

September 17, 2020

Yuanta FHC announces on behalf of Yuanta Funds of the penalty of FSC.

1. Date of occurrence of the event: 2020/09/17
2. Circumstances of the violation: According to the press release on FSC's website, Yuanta Funds violated relevant regulations when conducting futures trust funds business.
3. Monetary amount of fines: NTD 600,000.
4. Status of the injunction by the respective competent authority: FSC has ordered Yuanta Funds to engage a CPA who has not contracted to perform attestation on the financial report of Yuanta Funds to conduct a special audit of its improved internal control system and submit the audit report to FSC for recordation. Before such recordation, FSC may reject or deny approval for an application or registration filing by Yuanta Funds for a futures trust fund offering.
5. Intended improvement measures: Improvements will be made after receiving the sanction letter from FSC.
6. Effect on the Company's business operations: N/A.
7. Any other matters that need to be specified: Yuanta Funds has not received the sanction letter from FSC yet.