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新華人壽保險股份有限公司

NEW CHINA LIFE INSURANCE COMPANY LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01336)

**New China Life Insurance Company Ltd.
Articles of Association**

Record of amendments of these Articles

No.	Formulation of Articles of Association	Resolution Date	Meeting	Approval Document No.
1	Formulation of articles of association	14 July 1996	Resolution of the first session of general meeting	Yinfu [1996] Approval No 255
2	First amendment	30 March 1999	Sixth general meeting	Baojian Fu [1999] Approval No 63
3	Second amendment	16 January 2001	Extraordinary general meeting	Baojian Fu [2000] Approval No 410
4	Third amendment	26 March 2002	Annual general meeting of 2001	Baojian Bianshen [2002] Approval No 55
5	Fourth amendment	21 March 2003	Annual general meeting of 2002	Baojian Bianshen [2003] Approval No 51
6	Fifth amendment	21 March 2003	Annual general meeting of 2002	Baojian Fu [2003] Approval No 82
7	Sixth amendment	5 November 2003	Xinbaofa Request No 2003 [105]	Baojian Bianshen [2003] Approval No 154
8	Seventh amendment	19 November 2004	Second extraordinary general meeting of 2004	Baojian Fagai [2004] Approval No 1408
9	Eighth amendment	19 November 2004	Second extraordinary general meeting of 2004	Baojian Fagai [2004] Approval No 1518
10	Ninth amendment	10 April 2006	First extraordinary general meeting of 2006	Baojian Fagai [2006] Approval No 498
11	Tenth amendment	21 April 2006	Second extraordinary general meeting of 2006	Baojian Fagai [2006] Approval No 738

No.	Formulation of Articles of Association	Resolution Date	Meeting	Approval Document No.
12	11th amendment	20 June 2006	Fourth extraordinary general meeting of 2006	Baojian Fagai [2007] Approval No 103
13	12th amendment	18 May 2007	Sixth extraordinary general meeting of 2007	Baojian Fagai [2007] Approval No 612
14	13th amendment	3 August 2007	Eighth extraordinary general meeting of 2007	Baojian Fagai [2007] Approval No 1052
15	14th amendment	1 February 2007	First extraordinary general meeting of 2007	Baojian Fagai [2007] Approval No 1574
16	15th amendment	21 September 2007	Ninth extraordinary general meeting of 2007	Baojian Fagai [2007] Approval No 1692
17	16th amendment	15 August 2008	Fifth extraordinary general meeting of 2008	Baojian Fagai [2008] Approval No 1149
18	17th amendment	6 October 2008	Sixth extraordinary general meeting of 2008	Baojian Fagai [2008] Approval No 1434
19	18th amendment	19 November 2009	Seventh extraordinary general meeting of 2009	Baojian Fagai [2009] Approval No 1245
20	19th amendment	14 January 2010	First extraordinary general meeting of 2010	Baojian Fagai [2010] Approval No 114
21	20th amendment	29 June 2010	Annual general meeting of 2009	Baojian Fagai [2010] Approval No 1060
22	21st amendment	14 October 2010	Fourth extraordinary general meeting of 2010	Baojian Fagai [2011] Approval No 423
		3 December 2010	Sixth extraordinary general meeting of 2010	
23	22nd amendment	20 June 2011	Third extraordinary general meeting of 2011	Baojian Fagai [2011] Approval No 1092
24	23rd amendment	31 March 2011	First extraordinary general meeting of 2011	Baojian Fagai [2011] Approval No 1209
		20 June 2011	Third extraordinary general meeting of 2011	
25	24th amendment	8 November 2011	Forty-second meeting of the fourth session of the board of directors (amended as authorized by the first extraordinary general meeting of 2011)	Baojian Fagai [2011] Approval No 1848

No.	Formulation of Articles of Association	Resolution Date	Meeting	Approval Document No.
26	25th amendment	31 March 2011	First extraordinary general meeting of 2011	Baojian Fagai [2012] Approval No 407
		20 June 2011	Third extraordinary general meeting of 2011	
		8 November 2011	Forty-second meeting of the fourth session of the board of directors (amended as authorized by the first extraordinary general meeting of 2011)	
27	26th amendment	1 February 2013	First extraordinary general meeting of 2013	Baojian Fagai [2013] Approval No 161
28	27th amendment	27 June 2016	Annual general meeting of 2015	Baojian Xuke [2016] Approval No 846
29	28th amendment	19 December 2017	Second extraordinary general meeting of 2017	Yinbaojian Xuke [2018] Approval No 485
30	29th amendment	19 December 2018	First extraordinary general meeting of 2018	Yinbaojian Fu [2019] Approval No 767
		27 June 2019	Annual general meeting of 2018	
31	30th amendment	23 June 2020	Annual general meeting of 2019	Yinbaojian Fu [2020] Approval No 577

Chapter 1 General Provisions

Article 1

To adapt to the requirements from the development of socialist market economy and safeguard the legal rights of New China Life Insurance Company Ltd. (hereinafter referred to as the “Company”), shareholders and creditors, as well as to manage the structure and behavior of the Company, this Articles of Association (hereinafter referred to as the “Articles” or “Articles of Association”) is formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Insurance Law of the People’s Republic of China (hereinafter referred to as the “Insurance Law”), the Constitution of the Communist Party of China, the Special Provisions of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (hereinafter referred to as the “Special Provisions”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Guidance on Insurance Companies’ Articles of Association, the Listing Rules of Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”) as well as other relevant laws and regulations.

Article 2

The Company is a joint stock limited company established in accordance with the Company Law, the Securities Law, the Insurance Law, the Special Provisions and other relevant laws and regulations.

The Company was established by the promoters with the approval of People’s Bank of China (hereinafter referred to as the “PBOC”) through its Reply No. [1996] 255 and registered with the State Administration for Industry and Commerce of the People’s Republic of China. The Company obtained its business license for enterprise as a legal person on 28 September 1996, and its business license number is 110000009900854.

The promoters of the Company are China Aidi Group Corporation, China National Materials Development & Investment Corporation, Orient Group Industrial Co., Ltd., Beijing Huayuan Group Corporation, Baoshan Steel (Group) Co., Ltd., Shenhua Group Corporation Limited, New Industry Investment Co., Ltd., Heilongjiang Longdi Group Corporation Ltd., Xintaike Technology Development Centre, Jinzhou Harbour (Group) Co., Ltd., SINOPEC Daqing Petrochemical Complex, SINOPEC Jinling Petrochemical Company, Yizheng Chemical Fiber Co., Ltd., Anhui Grain& Oil Trading Co., Ltd. and Tongling Non-Ferrous Metals Group.

- Article 3** Registered name of the Company: 新華人壽保險股份有限公司
English name: NEW CHINA LIFE INSURANCE COMPANY LTD.
English abbreviation: NCI
- Article 4** Address: 16 East Hunan Road, Yanqing District, Beijing
(Zhongguancun Yanqing Park)
Postal code: 102100
Telephone number: 010-85210000
Fax number: 010-85210101
Website: www.newchinalife.com
- Article 5** The Company is a joint stock limited company with perpetual existence.
- Article 6** The Company is subject to the jurisdiction and protection of laws, rules and regulations of the People’s Republic of China, shall comply with laws and regulations and implement uniform national policies and guidelines in terms of finance and insurance and is monitored and administrated by the China Banking and Insurance Regulatory Commission (hereinafter referred to as the “CBIRC”).
- Article 7** The chairman of the board of directors shall be the legal representative of the Company.
- Article 8** All the capital of the Company shall be divided into shares of equal value. Shareholders’ liabilities in the Company are proportional to the number of shares they subscribed and the Company shall assume the liabilities of the Company with all its assets.
- Article 9** Since the Articles of Association becomes effective, it shall act as a legally binding document for the management of the company’s structure and behaviors, and the rights and obligations between the company and its shareholders and also among the shareholders. The Articles of Association will be binding to the Company, its shareholders, directors, supervisors, members of party committee (discipline inspection commission), Chief Executive Officer (“CEO”), President (Chief Operating Officer, “COO”) and other senior management members. The aforesaid personnel shall all have the right to propose claims concerning the affairs of the Company in accordance with these Articles.
- Pursuant to these Articles, shareholders may prosecute the Company; the Company may prosecute its shareholders; a shareholder may prosecute other shareholders; shareholders and the Company may prosecute the directors, supervisors, CEO, President (COO) and other senior management members of the Company.
- The “prosecute” referred to in the preceding paragraph includes the instituting of legal proceedings with courts or the filing for arbitration to arbitral institutions.

Article 10 The senior management members referred to in the Articles of Association shall mean the Company's CEO, President (COO), Vice Presidents, assistant to the President, secretary of the board of directors, Chief Financial Officer ("CFO"), Chief Risk Officer, Chief Actuary, Compliance Officer, Auditing Officer and other senior managers appointed by the board of directors and in accordance with the regulations of the CBIRC.

Article 11 The Company may invest in other limited liability companies or joint stock limited companies. The Company's liabilities to an investee company shall be limited to the amount of its capital contribution to such investee company.

Article 12 In accordance with the provisions of the *Constitution of the Communist Party of China*, the Company shall establish an organization of the Communist Party of China (hereinafter referred to as the "Party"). The Party Committee shall play a leading role in the Company, supervising its direction of development, overlooking the whole picture and facilitating implementation. The working organ of the Party shall be established to carry out party activities.

The Company shall provide necessary conditions for the party organization to implement its normal activities, including sufficient staff and funds.

Article 13 According to the *Constitution of the People's Republic of China* and other relevant laws, the Company exercises democratic management. The Company shall organize the trade union in accordance with the law, carry out trade union activities and safeguard the legal rights of employees. The Company shall provide necessary conditions for the activities of its trade union.

Chapter 2 Business Objectives and Scopes

Article 14 The Company's business objectives are to satisfy customers' needs with better products and services, to improve its own integrated strength with professional talents and detailed management, as well as to lay a solid foundation for its long- term development with a higher standard of honesty and a stronger sense of responsibility, with a view to create more value for its shareholders, customers, staff and the society.

Article 15 As approved by the company registration authority, the Company's business scope includes:

- (1) Life insurance in Renminbi and foreign currencies (including various life insurance, health insurance, accident and casualty insurance);
- (2) Acting as an agent for domestic and foreign insurance institutions for insurance, verification and claim settlement, etc.;
- (3) Insurance consulting;
- (4) Engaging in capital operations in accordance with relevant regulations; and
- (5) Other business as approved by the CBIRC.

The business scope of the Company shall be subject to approval of the CBIRC and the company registration authority.

Chapter 3 Shares and Registered Capital

Article 16 The Company shall, at all times, have ordinary shares. The Company may, upon the approval by the departments in charge of company examination and approval as authorized by the State Council, have other classes of shares if necessary.

Article 17 The Company shall follow the principles of transparency, fairness and equity when issuing shares. Each share in the same class shall have the same rights.

Shares of the same class issued at the same time shall all be issued with the same condition and at the same price with each other. All shares subscribed by any entity or individual shall be paid the same price.

Shareholders of the domestic listed shares and foreign listed shares issued by the Company shall have the same rights in any distributions by way of dividend or otherwise with shares of the same class.

No powers shall be taken by the Company to restrict or otherwise impair any of the rights attached to any share solely for the reason that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

Article 18 All the shares issued by the Company shall have a par value and each shall bear a par value of RMB one yuan.

Article 19

Upon the approval by the CBIRC and the securities regulatory authorities under the State Council, the Company may issue shares to domestic investors and overseas investors.

Overseas investors referred to in the preceding paragraph represent the investors from foreign countries or Hong Kong, Macau and Taiwan who have subscribed the shares issued by the Company. Domestic investors represent those investors in the People's Republic of China other than the aforesaid regions who have subscribed the shares issued by the Company.

Article 20

The shares issued by the Company to domestic investors which are subscribed in Renminbi shall be referred to as domestic shares.

The shares issued by the Company to overseas investors, which are subscribed in foreign currencies, shall be referred to as foreign shares.

With the approval of issuance by departments authorized by the State Council as well as the approval by domestic stock exchange, the shares listed and traded on domestic stock exchange are of the same category, and are collectively referred to as domestically-listed domestic shares. With the approval of issuance by departments authorized by the State Council as well as the approval by overseas securities regulatory authorities, shares listed and traded on overseas stock exchange are of the same category, and are collectively referred to as overseas-listed foreign shares.

Foreign currencies referred to in the preceding paragraph represent the legal currencies of other countries or regions other than Renminbi that are recognized by the competent authorities of the State Administration of Foreign Exchange for the payment of share subscription to the Company.

Article 21

With the approval by the departments in charge of company examination and approval as authorized by the State Council, the Company is authorized to issue up to a total of 3,119,546,600 ordinary shares, of which 500,000,000 shares or 16.0280% of the total ordinary shares issuable by the Company was issued to the promoters upon the Company's establishment. Upon the establishment, the Company's registered capital was RMB500,000,000. The following table sets out the promoters and their respective shareholdings:

No.	Promoter	Capital contribution (RMB)	Share subscription (Share)	Percentage in the total equity	Form of contribution	Transfer
1	China Aidi Group Corporation	RMB50,000,000	50,000,000 shares	10%	Currency	All Transferred
2	China National Materials Development & Investment Corporation	RMB50,000,000	50,000,000 shares	10%	Currency	All Transferred
3	Orient Group Industrial Co., Ltd.	RMB50,000,000	50,000,000 shares	10%	Currency	All Transferred
4	Beijing Huayuan Group Corporation	RMB50,000,000	50,000,000 shares	10%	Currency	All Transferred
5	Baoshan Steel (Group) Co., Ltd.	RMB50,000,000	50,000,000 shares	10%	Currency	
6	Shenhua Group Corporation Limited	RMB50,000,000	50,000,000 shares	10%	Currency	All Transferred
7	New Industry Investment Co., Ltd.	RMB50,000,000	50,000,000 shares	10%	Currency	All Transferred
8	Heilongjiang Longdi Group Corporation Ltd.	RMB40,000,000	40,000,000 shares	8%	Currency	All Transferred
9	Xintaike Technology Development Centre	RMB35,000,000	35,000,000 shares	7%	Currency	All Transferred
10	Jinzhou Harbour (Group) Co., Ltd.	RMB35,000,000	35,000,000 shares	7%	Currency	All Transferred
11	SINOPEC Daqing Petrochemical Complex	RMB10,000,000	10,000,000 shares	2%	Currency	All Transferred
12	SINOPEC Jinling Petrochemical Company	RMB10,000,000	10,000,000 shares	2%	Currency	All Transferred
13	Yizheng Chemical Fiber Co., Ltd.	RMB10,000,000	10,000,000 shares	2%	Currency	All Transferred
14	Anhui Grain& Oil Trading Co., Ltd.	RMB5,000,000	5,000,000 shares	1%	Currency	All Transferred
15	Tongling Non-Ferrous Metals Group	RMB5,000,000	5,000,000 shares	1%	Currency	All Transferred
	Total	RMB500,000,000	500,000,000 shares	100%		

After the establishment of the Company, 2,100,000,000 ordinary shares have been issued. Prior to the Company's initial public offering and listing of shares, the shareholding of the Company is as below:

Name of Shareholder	Number of Shares Held	Percentage Ownership of Shares
Central Huijin Investment Ltd.	1,009,190,000	38.8150%
Baosteel Group Corporation	488,150,000	18.7750%
Zurich Insurance Company Ltd.	390,000,000	15.0000%
Hebei Deren Investment Co., Ltd.	126,987,805	4.8841%
Tianjin Xinshang Investment Management Limited	81,454,878	3.1329%
Century Golden Resources Investment Group Co., Ltd.	78,000,000	3.0000%
Fullerton Management Pte Ltd.	78,000,000	3.0000%
CICC Securities (HK) Limited	65,000,000	2.5000%
Nomura Securities Co., Ltd.	65,000,000	2.5000%
Shanghai Zendai Investment Management Co., Ltd.	46,865,000	1.8025%
Xiamen United Credit Investment Co., Ltd.	40,426,829	1.5549%
Standard Chartered Principal Finance (Cayman) Ltd.	39,000,000	1.5000%
Vats Group Company Limited	31,745,000	1.2210%
Beijing Taiji Huaqing Information System Co., Ltd.	26,000,000	1.0000%
Shanghai Fosun Industrial Technology Development Company Limited	23,780,488	0.9146%
International Finance Corporation	10,400,000	0.4000%
Total	2,600,000,000	100%

Article 22

In the course of its initial public offering and listing of shares, the Company has issued 519,546,600 ordinary shares, which consist of 361,006,600 overseas-listed foreign shares, representing 11.5724% of the total ordinary shares issuable by the Company, and 158,540,000 domestically-listed domestic shares, representing 5.0821% of the total ordinary shares issuable by the Company.

After its initial public offering and listing of shares, the Company's share capital structure is: 3,119,546,600 ordinary shares in total, among which 2,085,439,340 are domestically-listed domestic shares, representing 66.85% of the total ordinary shares issued by the Company, and 1,034,107,260 overseas-listed foreign shares, representing 33.15% of the total ordinary shares issued by the Company.

Domestic shares issued by the Company are under centralized depository of the Shanghai branch of China Securities Depository and Clearing Corporation Limited; whereas the foreign shares issued by the Company are under centralized depository of Computershare Hong Kong Investor Services Limited.

Article 23

The plans of issuing overseas-listed foreign shares and domestic shares as approved by the securities regulatory authorities under the State Council can be carried out respectively in steps by the board of directors.

The Company can carry out the plans of issuing overseas-listed foreign shares and domestic shares respectively according to the preceding paragraph within 15 months from the date of approval from the securities regulatory authorities under the State Council.

With the approval from the securities regulatory authorities under the State Council, the holders of domestic shares of the Company may transfer the shares held by them to overseas investors, and such shares can be listed and traded overseas. The listing and trading of such transferred shares on overseas stock exchange shall be in compliance with the regulatory procedures, rules and requirements of the overseas stock exchange. For the listing and trading of such transferred shares on overseas stock exchange, no separate class of general meeting shall be called to vote.

Article 24

The Company shall raise full amount at one shot respectively when issuing overseas-listed foreign shares and domestic shares within the planned number of total shares specified in the issue scheme. In case of failure in raising full amount at one shot, the shares can be issued in installment upon the approval from the securities regulatory authority under the State Council.

Article 25

The registered capital of the Company is RMB3,119,546,600.

Article 26

The Company may, based on its operating and development needs and in accordance with laws, rules and regulations as well as the Articles of Association, increase its registered capital in the following ways, subject to resolution adopted by the shareholders' general meeting and approval from CBIRC and other relevant regulatory authorities:

- (1) Offering new shares for subscription to unspecified investors;
- (2) Placing new shares to its existing shareholders;
- (3) Allotting new shares to its existing shareholders;
- (4) Converting capital reserve into share capital; or

- (5) Other means permitted by laws, rules, regulations and standardization documents.

The Company's increase of capital by issuing new shares shall, after being approved pursuant to the Articles of Association, be conducted in accordance with the procedures stipulated by relevant laws, rules, regulations, standardization documents of the Country, relevant stipulations of the CBIRC and other regulatory authorities and the Articles of Association, submitted to the CBIRC for approval and shall register the alterations at the relevant registration authorities in accordance with the laws.

Chapter 4 Capital Reduction and Share Repurchase

Article 27

Pursuant to the laws, rules and regulations as well as the Articles of Association, upon the resolution of the shareholders' general meeting and the approval from CBIRC and other relevant regulatory authorities, the Company may reduce its registered capital, which shall be conducted in accordance with the procedures stipulated by the Company Law, the Insurance Law and relevant regulations of the CBIRC and other regulatory authorities as well as the Articles of Association, submitted to the CBIRC for approval and shall register the alterations at the relevant registration authorities in accordance with the laws.

When the Company reduces its registered capital, it shall prepare a balance sheet and a list of assets and submit them together with relevant documents to the shareholders for review before the shareholders' general meeting votes thereon.

The Company shall notify its creditors within 10 days after the date of resolution on reducing the registered capital and announce it on a newspaper at least three times within 30 days. Creditors have the right to request the company to repay its debts or to provide relevant debt settling guarantee within 30 days after receiving the notice or within 45 days after the date of announcement if no such notice has been received.

The Company's registered capital after reduction shall not be less than the statutory minimum amount.

Article 28

The Company may, in accordance with the procedures set out in the Articles of Association and subject to the approval from the relevant governing authority of the State, repurchase its issued shares under the following circumstances:

- (1) Reducing its registered capital;

- (2) Merger with other companies that hold shares in the Company;
- (3) Using the shares in the employee stock ownership scheme or as equity incentive;
- (4) Repurchase of shares made upon the request of its shareholders who disagree with resolutions passed at a shareholders' general meeting in connection with a merger or division of the Company;
- (5) Using the shares to convert corporate bonds issued by the Company that can be converted into stocks;
- (6) As necessary for maintenance of the Company's value and shareholders' rights and interests.
- (7) Other circumstances permitted by laws, rules and regulations or by the securities regulatory authorities of the place where the shares of the Company are listed.

Except for the circumstances specified above, the Company shall not purchase its own shares.

The Company's purchase of its own shares pursuant to items (1) to (2) of first paragraph shall be subject to resolution of the shareholders' general meeting. The Company's repurchase of its own shares in accordance with items (3), (5), (6) of first paragraph shall be approved by the shareholder's general meeting in accordance with the Articles of Associations, or shall be subject to a board resolution approved by over two thirds of the directors present the board meeting pursuant to the authorization of the shareholders' general meeting.

The shares of the Company repurchased in accordance with item (1) of first paragraph shall be cancelled within ten days from the date of repurchase; those repurchased in accordance with items (2) and (4) shall be transferred or cancelled within six months; the total shares held by the Company in accordance with items (3), (5), (6) shall not exceed 10% of the total shares of the Company in issue and shall be transferred or cancelled within three years.

The repurchase of foreign listed shares of the Company shall comply with the Hong Kong Listing Rules and other relevant regulatory requirements of the place where the Company is listed.

Article 29

The Company can repurchase its shares in one of the following ways with approval from the relevant governing authority of the State:

- (1) Making a pro rata offer of repurchase to all of its shareholders;
- (2) Repurchasing shares through public dealing on a stock exchange;
- (3) Repurchasing shares by an off-market agreement; or
- (4) Other ways permitted by laws, rules and regulations or by the relevant securities regulatory authorities of the place where the shares of the Company are listed.

In respect of the redeemable shares which the Company has the power to purchase for redemption, in the event that the purchases are not made through the market or by tender, the Company shall, in accordance with the relevant laws, regulations and regulatory requirements to set a maximum price for the purchases; in the event that the purchases are by tender, the offers shall be available to all shareholders on equal conditions.

The Company shall perform its information disclosure obligations in accordance with the Securities Law when repurchasing its own shares. The Company's repurchase of its own shares in accordance with items (3), (5), (6) of first paragraph of Article 28 of the Articles of Association shall be carried out in a public and centralized manner.

Article 30

Where the company repurchases its shares by an off-market agreement, the prior approval from a shareholders' general meeting in accordance with the Articles of Association shall be obtained. The company may cancel or change the agreement that has been entered into in the aforementioned manner or waive any rights under such agreement with the prior approval from a shareholders' general meeting obtained in the same manner.

The agreement for the repurchase of shares referred to in the preceding paragraph shall include (but not limited to) an agreement on bearing the obligation of share repurchase and acquiring the right of share repurchase.

The Company shall not transfer the agreement of repurchasing its shares and or any rights stated in the agreement.

Article 31

For the portion of shares cancelled due to the repurchase of the Company's own shares, with the approval by the CBIRC, application for the change of registered capital shall be filed with the original company registration authorities.

The aggregate par value of the shares cancelled shall be deducted from the Company's registered capital.

Article 32

Unless the company is in the course of liquidation, it shall comply with the following provisions when repurchasing its issued shares:

- (1) Where the company repurchases shares of the company at par value price, payment shall be deducted from the book balance of distributable profits of the company and the proceeds from the new share issuance for the purpose of repurchasing the existing shares;
- (2) Where the company repurchases shares of the company at a price higher than the par value, the portion equivalent to the par value shall be deducted from the book balance of the distributable profits of the company and the proceeds from the new share issuance for the purpose of repurchasing the existing shares; the portion beyond the par value shall be handled as follows:
 - (i) If the shares repurchased are issued at par value, the payment shall be deducted from the book balance of the distributable profits of the company; or
 - (ii) If the shares repurchased were issued at a price higher than the par value, payment shall be deducted from the book balance of the distributable profits of the company and the proceeds from the new share issuance for the purpose of repurchasing the existing shares;

however, the amount deducted from the proceeds from the new share issuance shall neither exceed the aggregate premium from the issuance of the existing shares repurchased nor shall it exceed the amount (including the premiums from the new share issuance) in the premium account (or capital reserve account) at the repurchase.

- (3) Payments for the following purposes shall be made out of the Company's distributable profits:
 - (i) Acquisition of the right to repurchase shares of the company;
 - (ii) Modification of any contract to repurchase shares of the company;
or
 - (iii) Release of any of the Company's obligation under any contract for the repurchase of its shares.
- (4) After the total par value of the cancelled shares is deducted from the company's registered capital in accordance with the relevant provisions, the amount deducted from the distributable profits for the repurchase of the shares at par value shall be included in the Company's premium account (or capital reserve account).

For financial issues involved in share repurchase otherwise provided by laws, rules, regulations and relevant provisions of the securities regulatory authorities of the place where the Company's shares are listed, those requirements shall be followed.

Chapter 5 Financial Aid for Purchase of Shares of the Company

Article 33

The company or its subsidiaries shall not, by any means at any time, provide any kind of financial aid such as lending and guarantee to directors, supervisors, senior management and other persons who acquires or proposes to acquire shares of the company. "The person" referred to in the preceding paragraph shall include a person who directly or indirectly incurs any obligation due to the acquisition of shares.

The company and its subsidiaries shall not, by any means at any time, provide any form of financial aid to the aforesaid obligor for the purpose of reducing or discharging the obligations assumed by that person.

This article does not apply to the circumstances mentioned in Article 35 in this Chapter.

Article 34

“The financial aid” referred to in this chapter shall be provided by, but not limited to the following meanings:

- (1) Gift;
- (2) Guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), compensation (other than compensation in respect of the company’s own default), relief or waiver of rights;
- (3) Provision of loan or conclusion of agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or a change in the parties to, or the assignment of rights under, such loan or agreement; and
- (4) Any other form of financial aid given by the Company when the company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.

“Incurring an obligation” referred to in this chapter shall include the incurring of obligations by way of contract or by way of arrangement (irrespective of whether such contract or arrangement is enforceable or not, and irrespective of whether such obligation is to be borne solely by the obligor or jointly with any other persons), or by any other means, which results in a change in his/her/its financial position.

Article 35

The following activities shall not be deemed to be activities prohibited by Article 33 of this chapter, except for those prohibited by relevant laws, rules and regulations:

- (1) The provision of financial aid by the Company where the financial aid is given in good faith in the interest of the company, and the principal purpose of this is not for the acquisition of shares of the Company, or the giving of the financial aid is an incidental part of a master plan of the company;
- (2) The lawful distribution of the Company’s assets as dividends;
- (3) The distribution of dividends in the form of shares;
- (4) A reduction of registered capital, a repurchase of shares or a reorganization of the share capital structure effected in accordance with the Articles of Association; and

- (5) The provision of loans by the Company for ordinary business activities within its scope of business (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial aid is provided out of distributable profits).

