

RELATED-PARTY TRANSACTIONS

The relationship, significant transactions and account balances of the Group and its related parties (except those disclosed in other notes) are summarized as follows:

37.1 The Bank's related parties

Related Party	Relationship with the Bank
The SCSB Cultural & Educational Foundation	Substantive related party
The SCSB Charity Foundation	Substantive related party
Silks Place Taroko	Substantive related party
Hung Shen Investment Corporation	Substantive related party
Hung Ta Investment Corporation	Substantive related party
GTM Corporation	Substantive related party
Chi-Li Investment Co., Ltd.	Substantive related party
Yongye Investment Co., Ltd.	Substantive related party
Qin Mao Consultants Ltd.	Substantive related party
Other related parties	The relatives of the Bank's directors and related management

37.2 Significant transactions between related parties

Balances and transactions between the Bank and its subsidiaries, which are related parties of the Bank, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Bank and other related parties are disclosed below.

37.2.1 Deposits

	December 31, 2021			For the Year Ended December 31, 2021
	Maximum Balance	Ending Balance	Interest Rate (%)	Interest Expense
Directors and related management	\$ 21,792,053	\$ 21,570,369	0.00-2.18	\$ 78,902
Employees	283,275	133,209	0.00-9.78	1,969
The SCSB Cultural & Educational Foundation	334,283	320,723	0.01-1.05	1,051
Others	108,992	107,624	0.00-2.05	541
	<u>\$ 22,518,603</u>	<u>\$ 22,131,925</u>		<u>\$ 82,463</u>

	December 31, 2020			For the Year Ended December 31, 2020
	Maximum Balance	Ending Balance	Interest Rate (%)	Interest Expense
Directors and related management	\$ 15,552,217	\$ 15,130,654	0.00-4.90	\$ 202,557
Employees	423,740	252,079	0.00-9.97	3,022
The SCSB Cultural & Educational Foundation	343,549	324,225	0.01-1.07	1,539
Others	84,046	82,756	0.00-1.90	363
	<u>\$ 16,403,552</u>	<u>\$ 15,789,714</u>		<u>\$ 207,481</u>

37.2.2 Interest receivable (accounted for as receivables)

	December 31, 2021	December 31, 2020
Directors and related management	<u>\$ 11</u>	<u>\$ 89</u>

37.2.3 Interest payable (accounted for as payables)

	December 31, 2021	December 31, 2020
Directors and related management	\$ 44	\$ 48
The SCSB Cultural & Educational Foundation	86	38
The SCSB Charity Foundation	15	15
	<u>\$ 145</u>	<u>\$ 101</u>



37.2.4 Guarantee deposits received (accounted for as other liabilities)

	December 31, 2021	December 31, 2020
The SCSB Cultural & Educational Foundation	\$ 318	\$ 318

37.2.5 Rental income (accounted for as other non-interest revenue, net)

	For the Year Ended December 31 2021	2020
The SCSB Cultural & Educational Foundation	\$ 1,272	\$ 1,272

For the rental contracts with related parties, the rental is determined in proportion to similar rentals in the area, based on a reference to the rentals in the neighborhood, and is received on a monthly basis.

37.2.6 Loans

December 31, 2021									
Category	Name	Maximum Balance	Ending Balance	Performance		Collateral	Interest Rate (%)	Difference of Terms of the Transactions with Unrelated Parties	For the Year Ended December 31, 2021
				Normal Loans	Non- performing Loans				Interest Income
Loans for personal house mortgages	Directors and related management (1)	\$ 608	\$ 180	\$ 180	-	Real estate	1.56-1.57	None	\$ 6
Others	Directors and related management (9)	155,372	140,010	140,010	-	Real estate/ financial instruments	1.29-1.49	None	11,549
		<u>\$ 155,980</u>	<u>\$ 140,190</u>	<u>\$ 140,190</u>					<u>\$ 11,555</u>
December 31, 2020									
Category	Name	Maximum Balance	Ending Balance	Performance		Collateral	Interest Rate (%)	Difference of Terms of the Transactions with Unrelated Parties	For the Year Ended December 31, 2020
				Normal Loans	Non- performing Loans				Interest Income
Loans for personal house mortgages	Directors and related management (1)	\$ 1,062	\$ 607	\$ 607	-	Real estate	1.56-1.83	None	\$ 14
Others	Hung Shen Investment Corporation	388,000	378,000	378,000	-	Real estate	1.46-1.71	None	5,847
Others	Directors and related management (14)	1,163,269	1,094,478	1,094,478	-	Real estate/ financial instruments	1.29-2.26	None	63,232
		<u>\$1,552,331</u>	<u>\$1,473,085</u>	<u>\$1,473,085</u>					<u>\$ 69,093</u>

Employee deposits and loans have better interest rates within regulated limits, while other related party transactions have similar terms as non-related party transactions.

Under the provisions of Articles 32 and 33 of the Banking Act, the Bank shall not make unsecured loans to related party, except for consumer loans under certain limits, and government loans. Secured loans to a related party should be fully guaranteed, and the relevant terms should not be superior to other similar credit clients.