

Name	CTBC Bank 2014-1
Status	Non-cumulative perpetual subordinated financial debenture
Currency and Amount	Tranche A: NT\$10,000,000,000 Tranche B: NT\$10,000,000,000 Total: NT\$20,000,000,000
Maturity Date	No Maturity Date
Coupon Rate	Tranche A: 3.70% Tranche B: 4.00%
Issuing Date	2014/6/18
Other Terms	<ol style="list-style-type: none"> <li>1. The debentures are perpetual securities and have no fixed date for redemption. After ten years (Tranche A) and twelve years (Tranche B) of issuance, CTBC bank may redeem the debt earlier in whole at their aggregate principal amount, together with any interest payment or buy from the market when the debt meets one of the following requirements and prior approval from the competent authority obtained. <ol style="list-style-type: none"> <li>(1) The ratio of regulatory capital to risk-weighted assets after being redeemed shall meet the minimum rate stated in Paragraph 1, Article 5 of the “Regulations Governing the Capital Adequacy and Capital Category of Banks”.</li> <li>(2) Replace the original capital instrument with a capital instrument with equivalent or higher quality.</li> </ol> </li> <li>2. The interest payment shall meet the following requirements: <ol style="list-style-type: none"> <li>(1) The bank may not pay the interest if it had no earnings during the previous fiscal year and did not distribute common stock dividends. Under such circumstance, the interest payment cannot be deferred.</li> <li>(2) The banks shall defer the payment of principal and interest before the ratio of regulatory capital to risk-weighted assets meets the minimum requirements in Paragraph 1, Article 5 of the “Regulations Governing the Capital Adequacy and Capital Category of Banks”; the deferred payment of principal or interest shall not be imposed further with interest.</li> </ol> </li> <li>3. For those whose priority orders for the distribution of the earnings and assets are junior to those of holders of Tier 2 capital, depositors, and other general creditors. The order of priority for the distribution of the earnings and assets of the holder of the debenture is the same as that of a common stock holder when the competent authority assigned officials to take receivership over the bank, order such a bank to suspend and wind up business, or</li> </ol>

	liquidate the bank.
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