Chapter 6 Share Certificates and Register of Members

Article 36 Share certificates of the Company shall be in registered form.

Share certificates of the Company shall state clearly the following items:

- (1) Company name;
- (2) Incorporation date of the Company;
- (3) Class of share, face value and the number of shares so represented;
- (4) Stock code; and
- (5) Other items required by the Company Law and the stock exchange of the place where the shares in the Company are listed.

Article 37 Overseas-listed foreign shares in the Company may be issued in the form of depositary receipt or other derived forms of shares in accordance with the law and practices on securities registration and depositary of the place where the shares are listed.

Article 38 Share certificates shall be signed by the chairman of the board of directors. In case other senior management members of the Company are required to sign under the requirements of the stock exchange of the place where the shares of the Company are listed, the share certificates shall also be signed by such members. The share certificates shall be effective upon the affixture of the Company's seal or the affixture of the seal in printed form. Authorization from the board of directors shall be obtained for the affixture of the Company's seal on the share certificates. The signature on share certificates by the chairman of the board of directors of the Company or other relevant senior management could also be made in printed form.

For dematerialized issuance and trading, other requirements of the securities regulatory authorities of the place where the shares of the Company are listed shall be applicable.

Article 39

The Company shall maintain a register of members, and include the followings:

- (1) The name, address (domicile), occupation or nature of each shareholder;
- (2) The class and number of shares held by each shareholder;
- (3) The amount paid or payable by each shareholder for the respective shares held;
- (4) The serial numbers of shares held by each shareholder;
- (5) The date when each shareholder is registered as a shareholder; and
- (6) The date when each shareholder ceases to be a shareholder.

The register of members shall be the sufficient evidence of the shareholders' shareholding in the Company, unless there is evidence to the contrary.

Article 40

The Company may, pursuant to the mutual understanding and agreement made between the securities regulatory authorities under the State Council and overseas securities regulatory authorities, maintain the register of holders of overseas-listed foreign shares overseas, and mandate overseas agent(s) to manage such register of shareholders. The original copy of the register of holders of overseas-listed foreign shares listed in Hong Kong shall be maintained in Hong Kong.

The Company shall maintain a copy of the register of holders of overseas-listed H shares in the premises of the Company. Overseas agency so mandated shall at any time ensure the consistency of the original copy and the copy of the register of holders of overseas-listed H shares. If there is any discrepancy between the original copy and the copy of the register of holders of overseas-listed H shares, the original copy shall prevail.

Article 41

The Company shall maintain a complete register of members.

The register of members shall include the following parts:

- (1) The register of members maintained in the domicile of the Company other than those described in items (2) and (3) of this article;
- (2) The register of holders of overseas-listed foreign shares maintained in the place of stock exchange where the shares are listed;

- (3) The register of members maintained in other places as the board of directors may consider necessary for the purpose of the listing of the Company's shares.

Article 42 Different parts of the register of members shall not overlap. No transfer of any shares registered in any part of the register shall, during the continuance of that registration, be registered in any other part of the register.

Alterations or amendments on each part of the register of members shall proceed in accordance with the laws of the place where that part of the register of members is maintained.

Article 43 Where the relevant laws, rules, regulations, standardization documents, the securities regulatory authorities of the place where the shares in the Company are listed and the listing rules have requirements on the period of closure of the register of shareholders prior to a shareholders' general meeting or the reference date set by the Company for the purpose of distribution of dividend, such requirements shall be followed.

Article 44 Whenever the Company convenes a shareholders' general meeting, distributes dividends, liquidates or engages in other acts requiring the confirmation of shareholding, a day shall be determined by the board of directors or the convener of the shareholders' general meeting as the record date for the registration of shareholdings, upon the expiry of which, those members who appear in the register of members shall be the shareholders of the Company.

Article 45 Any person who has an objection to the register of members and requests for the registration of his/her/its name in the register of members or requests to remove his/her/its name from the register of members, he/she/it may apply to the court of jurisdiction to amend the register of members.

Article 46 Any member registered in the register of members or any person requesting for the registration of his/her/its name in the register of members may apply to the Company to reissue new share certificate for his/her/its respective shares (i.e. "relevant shares") if his/her/its share certificate (i.e. "original share certificate") is lost or destroyed.

Application by a holder of domestic shares who has lost or destroyed his/her/its share certificate and applies for reissuance shall be dealt with in accordance with Article 143 of the Company Law.

Application by a holder of overseas-listed foreign shares who has lost or destroyed his/her/its share certificate and applies for reissuance shall be dealt with in accordance with the laws of the place where the original copy of the register of members who are holders of overseas-listed foreign shares is maintained and the rules of the stock exchange or other relevant provisions.

In case that a holder of overseas-listed foreign shares of a Hong Kong listed company has lost or destroyed his/her/its share certificate and applies for reissuance, the issuance of a replacement share certificate shall comply with the following requirements:

- (1) Applicants shall submit his/her/its application in the standard form prescribed by the Company with the notarial certificate or statutory declaration documents attached. The notarial certificate or statutory declaration documents shall include the ground for application, circumstances and evidences of the loss of share certificate, as well as a declaration that no other person may request for the registration as the holder of the relevant shares.
- (2) Before the Company makes the decision on the reissuance of new share certificate, no declaration of the request for the registration as members of such shares by any person other than the applicants has been received.
- (3) In case the Company decides to reissue new share certificate to the applicant, an announcement of such reissuance shall be published on the newspapers designated by the board of directors at least every 30 days within a period of 90 days.
- (4) Before the Company publishes the announcement of the reissuance of a share certificate, a copy of the announcement intended to be published shall be submitted to the stock exchange of the place where the shares are listed. Upon the receipt of response from such stock exchange that confirms that such announcement has been exhibited in the premises of the stock exchange, the announcement may be published. Such announcement shall be exhibited in the premises of the stock exchange for a period of 90 days.

If the application for the reissuance of share certificate is made without the consent of registered holders of the relevant shares, the Company shall deliver a copy of the announcement intended to be published to such shareholder by post.

- (5) Upon the expiration of 90 days period of the announcement and exhibition referred to in item (3) and (4) of this Article, if no objection on the reissuance of the share certificate has been received by the Company, a new share certificate may be reissued pursuant to the applicant's application.
- (6) When the Company reissue new share certificate pursuant to this Article, the original share certificate shall be cancelled immediately, and such cancellation and reissuance shall be registered in the register of members.
- (7) All costs for the cancelation of the original share certificate and the reissuance of new share certificate incurred shall be borne by the applicant. Until the applicant provides any reasonable guarantee, the Company shall be entitled to reject to take any action.

Article 47

After the reissuance of a new share certificate by the Company pursuant to these Articles, the name of the bona fide purchaser acquiring the aforesaid new share certificate or of the person (a bona fide purchaser) subsequently registered as the owner of such shares shall not be removed from the register of members.

Article 48

The Company has no obligation to compensate for those who suffer loss from cancellation of original stock certificates or reissuance of new stock certificates unless they can prove that the Company has fraudulent conduct.

Chapter 7 Transfer of Shares

Article 49

Unless otherwise provided by the laws, rules, regulations and relevant provisions of the securities regulatory authorities of the place where the shares of the Company are listed, all fully paid shares may be transferred pursuant to the law without any lien, but shall comply with the provisions of the CBIRC and relevant regulatory authorities as well as the Articles of Association.

For the transfer of overseas-listed foreign shares listed in Hong Kong, registration shall be made in the share registrar in Hong Kong authorized by the Company.

Article 50

All the fully paid-up overseas-listed foreign shares listed in Hong Kong are freely transferable in accordance with the Articles of Association. However, unless the following requirements are met, the board of directors may refuse to accept any transfer documents without giving any explanation for such refusal.

- (1) Any transfer documents or other documents which are related to ownership of the shares or would affect the ownership of the shares shall be registered with a registration fee payable to the Company in accordance with the Hong Kong Listing Rules;

- (2) Such transfer documents only relate to the overseas-listed foreign shares listed in Hong Kong;
- (3) Any stamp duty payable on the transfer documents are duly paid in accordance with the Hong Kong laws;
- (4) Relevant share certificates and other proof which proves the transferor's ownership of the shares as required by the board of directors shall be provided;
- (5) In the event that the shares are to be transferred to joint holders, the number of the shareholders who are jointly registered shall not be more than four; and
- (6) No lien shall be attached to the relevant shares.

If the board of directors rejects to register the transfer of shares, the Company shall, within 2 months from the date when duly application for the transfer was submitted, give a notice of rejection on the registration of such transfer of shares to the transferor and transferee.

Article 51

All transfer of overseas-listed foreign shares listed in Hong Kong shall be made in written transfer instrument in a general or common form or any other forms accepted by the board of directors, and the written transfer instrument may be signed in hand. In case the shareholder is the recognized clearing house defined in the Securities and Futures Ordinance of Hong Kong (hereinafter referred to as the "Recognized Clearing House") or its nominees, the written transfer instrument may be signed in mechanical printed form.

Article 52

For the transfer of shares issued prior to the Company's initial public offering, it shall be carried out in accordance with the relevant laws, rules, regulations and listing rules.

Directors, supervisors and senior management of the Company shall report their shareholdings in the Company and the respective changes. During his/her tenure, no shares exceeding twenty five percent of his/her total shareholding in the Company shall be transferred within one year; and no transfer of shares held by him/her shall be allowed within one year since the date when the shares in the Company are listed. The aforesaid personnel shall not transfer the shares held by him/her within half a year after leaving his/her office.

Article 53

Where the directors, supervisors, senior management or shareholders who hold more than five percent (5%) of the shares of the Company sell their shares of the Company within six (6) months of purchase, or repurchase the shares within six (6) months of sale, the proceeds will be attributed to the Company, and the board of directors of the Company will resume the proceeds. However, securities firm, which holds over five percent (5%) of the shares due to purchase of the remaining shares after underwriting shall not be subject to the six (6)-month-limit when selling such remaining shares.

In the event that the board of directors of the Company fails to enforce the requirement in accordance with the preceding paragraph, the shareholders are entitled to request enforcement by the board of directors within thirty (30) days. In the event that the board of directors of the Company fails to enforce the requirement within the said period, the shareholders are entitled to initiate litigation in the People's Court for the benefit of the Company's interest in its own name.

In the event that the board of directors of the Company fails to enforce the requirements in accordance with the first paragraph of this article, responsible directors shall be jointly and severally liable in accordance with the law.

Article 54

Shareholders shall go through relevant procedures in accordance with law and comply with relevant regulations as specified by the CBIRC and other regulatory authorities and stock exchanges while transferring the Company's shares.

Where there are changes in shareholders holding more than five percent of the shares of the Company as a result of the transfer of shares by any shareholder, relevant shareholders shall cooperate with the Company to go through review and approval procedures of the CBIRC.

Article 55

The Company shall not accept its own shares as the subject matter of a pledge.

Chapter 8 Party Organization (Party Committee)**Article 56**

The Company shall establish the committee of the Party of New China Life Insurance Company Ltd. (hereinafter referred to as the "Party Committee of the Company"). The Party Committee of the Company shall have one secretary, one or two deputy secretaries and several other Party Committee members. In principle, the chairman of the board of directors of the Company and the secretary of the Party Committee shall be the same person, and one deputy secretary of the Party Committee shall be designated to assist the secretary of the Party Committee to carry out Party building. Eligible members of the Party Committee can join the board of directors, the board of supervisors and the management through legal procedures, while eligible Party members of the board of directors, the board of supervisors and the management can also join the Party Committee in accordance with relevant rules and procedures. At the same time, the Company shall establish Commission for Discipline Inspection in accordance with the provisions.

Article 57

The Party Committee of the Company shall, in accordance with the *Constitution of the Communist Party of China, the Regulations on Party Organization of the Communist Party of China* and other party rules, perform its duties.

- (1) To ensure and supervise the thorough implementation of the guidelines and policies of the Party and the state throughout the Company, and to implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of superior Party organizations.
- (2) To strengthen its leadership and check in the selection and appointment of personnel, focusing on standards, procedure, evaluation, recommendation and supervision, and to adhere to the principle of the Party exercising leadership over officials, the selection of operating managers by the board of directors, and the exercise of power as regards the right of officials' appointment by the operating managers in accordance with laws.
- (3) To study and discuss stable reform and development and substantial operational and management issues of the Company as well as material issues related to the interests of our staff, and provide advice and recommendations in this regard. To support the shareholders' general meeting, the board of directors, the board of supervisors and the management of the Company in performing their duties in accordance with laws and to support the employee representative meeting in carrying out its work.
- (4) To assume full responsibility to comprehensively strengthen party discipline, lead the Company's ideological and political work, united front work, spiritual civilization construction as well as corporate culture construction, and lead mass organizations such as the trade union and the Communist Youth League. Play a leading role in the construction of the party conduct and of a clean and honest government, and support the Commission for Discipline Inspection of the Company in fulfilling its responsibility of supervision in practice.
- (5) To grow the Company's primary Party organization and Party members, to give full play to the role of Party branches as bastions and of Party members as vanguards and exemplars, to unite and lead employees to proactively devote themselves into the reform and development of the Company;
- (6) Other material matters that fall within the duty of the Party Committee.

Chapter 9 Rights and Obligations of Shareholders

Article 58

Shareholders of the Company are those lawfully holding the shares of the Company, whose names are registered in the register of members. A shareholder shall enjoy rights and assume obligations according to the class of shares held by him/her/it; shareholders holding the same class of shares shall enjoy the same rights and assume the same obligations.

When more than two persons are registered as the joint shareholders of any share, they shall be deemed to be the joint owners of such shares and shall be bound by the following restrictions:

- (1) The Company does not have to register more than four persons as the joint shareholders of any share;
- (2) All joint shareholders of any share shall be jointly and severally liable for the payment of all fees payable for the relevant shares.

In the case of joint shareholders:

- (1) If one of those joint shareholders passes away, only the surviving shareholders among them shall be deemed by the Company as the owners of the relevant shares, but the board of directors shall be entitled to request for the surviving shareholders to provide the death certificate it thinks fit for the purpose of amending the register of members.
- (2) For joint shareholders of any shares, only the joint shareholder named first in the register of members shall be entitled to receive the share certificate of the relevant shares and notice from the Company as well as attend general meetings of the Company or exercise the voting rights of the relevant shares. Any notice delivered to any aforesaid person shall be deemed to be delivered to all joint shareholders of the relevant shares.

If any of the joint shareholders issues a receipt to the Company for any dividends, bonus or capital return payable to such joint shareholders, such receipt shall be deemed to be an effective receipt issued to the Company by such joint shareholders.

Article 59

The ordinary shareholders of the Company shall enjoy the following rights:

- (1) The right to receive dividends and other distributions in proportion to their shareholdings;
- (2) The right to request, convene, preside over, attend or appoint a proxy to attend shareholders' general meetings and to exercise the voting rights in accordance with law;
- (3) The right to supervise the company's business operations, and the right to present proposals or to raise enquires;

- (4) The right to transfer, gift or pledge his/her shares in accordance with laws, rules, regulations and relevant provisions prescribed by securities regulatory authorities of the place where the shares of the Company are listed as well as the Articles of Association;
- (5) The right to obtain relevant information in accordance with the Articles of Association, including:
 - (i) The right to obtain a copy of the Articles of Association, subject to payment of the cost of such copy; and
 - (ii) The right to inspect without charge and copy, subject to payment of a reasonable fee, the following:
 1. All parts of the register of shareholders;
 2. Personal particulars of each of the Company's directors, supervisors, CEO, President (COO) and other senior management;
 3. The state of the company's share capital;
 4. The report showing the nominal value, number, highest and lowest prices of the shares repurchased and the total consideration paid by the Company in connection therewith since the last financial year;
 5. Counterfoils of corporate bonds;
 6. Minutes of shareholders' general meetings (for reference only);
 7. Resolutions passed at the shareholders' general meetings, resolutions passed at the meetings of the board of directors and resolutions passed at the meetings of the board of supervisors;
 8. Financial accounting reports;
 9. The latest audited financial statements, the directors' report, the audit reports and the reports of the board of supervisors;
 10. A copy of the latest annual returns submitted for filing to the administration for industry and commerce or other competent authorities.

- (6) The right to participate in the distribution of remaining assets of the Company in proportion to its shareholding when the Company is terminated or liquidated;
- (7) The right to require the Company to acquire his/her/its shares for such shareholders who are against any resolution in relation to a merger or separation of the Company; and
- (8) Other rights conferred by laws, rules, regulatory provisions, regulations and the Articles of Association.

Article 60

Shareholders who request for the inspection of information related to Article 59 of the Articles of Association or obtaining certain materials shall make such request to the Company in writing, and provide proof of his/her/its shareholding. The Company would, upon the confirmation of the identity of the shareholder(s), provide the information or materials as requested.

Article 61

If any resolution adopted by the shareholders' general meeting or the board of directors violates any laws, rules or regulations, a shareholder has the right to petition the People's Court to declare the resolution invalid.

If the convening procedure or voting method of any shareholders' general meeting or any meeting of the board of directors violates any laws, regulations or the Articles of Association, or if any resolution violates the Articles of Association, a shareholder may, within sixty days from the date of the resolution, petition the People's Court to revoke the relevant resolution.

If the Company has registered changes according to a resolution adopted by the shareholders' general meeting or a resolution adopted by the board of directors, while the People's Court has ruled that such resolution is invalid or has revoked such resolution, the Company shall apply to the company registration authority for revoking the registration of changes.

Article 62

If any director or senior manager violates laws, regulations or the Articles of Association in performing his/her duties, which has caused losses to the Company, shareholders individually or jointly holding 1% or more voting shares of the Company for at least 180 consecutive days may request the board of supervisors in writing to bring an action at the People's Court; if any supervisor violates laws, regulations or the Articles of Association in performing his duties, which has caused losses to the Company, a shareholder may request the board of directors in writing to bring an action at the People's Court.

If the board of supervisors or the board of directors refuses or fails to bring an action within 30 days after receiving the request, or the situation is so urgent that if an action is not initiated promptly the Company will suffer irremediable damages, a shareholder has the right to bring an action at the People's Court directly in its own name.

If any other person infringes the interest of the Company, the shareholders specified in the first paragraph of this Article may bring an action at the People's Court pursuant to the articles hereinabove.

Article 63

If any director, supervisor, CEO, President (COO) or other senior management violates laws, regulations, regulatory provisions or the Articles of Association, which impairs the interests of the Company, shareholders, the insured and other interested parties, he/she shall be liable for compensation accordingly. If any of the above-mentioned situations occurred, shareholders shall have the right to report to the CBIRC directly.

Article 64

Holders of ordinary shares of the Company shall assume the following obligations:

- (1) To abide by laws, rules, regulatory provisions, regulations and the Articles of Association;
- (2) To pay subscription funds according to the number of shares subscribed and the method of subscription;
- (3) Contribution and shareholding shall comply with regulatory provisions, and may not hold such shareholding on behalf or overproportion;
- (4) Unless otherwise stipulated by laws, rules, regulatory provisions, regulations and the Articles of Association, not to withdraw their share capital;

- (5) To exercise the shareholders' rights in accordance with law and not to abuse the shareholders' rights so as to damage the interest of the Company or that of other shareholders; not to abuse the independent legal person status of the Company and the limited liability of the shareholders so as to damage the interest of the Company's creditors;
- (6) To assist the Company to improve the solvency margin ratio in the case that the solvency margin ratio does not meet the regulatory requirements;
- (7) Where any shareholder holds more than five percent of voting shares of the Company, to faithfully notify the Company of information on its controlling shareholder and actual controller; if there is a change in its controlling shareholder and actual controller, to notify the Company in writing of relevant changes as well as affiliated parties and the related relation after those changes within five working days upon the occurrence of those changes, and perform procedures as specified in regulations;
- (8) To notify the Company in writing within fifteen working days where the shares of the Company held by any shareholder who holds more than five percent of voting shares of the Company are involved in litigation, arbitration or release of pledges, and the Company shall notify other shareholders of relevant information timely;
- (9) To notify the Company in writing within fifteen working days upon the occurrence of a merger, separation, dissolution, bankruptcy, closing down, takeover and other material matters or changes in the legal representative, company name, site for business operation, business scope and other material matters of any shareholder who holds more than five percent of voting shares of the Company;
- (10) To obey and implement the resolutions passed at the shareholders' general meeting;
- (11) To cooperate with regulatory authorities to carry out investigations and risk disposition when risk events or serious non-compliant activities concerning the Company;

- (12) Not to damage the interests of other shareholders and the Company, and not to agree that the pledgee or his/her/its affiliated parties shall exercise the voting rights when any shareholder pledges the shares of the insurance company it holds; and
- (13) Other obligations imposed by laws, rules, regulatory provisions, regulations and the Articles of Association.

Unless otherwise provided by the Articles of Association, holders of ordinary shares shall not be liable for any further contribution to the share capital other than as agreed by the subscriber of the relevant shares at subscription.

Article 65

Shareholders shall assume the obligations to assist the Company to improve its solvency in case of insolvency of the Company. In the event of any of the following circumstances, shareholders who are unable or refuse to increase their capital contributions, shall agree that other shareholders or investors may increase their capital contributions with reasonable scheme as a way to improve the solvency:

1. The CBIRC orders the Company to increase its capital;
2. The Company must increase its capital as it is unable to make its solvency meet the regulatory requirements with other schemes.

Article 66

After the listing of the shares of the Company, if the shares held by any shareholder of the Company exceeds five percent of the Company's aggregate shares, this fact must be reported to the Company in writing on the day of its occurrence, so that the Company can report to the CBIRC for approval within five days thereof. The CBIRC has the right to request such unqualified investors to transfer their shares. For the part of shares in excess of five percent of the Company's aggregate shares (hereinafter referred to as "Excess Shares"), if the CBIRC requires the shareholder to transfer but the shareholder does not follow, such shareholder shall be subject to necessary restrictions when exercising the shareholders' rights set out in Article 59 of the Articles of Association based on its shareholding of the Excess Shares, which include:

- (1) The Excess Shares will not carry any voting rights at shareholders' general meetings (including during voting by shareholders of certain class); and
- (2) The Excess Shares will not carry a right to nominate candidates of directors or supervisors as provided in the Articles of Association.

Notwithstanding the aforementioned, the shareholders of the Company shall not be subject to any other restrictions when exercising the shareholders' rights pursuant to Article 59 of the Articles of Association.

If any shareholder who holds more than five percent of voting shares of the Company pledges the shares it holds, it shall report to the Company in writing on the day such pledge occurs.

If there is a related party relation between shareholders holding more than five percent of shares of the Company, such shareholders should report to the Board in writing within five business days.

The aforementioned related relation refers to the relationship between the controlling shareholders, actual controllers, directors, supervisors or senior management and enterprises under their direct or indirect control, and any other relations that may lead to the transfer of the Company's interests. However, enterprises controlled by the PRC government do not have a related relation merely due to the fact that they are under the common control of the PRC government.

Article 67

The shareholder and actual controller of the Company shall not impair the Company's interests with his/her/its related relations. In breach of any regulations, compensation for the loss incurred to the Company shall be assumed by the controlling shareholder and/or actual controller.

The controlling shareholder and actual controller of the Company shall have the obligations in respect of integrity to the Company and its public shareholders and other shareholders. The controlling shareholder shall exercise his/her/its rights as an investor in strict compliance with laws, and shall not, via means such as profit distribution, asset reorganization, external investment, occupation of funds and guarantee for borrowing, use of insurance funds and related party transactions impair the legal rights of the Company and its public shareholders and other shareholders, nor shall he/she/it impair the interests of the Company and its public shareholders and other shareholders by leveraging its controlling position.

The controlling shareholder shall effectively manage the personnel who hold concurrent positions in the controlling shareholder and the Company to prevent interests conflicts. Employees of the controlling shareholder shall not concurrently serve as the executive directors and senior management of the Company, except the chairman of the board of directors of the controlling shareholder.

Article 68

In addition to obligations imposed by laws, rules, regulations or the listing rules of the stock exchange where shares of the company are listed, a controlling shareholder shall not exercise his/her/its voting rights in respect of the following matters in a manner prejudicial to the interests of the shareholders generally or partially:

- (1) To relieve a director or supervisor of his duty to act honestly in the best interests of the company;
- (2) To approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person), in any manner, of the company's assets, including (without limitation) any opportunity beneficial to the company; or

- (3) To approve the expropriation by a director or supervisor (for his own benefit or for the benefit of another person) of the individual rights of other shareholders, including (without limitation) the rights to distributions and voting rights save as any restructuring submitted to shareholders for approval in accordance with the Articles of Association.

Article 69

A “controlling shareholder” referred to in the preceding paragraph shall mean a person with any of the following qualifications:

- (1) When he acts alone or in concert with others, more than half of the directors can be elected;
- (2) When he acts alone or in concert with others, thirty-percent (30%) or more of the voting rights of the company can be exercised or to controlled;
- (3) When he acts alone or in concert with others, thirty-percent (30%) or more of the issued and outstanding shares of the company are held; or
- (4) When he acts alone or in concert with others, the company is controlled virtually in other ways.

Article 70

Nomination on candidates of directors and supervisors of the Company by the controlling shareholder shall be in strict compliance with the laws, rules, regulations and the relevant provisions of the securities regulatory authorities of the place where the shares of the Company are listed, as well as the terms and procedures as stipulated by these Articles. Candidates of directors and supervisors nominated by the controlling shareholder shall possess relevant expertise as well as decision making and supervising capabilities. No approval from any shareholder is required for resolutions on personnel election and resolutions on appointment of members of the board of directors at shareholders’ general meeting. Any appointment or removal of senior management of the Company made by any shareholder overstepping the authority of general meeting and the board shall be void.

Article 71

The controlling shareholder of the Company shall not directly or indirectly intervene the decision making or the operation and management of the Company lawfully conducted, nor shall he/her/it impair the interests of the Company and other shareholders.

Article 72

If the contribution by or shareholding behaviors of any shareholder are in violation of laws, rules and relevant regulatory provisions, the shareholder shall not exercise his/her/its rights as a shareholder including the right of attending general meeting, the voting right, proposal right, and shall undertake to accept the regulatory actions as taken by the CBIRC against him/her/it, such as the restrictions on shareholders' rights and the order to transfer shareholding in case of any of the followings:

- (1) The changes in shareholder were not approved by or filed with the CBIRC;
- (2) The changes in the de facto controller of the shareholder were not approved by or filed with the CBIRC;
- (3) Entrusting others or accepting entrustment from others to hold shares of the Company;
- (4) Control of equity interests in disguised forms by accepting entrustment of voting rights and transferring rights to yields;
- (5) Direct or indirect self-capital injection or false capital contribution by using insurance funds;
- (6) Other capital contribution and shareholding behaviors that are not in compliance with the laws, regulations, regulatory requirements.

