders' meeting. A shareholders' meeting shall be duly convened not earlier than 9:00 a.m. nor later than 3:00 p.m.
- Article 5. A shareholders' meeting shall be chaired by the Chairman of the Board if convened by the Board of Directors. During the absence or unavailability of the Chairman of the Board, he/she shall, in advance, appoint the Vice Chairman to act on behalf of him/her. If there is no Vice Chairman or if the Vice Chairman is unavailable as well, the Chairman of the Board shall appoint the executive Director to act on behalf of him/her. In the event that the Chairman of the Board does not appoint a substitute, who shall be elected from either the executive Director or among those Directors who are present.
If a shareholders' meeting is convened by a person beyond the Board of Directors, he/she shall preside as a Chairman of a shareholders' meeting.
- Article 6. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholder meeting in a non-voting capacity. The personnel in charge of the shareholders' meeting affairs shall wear the required identity certificates or arm-bands.
- Article 7. The entire process of a shareholders' meeting shall be videotaped or audiotaped and shall be archived for a minimum of one year.
- Article 8. The Chairman shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by shareholders who represent less than a majority of the total outstanding shares at the time scheduled for the meeting, the Chairman may announce postponement of the meeting. The total number of postponements shall not exceed the maximum of twice and the total time accumulated for the postponement shall not exceed an hour. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act.
When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairman may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.
- Article 9. Where a shareholders' meeting is convened by the Board of Directors, the agenda shall be fixed by the Board of Directors. The meeting shall be handled based on the scheduled agenda which shall not be changed unless resolved by the shareholders' meeting.
The provision set forth in the preceding paragraph is applicable mutatis mutandis to a shareholders' meeting which is convened by a person beyond the Board of Directors.
The Chairman shall not announce adjournment of the meeting until the contents set forth in the agenda mentioned in two preceding paragraphs and the occasional (extemporaneous) motions are concluded in the meeting. After the announcement of adjournment of the meeting, the shareholders shall not appoint another Chairman and continue the meeting either at the current or a different venue.
- Article 10. In a shareholders' meeting, a shareholder who intends to present a speech shall fill out a slip, specifying the major points of his/her speech, account number of shareholder (or the serial number of his/her attendance card) in advance. The Chairman shall determine his/her order of giving a speech. A shareholder who has submitted the slip but does not speak up is deemed as not having the given right to give a speech. In the case of a discrepancy found between the slip of presentation and content of actual speech, the content of actual speech

shall prevail. In the case that a shareholder gives his/her speech, other shareholders shall not interrupt unless agreed by the Chairman and the speaking shareholder. Otherwise, the Chairman shall stop such violating behaviors.

- Article 11. Each shareholder shall not have two attempts on the same issue unless permitted by the Chairman. Each speech shall not exceed five minutes. Where a shareholder speaks against the rules or beyond the scope of the subject issue, the Chairman may stop his/her speech.
- Article 12. In the case that the corporate shareholders are appointed to attend a shareholders' meeting, only one person may represent and attend the meeting. In the case that the corporate shareholder appoints two or more representatives to attend a shareholders' meeting, only one representative may have the right to speak for the same issue.
- Article 13. After a shareholder has given his/her speech, the Chairman may reply in person or by appointing a relevant person to reply.
- Article 14. When the Chairman considers the discussion of a certain issue has reached the extent for making a resolution, he/she may announce discontinuance of the discussion and submit the motion for resolution.
- Article 15. The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the Chairman; however, the person supervising the casting of votes shall be a shareholder.
The Chairman shall publicly announce the results of the resolution in the meeting and the results shall be recorded in the minutes.
- Article 16. During a shareholders' meeting, the Chairman may consider the schedule and adequately announce a break. In case that force majeure occurs, the Chairman may decide to suspend the progress and for announce the time for resumption of the meeting depending on the circumstances.
In the event that the site of the shareholders' meeting cannot be continually used before the issues set forth in the agenda (including extempore motions) are concluded, the shareholders may arrange a new venue to continue the meeting.
- Article 17. Unless otherwise provided in laws or the Articles of Incorporation of the Company, matters in the shareholders' meeting shall be resolved by a majority vote at a meeting attended by the shareholders.
During voting, if the committee chair solicits and receives no dissents, the motion is deemed passed, with equivalent force as a resolution by vote.
- Article 18. In the case that there is an amendment or alternative for a motion, the Chairman shall combine them along with the original motion and determine their orders for resolution. Once one of them is resolved, the remaining shall be deemed as rejected and no further resolution shall be required.
- Article 19. The Chairman may direct the guards (or security personnel) to help maintain the order of the shareholders' meeting. If a shareholder breaches the rules of the meeting and defies the rectification from the Chairman against the progress of the meeting, the Chairman may request the guards (or security personnel) to assist the person to leave the meeting.
- Article 20. These rules and amendment hereof come into force after being ratified in the shareholders' meeting.