Chapter 10 General Meeting of Shareholders**Article 73**

The general meeting is the organ of the highest authority of the Company, and shall exercise the following functions and powers in accordance with the law:

- (1) Decide the business objectives, development strategies and investment plans of the Company;
- (2) Elect and replace directors, and decide on matters related to the remuneration of directors;
- (3) Elect and replace supervisors who are shareholders' representatives, and decide on matters related to the remuneration of supervisors;
- (4) Consider and approve the report of board of directors;
- (5) Consider and approve the report of board of supervisors;
- (6) Consider and approve the annual financial budget and final accounts of the Company;

- (7) Consider and approve the Company's profit distribution plan and loss recovery plan;
- (8) Resolve on the increase or decrease in registered capital of the Company;
- (9) Resolve on the listing or repurchase of shares, or issuance of securities such as bonds;
- (10) Resolve on matters related to merger, separation, dissolution, liquidation of the Company or alternation on the form of the Company;
- (11) Review and amend, including but not limited to, these Articles, rules of procedures for general meeting, board of directors and board of supervisors, administrative rules on related party transactions, as well as relevant governance system such as asset management authorization system;
- (12) Resolve on the employment, dismissal or non-reappointment the accounting firm of the Company which would provide regular and statutory audit on the Company's financial reports;
- (13) Consider the motion raised by shareholders representing more than 3% of outstanding shares with voting rights;
- (14) Consider and approve the matters related to the establishment of legal entities, the material external investment, material assets acquisition, material asset disposal and write-offs, and external gifting:
 1. Consider and approve the establishment of legal entities by the Company, while a legal entity refers to the domestic or foreign company which is established with the direct investment by the Company and over which the Company exercises control;
 2. Consider and approve external gifting with the single accumulated amount for the year in total exceeding the sum of RMB20 million and 1% of the latest audited net profit attributable to shareholders of the Company, or external gifting with amount above RMB60 million;
 3. Consider and approve equity investments and disposals with the amount of each investment or disposal exceeding 3% of the latest audited total assets of the Company, or the accumulated amount of investments or disposals for the year accounting for over 8% of the latest audited total assets of the Company;

4. Consider and approve real property investments and disposals with the value of single asset exceeding 5% of the latest audited total assets of the Company, or the accumulated investment for the year accounting for over 15% of the latest audited total assets of the Company;
5. Consider and approve other assets acquisitions with the value of single asset accounting for over 3% of the latest audited total assets of the Company, or the accumulated value of assets for the year accounting for over 8% of the latest audited total assets of the Company; other assets disposals with the value of single asset accounting for over 3% of the latest audited total assets of the Company, or the accumulated value of assets for the year accounting for over 8% of the latest audited total assets of the Company;
6. Consider and approve asset write-offs with the value of single asset over RMB3,000 million and the accumulated value for the year over RMB10,000 million;
7. Consider and approve overseas equity, real property investments and disposals as well as other assets acquisition, disposal and write-offs matters which, pursuant to the provisions of the *Interim Measures for the Administration of Overseas Investment with Insurance Funds* issued by the CBIRC and its detailed rules for the implementation, fall within the authority and corresponding investment threshold as specified in item 3 to item 6 above;

If there exist both book value and appraisal value of the above assets, the higher one shall prevail; the amount of above external gifting, investment, acquisition, disposals, write-offs, as well as total assets, net profit and other data are all from consolidated financial statements.

- (15) Consider and approve related party transactions required to be approved by the general meeting under the laws, rules and regulations;
- (16) Consider and approve the change in the use of proceeds;
- (17) Consider and approve the employee stock ownership scheme or stock incentive scheme;
- (18) Consider other matters required to be determined by the general meeting under the laws, rules, regulatory provisions, regulations and the securities regulatory authorities of the place where shares of the Company are listed and the Articles of Association.

Article 74 Apart from the guarantee provided for lawsuits incurred in the ordinary course of operation and management of the Company, the Company shall not make any external guarantee.

Article 75 The aforesaid matters within the competence of the general meeting shall be considered and determined by the general meeting, but in necessary, reasonable and legal cases, the general meeting may authorize the board of directors to make such determination. Such authorization shall be clear and specific.

For the authorization to the board of directors by the general meeting, if the authorization relates to matters required by these Articles to be passed by ordinary resolutions of general meeting, it shall be passed by the shareholders (including proxy of shareholders) representing more than half of the voting rights present in the general meeting; if the authorization relates to matters required by these Articles to be passed by special resolutions of general meeting, it shall be passed by shareholders (including proxy of shareholders) representing two thirds or more of the voting rights present in the general meeting.

Article 76 The Company shall not, without the prior approval of shareholders' general meeting, enter into any contract with any person other than a director, supervisor, CEO, President (COO) or other senior management whereby the management and administration of the whole or any substantial part of the business of the Company is to be handed over to such person, unless in special circumstances such as that the Company is in a crisis.

Article 77 Shareholders' general meetings are divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be convened once a year, and shall be held within six months after the end of the preceding accounting year.

An extraordinary shareholders' general meeting shall be convened within two months from the occurrence of any of the following events:

- (1) The number of directors is lower than the minimum number of directors specified in the Company Law or less than two-thirds of the total number of directors specified in the Articles of Association;
- (2) The Company's uncovered losses amount to one-third of the Company's total share capital;
- (3) Shareholders individually or collectively representing 10% or more of the Company's voting shares request in writing;

- (4) The board of directors considers it necessary;
- (5) The board of supervisors proposes that such a meeting shall be convened;
- (6) When resolutions of the board of directors may impair the interests of the Company, the insured or small and medium shareholders, the board of directors does not accept the advice of independent directors and such a meeting is requested by no less than half of and at least two independent directors to the board of directors; or
- (7) Other circumstances as provided by the laws, rules, regulations and these Articles of Association.

The number of shares in item (3) above shall be the number of shares held at the end of trading on the trading day prior to the date when shareholders lodge the written request.

If the Company could not convene the general meeting in the aforesaid period, it shall report to the branch of China Securities Regulatory Commission (hereinafter referred to as the “CSRC”) where the Company is located and the stock exchange to explain the reason and make announcement.

Article 78

When the Company convenes a shareholders’ annual general meeting, a written notice of the meeting shall be given 20 business days before the date of the meeting, and when the Company convenes a shareholders’ extraordinary general meeting, a written notice of the meeting shall be given 10 business days or 15 days (whichever is longer) before the date of the meeting to notify all the shareholders in the register of members of the matters to be considered and the date and the place of the meeting.

Article 79

The Company shall report to the CBIRC with respect to the meeting notice in writing ten days before the date of the regular shareholders’ general meeting.

Article 80 When shareholders individually or collectively representing 10% or more of the Company's voting shares for at least 90 consecutive days (the Proposing Shareholders), the board of supervisors or no less than one half of and no less than two independent directors (the Proposing Independent Directors) propose the convening of an extraordinary shareholders' general meeting, they shall present the topics and proposals with complete contents in writing to the board of directors, and also file with the Shanghai Stock Exchange. The Proposing Shareholders, the board of supervisors or the Proposing Independent Directors shall guarantee the contents of the motions do not violate the laws, rules, regulations and the Articles of Association.

Article 81 Within 10 days from receiving the written proposal from the Proposing Shareholders, the board of supervisors or the Proposing Independent Directors of convening a shareholders' general meeting, the board of directors shall make a written resolution on whether it agrees or disagrees to convene an extraordinary shareholders' general meeting in accordance with laws, rules, regulatory provisions or the Articles of Association. If the board of directors disagrees to hold an extraordinary shareholders' general meeting, it shall give its reasons in writing. If the board of directors agrees to hold an extraordinary shareholders' general meeting, it shall issue a notice of the extraordinary meeting within five days after the relevant board resolution is adopted. Any change made to the original proposal in such notice shall be subject to the approval of the board of supervisors, the Proposing Shareholders or the Proposing Independent Directors. If the board of supervisors, the Proposing Shareholders or the Proposing Independent Directors disagree with the change made to the original proposal, the board of directors shall respect the written proposal of the board of supervisors, the Proposing Shareholders or the Proposing Independent Directors.

Article 82 If the board of directors disagrees to convene an extraordinary shareholders' general meeting as requested by the Proposing Shareholders or fails to give any response within 10 days after receiving the proposal, or the board of directors, despite giving the response that it agrees to convene such a meeting, fails to issue any meeting notice within 20 days after receiving the request, it shall be deemed as refusing to hold an extraordinary shareholders' general meeting and the Proposing Shareholders have the right to submit a written request to the board of supervisors; the board of supervisors shall issue a notice on extraordinary shareholders' general meeting within five days after receiving the request. In case the board of supervisors fails to issue such notice within the aforesaid period, the Proposing Shareholders may convene and preside over the meeting on their own.

Article 83 In case the board of directors disagrees on convening an extraordinary general meeting as requested by the board of supervisors or fails to give response within ten days upon the receipt of the proposal, or despite it agrees on convening the meeting but fails to give the notice of meeting within 20 days upon the receipt of such request, the board of directors shall be deemed to be incapable of performing or fail to perform its duty of convening the general meeting, and the board of supervisors may convene and preside over the meeting on its own.

Article 84 In case the board of directors disagrees on convening an extraordinary general meeting as requested by the proposing independent directors or fails to give response within ten days upon the receipt of the proposal, or despite it agrees to convene the meeting but fails to give the notice of meeting within 20 days upon the receipt of such request, the board of directors shall be deemed to refuse to convene the extraordinary general meeting. The independent directors shall report to the CBIRC.

Article 85 In case the board of supervisors or the Proposing Shareholders decide to convene the extraordinary general meeting on its/their own, the board of directors shall be notified in writing, and shall file with the local office of CSRC and the stock exchange where the Company is located. The board of directors and the secretary of the board of directors shall coordinate and the board of directors shall provide the register of members as at the share registration date. In case the board of directors fails to provide the register of members, the convener may, with the announcement of convening such a general meeting, apply for obtaining the register of members from the securities registration and clearing authorities. The register of members so obtained by the convener shall not be used for any purposes other than convening the general meeting. Fees necessary for the meeting shall be borne by the Company.

The board of supervisors or shareholders who convene the meeting shall submit relevant certification materials to the local office of the CSRC and the stock exchange where the Company is located, while sending out a notice of general meeting and making the announcement of the resolution of the general meeting.

Article 86 In case the board of supervisors or Proposing Shareholders decide to convene the extraordinary general meeting on its/their own, notice on convening such an extraordinary general meeting shall be given, whose contents shall comply with, besides Article 87 of the Articles of Association, the provision that no new content shall be added into resolutions, otherwise the Proposing Shareholders or the board of supervisors shall re-propose the request for convening the extraordinary general meeting to the board of directors in accordance with the above procedures.

Prior to the announcement of the resolution of the general meeting, the shareholding of the Proposing Shareholders shall not be less than ten percent, and shareholders who convene the meeting shall apply to the Shanghai Stock Exchange for lockups for all or part of the shares held by them in the aforesaid period prior to issuance of the notice of the general meeting.

Article 87 Proposals for the general meeting shall be within the scope of the functions and powers of the general meeting, and have clear topics and specific resolution matters, which fully disclose the important information involved in the proposal and comply with the relevant laws, rules, regulations, and these Articles.

Article 88

Shareholders individually or jointly holding no less than three percent (3%) of shares in the Company may make extraordinary proposals ten (10) days prior to the convening of the general meeting and notify the convener in writing. The convener shall, within two (2) days from the receipt of such proposal, give supplementary notice for the general meeting, and announce the subjects of the extraordinary proposal. The aforesaid convener refers to the person who shall be entitled to convene the general meeting in accordance with these Articles.

Save as provided in the preceding paragraph, upon issuance of the notice for the general meeting, the convener shall not amend any proposals which are set out in the notice for the general meeting or add new proposals.

Article 89

Notice of general meeting shall be given in writing and include the following:

- (1) The date and venue of the meeting;
- (2) The duration of the meeting;
- (3) Matters to be submitted to the meeting for examination. All the contents of proposals shall be fully disclosed (including text, attachment, proposer and time of putting forward such proposal). Where any matters relating to previous resolutions of shareholders' general meeting need to be changed, the proposal shall be complete in contents and shall not merely list the proposed changes;
- (4) Materials and explanations necessary for shareholders to make decisions regarding the matters to be discussed, principally including (but not limited to) specific terms and contracts (if any) and a detailed explanation of its reason and sequence for a proposed transaction such as a merger, repurchase of shares, restructuring of share capital or other form of restructuring;
- (5) Where any directors, supervisors, CEO, President (COO) or other senior management have a material interest with regard to matters to be discussed, the nature and extent of that interest shall be disclosed. Further, where the impact of the matters to be discussed by such directors, supervisors or other senior management who are shareholders is different from the impact on other shareholders of the same class, that difference shall be illustrated;
- (6) The full text of any special resolution proposed to be passed at the meeting;

- (7) State clearly that “shareholders entitled to attend and vote shall have the right to appoint one or more proxy to attend and vote on his/her/its behalf”, and such proxy is not necessary to be a member of the Company;
- (8) The time and place for the delivery of the proxy form;
- (9) Date of share registration of the shareholders entitled to attend the general meeting; and
- (10) The name and contact information of the permanent liaison person for the meeting.

Article 90

After the issuance of a notice for convening a shareholders’ general meeting, the meeting shall not be postponed or cancelled without a proper reason and the proposals set out in the notice of shareholders’ general meeting shall not be cancelled, nor may the meeting time be changed unless as provided in the Articles of Association or by virtue of force majeure or any other unforeseen event. In case there is any postponement or cancellation, the convener shall, at least 2 working days prior to the original date of convening, make an announcement and explain the reasons. For general meetings postponed, the convening date of the meeting shall also be included in the notice.

Article 91

Notice of shareholders’ general meeting shall be delivered to the shareholders (whether or not entitled to vote at the meeting), by hand or prepaid mail to their addresses as shown in the register of members. For the holders of domestic shares, notice of the meetings may also be given through an announcement.

Once an announcement is published on the website or in one or more newspapers designated by the securities regulatory authorities of the place where the shares of the Company are listed, it shall be deemed that all holders of domestic shares have received the notice of the general meeting.

Article 92

Unless otherwise stipulated by the Articles of Association, a shareholders’ general meeting shall be called by the board of directors in accordance with law and presided over by the chairman of the board of directors. Where the chairman is unable or fails to perform his duties, a director jointly elected by no less than one-half of the directors shall preside over the meeting. Where no one presides over a shareholders’ general meeting by either of the aforesaid ways, the shareholder that is present at the meeting and holds the most voting shares or its proxy may preside over the meeting.

In case a meeting is called by the board of supervisors, it shall be presided by the chairman of the board of supervisors. If the chairman of the board of supervisors is incapable of or fails to perform such duty, a supervisor nominated by no less than half of the supervisors shall preside.

In case an extraordinary meeting is called and presided over by the Proposing Shareholders, a shareholder representative nominated by the Proposing Shareholders shall preside over the meeting. If there are two or more Proposing Shareholders, and no chairman could be elected, the shareholder representative designated by the Proposing Shareholder holding more voting shares than the other(s) shall preside over the meeting.

In the event that the general meeting cannot proceed due to violation of the rules of procedure by the presider of the meeting, the general meeting may proceed by appointing one person as the presider of the meeting upon consent of a simple majority of the voting shareholders present at the meeting.

Article 93

A shareholder may attend a shareholders' general meeting in person or appoint a proxy to attend and vote at the meeting on his behalf.

For individual shareholders who attend the meeting in person, he/she shall provide his/her own identity card or any other valid documents or evidences to prove his/her identity or stock account card. For those attending the meeting by proxy, he/she shall provide his/her own valid identity documents and the power of attorney from the shareholder being represented.

Legal person shareholders shall attend the meeting by their legal representatives or other proxies as authorized. For legal representatives who attend the meeting, his/her own identity card, valid evidences on his/her legal representative qualification and shareholding evidences shall be provided. For proxies who attend the meeting, the proxy shall provide his/her own identity card, the power of attorney from the shareholders issued in accordance with the law and shareholding evidences.

Article 94

Any shareholder entitled to attend and vote at the general meeting shall be entitled to appoint one or more persons (no matter whether a shareholder or not) as his/her proxy to attend and vote on his/her behalf, and the proxy may exercise the shareholder's right to speak at the shareholders' general meeting in accordance with the shareholder's appointment.

If the shareholder is the recognized clearing house (or its nominees) as defined in the relevant laws and regulations of the place where the shares of the Company are listed, such shareholder may appoint one or more person as it thinks fit to act as his/her/its proxy in any general meeting or any meeting of the shareholders of a class. If more than one person is appointed, the proxy form shall specify the number and class of shares involved for each person. Each person so appointed may exercise the rights on behalf of recognized clearing house (or its nominees), as if such person is an individual shareholder of the Company.

Article 95

The shareholder shall appoint proxy in writing. The proxy form shall be signed by the shareholder or his/her attorney duly authorized in writing; if the shareholder is a legal person, the appointment document shall be affixed with the legal person's seal or be signed by a director or legal representative or attorney duly authorized.

The proxy form issued by a shareholder to appoint a proxy to attend the meeting shall set out the following:

- (1) The name of the proxy;
- (2) Whether or not the proxy has the right to vote;
- (3) The respective instructions on voting for, voting against or abstention from voting in respect of each agenda item of the shareholders' general meeting;
- (4) The date of issue and validity term of the proxy form;
- (5) The number of shares of the appointer represented by the proxy;

- (6) If several persons are appointed as proxy, the number of shares represented by each proxy; and
- (7) Signature (or seal) of the appointer. If the appointer is a legal person shareholder, the seal of the legal person shall be affixed.

The proxy form shall state whether the proxy may vote in his/her own discretion if no specific instructions have been given by the shareholder.

Article 96

The proxy form shall be deposited at the domicile of the Company or at other place as specified in the meeting notice, 24 hours before the meeting to discuss the matters that the proxy is appointed to vote for or 24 hours before the designated voting time. If the proxy form is signed by a person authorized by the appointer, a notary certified copy of the power of attorney and other authorization documents is needed, which shall be deposited together with the proxy form at the domicile of the Company or at other place as specified in the meeting notice.

If the shareholder is a legal person, a person that is authorized by the legal representative, or by the resolution of the board of directors or other governing body shall act as the shareholder's representative to attend any general meeting of the company.

Article 97

Any proxy form issued to a shareholder by the Board shall be such as to enable the shareholder, according to his/her intention, to instruct the proxy to vote in favor of, against or to abstain from each resolution and to give instruction for each item to be resolved at the meeting.

Article 98

Notwithstanding the death or loss of ability of the appointer, revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given happened before any resolution is adopted, a vote given in accordance with the proxy form shall be valid, provided that no notice in writing of the aforesaid has been received by the company before the commencement of the meeting.

Article 99

The attendance book of the shareholders' general meeting shall be prepared by the Company. The attendance book shall specify the company names and domiciles of shareholders, and the name, identity card number, number of voting shares represented and (company) name of the appointing shareholder of each attendee.

Article 100 Matters to be examined at the annual shareholders' general meeting shall include but are not limited to

- (1) Annual plans of financial budgets and final accounts;
- (2) Profit distribution plan and plan of recovery of losses;
- (3) Annual report of the board of directors;
- (4) Annual report of the board of supervisors;
- (5) Annual performance reports of the independent directors;
- (6) Audited annual financial statements of the Company;
- (7) Plans for the Company's annual external investments and sale or purchase of material assets; and
- (8) Other matters that shall be examined at the annual shareholders' general meeting.

Article 101 The list of candidates for directors and non-employee supervisors shall be submitted as a proposal to the shareholders' general meeting for voting, along with the resumes and basic information of the director and supervisor candidates as well as the written statements of the candidates that they accept the nomination and consider themselves qualified for the position.

Article 102 Election of directors and non-employee supervisors and assumption of office:

In the election and replacement of directors and non-employee supervisors, every director or non-employee supervisor candidate shall be voted on one by one. The number of candidates voted for by each shareholder may not exceed the number of directors or supervisors specified in the Articles of Association. If the number of candidates for directors and non-employee supervisors nominated under the Articles of Association is more than the number to be elected, competitive election shall be held and the candidates getting more votes shall be elected pursuant the Articles of Association.

The period for the two written notices in respect of the permission of the nomination of director and non-employee supervisor candidates and the candidate's willingness to accept such nomination shall not be less than seven days. Such period shall, at the earliest, be counted since the written notice of the general meeting is given, and such period shall not end later than seven days prior to the date of convening the general meeting.

Newly appointed directors and non-employee supervisors shall be elected by the general meeting, and shall hold office from the date when the CBIRC's approval is obtained until the expiration of the term of that session of the board of directors and board of supervisors.

Article 103

When the Company convenes the shareholders' general meeting, all directors, supervisors and the secretary to the board of directors shall attend the meeting, and CEO, President (COO) and other senior management shall attend the meeting and listen to the queries and suggestions of shareholders.

The board of directors and the board of supervisors shall respond to or give explanation of the queries and suggestions from the shareholders. If the shareholders require a written response or explanation, the board of directors and the board of supervisors shall give a written response or explanation within 10 days since the queries and suggestions are given.

Article 104

A shareholder (including his/her/its proxy) shall exercise his/her/its voting rights based on the number of voting shares he/she/it represents. Each share shall carry one vote. Shares held by the Company do not carry any voting rights, and such portion of shares shall not be counted into the total number of voting shares held by the shareholders who attend the general meeting.

Where material issues which affect the interests of medium and small investors are considered at a general meeting, the votes of the medium and small investors shall be counted separately. The results of the separate vote counts shall be disclosed to the public in a timely manner.

The board of directors of the Company, independent directors and shareholders who meet the relevant requirements can publicly solicit shareholders' voting rights, where sufficient disclosure of the information such as their voting intention shall be disclosed. Soliciting shareholders' voting rights by means of direct or indirect compensation is prohibited. The Company is prohibited from setting restrictions on the minimum shareholding ratio when soliciting shareholders' voting rights.

Article 105 Shareholders attending the general meeting shall give one of the following opinions on the proposal submitted for voting: for, against or abstain, except for the declaration by securities registration and clearing institution as the nominal holder of stocks of stock connect mechanism between the PRC and Hong Kong stock markets, based on the actual holders' intentions.

The un-filled, wrongly-filled, illegible or un-voted votes shall be deemed as the voters' waiver of voting rights, and the voting by the shares held by them shall be counted as "abstain".

Article 106 Resolutions of the general meeting can be classified into ordinary resolutions and special resolutions.

Ordinary resolutions proposed by the general meeting shall be passed by a simple majority of the voting rights held by shareholders (including proxy) present at the general meeting.

Special resolutions proposed by the general meeting shall be passed by no less than two third of the voting rights held by shareholders (including proxy) present at the general meeting.

Article 107 The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:

- (1) The business objectives, development strategies and investment plans of the Company;
- (2) Work reports of the board of directors and the board of supervisors;
- (3) Annual report of the Company and audited annual financial statements;
- (4) Plans formulated by the board of directors for profit distribution and losses recovery;
- (5) Annual financial budget and final accounts of the Company;
- (6) Engagement, dismissal or non-renewal of engagement of accounting firms which would provide regular and statutory audit on the Company's financial report;

- (7) Appointment or removal of the directors and non-employee supervisors, appointment of independent directors, and the emolument of the directors, non-employee supervisors and independent directors and the associated method of payment; and
- (8) Matters other than those required by the laws, rules, regulatory provisions, regulations of the securities regulatory authorities of the place where the Company's shares are listed or by the Articles of Association to be adopted by special resolution.

Article 108

The following matters shall be resolved by a special resolution at a shareholders' general meeting:

- (1) Increase or reduction of the Company's registered capital;
- (2) Issuance of securities such as bonds, repurchase or listing of shares by the Company;
- (3) The separation, merger, dissolution, liquidation and change of form of the Company;
- (4) Dismissal of an independent director;
- (5) Amendments to the Articles of Association, procedural rules of the shareholders' general meeting, the board of directors and the board of supervisors of the Company;
- (6) Involves in establishment of legal entities, material external investment, material asset disposals and write-offs, material asset pledge, etc.
- (7) The employee stock ownership scheme or stock incentive scheme;
- (8) Any other matters considered by the shareholders' general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the company and should be adopted by a special resolution, and any other matters required by the laws, regulations, regulatory provisions, or regulatory requirement of the securities regulatory authorities of the place where the Company's shares are listed and the Articles of Association.

Article 109 In the course of considering related party transactions in the general meeting, related shareholders shall not participate in the voting, and all the shares with voting rights represented by him/her/it shall not be counted into the total valid voting number. Announcement of resolutions of the general meeting shall fully disclose the voting of non-related shareholders.

In addition, where any shareholder is, under applicable laws and regulations and the Hong Kong Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, the vote cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

Article 110 Directors or supervisors shall not be elected by way of cumulative voting system at the shareholders' general meeting.

Article 111 At any general meeting, shareholders shall vote by open ballot.

Article 112 A poll requested for the election of the chairman of the meeting or the suspension of the meeting, shall be taken forthwith. A poll requested for any other matters shall be taken at such time as the chairman of the meeting directs, and the meeting shall proceed to discuss other matters. The result of the poll shall be deemed to be a resolution of the meeting at which the poll was requested.

Article 113 On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.

Article 114 The general meeting shall vote on all proposals presented one by one. In the case where different proposals are made on the same matter, votes shall be casted in accordance with the time sequence of presenting the proposals. Unless the general meeting is suspended or fails to resolve due to exceptional reasons such as force majeure, the general meeting shall not postpone the proposals and shall vote on them.

Article 115 Any voting of any resolution shall be counted by at least two representatives of shareholders and one supervisor. The results of voting shall be announced by the vote counters on the spot and recorded.

Any shareholder with interests in the matter under consideration and proxies of such member shall not participate in vote counting or scrutinizing. Other members may otherwise elect representatives of shareholders to participate in vote counting or scrutinizing.

When voting on any proposal at the general meetings, the lawyer, representatives of shareholders and representatives of supervisors shall together undertake the counting and scrutinizing of the votes, and announce the results of voting on the spot. The voting results of resolutions shall be recorded in the minutes of the meeting.

Shareholders or their proxies of the listing company who vote via internet or other means shall be entitled to check the voting results via the voting system accordingly.

Article 116

The chairman of the meeting shall announce the on-site voting result at the meeting. The voting results of the resolutions shall be recorded in the minutes of the meeting.

The chairman of the meeting in case of having any doubt on the voting result of any resolution may count the votes. If the chairman of the meeting does not count the votes and shareholders or their proxies oppose the results announced by the chairman, such shareholders or proxies are entitled to request a counting of the votes immediately after the announcement and the chairman shall count the votes immediately upon request.

In case votes are counted in the general meeting, the results of vote counting shall be recorded at the minutes of the meeting.

Article 117

The Company shall report to the CBIRC with respect to the resolution passed at the general meeting within thirty days from the date of the resolution.

Article 118

The general meeting of the Company shall be convened in the address of the Company or venues designated in the notice of the general meeting.

The general meeting shall be provided with meeting venue and convened in the form of on-spot meetings. No meeting shall be convened by way of communication voting in respect of any proposals which shall be passed by special resolutions on the general meeting. The Company would also make it convenient for shareholders to attend the general meeting by providing online access or other means acknowledged or required by securities regulatory authorities. Shareholders' attending the general meeting via such means as above are deemed to be present.

In case the general meeting convened by the Company casts votes via internet, a safe, economical and convenient online voting system for the general meeting shall be provided to shareholders. Investors who have passed the identity verification of the internet voting system of the general meeting are confirmed of their duly valid identities as shareholders and possession of duly valid voting rights. In case the general meeting convened by the Company casts votes via other means acknowledged or required by securities regulatory authorities, identity of shareholders shall be confirmed in accordance with relevant rules of proceedings.

Before the voting results are officially announced, the Company, vote counter, scrutineer, substantial shareholders, and the network service providers and other relevant parties involved in voting taking place onsite, via internet, or through other voting method shall be obliged to keep the voting results confidential.

Article 119

Minutes shall be kept for the general meeting, of which the secretary of the board of directors shall be in charge. Minutes of meeting shall contain as below:

- (1) Time, venue, agenda of the meeting, and the name of the convener;
- (2) Names of the chairman of the meeting, directors, supervisors, CEO, President (COO) and other members of senior management, who attend or observe the meeting;
- (3) Number of shareholders and proxies present at the meeting, total number of shares with voting rights held by them and the percentage of shares with voting rights held by them to the total number of shares in the Company;
- (4) Process of consideration for each motion, key points of speeches and voting results;
- (5) Shareholders' enquiries or suggestions and the responses or explanation;
- (6) Names of the lawyer, the vote counter and the scrutineer; and
- (7) Other matters which shall be recorded in the minutes required by laws, regulations, regulatory documents and these Articles.

Article 120

Any shareholder is entitled to look up copies of the minutes free of charge during office hours of the Company. Upon the request of any shareholder for a copy of the minutes in connection with the general meeting, the Company shall send the copy of the minutes within seven days upon receipt of reasonable payment.

- Article 121** If the Company convenes a general meeting, it shall engage a lawyer to issue legal opinion regarding the following issues which shall be announced:
- (1) Whether the convening and procedures of the general meeting are in compliance with the laws, administrative regulations and these Articles;
 - (2) Whether the qualifications of the attendants and convener are legal and valid;
 - (3) Whether the procedures and results of voting of the meeting are legal and valid; and
 - (4) Legal opinions regarding other relevant issues upon the request of the Company.

Article 122 The convener shall ensure an uninterrupted general meeting until the final resolution is decided on. In the event that the general meeting is suspended or fails to decide on a resolution due to such special reasons as force majeure, necessary measures shall be taken to resume the meeting as soon as possible or close the meeting directly, and make an announcement in a timely manner. Meanwhile, the convener shall report to the local office of the CSRC and the stock exchange.

Article 123 The convener shall ensure that the contents of minutes of the meeting are authentic, accurate and complete. The directors, supervisors, secretary of the board of directors, convener or its representatives, and the chairman of the meeting shall sign in the minutes of the meeting. The minutes of the meeting should be preserved with the register for signing of shareholders present, the power of attorney of the proxies and valid materials on voting via internet and other means, and the preservation shall be permanent.

Chapter 11 Special Procedures for Voting by Class Shareholders

Article 124 Shareholders holding different classes of shares are class shareholders.

Class shareholders are entitled to the rights and shall take the obligations pursuant to laws, regulations, regulatory documents and these Articles.

Any non-voting shares included in the share capital of the Company shall bear the wording “non-voting right” in their title.

If the share capital includes shares carrying different voting rights, any class of shares (except shares with the most privileged voting rights) included in the share capital shall bear the wording “restricted voting right” or “limited voting right” in their titles.

Article 125

If the Company proposes to modify or terminate the rights of a class of shareholders, it may do so only after such modification or termination has been approved by a special resolution of the shareholders’ general meeting and a separate shareholders’ general meeting convened by the affected shareholders of that class under the Articles 126 to 131.

Article 126

In the following conditions, rights of a class of shareholders shall be deemed to have been modified or terminated:

- (1) An increase or decrease in the number of shares of such class or an increase or decrease in the number of shares of a class having voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (2) Conversion of all or part of the shares of such class into shares of another class, conversion of all or part of the shares of another class into shares of such class or the grant of the right to such conversion;
- (3) Cancellation or reduction of rights to accrued dividends or cumulative dividends attached to shares of such class;
- (4) Reduction or cancellation of a dividend preference or property distribution preference during liquidation of the Company, attached to shares of such class;
- (5) An addition, cancellation or reduction of share conversion rights, options, voting rights, transfer rights, preemptive rights or rights to acquire securities of the Company attached to shares of such class;
- (6) Cancellation or reduction of rights to receive amounts payable by the Company in a particular currency attached to shares of such class;
- (7) Creation of a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;

- (8) Imposition of restrictions or addition of such restrictions on the transfer or ownership of shares of such class;
- (9) Issuance of rights to subscribe for shares of such class or other class, or rights to convert shares;
- (10) An addition of the rights and privileges of shares of other classes;
- (11) A restructuring scheme of the Company resulting in shareholders of different classes to bear liability not in proportion in the restructuring; or
- (12) An amendment or cancellation of the provisions of Chapter 10 of the Articles of Association “Special procedures for voting by class Shareholders”.

Article 127

Shareholders of the affected class, having the right to vote at shareholders’ general meetings or otherwise, shall nevertheless have the right to vote at class meetings in respect of matters concerning items (2) to (8), (11) and (12) of Article 126, but shareholder(s) with interests (as defined below) shall not be entitled to vote at meetings of shareholders of class shares.

A “shareholder with interests” in prior provision refers to:

- (1) A controlling shareholder as defined in Article 69 in the Articles of Association, in the case of a repurchase of shares by pro rata offers to all shareholders or by public dealing on a stock exchange pursuant to Article 29 of the Articles of Association;
- (2) A shareholder in connection with a proposed contract; in the case of repurchase of shares by off-market contract is achieved pursuant to Article 29 of the Articles of Association; or
- (3) A shareholder who bears less than a proportionate amount of obligations imposed on or whose interests diverge from those of the shareholders of that class, in the case of in a restructuring scheme of the Company.

Article 128 Resolutions of meetings of class shareholders shall be adopted by votes representing two thirds or more of the voting rights of shares of that class which are entitled to vote and whose shareholder(s) present at the meeting in accordance with Article 127.

Article 129 Written notice of a class meeting shall be sent to inform all of the shareholders in the share register of the class of the matters to be considered, the date and venue of the class meeting in accordance with the provisions in the Articles of Association concerning the notice period of the general meeting.

Article 130 Notice of class meetings only needs to be served on shareholders entitled to vote thereat.

Meetings of any class of shareholders shall be conducted in the manner as similar as possible to that of general meetings of shareholders. The provisions of the Articles of Association relating to the manner of conducting any shareholders' general meeting shall apply to any meeting of a class of shareholders.

Article 131 Shareholders of domestically-invested shares and overseas-listed foreign shares are deemed as shareholders of different classes.

The special procedures for voting by a class of shareholders shall not apply to the following circumstances: (1) where upon the approval by a special resolution of shareholders in a general meeting, either separately or concurrently once every twelve months, the Company issues domestically-invested shares and overseas-listed foreign shares not more than 20% of each that has been issued; (2) where the Company's plan to issue domestically-invested shares and overseas-listed foreign shares at its establishment is carried out within fifteen (15) months as of the date of approval of the securities regulatory authorities subject to State Council; or (3) where shareholders of the domestically-invested shares of the Company may transfer to overseas investors, and such transferred shares may be listed or traded on an overseas stock exchange, subject to the approval of the Securities Authority under the State Council.

Chapter 12 Board of Directors

Section 1 Directors

Article 132 Directors are elected by the shareholders' general meeting. Each director shall serve a term of 3 years and may be reelected at the expiration.

The chairman of the board of directors shall be elected and removed by a majority of all of the Directors. Re-election is allowed.

The positions of the chairman of the board of directors and president (COO) of the Company shall be separated.

Directors of the Company shall be natural persons. Directors are not required to hold any shares of the Company.

Article 133 The CEO or other senior management may serve as the director concurrently, provided that the directors who act as CEO or other senior management concurrently and are representatives of employees shall not exceed one half of the total directors of the Company.

Article 134 The Company's directors, in case of natural persons, shall be of excellent conduct and reputation, and possess the expertise and working experience relevant to their duties, and meeting the requirements specified by laws and regulations and the CBIRC. A person in any of the situations under Article 146 of the Company Law, Article 82 of the Insurance Law or any other relevant regulations shall not serve as a director of the Company.

Any election of a director in violation of the preceding provision shall be deemed as null and void.

If it occurs to a director during the term of office any of the situations stated in Article 146 of the Company Law, Article 82 of the Insurance Law or applicable regulatory stipulations, or breach of requirements in relation to director qualification or requirements under laws and regulations, regulatory provisions, such director shall vacate his/her office. The Nomination and Remuneration Committee shall propose the removal of the board of directors and the shareholders' general meetings shall remove such director from post.

Article 135 Shareholders that individually or jointly hold 5% or more of the total voting shares of the Company, or the Nomination and Remuneration Committee under the board of directors, shall have the right to nominate candidates for directors. In case the nomination of independent directors is otherwise provided by laws, regulations and regulatory documents, such provisions shall be followed. The number of candidates for directors that a nominating party proposes to nominate shall not exceed the number of directors proposed to be appointed.

The Nomination and Remuneration Committee under the board of directors shall review the candidates for directors pursuant to the laws, regulations, regulatory documents, regulatory requirements and the Articles of Association, and report its opinions to the board of directors.

Article 136

The appointment of directors shall be subject to the approval on the directors' qualifications from the CBIRC. If the director proposed to be appointed fails to obtain the approval on qualifications, the general meeting shall conduct re-election to fill the vacancy of the position.

A director's term of office starts from the date of his/her inauguration and expires at the end of the term of the prevailing session of the board of directors. Prior to the expiration of a director's term of office, the general meeting shall not dismiss him/her without any reason.

In circumstances provided by laws, regulations or the Articles of Association, the general meeting may remove any director whose term of office has not expired by an ordinary resolution, but such removal does not affect the rights of such director to make any claim under any contract.

Article 137

Directors shall comply with laws, regulations, regulatory documents and the Articles of Association, assume fiduciary duty to the Company, and shall not conduct as follows:

- (1) Enter into contracts or conduct transactions with the Company in breach of the provisions under this Articles of Association or in absence of approval of the general meeting;
- (2) Benefit his/her own or others from insider information;
- (3) Operate companies of the same nature as the Company on his/her own or for others, or engage in activities which impair the interests of the Company;
- (4) Use power to take bribes or illegal revenue of other kinds, or invade the properties of the Company;
- (5) Misappropriate or loan out the funds of the Company or provide guarantees for others with assets of the Company in violation of the Articles of Association or in absence of approval of the general meeting;
- (6) Use his/her own position to seek business opportunities which should have belonged to the Company for himself/herself or others in absence of approval of the general meeting;

- (7) Receive commission for transactions between others and the Company as his/her own;
- (8) Deposit the funds of the Company into accounts in the name of his/her own or other individuals;
- (9) Disclose secret of the Company in absence of approval of the general meeting, unless in circumstances provided by law where such information may be disclosed to the court or other competent government authorities; or
- (10) Other conducts in violation of his/her fiduciary duty to the Company under laws, regulations, regulatory documents and the Articles of Association.

Any income arising out of the breach of the preceding provision by directors belongs to the Company. Any person who has caused the Company to incur losses should be liable for compensation accordingly.

Article 138

Directors shall comply with laws, regulations, regulatory documents and the Articles of Association, and shall assume duties of due diligence to the Company as below:

- (1) Treat all shareholders on a fair basis;
- (2) Perform duties with prudence, faith and diligence to ensure that the commercial activities of the Company are in compliance with laws, regulations and regulatory documents;
- (3) Review various business and financial reports of the Company diligently, pay continuous attention to the operation and management of the Company, and guarantee sufficient time to perform duties;

- (4) Exercise management and decision-making rights conferred by law at his own discretion and shall not be manipulated by others; in absence of permission by laws, regulations or regulatory documents or informed approvals of the shareholders' general meeting, shall not authorize any other person to exercise the management and decision-making rights;
- (5) Provide the board of supervisors with relevant information and material in an honest manner and shall not prevent the board of supervisors from exercising their functions and powers. Accept the legal supervision by, and reasonable suggestions from, the board of supervisors with respect to his/her performance of duties;
- (6) Review the matters to be resolved by the board of directors and cast votes independently at his/her prudent discretion;
- (7) Sign written confirmations to the regular reports of the Company. Ensure the authenticity, accuracy and completeness of the information in the statutory disclosure of the Company;
- (8) Attend the shareholders' general meeting as observer and give response to shareholders' inquiries upon request of the shareholders' general meeting; and
- (9) Other duties of due diligence as stipulated in laws, regulations, regulatory documents and the Articles of Association.

Article 139

The directors are entitled to the rights to know the affairs of the Company, to investigate the Company and shall timely access to the information of finance, internal control, compliance, risk management, use of insurance funds, actuary, audit and other operations of the Company.

The Company shall set up a system to report information and serve the documents to the directors by means of the prescribed and within the time limit.

The Company shall provide sufficient materials to the directors, enabling them to obtain sufficient knowledge of the operation and management conditions of the Company. The directors may request supplemental materials when they deem current materials are not insufficient. In general conditions, the Company shall provide the directors with supplemental materials within three (3) days after the directors propose such requirement.

Article 140

Personnel of the Company shall actively cooperate with the directors to exercise their rights, and shall not refuse, impede, conceal truth or intervene improperly.

The directors shall promptly report to the CBIRC when they are confronted with impediments in performing their duties.

Article 141 No director (including chairman of the board of the directors) may act on his/her own behalf to represent the Company or the board of directors if not duly authorized by the provisions of the Articles of Association or the board of directors. When acting on his/her own behalf, insofar as a third party would reasonably believe that such director is acting on behalf of the Company or the board of directors, the director shall state his/her position and identity in advance.

Article 142 A director shall be deemed as unable to perform his/her duties if failing to attend two consecutive board meetings in person without appointing of another director as proxy to attend the meetings on his behalf, or failing to perform other duties stipulated by laws, regulations, regulatory documents and the Articles of Association. The board of directors, the board of supervisors or the shareholders shall request the shareholders' general meeting to vacate him.

A written prompt shall be sent by the board of directors to the director who fails to attend board meetings in person twice a year; and an independent director who receives such prompts twice during his term of office shall not serve consecutive terms.

A director shall be deemed to attend in person when he attends by means specified in Article 172 of the Articles of Association.

Article 143 In compliance with the relevant laws, regulations and the Articles of Association, the shareholders individually or in aggregate holding ten percent (10%) or more of the Company's total shares entitled to vote for more than ninety (90) consecutive days or more (the "Proposing Shareholders"), the board of supervisors or independent directors may make a proposal on removal of directors.

The shareholders or institutions that propose the removal shall notify the board of directors in writing. The written notice shall specify the name of the director proposed to be removed and the reasons for such proposal. Relevant proving documentations or materials may be attached if any.

The board of directors shall, within reasonable time upon the receipt of the written notice, pass the written notice to the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall, within reasonable time upon the receipt of written notice, issue its prudent opinion that it agrees or disagrees with the proposal, and submit it to the board of directors for review. After the review by the board of directors, the proposal shall be submitted to the general meeting for review.

The removed director may make statement and averment to the board of directors and the shareholders' general meeting and shall be obliged to remind other directors and shareholders of any potential risk existing in the Company. When the shareholders' general meeting deems it necessary, the shareholders or shareholders' representatives may inquire the directors proposed to be removed and the directors shall provide response.

Article 144

In case that the number of members of the board of directors is lower than that provided in the Company Law or two thirds (2/3) of that provided in the Articles of Association due to resignation, removal, illness, disability, death or any other reasons that cause the directors unable to perform their duties during their tenure, the Company shall initiate the by-election procedures within five (5) working days and convene the shareholders' general meeting to elect a director within two (2) months. The new director's term of office shall be ended on the expiration date of the term of the then-current board of directors.

A director may resign prior to the expiration of his term of office. The director intending to resign shall submit a resignation letter in writing to the board of directors and shall be obliged to explain certain aspects that merits the attention of other directors and shareholders in the resignation letter.

A director's resignation shall come into effect since the date when his resignation report is served on the board of directors, provided, however, that if the resignation of a director results in the number of directors of the Company being lower than the statutory minimum of the Company Law or two thirds (2/3) of the number provided in the Articles of Association, the current director shall continue to perform his duties until the newly elected director assumes office.

- Article 145** In the event that the tenure of any director expires and re-election is not conducted in time, the existing directors shall continue to perform their duties in accordance with the laws, administrative regulations and provisions under the Articles of Association until the assumption of office of the next session of the board of directors.
- Article 146** The submission of resignation letter or expiration of the director's term of office shall not release a director from his/her obligations to the Company and the shareholders before the resignation letter becomes effective or within a reasonable period after it has become effective, or within a reasonable period after the expiration of his term, and his/her duty of confidentiality in relation to the business secrets of the Company shall remain binding after the expiration of his term until such business secrets have been disclosed into the public. The effective period of other obligations shall be determined subject to the principle of fairness and the period of time elapsed between the expiration of the director's term and the occurrence of the event concerned, in addition to the circumstances and conditions under which the relationship between the director and the Company is terminated.
- Article 147** Any director whose term of office has not expired shall be liable for the losses caused to the Company as a result of his/her absence from the office.
- Article 148** The directors shall proactively attend the trainings organized by the Company and regulatory authorities in order to perpetuate their professional competence and capability essential to perform their duties.
- Article 149** The Company shall set up the system on the assessment and evaluation of due diligence of directors. The board of directors shall make such assessment and evaluation on due diligence of directors and submit due diligence reports to the shareholders' general meeting and the board of supervisors each year, which shall be submitted to the CBIRC after the approval of the shareholders' general meeting.

Section 2 Board of Directors

Article 150 A Board of Directors shall be established by the Company and accountable to the shareholders' general meeting. The board of directors shall consist of fifteen (15) directors, of which two (2) executive directors, eight (8) non-executive directors and five (5) independent directors. The board of directors shall have one (1) chairman of the board of directors.

Article 151 In case that the board of directors may not be re-elected upon the expiration of its term of office due to the failure of shareholder's qualification to satisfy the requirement, equity transaction disputes or force majeure and other reasons, the secretary of the board of directors shall make a report to the CBIRC one (1) month prior to the expiration of term of office of the board of directors, which shall contain term of office of the board of directors and its members, reasons of inability to initiate the re-election procedure, plan of re-election and other matters of necessity to be explained.

Article 152 The board of directors is entitled to exercise the following powers:

- (1) To convene shareholders' general meetings and to report on its work to shareholders' general meetings;
- (2) To implement resolutions of shareholders' general meetings;
- (3) To determine operation plans and investment schemes of the Company and to control and monitor the financial conditions and use of funds of the Company;
- (4) To formulate development strategies;
- (5) To formulate annual financial budget and final accounts;
- (6) To formulate the profit distribution plans and plans for recovery of losses;
- (7) To formulate proposals for increases or reductions of registered capital and the issuance of corporate bonds and other securities by the Company or the listing of the Company;

- (8) To formulate plans of material acquisition by the Company, repurchase of the shares of the Company or merger, division; dissolution and changes of the form of the Company;
- (9) To decide on matters including external investments, disposition and write-offs of assets, acquisition of assets, external guarantees and external gifting to the extent of the authorization of shareholders' general meetings;
1. Consider and approve external gifting with the accumulated amount for the year in total less than the sum of RMB20 million and 1% (inclusive) of the latest audited net profit attributable to shareholders of the Company, and less than RMB60 million;
 2. Consider and approve equity investments and disposals with the amount of each investment or disposal accounting for less than 3% (inclusive) of the latest audited total assets of the Company, and the accumulated amount of investments or disposals for the year accounting for less than 8% (inclusive) of the latest audited total assets of the Company;
 3. Consider and approve real property investments and disposals with the value of single asset accounting for less than 5% (inclusive) of the latest audited total assets of the Company, and the accumulated investment for the year accounting for less than 15% (inclusive) of the latest audited total assets of the Company;
 4. Consider and approve other assets acquisitions with the value of single asset accounting for less than 3% (inclusive) of the latest audited total assets of the Company, and the accumulated value of assets for the year accounting for less than 8% (inclusive) of the latest audited total assets of the Company; other assets disposals with the value of single asset accounting for less than 3% (inclusive) of the latest audited total assets of the Company, and the accumulated value of assets for the year accounting for less than 8% (inclusive) of the latest audited total assets of the Company;
 5. Consider and approve asset write-offs with the value of single asset less than RMB3,000 million (inclusive) and the accumulated value for the year less than RMB10,000 million (inclusive);

6. Consider and approve other assets management matters, including (but not limited to) trading of negotiable securities and financial products (refer to the domestically issued financial products that meet regulatory requirements such as wealth management products of commercial banks, credit asset-backed securities of banking financial institutions, collective fund trust plans of trust companies, specific asset management plans of securities companies, infrastructure investment plans, real estate investment plans, and project asset support plans of insurance asset management companies, etc.);
7. Consider and approve overseas equity, real property investments and disposals, other assets acquisition, disposal and write-offs matters as well as other assets management matters which, pursuant to the provisions of the *Interim Measures for the Administration of Overseas Investment with Insurance Funds* issued by the CBIRC and its detailed rules for the implementation, fall within the authority and the corresponding investment threshold of item 2 to item 6 above;
8. Consider and approve guarantee provided for lawsuits incurred in the ordinary course of operation of the Company;

If there exist both book value and appraisal value of the above assets, the higher one shall prevail; the amount of above external gifting, investment, acquisitions disposals, write-offs and other amount, as well as total assets, net profit and other data are all from consolidated financial statements.

- (10) To decide on the establishment of internal management structure;
- (11) To formulate the basic management system of the Company including operating policies;
- (12) To regularly evaluate and improve corporate governance and to review the corporate governance report of the Company;

- (13) To appoint or remove CEO, secretary of the board of directors and Auditing Officer and, in accordance with the nominations of the CEO, to appoint or remove the President (COO), Vice Presidents, CFO, Chief Risk Officer, Chief Actuary, Compliance Officer and other senior managers and to decide and implement the annual performance assessment, compensation, reward and penalty plans in respect of the aforesaid senior managers as the basis for their incentive, retention and replacement;
- (14) To consider and approve the candidates for the chairman of the board of directors, the chairman of the board of supervisors and presidents dispatched to important subsidiaries as specified in Article 191 hereof;
- (15) To establish board committees including but not limited to, the strategy committee, investment committee, audit and related party transaction control committee, nomination and remuneration committee, risk management and consumer rights protection committee based on need and regulatory requirements;
- (16) To formulate proposals for any amendment to the Articles of Association; propose to amend the rules of procedures for shareholders' general meetings and the rules of procedures for the board of directors; and consider and approve the rules of procedures of committees of the board of directors;
- (17) To propose to shareholders' general meetings of the engagement or change of an accounting firm which would provide regular and statutory audit on the Company's financial report, and to review reports of the external auditors, regularly or irregularly;
- (18) To review and approve the material related party transactions under the regulatory requirements of the CBIRC and other related party transactions of the Company as required by laws, regulations and regulatory documents and the Administrative Measures on Related Party Transactions of the Company;
- (19) To hear the work report of the EC and CEO and examine their work;

- (20) To select an external auditor for auditing directors and senior management of the Company;
- (21) To manage the information disclosure, internal control and other matters of the Company;
- (22) To review and approve the overall risk management objective, risk preference, risk management policy, major risk solutions, the organizational structure and duties for risk management and other risk management matters of the Company;
- (23) To constantly monitor the solvency risk of the Company, supervise the management to manage and control the solvency risk effectively, and review the reports from the management on the solvency risk of the Company regularly;
- (24) To review and approve the report on the solvency of the Company;
- (25) To formulate the employee stock ownership scheme or stock incentive scheme;
- (26) To review and approve the overall objective and strategy for asset liability management of the Company, promoting communication and coordination between assets business and liabilities business of the Company, and to supervise the management team implementing relevant systems and policies;
 - 1. To review and approve the organization system, decision making system and relevant risk management policy of asset liability management and asset allocation;
 - 2. To review and approve assets allocation policies, including strategic allocation plans of assets and annual assets allocation plans, and the adjustment plans of assets allocation policies;

3. To focus on the impact on the asset liability matching from the business plans and overall budgets while reviewing and approving business plans and overall budgets;
 4. To review and approve the products which may cause a significant influence on asset liability matching, including but not limited to the products subject to the approval of the board of directors according to relevant requirement by CBIRC;
 5. To review and approve the annual report on asset liability management of the Company.
- (27) To exercise other functions and powers as conferred by laws, regulations, regulatory documents or the Articles of Association and by shareholders' general meetings.

The powers of the board of directors shall be exercised collectively by the board of directors. The statutory powers of the board of directors shall not be delegated to the chairman of the board of directors, any director or any other individual or institution. Where it is necessary to authorize any of the aforesaid persons or institutions to make a decision on a specific matter, it shall be done by means of resolution of the Board of Directors. The Board of Directors shall only authorize its power regarding once to a single specific matter, and shall not grant general power permanently to any other institution or individual.

Article 153

Prior to making decisions on the Company's major issues, the board of directors shall listen to the opinions of the Party Committee of the Company.

Article 154

The board of directors shall not, without the prior approval of shareholders' general meeting, dispose or agree to dispose, of any fixed assets of the Company of which the expected value in addition to that of the fixed assets that have been disposed within four (4) months immediately preceding the disposition proposal exceeds 33% of the value of the Company's fixed assets as shown in the latest balance sheet reviewed in the shareholders' general meeting.

For the purposes of the Articles of Association, a disposition of fixed assets includes certain transfer of interests in assets but does not include providing guarantee with fixed assets.

The validity of a disposition transaction by the Company of fixed assets shall not be affected by the violation of the first paragraph of Article 154.

- Article 155** The board of directors shall give an explanation to the shareholders' general meeting in respect of the explanatory statement of the financial statement of the Company and the audit report of the qualified opinion, disclaimer of opinion, adverse opinion issued by the certified accountants.
- Article 156** The board of directors shall formulate its rules of procedure and submit them to the shareholders' general meeting for approval, so as to ensure that the board of directors operates in a highly effective manner and makes decisions in a reasonable way.
- Article 157** The shareholders' general meeting shall determine the board of directors' authority to use funds and manage assets. The board of directors shall establish a strict system and procedure to review, approve and authorize, which shall be approved by the shareholders' general meeting.
- Article 158** The chairman of the board of directors shall exercise the following functions and powers:
- (1) Presides over shareholders' general meetings;
 - (2) Convenes and presides over meetings of the board of directors;
 - (3) Examines the implementation of resolutions of the board of directors;
 - (4) Signs Share certificates and bonds issued by us;
 - (5) Guides the Company to formulate its development plan; and
 - (6) Other powers authorized by the board of directors.
- Article 159** When the chairman of the board of directors is unable to or fails to perform his duties, a director elected by no less than half of the directors shall perform the duties.
- When the CEO is unable or fails to perform his/her duties, a temporary person-in-charge designated by the board of directors shall exercise power on his/her behalf.
- When the chairman of the board of directors or the CEO is unable to or fails to perform their duties, at a result of which the Company's ordinary course of operation is affected, the Company shall elect a new chairman of the board of directors and engage a new CEO according to the provisions of the Articles of Association.

Section 3 Procedures of Meetings of the Board of Directors

Article 160

The meetings of the board of directors are classified as regular meetings and extraordinary meetings. Regular meetings are convened four times a year, about once per quarter. The secretary of the board of directors may formulate the plans for the meetings of the board of directors for the next year in the fourth quarter every year, and notify directors, supervisors, members of senior management and other relevant personnel of such plans.

Article 161

Meetings of the board of directors shall be convened and presided over by the chairman of the board of directors. In case of any of the followings, the chairman of the board of directors shall convene and preside over the extraordinary meetings of the board of directors within 10 days:

- (1) Whenever the chairman of the board of directors deems necessary or the CEO proposes;
- (2) When proposed by shareholders representing one tenth of voting rights or more;
- (3) When proposed by one third of directors or more;
- (4) When proposed by two independent directors or more;
- (5) When proposed by the board of supervisors; and
- (6) When proposed by the Party Committee.

The above proposers are concurrently entitled to the right of proposals to the board of directors, and shall submit the proposals in writing simultaneously as proposing an extraordinary meeting.

Article 162

Apart from the proposals made by the chairman of the board of directors, the proposal on convening the extraordinary meetings of the board of directors shall specify the followings, and shall be, directly or via the secretary of the board of directors, delivered to the chairman of the board of directors in writing. The secretary of the board of directors shall pass such proposal to the chairman of the board of directors immediately upon the receipt:

- (1) Name of the proposer;
- (2) Reasons or the objective issues for the proposal;
- (3) Time or duration, venue or form of the meeting proposed;
- (4) Clear and specific proposals; and
- (5) Means to contact the proposer and the date of proposal, etc.

Article 163

To convene a regular meeting of the board of directors, the secretary of the board of directors shall issue a notice in writing to all directors and supervisors fourteen (14) days prior to the convening of such meeting. The day on which the meeting is convened shall be excluded from calculating the starting period of the prior notice.

To convene an extraordinary meeting of the board of directors, the Company shall issue a notice in writing five (5) working days prior to the convening of such meeting. The written notice shall be reported to the CBIRC at the same time when the notice is sent. In case of an urgent meeting, it may be reported by telephone first. In case of an urgent meeting, the notice shall be sent by telephone, orally or in writing upon the consent of all directors.

Article 164

The notice of the board meeting shall contain the following:

- (1) The convening date and venue of the meeting;
- (2) The duration of the meeting;
- (3) The issues, agenda, proposals and relevant materials (including proposers and proposing time) of the meeting;
- (4) The date of issuance of that notice;
- (5) Relevant explanation for and basis of convening the board meeting in the event that the meeting is not convened by the chairman; and
- (6) The name and contact information of the contact person for the meeting.

The notice of the board meeting shall provide sufficient materials, including relevant background materials about the proposals, information and data conducive to the directors' understanding of business progress of the Company.

The meeting notice may be sent to relevant non-voting attendees at the same time if necessary.

Article 165

In the event that the time, venue or other matters of the board meeting are changed or the proposals are added, changed or cancelled after the notice is sent, the secretary of the board of directors shall send the supplementary meeting notice in writing five (5) days before the meeting is convened, giving relevant explanations and contents about new proposals and supplementing relevant materials. In case where time is shorter than five (5) days, the meeting shall be postponed accordingly or convened when all of the directors grant exemption.

The supplementary notice shall be reported to the CBIRC in writing at the same time. In case of an urgent meeting, it may be reported by telephone first.

Article 166 Proposals of the board of directors shall specify the matters to review and voted upon and such matters shall fall within the powers of the board of directors. Proposals shall include formal and extraordinary ones.

Formal proposals refer to those that are identified to be agenda items before the convening of the meeting and served to the directors within a prescribed time limit. Extraordinary proposals refer to those that are not served to the directors within a prescribed time limit or made during the convening of the board meeting.

During the period after the proposals are served to the directors but prior to the board meeting is convened, the directors deem the contents of the proposals unclear or unspecific, or relevant materials insufficient, they may request the proposers to provide supplemental information or further explanation directly or through the secretary of the board of directors.

Article 167 The directors may get to know the information necessary for decision-making from relevant persons or institutions including but not limited to the secretary of the board of directors, the convener, the managers of the Company, board committees, accounting firms and law firms prior to the meeting. The Company shall make it convenient to the directors and assist them in knowing relevant information. Relevant persons or institutions shall make it convenient to the directors in knowing relevant information.

Article 168 In principle, the meeting of the board of directors shall not resolve on a proposal not listed in the notice of the board meeting.

When all directors of the Company unanimously agree to exempt the flaw in procedures due to a special reason of an extraordinary proposal made by an institution or individual qualified to propose, such extraordinary proposal can be reviewed and voted. Where a director attends the board meeting on behalf of any other director as a proxy, he shall not vote on proposals not included in the notice for the meeting on behalf of any other director.

Article 169 Meetings of the board of directors shall be held only if more than half (1/2) of the directors (including the director who appoints another director to attend the meeting on his/her behalf) are present.

Resolutions of the board of directors shall be adopted by a majority vote of all directors. However, resolutions concerning the following issues shall be adopted by no less than two-thirds (2/3) of all the directors:

- (1) Plans of increase or reduction of the Company's register capital and other changes in equity;
- (2) Plans of the issuance of marketable securities such as bonds and listing of the Company;
- (3) Plans of dividend distribution and recovery of losses;
- (4) Plans of profit sharing;
- (5) Plans of merger, separation, dissolution, liquidation or change in legal form of the Company;
- (6) Plans of annual financial budgets and final accounts;
- (7) Plans of any repurchase of shares by the Company;
- (8) Plans of the amendments to the Articles of Association;
- (9) The employee stock ownership scheme or stock incentive scheme;
- (10) Other matters which the board of directors deems necessary to adopt by special resolutions; and
- (11) Other matters provided by laws, regulations and regulatory documents.

Article 170

In case any director is related with the corporation concerned in the subject of resolution of the meeting of the board of directors, he/she shall not exercise his/her voting rights on such resolution, nor shall exercise the voting rights on behalf of other directors. Such meeting of the board of directors shall be held with more than half of those directors without any related relations, and the resolutions of the meeting of the board of directors shall be passed by two-thirds or more of those directors without any related relations. In case the number of directors without any related relations present at the board of directors is less than three, such matter shall be brought to the general meeting for consideration.

Article 171

Provided that full express of opinions of directors is guaranteed, an extraordinary board meeting may be conducted and adopt resolutions by correspondences, and the resolutions shall be signed by the directors attending the meeting.

The meeting held by correspondence shall issue the notice of the meeting, specifying agenda items, proposals and voting method, etc. Any director that has confirmed receipt of the notice of the meeting but fails to submit any voting opinion by the expiration of such time limit shall be deemed to have waived his/her voting right at such meeting. At the expiry of the voting period by correspondence, if the number of valid votes agreed by the directors has reached the quorum for making a resolution, the proposal will become a valid resolution of the board of directors.

The secretary of the board of directors shall, within three (3) days after the expiration of the time limit for voting, notify all the directors regarding the result of the voting by the correspondence in writing.

Article 172

The meeting of the board of directors held by means of video or telephone and others shall be deemed onsite when all participating directors can have instant communication and discussion.

When the meeting is convened onsite, the chairman shall announce the voting results on spot. The Company shall sign the resolutions in writing within five (5) working days after the end of the meeting. In case of any discrepancy between written resolution signed subsequently and voted at the meeting, the latter shall prevail.

When the meeting is convened by correspondence, the 'one vote for one matter' principle shall be adopted provided that full express of opinions of directors is guaranteed. The directors shall not be required to make only one vote upon multiple matters.

Article 173

The meeting held by correspondence shall not vote on the proposals in regard to profit distribution plan, remuneration plan, material investment and asset disposition, appointment and removal of senior managers, examination of corporate governance report and other proposals concerning risk management of the Company. The scope can be clarified in the rules of procedures.

Article 174

Directors shall attend meetings of the board of directors in person. In the event a director is unable to attend a meeting for any reason, he/she may appoint another director to attend the meeting on his/her behalf in writing.

The power of attorney shall specify the names of the appointing director and the proxy, matters represented by the power of attorney, limit of authority and term of validity and shall be signed or stamped by the appointing director.

The director attending the meeting as proxy shall submit to the chairman of the meeting the written power of attorney before the convening of the meeting and exercise director's rights within the scope of authorization. One (1) director shall not accept the proxy by more than two (2) directors who would not attend the meeting in person. An independent director shall only appoint another independent director to attend the meeting on his/her behalf. A non-related director shall not appoint a related director to attend a meeting that review the matter on related party transactions.

A director failing to attend the board meeting in person or by proxy shall be deemed as having waived his voting rights at such meeting and not be counted into the number of directors that shall attend the meeting. A director who leave before closing of the meeting and fail to authorize another director to vote on his behalf in writing shall be deemed as having waived his rights, but his voting which has already been made shall be valid.

In principle, directors shall not attend the meeting with accompanying persons. If indeed necessary, accompanying persons shall be approved by all the participating directors and provide their ID certificates. The accompanying persons shall not give speech or inquiry, or vote on behalf of the directors. When the meeting reviews any matter involving the Company's business secret, the chairman of the meeting may request the accompanying persons to leave the venue at any time.

Resolutions of the board of directors shall be passed by open ballot or show of hands. When the meeting is convened by video, telephone or other means, the directors can vote by show of hands or orally. The voting on the resolutions of the board of directors shall comply with the principle of one person for one vote. Each director including the chairman shall have one vote only. The board of directors shall examine and vote upon the matters one by one.

Article 175

Upon occurrence of any situations below, the directors shall withdraw from voting upon relevant proposals:

- (1) As provided by laws, regulations and regulatory documents;
- (2) As deemed by the director himself and agreed unanimously by the other directors; or
- (3) As provided by the Articles of Association in regard to the director who is related with the matter or have material interests in the proposal.

When a director withdraws from voting, the withdrawing director shall not be counted in the voting quorum. In the event that the withdrawal of the director results in the number of directors' actual voting below the minimum number of persons to adopt a valid resolution, the board of directors shall submit this proposal to the shareholders' general meeting to review. The board of directors shall explain of the conditions in the review of board meetings in the resolution submitted to shareholders' general meeting to review and record the opinions of directors that have no material interests therein.

Article 176

In case there is no less than half (1/2) of all the directors or no less than two (2) independent directors consider it impossible for them to make judgment on the matter for resolution due to unclear and unspecific items at the meeting or inadequate meeting materials, the chairman of the meeting may announce the suspension of the voting and specify the time for another submission of the item to review and conditions to be satisfied. When a proposal is not approved, the board of directors shall not review a proposal with the same content within one (1) month if relevant conditions and factors do not have material changes, unless that no less than one half (1/2) of all the directors deem it is necessary to review the proposal unanimously.

Article 177

The secretary of the board of directors shall record the meeting of the board of directors. Directors attending the meeting shall sign in the minutes. In case a director has any different opinion about the minutes, he/she may give additional remarks upon signing. The board meeting minutes shall specify:

- (1) The date, venue, means, convener and chairman of the meeting;
- (2) The status of issuance of the notice for the meeting;
- (3) The directors attending the meeting, being in the capacity of proxies or being absent, and non-voting attendees of the meetings;
- (4) Agenda of the meeting;
- (5) Key issues in directors' speech;
- (6) The method and results of voting on each resolution (in addition to the number of votes for, against and abstention, the minute shall also identify the names of directors who vote against or abstain from voting);
- (7) The opinions of non-voting supervisors; and
- (8) Other information necessary for record.

Article 178

Directors shall sign on resolutions of the board of directors, and undertake the responsibilities for the resolutions of the board of directors. In case any resolution of the board of directors breaches laws, regulations, regulatory documents or the Articles of Association, and cause severe loss of the Company, those directors voting for or abstain from voting for such resolution shall be held liable subject to the law, but those directors who have been proved as having expressed dissenting opinions on voting and such opinions are recorded in the minutes of the meeting may be exempt from liability.

When the resolutions of different board meetings make inconsistent resolutions on the same matter, the resolutions formed later shall prevail.

Article 179 The Company shall prepare the archives of the board meeting that are kept by the secretary of the board of directors in accordance with the rules on the management of the Company's archives, including the notice of the meeting, the attendance register, the power of attorney documents, the meeting materials, the minutes signed and confirmed by the directors and relevant audio and video materials. The archives shall be kept by the Company permanently.

Article 180 The fees incurred from the directors' attendance of the board meetings including the traveling expenses from their locations to the venues and the boarding expenses during the meeting shall be on the account of the Company.

Article 181 The Company shall report to the CBIRC with respect to the resolution of each meeting of board of directors in writing and by email within thirty (30) days thereafter. The resolution shall contain:

- (1) The date, venue, means and chairman of the meeting of the board of directors;
- (2) The directors attending the meeting (including by proxies) or being absent, and non-voting attendees of the meetings; and
- (3) The method and result of voting on each resolution, including the names of directors who vote against or abstain from voting.

Article 182 In case the listing rules of the place where the shares of the Company are listed impose special disclosure requirements on the meeting of the board of directors, the relevant provisions under the relevant listing rules shall be followed. Prior to the disclosure of resolution announcement, directors attending the meeting, persons observing the meeting and the recording and servicing personnel are obligated to keep confidentiality of the contents of the resolutions.

Section 4 Committees under the Board of Directors

- Article 183** The strategy committee, the investment committee, the audit and related party transaction control committee, the nomination and remuneration committee, the risk management and consumer rights protection committee are established under the board of directors. The board of directors may, in accordance with the needs of the Company or requirements of the regulatory authorities, establish other Board committees or adjust existing committees under the board. Committees under the board of directors shall be responsible for the board of directors and assist the board of directors in performing its duties, as authorized by the board of directors. Committees under the board of directors shall examine the relevant proposals and submit professional comments to the board of directors.
- The board of directors shall formulate the detailed rules of procedures for the committees under the board of directors separately.
- Article 184** The strategy committee shall comprise of three or more directors, at least one of which shall be an independent director. The chairman of the committee shall be the chairman of the board of directors.
- Article 185** The primary duties and responsibilities of the strategy committee are reviewing matters relating to development strategy and annual operation plans, increase or reduction plan of the registered capital, dividend distribution and loss recovery plans as well as plans of the amendments to the Articles of Association, and making recommendations to the board of directors. The specific duties and responsibilities shall be subject to the Terms of Reference of the Strategy Committee of the Board.
- Article 186** The investment committee shall comprise of three or more directors, at least one of which shall be an independent director. The chairman of the committee shall possess relevant experience of asset liability management.
- Article 187** The primary duties and responsibilities of the investment committee are reviewing matters relating to the overall objectives and strategies of assets and liabilities management, systems and policies of assets and liabilities management and assets allocation, use of insurance funds and asset management rules and guidelines as well as management method of use of insurance funds of the Company and making recommendations to the board of directors. The specific duties and responsibilities shall be subject to the Terms of Reference of the Investment Committee of the Board.

Article 188 The audit and related party transaction control committee shall comprise of more than three non-executive directors, the majority of which shall be independent directors, and the chairman of the committee shall be an independent director. The members of the audit and related party transaction control committee shall in principle be independent from the daily operation and management issues of listed companies.

Unless otherwise provided by the CBIRC, members of the audit and related party transaction control committee shall possess expertise in financial or legal area in line with his/her responsibilities, and at least one committee member shall be an independent director possessing the appropriate professional qualifications or appropriate accounting or relevant financial management expertise as required by Rule 3.10(2) of the Hong Kong Listing Rules.

Article 189 The primary duties and responsibilities of the audit and related party transaction control committee are assessing the effectiveness of risk management and internal control of the Company, guiding the internal audit work, reviewing the financial information of the Company and its disclosure, in charge of management, review, approval of related party transactions and controlling the risk of related party transactions, coordinating and managing the identification and maintenance of related party, related party transactions information disclosure, and making recommendations to the board of directors. The specific duties and responsibilities shall be subject to the Terms of Reference of the Audit and Related Party Transaction Control Committee of the Board.

Article 190 The nomination and remuneration committee shall comprise of more than three non-executive directors, of which, the majority shall be independent directors, and the chairman of the committee shall be acted by an independent director.

The members of the committee shall be strongly competent in identifying talents, staff personnel and remuneration management, and shall have no less than five years of work experiences holding positions of leader or manger in enterprises, public institutions or state agencies.

Article 191 The primary duties and responsibilities of the nomination and remuneration committee are setting criteria and formulating plans for selecting the directors and members of senior management, conducting preliminary examination of the candidates for the directors, senior management and the chairman of the board of directors, the chairman of the board of supervisors, president of important subsidiaries (as decided by the board of directors via regular or irregular consideration), formulating evaluation plans and remuneration policies for the directors and members of the senior management of the Company, reviewing the overall human resources and remuneration strategies and basic policies (including those regarding the senior management), and making recommendations to the board of directors. The specific duties and responsibilities shall be subject to the Terms of Reference of the Nomination and Remuneration Committee of the Board.

Article 192 The risk management and consumer rights protection committee shall comprise of more than three directors, of which at least one member shall be an independent director.

Article 193 The primary duties and responsibilities of the risk management and consumer rights protection committee are reviewing the overall objectives, fundamental policies and working systems of risk management and internal control, reviewing risk preference and tolerance, reviewing the structure and duties of the Company's risk management organization, assessing the effectiveness of its solvency risk management system under operation, reviewing risk assessment of major decisions and solutions of major risks of the Company, studying major issues and important policies regarding the protection of consumers' rights and interests, guiding and urging the establishment and improvement of the consumer rights protection management system, and making recommendations to the board of directors. The specific duties and responsibilities shall be subject to the Terms of Reference of the Risk Management and Consumer Rights Protection Committee of the Board.

Section 5 Independent Directors

Article 194 Independent directors shall be nominated by means of the following:

- (1) The shareholders who individually or in aggregate hold no less than three percent (3%) of the shares of the Company nominates;
- (2) The nomination and remuneration committee under the board of directors nominates;
- (3) The board of supervisors nominates; or
- (4) Other means recognized by the CBIRC.

Shareholders holding more than one third of shares of the Company and their related shareholders and persons acting in concert shall not nominate independent directors.

The nomination and remuneration committee of the Board and the board of supervisors shall nominate independent directors by meeting resolutions.

The nominator of the independent director candidates shall obtain the prior consent from the nominee. The nominator shall have detailed knowledge of the nominee's occupation, professional titles, education background, expertise, work experience, all concurrent posts, performance of duties as independent directors in the past and close relatives, main social connections, and shall issue the opinion regarding the nominee's independence and qualification in writing.

Independent directors shall be elected at shareholders' general meeting.

The independent director shall obtain the qualification approval of the CBIRC prior to the official commencement of his/her term of office. After the proposed independent director has been approved by the CBIRC, a statement regarding the proposed independent director shall be published through the media designated by the CBIRC and the official website of the Company, confirm his/her independence in writing to the Hong Kong Stock Exchange, make a statement regarding his independence and promise to undertake his due diligence and ensure sufficient time and energy to perform his duties. The Company shall file with the CBIRC in writing within ten business days after the issue of the statement for record, and attach a copy of the public statement.

Article 195

At least one of the independent directors of the Company shall possess the appropriate professional qualifications or appropriate accounting or relevant financial management expertise as required by Rule 3.10(2) of the Hong Kong Listing Rules.

Article 196

Independent directors shall be of high professional expertise and good reputation, in addition to complying with relevant laws, regulations, regulatory requirements and listing rules of the place where shares in the Company are listed and the requirements of the Articles of Association in respect of director's qualification, they shall also meet the following requirements:

- (1) Possessing an undergraduate education background or above, or a bachelor's degree or above;
- (2) Basic knowledge of the operation of a listed company, and be familiar with relevant laws, regulations, regulatory documents and rules;

- (3) No less than five (5) years of work experience in the management, financial affairs, accounting, finance, insurance, actuary, investment, risk management, auditing, legal, or other areas which is necessary to perform the duties of an independent director;
- (4) Being independent as required by Article 197 of the Articles of Association;
- (5) Shall ensure sufficient time and energy to perform duties in an effective manner, and may act as an independent director in no more than four domestic and overseas companies at the same time;
- (6) Obtaining the qualification certificate of independent directors in accordance with the *Guidelines on the Training of the Senior Management Personnel of Listed Companies* of the CSRC and the relevant requirements. Where an independent director candidate fails to obtain the qualification certificate of independent directors required when nominated, he/she shall undertake in writing to participate in qualification training for independent directors as soon as possible and receive the qualification certificate of independent directors; and
- (7) Other conditions as provided by relevant laws, regulations, regulatory provisions, listing rules of the place where shares of the Company are listed and the Articles of Association.

Article 197

Independent directors shall possess independence. A person may not be an independent director of the Company in cases of any of the following circumstances:

- (1) Having directly or indirectly held over one percent (1%) of existing shares of the Company within the recent one (1) year, or being one of the top ten natural person shareholders of the listed company, or the immediate family member of such shareholder;
- (2) Working at the institution of the shareholder that holds five percent (5%) or more of the shares of the Company or any top ten (10) shareholder of the Company within the most recent three (3) years or is a close relative of such person, or their main social connections;

Shareholder(s) referred to in this item includes the shareholder's controlling shareholders at all levels retroacted level by level and their related parties, persons acting in concert and the shareholder's subsidiaries;

- (3) Working at the Company or its de facto controlling enterprises within the most recent three (3) years, or is a close relative of such person, or their main social connections;
- (4) Providing auditing, actuary, legal and management consulting and other services for the Company and its controlling shareholders, their respective subsidiaries within the most recent two (2) years;
- (5) Serving as the senior management, partner or controlling shareholder of the banking, legal, consulting, audit and other institution of business relationship with the Company and its controlling shareholder(s), their respective subsidiaries within the most recent two (2) years;
- (6) Being the other persons who have material interests in the major business of the Company within the most recent one (1) year;
- (7) Holding a position in other insurance institutions operating the same main business; or
- (8) Being deemed as lack of independence by regulatory authorities, stock exchanges.

Definitions of “close relative” and “main social connections” referred to in this Article are subject to relevant provisions of the CSRC and the CBIRC.

Article 198

An independent director’s term of office is the same as other directors of the Company. An independent director may serve consecutive terms if reelected upon expiration of his term of office, provided that he shall serve no more than six (6) years. An independent director who fails to attend five (5) or more meetings of the board of directors in person during one term of office shall not be reelected.

Article 199

Where an independent director loses his independence and does not resign for it, or fails to perform duty of diligence or other situations that he is not suitable for being independent directors arise and he/she does not resign for it voluntarily, the shareholders, directors and supervisors shall submit a removal proposal and proven materials to the board of directors in writing. The board of directors shall consider the removal proposal and shall submit it to the shareholders' general meeting for consideration. The independent director to be dismissed may defend himself and make a statement to the board of directors.

Article 200

Where an independent director fails to attend three (3) consecutive meetings of the board of directors in person, the board of directors shall submit the proposal for the replacement of such independent director to the shareholders' general meeting. The Company shall convene a shareholders' general meeting to remove him and elect a new independent director within three (3) months. Except the aforesaid situations, negligence of duty and other circumstances where an independent director becomes inappropriate to the post, independent directors shall not be removed from office prior to the expiration of their terms of office for no reasons.

The shareholders' general meeting shall decide upon the removal of an independent director and the Company shall notify of the reasons of the removal and his corresponding rights in writing to the independent director at least fifteen (15) days prior to the convening of the shareholders' general meeting. Approval of the resolution on the removal of an independent director at the general meeting shall be passed by votes representing two thirds (2/3) and more of the voting rights held by the shareholders present at the meeting. The independent director shall have the right to make averment and statement at the meeting before voting. The Company shall report to the CBIRC regarding the reasons of removal, the averment and statement of the independent director and other relevant information within five (5) working days after the resolution on removal is adopted.

An independent director may resign prior to the expiration of his/her term of office. To resign from office, the independent director shall submit a resignation report in writing to the board of directors together with an explanation in writing specifying any matters in connection with his resignation and any situation in need of reminding the Company's shareholders, the board of directors, insurance consumers and creditors. The Company shall make a report in writing to the CBIRC within five (5) working days after receiving the resignation letter from the independent director.

When an independent director's resignation causes the proportion of independent directors in the Company's board of directors or committees of the board of directors less than the minimum requirement specified in the Articles of Association, the Company shall supplement independent directors pursuant to relevant regulations and notify the CBIRC, Shanghai Stock Exchange and the Hong Kong Stock Exchange, make announcement and engage independent directors. The independent director shall continue to perform his/her duties prior to the term of office of a new independent director, his/her resignation shall become effective only after the vacancy is filled by the successive independent director, except that the independent director resigns or is dismissed due to loss of independence.

When an independent director resigns, or is dismissed or deprived of eligibility by the CBIRC, the Company shall convene a shareholders' general meeting to elect a new independent director within three (3) months since the receipt of resignation report or the date of dismissal or deprivation of eligibility.

Article 201

Independent directors may, apart from the functions and powers of directors as conferred by the laws, regulations and these Articles, exercise the following special functions and powers:

- (1) Independent directors may, prior to making any judgment, if more than two independent directors think it is necessary, engage intermediate institutions to issue independent financial advisory report serving as the basis of their judgments in case of any material related party transactions in accordance with the relevant laws, regulations, regulatory documents, the provisions and material related party transactions of Administrative Measures on Related Party Transactions of New China Life Insurance Company Ltd. and any related party transactions required to be considered by the board of directors shall, upon the review of its fairness, internal review and execution and impact on the interest of the insured by independent directors, be submitted to the board of directors for discussion; If any problem occurs in relation to related party transactions required to be considered, independent directors shall issue the opinion in writing;
- (2) More than half of but not less than two independent directors shall propose to the board of directors to engage or dismiss accounting firms;

- (3) More than half of but not less than two independent directors shall propose to the board of directors in convening an extraordinary shareholders' general meeting;
- (4) More than two independent directors propose in convening a meeting of the board of directors;
- (5) Independently retaining an external auditor and consultancy institution at the expenses of the Company;
- (6) More than half of but not less than two independent directors shall collect voting rights openly from members before a general meeting is held;
- (7) Other matters as provided by the laws, regulations, regulatory provisions, standardization documents and the Articles of Association.

When an independent director deems it is insufficient to make decision based on the existing materials, he shall request for more information from the Company. In general, the Company shall provide supplemental materials within three (3) days after it receives the request on additional materials. When two (2) or more independent directors deem it is still insufficient to make decision based on supplemental materials, they may jointly request for a time extension to review relevant proposals or postpone the board meeting which board of directors shall accept.

Article 202

Independent directors shall, apart from performing the duties as above, perform all duties as required by Rule A.5.2 in Appendix 14 of the Hong Kong Listing Rules, and shall deliver independent opinions on objective and fair basis on the matters discussed by general meeting or board meeting of the Company, especially the following matters and express their independent opinions to the board of directors or the general meeting:

- (1) Nomination, appointment or removal of directors;
- (2) Appointment or dismissal of senior managers of the Headquarters;
- (3) Remuneration or incentive measures of directors and senior managers of the Headquarters;

- (4) Material related party transactions provided by the CBIRC and other related party transactions which independent directors shall issue their opinions pursuant to laws, regulations, regulatory provisions and regulatory documents;
- (5) Profit distribution plan;
- (6) Investment, lease, assets transaction, guarantee and other material transactions which are not specified in the operation plan;
- (7) Other matters that may significantly affect the Company, the insured or the rights and interests of minority shareholders;
- (8) When the Company undertake material assets reorganization, if such material assets reorganization constitute a related party transaction, the independent director may engage an independent financial advisor to give opinions regarding the impacts of such transaction on non-related shareholders;
- (9) Appointing the accounting firm who provides auditing services for financial statements or internal control of the Company;
- (10) Other matters as provided by the laws, regulations, regulatory provisions, standardization documents and these Articles of the Company.

Independent directors shall, with regard to the above matters, issue one of the following types of opinions: consent; reservation and the reasons therein; objection and the reason therein; inability to opinion and the impediment.

Where any independent director abstains from voting of or votes against the above matters, or he/she/it holds the view that he/she/it is impeded from giving any opinion, he/she/it shall submit a written report to the Company and report to the CBIRC.

Article 203 Independent directors shall perform their duties with bona fide, due diligence and independence pursuant to relevant laws, regulations, regulatory provisions, listing rules of the place where shares in the Company are listed and the Articles of Association, and enforce protection of the legitimate rights of the Company, insurance consumers and minority shareholders from being affected by the substantial shareholder, de facto controller, management or other institutions or individuals with material interests in the Company.

Article 204 Independent directors shall comply with the “Model Code” in Appendix 10 of the Hong Kong Listing Rules.

Article 205 Each independent director shall independently submit a due diligence report to the shareholders’ general meeting every year, and the Company shall submit the independent directors’ due diligence reports to the CBIRC to record.

Article 206 The Company shall establish an evaluation and assessment mechanism for independent directors and the indicators for assessing an independent director’s shall performance include: degree of faith and diligence, number of board meetings attending in person, participation in previous board meetings, opinions delivered by the independent director and implementation of such opinions by the board of directors, etc.

The results of the annual and term-of-office assessment of an independent director constitute the basis for his retention or replacement. The board of directors shall report the evaluation and assessment results to the CBIRC to record.

Article 207 The Company shall provide working conditions necessary for independent directors to perform their duties. Appropriate allowance shall be given to independent directors by the Company. The board of directors shall formulate the plan for the independent directors’ allowance standard, which shall be submitted to the shareholders’ general meeting for consideration and approval and be disclosed in the annual report of the Company. The allowance plan shall take into full account the duty of performance and annual assessment results of duty of performance of independent directors. Apart from such allowance, an independent director may not obtain any other exceptional or non-disclosed benefits from the Company and its major shareholders or any interested entity and person.

The Company may build a directorship professional insurance system when necessary to protect the duty of performance by the independent directors objectively and share risks accordingly.

Section 6 Secretary of the Board of Directors

Article 208 The board of directors shall appoint a secretary of the board of directors. The secretary of the board is a senior manager of the Company and shall be accountable to the Company and the board of directors.

Article 209 The secretary of the board of directors shall be nominated by the chairman of board and appointed or removed by the board of directors. The secretary of the board of directors shall possess the following qualifications:

- (1) A Bachelor or higher degrees and no less than five (5) years of work experiences appropriate to performing the duties;
- (2) Certain knowledge in accounting, tax, law, finance, business management, computer application and other aspects, with personal integrity and professional ethics, strict compliance with relevant laws and regulations, and faithful performance of duties;
- (3) Provisions of Article 134 of the Articles of Association with respect to disqualified directors of the Company are applicable to the secretary of the board of directors; and
- (4) Other conditions as provided by laws, regulations and regulatory documents.

Prior to the holding of office of the secretary of the board of directors, approval of the CBIRC on his/her qualifications shall be obtained.

Except the chairman of the board of directors, chief executive officer and the president (COO), directors or senior managers may serve as the secretary of the board of directors concurrently.

Article 210

The secretary of the board of directors is primarily responsible for the preparation of shareholders' general meetings and meetings of the board of directors of the Company, recordkeeping and management of shareholders' information of the Company, and handling information disclosure, and its primary duties are:

- (1) Preparing the shareholders' general meetings and meetings of the board of directors in accordance with due procedures and requirement of the chairman of the board of directors;
- (2) Preparing and keep the archives of the shareholders' general meetings and meetings of the board of directors and materials and documents of other meetings, keep the registers and materials relating to the Company's shareholders, directors, supervisors and senior managers;
- (3) Reporting the notices, resolutions of the shareholders' general meetings and meetings of the board of directors and various reports to the CBIRC according to the requirements of regulatory authorities;
- (4) Assisting members, directors and supervisors in exercising their rights and performing their duties pursuant to laws, regulations, regulatory documents, the Articles of Association and other relevant provisions;
- (5) Assisting the directors in handling daily works of the board of directors, provide the directors with, remind them of and ensure their knowledge of relevant regulations, policies and requirements of regulatory authorities on the operation of the company;
- (6) In charge of the Company's matters on information disclosure and investor relation management, coordinating public relations, ensuring that information disclosure of the Company is timely, accurate, legal, authentic and complete;
- (7) Assisting the Company's chairman in drafting corporate governance report;

- (8) Reporting the conflicts and problems with respect to the Company's governance structure in accordance with the requirements of regulatory authorities;
- (9) Organizing trainings for the directors and other relevant persons in accordance with the requirements of regulatory authorities; and
- (10) Other powers authorized by the shareholders' general meeting and the board of directors.

Article 211

Prior to the leave of office, the secretary of the board of directors shall accept the examination by the board of directors and hand over relevant archives, ongoing affairs and other remaining issues completely.

Article 212

The accountant of the accounting firm employed by the Company shall not act as the secretary of the board of directors of the Company concurrently.

When the secretary of the board of directors of the Company is acted by a director concurrently, an action that shall be performed by a director and the secretary of the board of directors of the Company separately shall not be made by the concurrent director and secretary of the board of directors of the Company in his/her dual status.

Chapter 13 The Management of the Company

Article 213

The EC is comprised of the CEO, the President (COO), the Vice President, the Assistant to the President of the Company, as well as such other officers as authorized by the board of directors, provided that such staff members of the EC shall have obtained and maintain their respective qualifications as approved by the CBIRC.

Article 214

The responsibilities of the EC shall mainly include the following duties:

- (1) To transmit the instructions of the meetings of the board of directors, and carry out and implement the specific tasks and measures of the resolutions of the board of directors;
- (2) To implement the plans in connection with material mergers and acquisitions, equity and real property investments and financings, and assets disposals, subject to the authorization by the board of directors or in accordance with resolutions of the board of directors, and report to the board of directors;
- (3) To study on the material decisions of the Company on its operations, which include the matters on the development strategy, operation principle, material asset acquisitions and investments, as well as appointment of key personnel, and provide advice to the board of directors;
- (4) To study on the plans of incorporations of subsidiaries, material management system and policies of subsidiaries, and proposed selection for assignment to subsidiaries, and hear the work report by assigned personnel;
- (5) To monitor the regular material operations and activities, and hear the work report by the officers in connection with regular material operations of the Company;
- (6) To arrange and implement the solvency risk management, establish the organizational structure for solvency risk management, formulate and implement the policies and procedures for solvency risk management, assess the solvency risk status on a regular basis, formulate the solvency risk solutions, prepare the solvency reports, arrange the development and application of the risk management information system, and perform other duties authorized by the board of directors in respect of risk management;
- (7) To hear regulatory opinions of the relevant regulators on the Company, and figure out the rectification measures;

- (8) To review and evaluate the corporate governance structure so as to ensure that the financial reporting, significant event reporting system and internal control of the Company meet the standards for corporate governance;
- (9) To decide candidates of the senior management other than the directors (excluding the chairman of the board of directors), supervisors (excluding the chairman of the board of supervisors) and the president of important subsidiaries as specified in Article 191 of the Articles of Association, and the candidates for directors (including the chairman of the board of directors), supervisors (including the chairman of the board of supervisors), the president and other senior management of other subsidiaries other than those of important subsidiaries;
- (10) Such other functions and authorities of the EC as authorized by the board of directors through authorization plans or special resolutions.

Article 215 In order to regulate the operation of the EC, the Company shall formulate the Working Rules of EC which will take effect as approved by the Board.

Article 216 The Company has one CEO, appointed or removed by the Board. As approved by the board of directors of the Company, the chairman of the board of directors may serve as the Chairman of the Committee, namely the CEO.

Article 217 The CEO is accountable to the board of directors, exercising the following functions:

- (1) To direct the operations and management of the Company, arrange and implement the decisions, resolutions, principles, policies of the board of directors and the development plan of the Company, and report to the board of directors;
- (2) To organize the formulation of, and implement the development plan, the annual plan, the budget and the investment plan of the Company;
- (3) To organize the formulation of the plan of the internal management structure of the Company;
- (4) To organize the formulation of the operation and management system of the Company;

- (5) To draft the annual work report and other reports submitted to the Board;
- (6) To nominate for appointment or propose removal of the President (COO), the Vice President, Assistant of the President, the financial principal, the Chief Actuary and other staff members of the EC;
- (7) To appoint or remove officers of the Company, department-level general managers, deputy general managers, general manager assistants, experts of the Headquarters, the staff members of the management caliber of branches and the principals of other direct subordinate entities of the Company, and to determine the remuneration plans of such personnel;
- (8) To propose to convene a temporary meeting of the board of directors;
- (9) Such other duties mandated and assigned by the Articles of Association and the board of directors of the Company.

Article 218

A COO shall be established by the Company and the COO shall be the same person as the President.

Article 219

The COO is accountable to the CEO, exercising the following functions:

- (1) To assist the CEO with a variety of work, and implement the annual plan and execute the daily operation and management of the Company;
- (2) To coordinate the internal and external relationships of the Company;
- (3) To assist the CEO in drafting the development plan, the operation plan, the budget and the investment plan of the Company;

- (4) To assist the CEO in organizing the drafting of the operation and management system of the Company;
- (5) To coordinate the operation among departments of the Company;
- (6) To review and approve various expenditures of the Company within the budget;
- (7) To appoint and remove the senior managers and other low-grade staff of the Headquarters;
- (8) To explore the business of the Company and carry out staff trainings; and
- (9) Such other duties as mandated by the CEO.

Article 220

The financial principal shall perform the following duties:

- (1) To be responsible for accounting calculation and the preparation of financial reports, the establishment and maintenance of the internal control system in relation to financial reporting, and to be responsible for the accuracy of the financial and accounting information;
- (2) To be responsible for financial management, including budget management, cost control, capital adjustments, profits allocation and evaluation of operational performance;
- (3) To be responsible for or participate in risk management and solvency management;
- (4) To participate in significant operation and management activities, such as strategic planning;
- (5) To review and execute relevant data and reports to be disclosed externally in accordance with the laws, administrative regulations and relevant regulatory requirements;

- (6) Any other duties which are required to be performed according to the requirements of the CBIRC and other laws.

Article 221

The Chief Actuary shall perform the following duties:

- (1) To analyze and research experience data, participate in the formulation of development strategies for insurance products, work out premium rates of insurance products, and review insurance product materials;
- (2) To be responsible for or involved in solvency management;
- (3) To formulate or participate in the formulation of reinsurance system; to review or participate in the review of reinsurance plans;
- (4) To assess various reserves and relevant liabilities; to participate in budget management;
- (5) To participate in the formulation of shareholder dividend distribution system; to formulate dividend distribution scheme relevant to insurance products, such as participating insurance;
- (6) To participate in assets and liabilities allocation management; to be involved in deciding investment priorities or drawing up assets allocation guidelines;
- (7) To participate in the formulation of operation rules and payment system for agency service fee, such as commission and brokerage expenses;

- (8) To review and sign relevant data and reports for disclosure pursuant to provisions specified by the CBIRC and relevant state departments;
- (9) To review and sign actuarial reports, embedded value reports and other relevant documents as required by the CBIRC;
- (10) To report major potential risks to the Company and the CBIRC pursuant to provisions of the *Administrative Measures for Chief Actuaries of Insurance Companies* (《保險公司總精算師管理辦法》);
- (11) Any other duties which are required to be performed according to the requirements of the CBIRC and the Articles of Association.

Article 222

The Compliance Officer shall perform the following duties:

- (1) To be fully responsible for the compliance management of the Company and leading compliance management departments;
- (2) To formulate and revise the compliance policies of the Company; to formulate the annual compliance management plan of the Company and submit to the CEO for approval;
- (3) To implement compliance policies considered and approved by the board of directors;
- (4) To make recommendations regarding measures for improving the Company's compliance to CEO, the board of directors or other authorized committees under the board of directors, and timely report material non-compliance activities of the Company and the senior management;
- (5) To review compliance documents, such as compliance reports, prepared by the compliance management departments;
- (6) Other compliance duties as required by the Articles of Association or determined by the board of directors.

Article 223

The Auditing Officer shall perform the following duties:

- (1) To direct the formulation of the annual internal audit plans, internal audit budgets and human resource plans;
- (2) To arrange and implement internal audit projects, and ensure the quality of internal audit;
- (3) To report to the audit and related party transaction control committee, communicate with the management, and report the progress of the internal audit work;
- (4) To report significant issues and risks as identified in internal audit to the audit and related party transaction control committee or the management in a timely manner;
- (5) To coordinate the relationship between the internal audit department and other departments and agencies.

Article 224

The Chief Risk Officer shall perform the following duties:

- (1) To undertake overall risk management of the Company and guide the risk management department; attend or participate in the meetings of the risk management and consumer rights protection committee of the Board;
- (2) To formulate and revise risk management policies and system;
- (3) To implement risk management policies considered and approved by the board of directors;
- (4) To understand major decisions, significant risks, significant matters, important systems and crucial business processes of the Company, participate in assessment of relevant decisions and make recommendations for improvement to CEO, the board of directors or other authorized committees under the board of directors,
- (5) To review documents, such as risk management reports, prepared by the risk management department;
- (6) Other risk management duties as required by the Articles of Association or determined by the board of directors.

Article 225 Duties of other members of the EC: to assist the CEO in carrying out his/her work within the scope of their work division.

Article 226 Members of the EC shall comply with laws, regulations and the Articles of Association of the Company, and shall faithfully and diligently perform their duties and protect the interests of the Company.

Chapter 14 Board of Supervisors

Section 1 Supervisors

Article 227 Supervisors shall be representatives of shareholders and representatives of employees of the Company. The employee representative supervisor shall not be less than one third (1/3) of the total number of supervisors at the board of supervisors. Shareholder representative supervisor shall be elected and removed by the general meeting, and employee representative supervisor shall be elected and removed by employees of the Company democratically.

Article 228 The supervisors of the Company shall be of excellent conduct and reputation and possess the expertise and working experience relevant to their duties, and meeting the conditions specified by laws and regulations and the CBIRC with the qualifications verified by the CBIRC. Relevant provisions of Article 134 of the Articles of Association shall be applicable to the qualifications of supervisors.

Directors, the CEO, the President (COO) or other senior managers may not concurrently act as supervisors.

Article 229 The term of office of supervisors shall be three years, beginning at the date of approval of his/her qualifications by the CBIRC till the expiry of the tenure of the current board of supervisors. The term of office of Supervisors shall be renewable upon reelection and reappointment.

A supervisor served by shareholder's representative shall be elected or replaced by shareholders' general meeting. Shareholder(s) individually or collectively holding no less than five percent (5%) of the Company's voting shares may nominate a supervisor candidate for each five percent (5%) of the Company's voting shares held individually or collectively.

A supervisor served by employee representative shall be democratically elected or replaced by the congress of employee representatives, congress of employees or other means of the Company.

Article 230 A supervisor who fails to attend two consecutive board of supervisors meetings in person shall be deemed to be unable to perform his duties and shall be removed by shareholders' general meeting or congress of employees representatives.

Supervisors who attend meetings of board of supervisors by videos or teleconference shall be deemed to attend in person.

Article 231 A supervisor may attend the meeting of the board of directors, and may raise enquiries or present proposals on resolutions of board of directors.

Article 232 Supervisors may resign prior to the expiry of his/her term of office, and the provisions on the resignation of directors under these Articles shall be applicable.

Article 233 The provisions concerning the directors' obligations to act loyally, dutifully and diligently under the Articles of Association shall apply to supervisors.

Any supervisor who violates laws, regulations, regulatory documents or the provisions of the Articles of Association in performance of his duties to the Company and such contravention results in a loss to the Company, the supervisors shall be held liable.

Section 2 Board of Supervisors

Article 234 The board of supervisors shall be comprised of five (5) supervisors, three (3) of them are shareholder representative supervisors and two (2) of them are employee representative supervisors. A chairman should be established by the board of supervisors, who shall be elected or removed by the vote of over two thirds of all supervisors. Meetings of the board of supervisors shall be convened and presided by the chairman of the board of supervisors. In case the chairman of the board of supervisors is incapable of or fails to perform his/her duties, another supervisor jointly proposed by over two thirds of the members of the board of supervisors shall perform those duties on his/her behalf.

Article 235

The Board of Supervisors shall exercise the following powers in accordance with law:

- (1) Examination of the Company's financial activities;
- (2) Supervising the Directors, CEO, President (COO), and other senior management in their performance of duties and proposing the removal of Directors, CEO, President (COO), and other senior management who have contravened any laws, regulations, regulatory documents, the Articles of Association or resolutions at shareholders' general meeting;
- (3) Nomination of independent directors;
- (4) Requesting rectification from a Director, CEO, President (COO), or any other senior management when the acts of such persons are harmful to the Company's interest;
- (5) Proposal for convening a shareholders' extraordinary general meeting and convening and presiding over the shareholders' general meeting when the Board fails to perform its duty of convening and presiding over the shareholders' general meeting under the Articles of Association;
- (6) Submission of new proposals to the shareholders' general meeting;
- (7) Proposing to convene the extraordinary meeting of the board of directors;
- (8) Putting forward proposals to the board of directors;
- (9) Carrying out litigation against the Directors, CEO, President (COO) or other senior management according to the Articles of Association;

(10) Internally supervising the formulation, implementation and assessment of the development plan of the Company, reviewing the implementation of the development plan of the Company and putting forward the relevant supervisory opinions;

(11) Other functions authorized by the shareholders' general meeting; and

(12) Other functions required by laws, regulations and regulatory documents.

Article 236

The Company shall provide necessary work protection for the board of supervisors to exercise their powers and functions.

Article 237

The board of supervisors may conduct a survey when it finds any abnormality in the Company's operation; if necessary, it may retain an accounting firm, law firm and other intermediaries to assist its work at the expenses of the Company.

The directors, senior managers and other relevant personnel of the Company shall positively cooperate with the board of supervisors, as well as its assisting accounting firm, law firm and other intermediaries, and shall not prevent the board of supervisors from investigating by refusal or intentional delay.

Article 238

In the event the board of supervisors finds the resolutions of the board of directors are in violation of laws, regulations or the Articles of Association, it shall require the board of directors to rectify its actions immediately in accordance with laws. Where the board of directors refuses or delays to take corrective methods, the board of supervisors shall propose to convene an extraordinary shareholders' general meeting.

Where a shareholders' general meeting does not accept the opinions of the board of supervisors, the board of supervisors shall report to the CBIRC.

Article 239

Supervisors shall report due diligence information to the board of supervisors annually.

Employee supervisors shall make work report annually to the employee (representative) congress, which shall be assessed by the employee representatives. Employee supervisors shall respond to the inquiries posed by employee representatives.

The board of supervisors shall report supervisors' due diligence information to the shareholders' general meeting annually and such information shall be submitted to the CBIRC at the same time.

Article 240

The board of supervisors shall convene at least one (1) regular meeting every six (6) months. The notice of the regular board of supervisors meeting shall be delivered to all the members of the board of supervisors in writing no later than ten days prior to the meeting.

Supervisors shall attend meetings of the board of supervisors in person. In the event a supervisor is unable to attend the meeting for any reason, he may authorize another supervisor in writing to attend the meeting on his behalf. Such power of attorney shall specify the name of the proxy, matters represented thereby, authorizations and term of validity and shall be signed or sealed by the principal.

The supervisors authorized to attend meetings of the board of supervisors shall exercise supervisors' rights within the scope of authorization. Where a supervisor fails to attend a meeting of the board of supervisors in person or by proxy, it shall be deemed as his abstention from voting at the meeting.

The supervisors authorized to attend meetings shall submit the written power of attorney to the host before the meeting and exercise their rights within the scope of authorization. One supervisor shall not be authorized by more than two absent supervisors who fail to attend the meeting in person.

Article 241

Supervisors who leave before the meeting is over and fail to authorize another supervisor to vote on his behalf in writing shall be deemed as having waived his rights, but the votes have already been made shall be deemed valid.

Article 242

Any supervisor or shareholder representing more than 10% of the voting rights may propose to convene the extraordinary meeting of the board of supervisors in writing. The extraordinary meeting shall be convened by the chairman of the board of supervisors, and the notice of meeting shall be delivered to all supervisors no later than five business days prior to the meeting. In case of an urgent extraordinary meeting of the board of supervisors, the notice shall be sent by telephone, orally or in writing anytime upon the consent of all supervisors.

The above proposers are concurrently entitled to the right of proposals to the board of supervisors, and shall submit the proposals in writing simultaneously as proposing an extraordinary meeting.

Article 243

The proposal of convening extraordinary meeting of board of supervisors shall specify the following items and be directly submitted to the chairman of the board of supervisors in writing:

- (1) Name of the proposer;
- (2) Cause;
- (3) Date, duration, venue and manner of the meeting;
- (4) Clear and specific proposals; and
- (5) Other requirements.

Article 244

The notice of the board of supervisors meeting shall contain:

- (1) The convening date, venue, duration and manner of the meeting;
- (2) The convener of the meeting;
- (3) The proposal or issues and relevant materials;
- (4) The contact and contact information; and
- (5) The date of the issuance of the notice.

Within three days upon the receipt of written proposal of supervisors by the organ of the board of supervisors or the chairman of the board of supervisors, the organ of the board of supervisors shall issue the notice of convening the extraordinary meeting of the board of supervisors. If the organ of the board of supervisors fails to issue the notice of meeting, the supervisor making such proposal shall report to the regulatory authorities on a timely basis.

Article 245

The supervisors may request information necessary for decision-making from the convener of the meeting, the Company's managers, Board committees of the board of directors, accounting firm and law firm before the meeting. The Company shall provide the supervisors with the convenience and assistance in obtaining relevant information. Relevant personnel or institutions shall provide the supervisors with the convenience in obtaining relevant information.

Article 246

On the premise of ensuring the supervisors to adequately express their opinions, the extraordinary meeting of the board of the supervisors may be held by correspondence with the signing of all attending supervisors.

A meeting held by correspondence shall send a notice specifying agenda, proposals, voting period and methods, etc. Any supervisor that has confirmed the receipt of the meeting notice but fails to submit any voting opinion by the expiration of such time limit shall be deemed to have waived his/her voting right at such meeting. At the expiry of the voting period by correspondence, if the number of valid votes agreed by the supervisors has reached the quorum for making a resolution, the resolution will become a valid resolution of the board of supervisors.

Within three (3) days after the expiry of the voting period by correspondence, the working organ shall inform all supervisors the voting results in writing.

Section 3 Resolutions of the Board of Supervisors

Article 247

The meeting of the board of supervisors shall be convened only if more than two thirds of the total number of supervisors attending the meeting.

In case relevant supervisors refuse to, or fail to attend the meeting and thus the quorum for convening a meeting is not satisfied, other supervisors shall report to the regulatory authorities on a timely basis. The secretary of the board of directors shall attend the meeting of the board of supervisors.

In principle, supervisors shall not attend the meeting with accompanying persons. If necessary, such attendance shall procure the unanimous approval of the supervisors with the submission of valid ID certificates. The accompanying persons shall not speak, question or vote on behalf of the supervisors. When the meeting reviews any matter involving the Company's business secret, the chairman of the meeting may ask the accompanying persons to leave the venue at any time.

Article 248 The chairman of the meeting shall submit to request the attending supervisors to express their clear opinions on the resolutions.

The chairman of the meeting shall require the directors, senior management, other staff members or officers of relevant intermediaries to attend the meeting and answer enquiries based on suggestions of the supervisors.

Article 249 All resolutions of the board of supervisors shall be voted by open ballots or on a show of hands. Each resolution shall be passed by the votes representing more than two thirds of the members of the board of supervisors.

Each supervisor has one vote, and shall vote after discussion for the items one by one.

Article 250 If more than one half of the supervisors consider the subject of the meeting to be unclear and unspecific, or they are unable to make decisions due to inadequate meeting materials, the chairman of the meeting may announce the suspension of the voting on such subjects.

Article 251 When the meeting is held by video or telephone, etc., it can be deemed as an onsite meeting and the supervisors can vote by show of hands or orally. The Company shall sign the resolutions in writing within five (5) business days after the end of the meeting. In case of any discrepancy between a subsequent signed written resolution and the voting result at the meeting, the latter shall prevail.

When the meeting is held by correspondence, the 'one vote for one matter' method shall be adopted. The supervisors shall not be required to make one vote upon several matters.

Article 252

The board of supervisors shall keep minutes and the minutes shall be signed by the supervisors and recorders attending the meeting. Supervisors shall have the right to demand to record, on the minutes of meetings, a certain kind of clarification on the remarks he made during the meetings. If necessary, they shall report to the regulatory authority in a timely manner and may make public statements in connection therewith.

Any supervisor who neither signs and confirms in accordance with the preceding paragraph, nor makes any written explanation, reports to the regulatory authority or makes public statements shall be deemed as totally agreeing with the contents of the minutes.

Article 253

The meeting of the board of supervisors minutes shall contain:

- (1) Date, venue, manner and chairman of the meeting;
- (2) Names of the attending (including authorized attendees) supervisors, absent supervisors and attendees;
- (3) Agenda of the meeting;
- (4) Key points of the supervisors' remarks;
- (5) The voting method and result of each resolution (in addition to carrying the number of votes in favor, against and abstained, the names of directors who veto or abstain from voting should also be indicated); and
- (6) Other information necessary for recording.

Supervisors shall sign on the resolutions of the board of supervisors, and assume personal responsibilities on the resolutions of the board of supervisors. Supervisors who have different opinions on the resolutions and minutes of the meetings may affix his/her explanation with his/her signature.

Article 254

The minutes of the meeting of the board of supervisors shall be kept as Company files by the secretary of the board of directors.

The archives of the board of supervisors shall include the notice of the meeting, the attendance register of the supervisors, the power of attorney documents, the meeting materials, the minutes signed and confirmed by the supervisors and relevant audio and video materials, etc.

The archive of the meeting of the board of supervisors shall be bound in a volume separately and numbered consecutively according to the names of the meeting.

The meeting archives shall be kept by the Company permanently.

Chapter 15 Qualifications and Obligations of Directors, Supervisors, CEO, President (COO) and Other Senior Management of the Company

Article 255

A person may not serve as a Director, Supervisor, CEO, President (COO) or any other senior management of the Company if any of the following circumstances apply:

- (1) A person without legal capacity or with restricted legal capacity;
- (2) A person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished for committing such offence; or who has been deprived of his political rights, in each case where less than five (5) years have elapsed since the date of the end of such punishment or deprivation;

- (3) A person who is a former director, factory manager or president (COO) of a company or enterprise which has entered into insolvent liquidation because of mismanagement and he is personally liable for the insolvency of such company or enterprise, where less than three (3) years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;
- (4) A person who is a former legal representative of a company or enterprise which had its business license revoked due to a violation of the law and who incurred personal liability, where less than three (3) years have elapsed since the date of the revocation of the business license;
- (5) A person who has a relatively large amount of overdue debts;
- (6) A person who is under criminal investigation by a judicial organization for violation of the criminal law which investigation is not yet concluded;
- (7) A person who is not eligible for enterprise leadership according to laws and administrative regulations;
- (8) A non-natural person;
- (9) A person convicted of the contravention of provisions of relevant securities regulations by a relevant government authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than five (5) years has elapsed since the date of the conviction;
- (10) A person who has been given penalties of prohibition against entering the securities market from the CSRC and the term of such penalties has not expired;
- (11) A person who received administrative penalties by the CSRC in the last 36 months or who was the subject of a public reprimand given by a stock exchange in the last 12 months; or
- (12) A person who is under investigation by judicial authorities on suspicion of committing a crime or who is under investigation by the CSRC on suspicion of breaching the laws or regulations where no definitive conclusion has been reached.

Article 256 The validity of an act of a Director, CEO, President (COO) or other senior management on behalf of the Company is not, vis-a-vis a bona fide third party, affected by any irregularity in his office, election or any defect in his qualification.

Article 257 In addition to obligations imposed by laws, regulations or required by the stock exchanges on which Shares are listed, each of our Directors, Supervisors, CEO, President (COO), and other senior management owes a duty to each shareholder, in the exercise of the functions and powers of the Company entrusted to him:

- (1) Not to cause the Company to exceed the scope of the business stipulated in its business license;
- (2) To act honestly in the best interests of the Company;
- (3) Not to expropriate in any guise the Company's property, including (without limitation) usurpation of opportunities advantageous to the Company; and
- (4) Not to expropriate the individual rights of shareholders, including (without limitation) rights to distribution and voting rights, save pursuant to a restructuring of the Company submitted to shareholders' general meeting for approval in accordance with the Articles of Association.

Article 258 Each of the Directors, Supervisors, CEO, President (COO), and other senior executive officers owes a duty, in the exercise of his powers and discharge of his duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Article 259 Each of the Directors, Supervisors, CEO, President (COO), and other senior management shall exercise his powers or carry on his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duty and his interest may conflict. This principle includes (without limitation) discharging the following obligations:

- (1) To act honestly in the best interests of the company;
- (2) To exercise powers within the scope of his powers and not to exceed those powers;
- (3) To exercise the discretion vested in him personally and not to allow himself to act under the control of another and, unless and to the extent permitted by laws, administrative regulations or with the informed consent of shareholders given in general meeting, not to delegate the exercise of his discretion;
- (4) To treat shareholders of the same class equally and to treat shareholders of different classes fairly;
- (5) Except in accordance with the Articles of Association or with the informed consent of shareholders given in general meeting, not to enter into any contract, transaction or arrangement with the Company;
- (6) Without the informed consent of shareholders given in general meeting, not to use the Company's property for his own benefit;
- (7) Not to exploit his position to accept bribes or other illegal income or expropriate the Company's property by any means, including (without limitation) opportunities advantageous to the Company;
- (8) Without the informed consent of shareholders given in general meeting, not to accept commissions in connection with the Company's transactions;
- (9) To abide by the Articles of Association, faithfully execute his official duties and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private interests;
- (10) Not to compete with the Company in any form unless with the informed consent of shareholders given in general meeting;

- (11) Not to misappropriate the Company's funds or lend such funds to others, not to open accounts in his own name or other names for the deposit of the Company's assets and not to provide a guarantee for debts of a shareholder of the company or other individual(s) with the Company's assets; and
- (12) Unless otherwise permitted by informed shareholders in general meeting, to keep in confidence confidential information acquired by him in the course of and during his tenure and not to use the information other than in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental authorities is permitted if:
 - (i) Disclosure is required by law;
 - (ii) The interests of the public require disclosure; or
 - (iii) The interests of the relevant Director, Supervisor, CEO, President (COO), or other senior management require disclosure.

Article 260

Each Director, Supervisor, CEO, President (COO) or other senior management of the Company shall not cause the following persons or institutions (associates) to do what he or she is prohibited from doing:

- (1) The spouse or minor child of that Director, Supervisor, CEO, President (COO) or other senior management;
- (2) A person acting in the capacity of trustee of that Director, Supervisor, CEO, President (COO) or other senior management or any person referred to in item (1) above;
- (3) A person acting in the capacity of partner of that Director, Supervisor, CEO, President (COO) or other senior management or any person referred to in item (1) and (2) above;

- (4) A company in which that Director, Supervisor, CEO, President (COO) or other senior management, alone or jointly with one or more persons referred to in items (1), (2) and (3) above or other Directors, Supervisors, CEO, President (COO) or other senior management have a de facto controlling interest; or
- (5) The directors, supervisors, president (COO), and other senior management of the controlled company referred to in item (4) above.

Article 261

The fiduciary duties of the Directors, Supervisors, CEO, President (COO) and other senior management of the Company do not necessarily cease with the termination of their tenure. The duty of confidence in relation to trade secrets of the Company survives the termination of their tenure. Other duties may continue for such period as fairness may require depending on the time lapse between the termination and the act concerned and the circumstances under which the relationships between them and the Company are terminated.

Article 262

The liabilities of Directors, Supervisors, CEO, President (COO) and other senior management of the Company in respect of the breach of certain specific obligations may be discharged with the informed consent by shareholders' general meeting except for the circumstances provided for in Article 68 of the Articles of Association.

Article 263

Where a Director, Supervisor, CEO, President (COO) or other senior management of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement with the Company (other than his contract of service with the Company), he shall declare the nature and extent of his interests to the Board at the earliest opportunity, whether or not the contract, transaction or arrangement is otherwise subject to the approval of the Board. An interested Director shall not be counted in the quorum of a meeting of the Board and shall refrain from voting on a contract, transaction or arrangement in which he or any of his associates is materially interested.

Unless the interested Director, Supervisor, CEO, President (COO) or other senior management discloses his interests in accordance with the above paragraph and the contract, transaction or arrangement is approved by the Board at a meeting in which such interested Director, Supervisor, CEO, President (COO) or other senior management is not counted in the quorum and refrains from voting, a contract, transaction or arrangement in which that Director, Supervisor, CEO, President (COO) or other senior executive officer is materially interested is voidable at the instance of the Company except as against a bona fide party thereto acting without notice of the breach of duty by the interested Director, Supervisor, CEO, President (COO) or other senior management.

A Director, Supervisor, CEO, President (COO), or other senior management of the Company is deemed to be interested in a contract, transaction or arrangement in which an associate of him or her is interested.

Article 264

Where a Director, Supervisor, CEO, President (COO) or other senior management of the Company gives to the Board a general notice in writing before the Company's first consideration of entering into contracts, transactions and arrangements, stating that, by reason of the facts specified in the notice, he or she is interested in contracts, transactions or arrangements which may subsequently be made by the Company, such notice shall be deemed for the purposes of this paragraph to be a sufficient declaration of his/her interests, so far as the content stated in such notice is concerned.

Article 265

The Company shall not pay taxes for its Directors, Supervisors, CEO, President (COO) and other senior management by any means.

Article 266

The Company shall not directly or indirectly make a loan to, or provide any guarantee in connection with the making of a loan to, the Directors, Supervisors, CEO, President (COO) or other members of the senior management or such persons at the parent company or any of their respective associates.

The following situations are not subject to the above prohibition:

- (1) The provision of a loan by the Company to a company which is a subsidiary of the Company;
- (2) The provision of a loan or a guarantee for a loan or other funds by the Company to any of its Directors, Supervisors, CEO, President (COO) or other members of the senior management to meet expenditure incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to perform his duties properly, in accordance with the employment contract approved by the shareholders' general meeting; or
- (3) The Company may make a loan, or provide a guarantee in connection with a loan from another person, to any of its Directors, Supervisors, CEO, President (COO) or other members of the senior management or associates of such person where the ordinary course of its business includes the making of loans or the giving of guarantees and provided that the making of such loans or the giving of such guarantees is on normal commercial terms.

Article 267

A loan made by the Company in breach of the above provisions shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.

Article 268

A guarantee as referred to above in this Chapter, includes an undertaking or property provided by the guarantor to secure the performance of obligations by the obligor.

Article 269

In addition to any rights and remedies provided by the laws and administrative regulations, where a Director, Supervisor, CEO, President (COO) or other senior management of the Company is in breach of his/her duties to the Company, the Company has a right to:

- (1) Claim damages from the Director, Supervisor, CEO, President (COO) or other senior management in compensation for losses sustained by the Company as a result of such breach;

- (2) Rescind any contract or transaction entered into by the Company with the Director, Supervisor, CEO, President (COO) or other senior management or with a third party (where such third party knows or should have known that there is such a breach of duties by such Director, Supervisor, CEO, President (COO) or other senior management);
- (3) Demand a surrender of the profits made by the Director, Supervisor, CEO, President (COO) or other senior management in breach of his duties;
- (4) Recover any funds received by the Director, Supervisor, CEO, President (COO) or other senior management which should have been received by the Company, including (without limitation) commissions; and
- (5) Demand return of the interest earned or which may have been earned by the Director, Supervisor, CEO, President (COO) or other senior management on the funds that should have been paid to the Company.

Article 270

The Company shall enter into a contract in writing with each Director, Supervisor or members of the senior management for emoluments in respect of their services, of which the emoluments of directors and supervisors shall be with the prior approval of the shareholders in general meeting.

The written contracts shall include at least the following provisions:

- (1) An undertaking made by such Director, Supervisor and member of senior management to the Company that he will comply with the Company Law, the Special Provisions, the Articles of Association, the Codes on Takeovers and Mergers and Share Repurchases and other requirements of the Stock Exchange of Hong Kong, and an agreement that the Company shall be entitled to the remedies provided in the Articles of Association, and that neither the contract nor his office can be assigned;
- (2) An undertaking made by such Director, Supervisor and member of senior management to the Company that he will comply with and perform his obligations to the shareholders under the Articles of Association; and
- (3) An arbitration cause provided in Article 344.

The said emoluments include:

- (1) Emoluments in respect of their services as Director, Supervisor or senior management of the Company;
- (2) Emoluments in respect of their services as Director, Supervisor or senior management of any subsidiary of the Company;
- (3) Emoluments otherwise in connection with services for the management of the Company or any subsidiary thereof;
- (4) Payments by way of compensation for loss of office, or in connection with their retirement from office; and
- (5) Except under a contract entered into in relation to the above, no proceedings shall be brought by a Director or Supervisor against the Company for any benefit due to him in respect of the matters specified above.

Article 271

If the Company enters into any contract for emoluments with a Director or Supervisor, it shall be provided that such Director or Supervisor has the right, in the event of a takeover of the Company and subject to the approval of shareholders in general meeting, to receive compensation or other payments for loss of office or retirement from office. The aforementioned takeover of the Company means either of the following circumstances:

- (1) An offer is made to all shareholders by anyone; or
- (2) An offer is made such that the offer or will become the controlling shareholder by anyone (as defined in Article 69 of the Articles of Association).

If the relevant Director or Supervisor does not comply with the above requirements, any sum received by the Director or Supervisor on account of the payment shall belong to those persons who have sold their shares as a result of the offer, and the expenses incurred by the Director or Supervisor in distributing that sum pro rata among those persons shall be borne by him and not deducted from the sum distributed.

Chapter 16 Accounting, Audit, Internal Control and Compliance, and Risk Management and Protection of Legal Rights and Interests of Parties Involved

Section 1 Accounting System and Profit Sharing

- Article 272** The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and PRC accounting standards formulated by the finance regulatory department of the State Council.
- Article 273** The Company adopts the calendar year as the accounting year, starting on 1 January and ending on 31 December of each calendar year.
- Article 274** The Company shall, upon termination of each accounting year, prepare its financial report in accordance with the law, which is subject to the audit of accounting firm.
- Article 275** The board of directors shall place before the shareholders at every annual general meeting such financial reports as are required by any laws, administrative regulations or directives promulgated by regional government and competent authorities to be prepared by the Company.
- Article 276** The Company's financial reports shall be made available for shareholders inspection at the Company twenty (20) days before the date of every shareholders annual general meeting. Each shareholder shall be entitled to obtain a copy of the financial reports as referred to this Chapter.

The financial reports stipulated in the preceding paragraph shall include the directors' report, together with the balance sheet (including the necessary documents required under the laws of the PRC or other laws and administrative regulations) and profit and loss statement (income statement) or income and expenditure account (cash flow statement), or (in the absence of violation of the PRC law) summary financial reports approved by the Stock Exchange of Hong Kong.

Unless otherwise provided by these Articles, the Company shall, on at least twenty-one (21) days prior to the convening of annual general meeting, post the above report to every holder of overseas-listed foreign shares with postage paid mail, at the addresses recorded in the register of members.

Subject to the laws, administrative regulations, department rules and the relevant requirements of the securities regulatory body where the Company's shares are listed, the Company can proceed by way of announcements, including announcement via the Company's website.

Article 277

The Company's financial statements may be prepared in accordance with International Financial Reporting Standards or accounting standards of the listing jurisdiction in addition to the PRC accounting standards and regulations. If there is any material discrepancy between the financial statements prepared in accordance with different accounting standards, an explanation shall be made in the notes to the financial statements. When the Company distributes the profits after tax for the relevant fiscal years, the financial statement with the least profits after tax shall apply.

Any interim results or financial information published or disclosed by the Company must also be prepared and presented in accordance with the PRC accounting standards and regulations, and may also be prepared in accordance with either International Financial Reporting Standards or that of the overseas place where the Company's shares are listed.

Article 278

The Company shall publish its financial reports twice every fiscal year, that is, the interim financial report shall be published within sixty (60) days after the expiration of the first six (6) months of each fiscal year and the annual financial report shall be published within one hundred and twenty (120) days after the expiration of each fiscal year.

If it is otherwise provided by the securities regulatory authorities of the place where shares of the Company are listed, such provisions shall be observed.

Article 279

The annual financial reports of the Company shall include but not limited to:

- (1) Balance sheet;
- (2) Income statement;

- (3) Profit distribution statement;
- (4) Statement of change in financial position (or cash flow statement); and
- (5) Notes to the financial statements.

Article 280 The Company shall not keep accounting books other than statutory account books. The assets of the Company shall not be kept in an account opened in the name of any individual.

Article 281 The Company shall allocate security deposit according to relevant provisions of the PRC.

Article 282 The Company shall allocate various liability reserves according to relevant provisions of the PRC.

Article 283 The Company shall allocate outstanding compensation reserves according to insurance indemnities claimed or amount paid, as well as insurance indemnities not claimed or amount not paid where insurance accidents have occurred.

Article 284 The Company shall allocate insurance protection funds in accordance with relevant provisions of the PRC.

Article 285 The Company is prohibited from distributing profits to the shareholders in case that the solvency of the Company does not meet the regulatory requirements.

Article 286 The profit after payment of the income tax of the Company shall be distributed in the following order of priority:

- (1) Making up for losses incurred in the preceding year;
- (2) Allocation of ten percent (10%) to the statutory surplus reserve;
- (3) Allocation to the discretionary surplus reserve;
- (4) Allocation to the general (risk) reserve upon approval; and
- (5) Payment of dividends to the shareholders.

The Company needs not allocate further amount if accumulated amount of the statutory surplus reserve is over 50% of the registered capital. The shareholders' general meeting shall decide whether allocation to the discretionary surplus reserve shall be made after making allocations to the statutory surplus reserve. The Company is prohibited from distributing profits to the shareholders before making up losses and making allocations to statutory surplus reserve. If the shareholders' general meeting or the Board of directors violates such regulations and distribute profits to the shareholders, the shareholders shall refund all profits so distributed in contravention of such requirements to the Company.

The general (risk) reserve, the appropriation of which shall be approved by relevant financial authorities or the Board, should only be used to compensate for exposures to catastrophe risks and cannot be used in dividend distribution or capital increase.

Article 287

The reserves of the Company may be used to cover the loss of the Company, expand the operation of the Company or be converted into the increased capital of the Company. Nonetheless, no capital reserve shall be used to make up the losses of the Company.

When the Shareholders' general meeting resolves to convert the statutory surplus reserve into share capital, the new shares shall be distributed to shareholders pro rata to their existing shareholdings. However, if the statutory surplus reserve is converted into share capital, the remaining amount of the statutory surplus reserve shall not be less than twenty-five percent (25%) of the registered capital before the conversion.

Article 288

The capital reserves shall include the following amounts:

- (1) Premium received in excess of the par value of the shares issued; and
- (2) Other revenue required by the competent financial department of the State Council to be so included.

Article 289

The Company may distribute dividends in the form of cash, shares or a combination of cash and shares. The Company may distribute interim profits.

The Company shall pay attention to the investors' reasonable return on investment in its profit distribution. The profit distribution policies shall maintain continuity and stability and take into account of the long-term interests of the Company, the interests of all the shareholders as a whole and the sustainable development of the Company. If the profit for the year and the accumulated undistributed profits of the Company are positive, the annual profit distribution plans will be formulated by the board of directors based on the Company's solvency margin ratio, business development and results of operations, subject to the laws and regulations and requirements promulgated by relevant regulatory agencies on solvency margin ratio in effect at that time; provided that the distributed profits in the form of cash each year shall be no less than 10% of the profits available for distribution of the parent company for the year. In the event the Company does not distribute cash dividends, the board of directors shall explain the specific reasons for not distributing cash dividends and the use for the retained profit of the Company, submit them to the general meeting for consideration after independent directors expressing their opinions thereon, and disclose the same in the media designated by the Company. In considering the above matters at the general meeting, the Company shall provide access to online voting for shareholders.

The Company shall give priority to dividend distribution in cash. Where the Company's operation is in a sound condition, and the board of directors considers that the share price of the Company fails to reflect its share capital scale and that the distribution of dividend in shares will be favorable to all shareholders of the Company as a whole, the Company may propose dividend distribution in shares, provided that the above conditions of cash dividend are fully met.

The board of directors shall thoroughly discuss the rationality of the profit distribution plan and produce a special resolution for submission to the general meeting for consideration. The independent directors of the Company shall also express their independent opinions on the profit distribution plan. In considering the resolution of profit distribution plan at the general meeting, the Company shall maintain active communications and exchanges with shareholders, particularly medium and minority shareholders through various channels, carefully listen to the feedbacks and requests by the medium and minority shareholders, and give timely response to the medium and minority shareholders on the relevant matters. Following a resolution approving such profit distribution plan passed at a shareholders' general meeting, the board of directors shall implement the distribution of the dividends within two months from the convention of such general meeting.

In the case of war, natural disasters and other force majeure, applicable laws and regulations or new requirements promulgated by relevant regulatory authorities such as CSRC regarding the profit distribution policies of the listed companies, or material effect on the Company's operating conditions due to changes of the external operational environment, or relatively significant changes to the Company's operational position, the Company may adjust its profit distribution policy. The board of directors of the Company shall perform the relevant decision-making procedures in accordance with the Articles of Association of the Company and, on the basis of fully safeguarding the interests of shareholders and taking into account of the business and operating conditions of the Company prevalent at that time. The board of directors shall propose a special proposal in respect of adjusting the profit distribution policy and submit it to the general meeting for consideration to pass a special resolution after independent directors expressing their opinions thereon. In considering the resolution of adjusting the profit distribution policies, the Company shall maintain active communications and exchanges with shareholders, particularly medium and minority shareholders through various channels, provide access to online voting for shareholders, carefully listen to the feedbacks and requests by the medium and minority shareholders, and give timely response to the medium and minority shareholders on the relevant matters.

Article 290

Any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.

The Company shall appoint receiving agents on behalf of the holders of overseas-listed foreign shares to receive on behalf of such shareholders dividends declared and all other monies owing by the Company in respect of their overseas-listed foreign shares.

The receiving agent appointed by the Company shall comply with the laws and relevant requirements of the stock exchange where the shares of the Company are listed. The receiving agent shall receive the dividends and other amounts payable distributed by the Company in respect of overseas-listed foreign shares on behalf of relevant shareholders.

The receiving agents appointed on behalf of holders of overseas-listed foreign shares which are listed in Hong Kong shall be a company registered as a trust company under the Trustee Ordinance of Hong Kong.

Provided that the relevant laws and regulations in China are observed, the Company may exercise the right to forfeit unclaimed dividends, but the said right shall be exercised six years or later after the date of declaration of dividend.

The Company shall be entitled to deliver the dividend warrant directly or by mail via the receiving agent. If such dividend warrants have not been cashed for two consecutive times, the Company shall be entitled to terminate the delivery of dividend warrants by mail to relevant shareholders. However, if such dividend warrant failed to reach the recipient and thus was returned for the first time, the Company may also exercise the said right.

The Company shall have the right to sell the shares of holders of overseas-listed foreign shares not contactable by means regarded as appropriate by the board of directors, but the following conditions must be met:

- (1) That dividends on such shares have been delivered at least 3 times within 12 years and no claim has been made during such period; and
- (2) That the Company publishes an announcement on one or more newspapers of the place where shares in the Company are listed after the expiry of the 12-year period, stating its intention to sell such shares and informing the stock exchange of the listing places of such shares.

Section 2 Internal Audit

Article 291

The Company shall establish an independent internal audit system. The board of directors shall bear the ultimate responsibility for the establishment, operation and maintenance of the internal audit system.

The auditor in charge shall be nominated by the chairman of the board of directors, and appointed by the board of directors. The auditor in charge shall be accountable to and report to the board of directors and the EC. The appointment and removal of the auditor in charge shall be reported to the CBIRC.

Article 292

The Company shall formulate its internal audit system in accordance with the laws, regulations and relevant requirements of the CBIRC, which shall be implemented upon the approval by the board of directors.

Article 293

The internal audit department is responsible for the following matters:

- (1) Prepare basic internal audit system of the Company and annual audit plan and audit budget;
- (2) Supervise, examine and assess the authenticity and compliance with respect to all the business and financial activities of the Company and its subordinate units;
- (3) Supervise, examine and assess the integrity, reasonableness and effectiveness of the internal control system and risk management system of the Company and its subordinate units;
- (4) Conduct audit on economic responsibility of the persons in charge of the Company and its subordinate units;
- (5) Conduct specific audit on the matters such as economic efficiency of the Company and its subordinate units;
- (6) Conduct audit on the information system of the Company;
- (7) Conduct the follow-up audit on the correction of the audited units; and
- (8) Other audit matters as required by the CBIRC and the Company.

Article 294 The person in charge of audit shall report to the audit and related party transaction control committee and the management the progress of the audit work at least once in each quarter of a year and shall submit audit report to the audit and related party transaction control committee and management at least once every year.

Article 295 The person in charge of audit shall submit an internal control evaluation report to the management and the audit and related party transaction control committee. The audit and related party transaction control committee shall comment on the problems existing in the internal control of the Company and propose recommendations to the board of directors after its examination of the report.

Article 296 In the course of auditing, the internal auditors shall strictly comply with the professional code of ethics, keep accounting secrets and protect the interests of the Company on his/her own initiative.

Section 3 Internal Control and Compliance Management and Risk Management

Article 297 The Company shall establish an internal control system commensurate with its business nature and asset scale and conduct regular inspections and evaluations of the completeness and effectiveness of its internal control as a way to ensure its effectiveness.

Article 298 The Company shall set up a compliance management department independent from the operation and financial departments to formulate and implement compliance policy, conduct compliance supervision and training, and to undertake compliance examinations on important businesses such as product development, market sales, external investments and to identify, appraise and monitor the compliance risk of the Company's management system, operational procedures and business actions, and to submit the compliance reports.

Article 299 The Compliance Officer shall be nominated by the CEO and be appointed by the board of directors, and shall be accountable to the board of directors and the EC. The Compliance Officer shall not be in charge of the business departments or financial departments of the Company concurrently.

The Compliance Officer is responsible for the Company's compliance management in accordance with the regulatory rules and shall periodically submit improvement suggestions for existing compliance problems to the board of directors, and timely report to the CEO and risk management and consumer rights protection committee of serious non-compliant activities of the Company and senior managers.

Article 300 The compliance management reports which are submitted by the compliance management department periodically shall be examined and signed for approval by the Compliance Officer, and the reports shall be submitted to the board of directors for discussion after reviewed by the risk management and consumer rights protection committee.

Article 301 The Company shall establish the risk management department, which shall be independent from departments of other functions such as business, financial, investment and actuary. The risk management department shall be entitled to participate in the material decision of the strategic, business and investment committees of the Company, and to conduct regular risk identification as well as quantitative and qualitative risk assessment on the Company.

Article 302 The Company shall have one chief risk officer. The chief risk officer shall be nominated by the chief executive officer and appointed by the board of directors, and shall be accountable to the board of directors and the executive committee. The chief risk officer shall not concurrently perform the duties which may have any conflict of interest with risk management.

Section 4 Employment of the Accounting Firm

Article 303 The Company shall employ an independent accounting firm which complies with relevant provisions of the State to audit its annual financial report and review its other financial reports.

Article 304 The terms of employment of the accounting firm employed by the Company shall commence from the conclusion of the last annual general meeting until the conclusion of the next annual general meeting.

Article 305 If the office of the accounting firm becomes vacant, the board of directors may, prior to the convening of general meeting, appoint an accounting firm to fill such vacancy. However, if another accounting firm is in office during the sustained period of vacancy, such accounting firm may still act.

Article 306 Regardless of the terms provided in the contract between the accounting firm and the Company, the general meeting may, prior to the expiration of the term of office of any accounting firm, dismiss the firm by an ordinary resolution. If such accounting firm has the right to claim against the Company on account of its dismissal, such right will not be affected thereby.

Article 307 The remuneration or the way of remuneration for the accounting firm shall be decided by the general meeting. The remuneration of the accounting firms employed by the board of directors shall be determined by the board of directors.

Article 308 The Company's employment, dismissal or non-renewal of the employment of the accounting firm or the determination of the remuneration of the accounting firm shall be proposed by the board of directors to the shareholders' general meeting for determination, and shall be reported and filed to the securities regulatory authorities under the State Council.

Where a resolution is proposed to be passed at a shareholders' general meeting to appoint a firm other than an incumbent accounting firm to fill any vacant office of an accounting firm, or to re-appoint an accounting firm who has been appointed by the board of directors to fill a vacancy, or to remove an accounting firm before the expiration of its term of office, the following provisions should apply:

- (1) The proposal relating to the appointment and removal of office shall be sent to the accounting firm proposed to be employed or the accounting firm which intends to resign or has resigned in the relevant accounting year, before the notice of meeting of the shareholders' general meeting is served on the shareholders. Resignation includes leaving by removal, resignation and retirement.
- (2) If the accounting firm which is leaving the office makes a representation in writing and requests the Company to notify the shareholders of that representation, the Company should, unless the written representation is received beyond the deadline, take the following measures:
 1. In any notice of the resolution given to the shareholders, state the fact of the representation having been made; and
 2. Send a copy of the representation to the shareholders as the attachment of the notice in the manner as prescribed by the Articles of Association.

- (3) If the Company fails to deliver the representation of the relevant accounting firm under provision (2) of this Article, such accounting firm may require that the representation be read out at the shareholders' general meeting, and may make further claims.
- (4) The leaving accounting firm shall be entitled to attend the following meetings:
 1. The general meeting where the firm's term of office would otherwise have expired;
 2. The general meeting held to fill the vacancy due to the dismissal of the firm; and
 3. The general meeting held due to the firm's voluntary resignation.

The leaving accounting firm shall be entitled to receive all notices of the aforesaid meetings or other information relating to such meetings, and speak at the aforesaid meetings about matters in relation to it as the former accounting firm of the Company.

Article 309

In case the Company dismisses or does not renew the employment of the accounting firm, it shall inform the firm in advance. When the shareholders' general meeting of the Company resolves on the dismissal of the accounting firm, the firm shall be entitled to express its opinions on the general meeting.

The accounting firm may resign by depositing a written notice of resignation at the legal address of the Company. The notice shall come into effect on the date when the notice is deposited at the legal address of the Company or a later date as stated in the notice. Such notice shall include the following statements:

- (1) A statement that its resignation does not involve anything that should be accountable to shareholders or creditors of the Company; or
- (2) Any statement about such circumstances as should be explained.

The Company shall, within fourteen (14) days upon the receipt of written notice as mentioned in the preceding paragraph, send a copy of such notice to the relevant competent authorities of the State. If the notice includes the statements mentioned in the preceding 2 clauses, the Company shall place copies of such statements in the Company for the inspection by its shareholders. Unless otherwise provided by the Articles of Association, the Company shall also send the copy of the aforesaid statements to every holder of overseas-listed foreign shares by prepaid post, at the addresses recorded in the register of members.

If the resignation notice of the accounting firm includes any statements which requires explanation, the accounting firm may request the board of directors to convene an extraordinary general meeting for the purpose of hearing its explanation regarding its resignation.

Article 310 The voluntary resigning accounting firm shall, in the general meeting, explain whether the Company has done anything improper.

Article 311 The accounting firm employed by the Company shall have the following rights:

- (1) To review the Company's accounting vouchers, accounting books, financial accounting reports and other accounting data, and to require the Directors, CEO, President (COO) or other senior managers to provide relevant information and explanation;
- (2) To require the Company to provide information and explanatory materials of the Company or its subsidiary companies, which are necessary for the accounting firm to perform its duties; and
- (3) To attend the shareholders' general meetings and to receive notices of, and other information relating to, any shareholders' general meeting, and to make speeches in relation to matters concerning its role as the accounting firm of the Company at any shareholders' general meeting.

Section 5 Protection of Legal Rights and Interests of Parties Involved

Article 312 Guided by the principal of lawfulness, fairness, justice and convenience for people, the Company earnestly protect the lawful rights and interests of the policy holders, the insured and the beneficiary.

Chapter 17 Related Party Transactions and Information Disclosure

Section 1 Related Party Transactions

Article 313 The Company shall formulate the administration system on related party transaction in accordance with the laws, regulations, regulatory documents, the relevant provisions of the securities regulatory authorities of the place where the shares of the Company are listed and the Articles of Association, which shall be reviewed and passed by the shareholders' general meeting.

Article 314 Related party transactions of the Company shall observe the following basic principles:

- (1) Comply with the principles of honesty and credibility;
- (2) Standardize the principles for related party transaction. For the review and approval of unavoidable related party transactions, the principles of transparency, equality and fairness shall be followed;
- (3) The shareholders' general meeting, the board of directors and the board of supervisors shall manage related party transactions in accordance with their functions and powers. When casting votes on related party transactions, related shareholders and directors shall carry out the system of the Company on abstaining from voting;
- (4) Related Party transactions shall comply with commercial principles and normal business terms. The pricing of related party transactions shall comply with the market pricing principles.

Section 2 Information Disclosure

- Article 315** The Company shall formulate the system on information disclosure in accordance with the laws, regulations, regulatory documents, the relevant provisions of the securities regulatory authorities where the shares of the Company are listed and the Articles of Association.
- Article 316** The board of directors shall be responsible for the information disclosure of the Company.
- Article 317** The Company shall follow the principles of authenticity, accuracy, completeness and timeliness, and shall disclose information in a standardized manner.
- Article 318** The Company may make announcements on information disclosure to its shareholders whenever necessary. Information disclosure of the Company shall realize the principles of treating all shareholders transparently, equally and fairly.
- Article 319** The Company's internal and relevant parties knowing the information shall have the obligations of keeping undisclosed information confidential.

Chapter 18 Merger, Division, Dissolution and Liquidation

Section 1 Merger or Division

- Article 320** The Company may undergo merger or division in accordance with laws.
- Article 321** The merger or division of the Company shall be proposed by the board of directors and shall report to the CBIRC for approval according to the law after being approved by the procedures regulated by the Articles of Association. The shareholders who object to such merger or division shall have the right to require the Company or shareholders who consent to the proposal for merger or division of the Company to purchase their shares at fair prices. The fair price refers to the share price affirmed by the accounting firm designated by the audit and related party transaction control committee of the board of directors after the asset evaluation is conducted.
- Specific documents shall be prepared with regard to the content of the resolutions on the Company's merger and division for shareholders' inspection.
- For holders of overseas-listed foreign shares in companies listed in Hong Kong, the aforesaid documents shall be delivered by mail.

When the Company undertakes the merger or division, the board of directors shall take necessary measures to protect the legal rights of shareholders against such merger or division.

Article 322

The merger of the Company may take the forms of merger of absorption and merger by establishment of a new company.

In the event of a merger of the Company, each party shall execute a merger agreement and prepare a balance sheet and list of assets. The Company shall inform the creditors within ten (10) days from the date when the resolution on merger is made and shall make announcement in newspapers at least three times within thirty (30) days. The creditors shall within thirty days from the date of receipt of such notice, and those who have not received the notice shall within forty-five (45) days as from the date of announcement, be entitled to require the Company to pay debts or provide relevant guarantees.

In the event of the merger of the Company, the creditor's rights and debts of the parties involved in the merger shall be assumed by the surviving company or the new company established after the merger.

Article 323

In the event of a division of the Company, all parties to the separation shall execute a division agreement and prepare the balance sheet and the list assets. The Company shall, within ten (10) days from the date of the division resolutions, inform its creditors, and publish an announcement at least three times in the newspapers within thirty (30) days.

The company after division shall bear the joint and several liabilities for the liabilities prior to the division, except otherwise provided by the written agreement on debt service between the Company and its creditors prior to division.

Article 324

If the merger or division of the Company results in alterations in the registered matters, the Company shall register the alterations at the relevant registration authorities in accordance with the laws; in case of dissolution, the cancellation of registration shall be made in accordance with the laws. If a new company is established, the registration of incorporation shall be made in accordance with the laws.

Section 2 Dissolution and Liquidation

Article 325 The Company shall be dissolved upon the occurrence of any of the following events:

- (1) As a result of merger or division, dissolved by approval of the CBIRC; or
- (2) The Company's business license is revoked by the CBIRC because of the Company's violation of laws and administrative regulations.

Article 326 In the event of dissolution, the Company shall organize a liquidation committee in accordance with the laws. The liquidation shall be supervised and guided by the CBIRC. In the event that the Company is dismissed in accordance with the law, the liquidation committee shall be established on a timely basis by shareholders, relevant departments and relevant professionals under the supervision of the CBIRC.

Article 327 In the event that the board of directors decides to liquidate the Company (except for liquidation as a result of the declaration of insolvency by the Company), it shall specify in the notice convening the general meeting for such purpose that the board of directors has made a full inquiry of the affairs of the Company and is of opinion that the Company will be able to pay all its debts within twelve months upon commencement of liquidation.

Upon the passing of the resolution by the shareholders in general meeting for the liquidation of the Company, all functions and powers of the Board shall cease.

The liquidation committee shall act in accordance with the instructions of the shareholders' general meeting to report at least once every year to the shareholders' general meeting in respect of the income and expenditure of the liquidation committee, the business of the Company and the progress of the liquidation and to present a final report to the shareholders' general meeting on completion of the liquidation.

Article 328

The liquidation committee shall register the creditor's rights. The liquidation committee shall notify the creditors within ten (10) days after the date of its establishment and within sixty (60) days make at least three announcements in the newspapers. The creditors shall claim to the liquidation committee within thirty (30) days after the date of the receipt of the notice or within forty-five (45) days after the date of the first announcement if no written notice is received.

In reporting claims, a creditor shall explain the relevant particulars of the claims and provide supporting materials. The liquidation team shall register the claims.

In the period of reporting claims, the liquidation committee shall make no debt repayment to the creditors.

Article 329

The liquidation committee shall exercise the following functions and powers during liquidation:

- (1) To dispose of the Company's properties and prepare a balance sheet and a list of properties;
- (2) To give notices or declarations to the creditors;
- (3) To deal with and liquidate any uncompleted business of the Company;
- (4) To pay due taxes and taxes accrued during liquidation;
- (5) To settle debts and indebtedness;
- (6) To dispose of the Company's assets remaining after the discharge of its liabilities; and
- (7) Attend any civil proceedings on behalf of the Company.

Article 330

The liquidation committee shall prepare a liquidation scheme after it liquidates the properties of the Company and shall prepare a balance sheet and a list of properties and report them to the general meeting, the people's court or other competent authorities for confirmation.

Properties involved in bankruptcy shall, after giving the priority on the settlement of the bankruptcy fees and mutual debts, be settled in the following sequence:

- (1) Salary, medical and disability subsidies and pensions owed to employees, basic pension insurance and basic medical insurance to be transferred to the personal accounts of employees owed, as well as compensation payable to employees under the provisions of the laws and administrative regulations;
- (2) Compensation or insurance premium payable;
- (3) Social insurance fees and tax payable owed by the Company other than those provided under item (1); and
- (4) Ordinary bankruptcy claims.

In case the properties involved in bankruptcy are insufficient to settle claims under the same sequence, pro rata allocation shall be made.

Salary of the Company's directors, supervisors and senior management shall be calculated based on the average salary of the Company's employees.

In case the insurance company is dissolved or dismissed in accordance with the laws, prior to the complete settlement of the obligations under insurance contracts, shareholders of the Company shall not be allocated any assets of the Company or derive any gain from the Company.

Article 331

If circumstances as stipulated under Rule 2 of Corporation Bankruptcy Law of the People's Republic of China have incurred in the Company, upon the consent of the CBIRC, the Company or its creditors may apply for the reconstruction, reconciliation or bankruptcy and liquidation to the people's court in accordance with the law. The CBIRC may also apply for the reconstruction, bankruptcy and liquidation of the Company to the people's court in accordance with the laws.

Article 332 After the completion of liquidation of the Company, the liquidation committee shall prepare the liquidation report and submit it to the general meeting or relevant competent authorities in China for confirmation as well as submit to the company registration authorities. Application would be made to deregister the Company, and announcement on the dissolution of the Company would also be made.

Article 333 If the Company is dismissed or declared bankrupt in accordance with the laws, the life insurance contracts and reserve funds held by the Company shall be transferred to other insurance companies with a life insurance business upon approval of the CBIRC.

Chapter 19 Special Matters in Corporate Governance

Article 334 In the event of governance mechanism failures as follows, the Company shall establish emergency response working teams to deal with the governance failure. The working teams shall come up with solutions, and communicate with directors and shareholders of the Company to solve the problem. If it fails to eliminate such failures by way of communication, the Company shall apply to the CBIRC for guidance:

- (1) It is unable to form a board of directors for more than one year straight;
- (2) There are conflicts among the directors of the Company for a long term which are unable to be eliminated though the general meeting;
- (3) It is unable for the Company to convene the shareholders' general meetings for more than one year straight;
- (4) A proportion specified by law or the Articles of Association of the Company cannot be achieved on a poll taken at a meeting and it is unable to pass effective resolutions at the shareholders' general meeting for more than one year straight;
- (5) It is unable to pass the proposals for capital increase due to insolvency;
- (6) The Company faces serious problems in its operation and management due to the failure of the existing governance mechanisms;
- (7) Other circumstances approved by the CBIRC.

Article 335 Where there is a failure of governance as specified in the Articles of Association of the Company, and the internal corrective procedures adopted by the Company have failed to solve the problem, the Company, shareholder individually or jointly holding no less than 3% of shares in the Company, and more than half of the directors are entitled to apply to the CBIRC for supervision and guidance.

Article 336 The CBIRC exercises its power of supervision and provides guidance based on the specific circumstance with respect to the governance mechanism failures. If material governance risks are identified in the insurance company, and have seriously endangered or threatened the lawful rights and interests of the insurance consumers or the safety of the insurance fund, shareholders and the Company undertake to accept regulatory actions taken by the CBIRC, such as the requirement of a capital increase, restrictions on shareholders' rights and the order to transfer the shareholding held in the insurance company. If the case is serious, shareholders and the Company undertake to accept corrective and takeover actions as taken by the CBIRC against the Company.

Chapter 20 Notice

Article 337 Notices of the Company may be given in the following manners:

- (1) By personal delivery;
- (2) By mail;
- (3) By facsimile or electronic mail;
- (4) Under the precondition of being in conformity with the laws, regulations, regulatory documents and the listing rules of the relevant supervisory authorities where the shares of the Company are listed, by method of issuance on the websites designated by the Company and the stock exchange of Hong Kong;
- (5) By any other way agreed beforehand by the Company and the party notified or recognized by the party notified on the receipt of a notice; or
- (6) By method recognized by the securities regulatory authorities of the place where shares of the Company are listed or provided by the Articles of Associations.

Even the Articles of Association contains other provisions on the way of announcement or notification of any document, notice or other communications, conditional on the compliance with the relevant provisions under the securities regulatory authorities of the place where shares of the Company are listed, the Company may elect to adopt the way of notification stipulated in item (4) of clause 1 in this Article to distribute its corporate communication in lieu of the delivery of written documents in person or by mail to every holder of overseas- listed foreign shares. The aforesaid corporate communication refers to any documents sent or to be sent by the Company for its members' reference or actions, including but not limited to, annual report (including annual financial report), interim report (including interim financial report), report of the board of directors (including balance sheet and income statement), notice of general meeting, circular and other communication documents.

Article 338

In case the securities regulatory authorities of the place where shares of the Company are listed request the Company to deliver, post, distribute, give, announce or otherwise provide relevant documents of the Company in both English and Chinese, if the Company has made appropriate arrangement on determining whether its shareholders wish to receive only the English or Chinese version, and to the extent under the permission of applicable laws and regulations and subject to the applicable laws and regulations, the Company may, according to its shareholders' selection, send only the English or Chinese version to such shareholders.

Article 339

If the notice is sent out by courier and the served party signs (or seals) on the service receipt, the date when the served party acknowledges the receipt of the notice shall be the date of service. If the notice is sent out by mail, the 48th hour after the date when the notice is delivered to the post office shall fall within the date of service. If the notice is sent out by facsimile or electronic mail or published on a website, the date of sending out or of publication shall be the date of service. If the notice is sent out as an announcement, the date of the publication of the announcement for the first time shall be the date of service. If the notice is published in the newspapers in accordance with the relevant provisions, it shall be deemed that the notice has been received by all relevant parties once published.

Article 340

The accidental omission to give the notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive the notice shall not invalidate the meeting and the resolutions passed thereat.

Article 341

Unless otherwise specified, the “announcement” referred to herein means an announcement published in the press of China and the press organ concerned shall be provided for the laws, regulations, regulatory documents or designated by the securities regulatory authorities under the State Council insofar as an announcement issued to holders of domestically-listed domestic shares or is required to be issued within China in accordance with relevant provisions and the Articles of Associations; or insofar as an announcement is issued to the holders of overseas-listed foreign shares or an announcement to be issued in Hong Kong in accordance with the relevant provisions and the Articles of Association is concerned, such announcement must be distributed in accordance with the provisions of the Hong Kong Listing Rules.

The Company shall designate the media recognized by the CBIRC to publish and disclose announcements and information as required by information disclosure rules of the CBIRC.

Chapter 21 Procedures for the Amendments on the Articles of Association**Article 342**

The Company is required to amend its Articles of Association in any of the following circumstances:

- (1) After the amendment of Company Law, Insurance Law or relevant laws, regulations, regulatory documents and supervisory provisions, the provisions of the Articles of Association are in contradiction with the amended relevant provisions;
- (2) Any change in the basic matters stipulated in the Articles of Association, or in relevant rights, obligations, duties, rules of procedure or in other matters stipulated in the Articles of Association; or
- (3) Other matters which dictates the amendment of the Articles of Association.

Article 343

The amendments on these Articles shall be made in accordance with the following procedures:

- (1) Shareholders or institutions with the rights to propose motions propose the motion on amending these Articles of Association;
- (2) The shareholders' general meeting vote on the motion on amending the Articles of Association, and such motion is passed by a special resolution;
- (3) Submit the amendments on the Articles of Association to relevant competent authorities of the State for examination;
- (4) Amend these Articles in accordance with the examination feedback of the relevant competent authorities of the State, and submit to relevant competent authorities of the State for approval; and
- (5) File or alter registration with registration authorities of companies.

Chapter 22 Settlement of Disputes**Article 344**

The Company follows the following rules of dispute resolution:

- (1) Any dispute or claim of rights relating to the affairs (i) between the Company and its directors, supervisors or senior management; and (ii) between holders of overseas-listed foreign shares and the Company, between holders of overseas-listed foreign shares and Directors, Supervisors, CEO, President (COO) or any other senior management of the Company, or between holders of overseas-listed foreign shares and holders of domestic shares, and arising as a result of the rights and obligations provided for in the contracts, this Articles of Association, the Company Law and other relevant laws and administrative regulations and regulatory documents, shall be referred to arbitration by parties involved.
- (2) Where a dispute or claim of rights referred to in the preceding paragraph is referred to arbitration, the entire claim or dispute must be referred to arbitration, and all persons who have a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, where the persons being the Company or shareholders, Directors, Supervisors, CEO, President (COO) or any other senior management of the Company, shall comply with the arbitration.

Disputes in respect of the definition of shareholders and disputes in relation to the register of shareholders need not be resolved by arbitration.

- (3) A claimant may elect for arbitration to be carried out at either the China International Economic or Trade Arbitration Commission in accordance with its Rules or the Hong Kong International Arbitration Center in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.

If the claimant elects for arbitration to be carried out at the Hong Kong International Arbitration Center, any party may request the arbitration to be conducted in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Center.

- (4) The resolution of any dispute or claim of rights referred to in paragraph (1) above by arbitration is subject to the PRC laws, unless otherwise required by laws, regulations and regulatory documents.
- (5) An arbitral award made by the arbitral body is final and binding on the parties.

Chapter 23 By-laws

Article 345

The Articles of Association shall take effect when passed by shareholders' general meeting and approved by the CBIRC. Since the effective date of these Articles, the original Articles of Association of the Company shall automatically be void.

The Articles of Association are written in Chinese; if there is any discrepancy between another language versions or another version of the Articles of Association, the version of the Articles of Association approved by the CBIRC shall prevail.

Article 346

The Articles of Association constitute a basic Company document; if any provision of any other legal document including but not limited to the agreements of the Company's promoters, the Investment Agreement of shareholders and other shareholders' agreement is not in consistency or in conflict with the Articles of Association, the provisions of the Articles of Association shall prevail.

The Company shall not replace the Articles of Association with the resolution of shareholders' general meeting, shareholders' agreement, resolution of the meeting of the board of directors, resolution of the board of supervisors meeting, memorandum or supplementary agreement and so on.

Article 347 Any issue not covered by the Articles of Association may be otherwise stipulated by the shareholders' general meetings or the board of directors within the scope authorized by the shareholders' general meetings. If relevant laws, regulations and regulatory documents provide otherwise, the laws and regulations and regulatory documents shall prevail.

Article 348 Attachments of these Articles include the rules of procedures of the general meeting, the rules of procedures of the board of directors and the rules of procedures of the board of supervisors.

Article 349 In the Articles of Association, expressions such as "no less than", "within", "no more than", include the number itself; expressions such as "less than" or "excluding" do not include the number itself.

Article 350 These Articles shall be construed by the board of directors.

Attachment:**Table of historical transfer of equities**

No.	Date	Transferor	Transferee	Number of shares (share)	Transfer price (RMB/share)	Approval document
1	1998/10/27	China Aidi Group Corporation	China Chengtong Holdings Company	50,000,000	2.60	PBOC Yinfu [1998] No 366
2	2002/5/15	Orient Group Industrial Co., Ltd.	Orient Group Company Limited	50,000,000	2.53	CIRC Baojian Fu [2002] No 48
3	2001/4/25	Jinzhou Harbour Company Limited (錦州港股份有限公司)	Orient Group Company Limited	29,880,000	3.20	CIRC Baojian Bianshen [2001] No 27
4	2001/4/25	Jinzhou Harbour Company Limited (錦州港股份有限公司)	Xintaik Technology Development Centre	33,204,000	3.20	CIRC Baojian Bianshen [2001] No 27
5	2002/1/31	China National Materials Development & Investment Corporation	New Industry Investment Co., Ltd.	17,880,000	3.20	CIRC Baojian Bianshen [2002] No 6
6	2002/1/31	China National Materials Development & Investment Corporation	Orient Group Industrial Co., Ltd.	60,240,000	3.20	CIRC Baojian Bianshen [2002] No 6
7	2002/3/28	SINOPEC Daqing Petrochemical Complex	Beiya Industrial (Group) Co., Ltd.	18,024,000	3.20	CIRC Baojian Bianshen [2002] No 18
8	2002/3/28	Heilongjiang Longdi Group Corporation Ltd.	Beiya Industrial (Group) Co., Ltd.	72,096,000	3.20	CIRC Baojian Bianshen [2002] No 18
9	2002/1/31	China National Materials Development & Investment Corporation	Beijing Taiji Huaqing Information System Co., Ltd.	12,000,000	3.20	CIRC Baojian Bianshen [2002] No 6
10	2002/6/11	Tongling Nonferrous Metals Group Corporation (銅陵有色金屬(集團)公司)	Shanghai Baosteel Group Corporation	9,012,000	2.00	CIRC Baojian Bianshen [2002] No 48
11	2002/6/11	SINOPEC Jinling Petrochemical Company	Shanghai Baosteel Group Corporation	18,024,000	2.20	CIRC Baojian Bianshen [2002] No 48
12	2002/11/29	China Chengtong Holdings Company	China SME Investment Co., Ltd.	90,120,000	1.15	CIRC Baojian Bianshen [2002] No 111

No.	Date	Transferor	Transferee	Number of shares (share)	Transfer price (RMB/share)	Approval document
13	2003/2/11	Xintaik Technology Development Centre	Loncin Group Co., Ltd.	96,288,000	3.20	CIRC Baojian Bianshen [2003] No 20
14	2003/2/11	Orient Group Company Limited	Loncin Group Co., Ltd.	23,712,000	3.20	CIRC Baojian Bianshen [2003] No 20
15	2003/2/28	Beijing Huayuan Group Corporation	Western Surety Co., Ltd.	90,120,000	2.76	CIRC Baojian Bianshen [2003] No 25
16	2003/12/23	Western Surety Co., Ltd.	Hainan Green Island Investment Co., Ltd. (海南格林島投資有限公司)	90,120,000	2.80	CIRC Baojian Bianshen [2003] No 154
17	2004/9/8	International Finance Corporation	Zurich Insurance Company Ltd	54,000,000	5.51 (US\$0.6655)	CIRC Baojian Fagai [2004] No 1408
18	2004/10/26	Netherlands Financial Development Company (荷蘭金融發展公司)	Zurich Insurance Company Ltd	52,800,000	5.51 (US\$0.6651)	CIRC Baojian Fagai [2004] No 1518
19	2006/5/29	Meiji Yasuda Life Insurance Corporation	Primus Pacific Partners Ltd.	54,000,000	3.00	CIRC Baojian Fagai [2006] No 498
20	2006/5/29	New Industry Investment Co., Ltd.	Shanghai Asiabiz Holding Co., Ltd.	108,000,000	4.20	CIRC Baojian Fagai [2006] No 498
21	2006/7/12	Anhui Grain& Oil Trading Co., Ltd.	New Industry Investment Co., Ltd.	9,012,000	2.60	CIRC Baojian Fagai [2006] No 738
22	2007/2/7	International Finance Corporation	Zurich Insurance Company Ltd	13,200,000	5.50 (US\$0.6882)	Baojian Fagai [2007] No 103
23	2007/5/24	隆鑫集團公司, Hainan Green Island Investment Co., Ltd. (海南格林島投資有限公司), Oriental Group Industrial Company Limited (東方集團實業有限公司)	Insurance Security Fund	120,000,000 90,120,000 60,240,000	5.99	Baojian Fagai [2007] No 612
24	2007/8/20	Orient Group Company Limited, New Industry Investment Co., Ltd., China SME Investment Co., Ltd.	Insurance Security Fund	96,288,000 9,012,000 90,120,000	5.99	Baojian Fagai [2007] No 1052

No.	Date	Transferor	Transferee	Number of shares (share)	Transfer price (RMB/share)	Approval document
25	2007/12/14	Shenhua Group Corporation Limited	Baosteel Group Corporation	90,120,000	3.60	Baojian Fagai [2007] No 1574
26	2007/12/27	Yihua Group Company	China Petrochemical Assets Management Corporation	18,024,000	Allocation with nil Consideration	Baojian Fagai [2007] No 1692
27	2008/11/5	Beiya Industrial (Group) Co., Ltd.	Shanghai Zendai Investment Management Co., Ltd.	21,630,000	6.61	Baojian Fagai [2008] No 1434
28	2009/11/30	China Insurance Security Fund Co., Ltd. (中國保險保障基金有限責任公司)	Central Huijin Investment Company Limited	465,780,000	8.71	Baojian Fagai [2009] No 1245
29	2010/12/3	Beiya Industrial (Group) Co., Ltd.	Century Golden Resources Investment Group Co., Ltd.	36,000,000	42.75	Baojian Fagai [2010] No 1482
30	2010/12/3	Beiya Industrial (Group) Co., Ltd.	Vats Group Company Limited	32,490,000	43.09	Baojian Fagai [2010] No 1482
31	2010/11/20	Primus Pacific Partners Ltd.	Fullerton Management Pte Ltd	36,000,000	33	Issue filed
32	2010/11/20	Primus Pacific Partners Ltd.	Standard Chartered Principal Finance (Cayman) Ltd.	18,000,000	33	Issue filed
33	2011/1/5	Zurich Insurance Company Ltd	Zurich Insurance Plc	110,000,000	25	Baojian Fagai [2011] No 1
34	2011/1/28	China Petrochemical Assets Management Corporation	Baosteel Group Corporation	18,024,000	10.62	Baojian Fagai [2011] No 141
35	2011/3/28	Shanghai Asiabiz Holding Co., Ltd.	Hebei Deren Investment Co., Ltd.	108,000,000	33.5	Baojian Fagai [2011] No 387
36	2011/2/26	Zurich Insurance plc	CICC Securities (HK) Limited	65,000,000	28.00	Issue filed
37	2011/3/16	Vats Group Company Limited	Tianjin Xinshang Investment Management Limited	38,650,000	26.65	Issue filed
38	2011/6/8	Zurich Insurance Company Ltd, Zurich Insurance Plc	Nomura Securities Co., Ltd.	20,000,000, 45,000,000	28.00	Baojian Fagai [2011] No 882

No.	Date	Transferor	Transferee	Number of shares (share)	Transfer price (RMB/share)	Approval document
39	2011/6/9	Hebei Deren Investment Co., Ltd.	Tianjin Xinshang Investment Management Limited	42,804,878	21.03	Baojian Fagai [2011] No 881
40	2011/6/9	Hebei Deren Investment Co., Ltd.	Xiamen United Credit Investment Co., Ltd	40,426,829	21.03	Baojian Fagai [2011] No 881
41	2011/6/9	Hebei Deren Investment Co., Ltd.	Shanghai Fosun Industrial Technology Development Company Limited	23,780,488	21.03	Baojian Fagai [2011] No 881