

(Translation)

## **AVerMedia TECHNOLOGIES, Inc.** (the Company)

### **Rules and Procedures of Board of Directors Meetings**

1. For the purpose of establishing the Company's good administration system of Board of Directors, making the surveillance function complete, and reinforcing management function. These Procedures are adopted pursuant to Article 2 of "Regulations Governing Procedure for Board of Directors Meetings of Public Companies."
2. The Rules and Procedures of Board of Directors Meetings (the "Rules and Procedures") of Company, of which the main meeting content, procedures, the items in the meeting minutes, announcement and other matters shall be followed, shall be conducted in accordance with the Rules and Procedures.
3. Board Meetings shall be convened at least once quarterly.  
Board Meeting shall be convened on written notices sent to all Directors and Supervisors at least seven days in advance of the date of Meeting, notifying the reasons. If there is any urgent circumstance, Board Meeting may be convened at any time.  
The material matters listed in the 12 of the Rules and Procedures, except for any urgent circumstance or legitimate reasons, shall be included in the meeting agenda and may not be presented as extempore motions.
4. The designated Board secretariat of the Company is Finance Department. The Board secretariat shall conduct the drafting of subject matters of Board Meeting and provide sufficient meeting material and send together with the notice of meeting.  
Supposing the Directors consider that meeting material is insufficient, they may request the Board secretariat to provide supplemental materials. Supposing the Directors consider that meeting materials is insufficient during the meeting, the meeting may be postponed upon a resolution of the Board of Directors.
5. An attendance book shall be provided at every Board Meeting for the attending Directors to sign in as reference and inspection. Directors shall attend the Board Meeting in person. If unable to attend, a Director may appoint another Director to attend on his behalf in accordance with the rules and regulations of the Company. Any Director attending the meeting via visual communication network shall be deemed to attend the meeting in person.  
A Director appoints another Director to attend on his behalf by proxy which specifies the scope of authorization. Any appointee shall not act as proxy for more than one Director.
6. Board Meetings shall be held at the head office and during the office hours of the Company or at any place and time convenient to the Directors to attend.
7. Board Meetings shall be convened and presided over by the Chairman of the Board of Directors. However, the first meeting of every newly elected Board of Directors shall be convened and presided over by the Director who has received the largest portion of voting right in the shareholders' meeting. If there are two or more persons entitled to convene rights, they shall choose one person to convene and preside over the meeting from Executive Director or Director.  
Supposing that the Chairman of the Board of Directors is on leave or unable to exercise his functional duties for any reason, the Vice Chairman of the Board of Directors shall act on his behalf. If there is no Vice Chairman or Vice Chairman is also on leave or unable to exercise his functional duties for any reason, the Chairman shall designate an Executive Director to

act on his behalf; if there is no Executive Director, the Chairman shall designate a Director to act on his behalf. In the absence of such an appointee, the Directors shall choose one person from Executive Director or Directors to act on the behalf of the Chairman.

8. When the Board Meeting is convened, the department which is in charge of the Board Meeting shall prepare the relevant material to Directors for reference.

Depending on the subject matters of proposed resolutions, relevant managerial personnel may be invited to present at Board Meetings. If necessary, CPAs, legal counsels, or other professional personnel may be invited to the meetings.

If half or more of the Directors are present at the scheduled time for a Board Meeting, the Chairman shall call the meeting immediately. If half or more of all Directors are not yet present at the scheduled time for a Board Meeting, the Chairman may postpone the meeting time. The postponements shall be limited to twice at the most. If after two postponements no quorum can yet be constituted, the Chairman may reconvene the meeting in accordance with Article 3 of the Rules and the Procedures. The term "all directors" in preceding paragraph and Item 2, Paragraph 2, Article 16 shall be calculated as the actual number of persons currently holding those positions.

9. The process of the Board Meeting shall be entirely recorded or taped and preserve for at least five years, in electronic form or otherwise.

If a lawsuit occurs regarding any resolution of Board Meeting before the above the end of preservation period, the relevant recording tapes shall be preserved until the lawsuit has been concluded.

If a Board Meeting is held via video conference, the video and recording tapes shall be part of the meeting minutes and be permanently preserved throughout the existence of the Company.

10. The agenda of regular Board Meetings shall include at least the following items:

- a. Report items:

- (1) The meeting minutes and execution status of the preceding meeting
- (2) Material business and financial reports
- (3) Internal audit matters reports
- (4) Other important matters report, including the report on implementation status of previous resolutions

- b. Discussion items:

- (1) Discussion items reserved by the preceding meeting
- (2) Discussion items expected of the current meeting

- c. Extempore Motions

11. The discussion of proposed resolutions at a Board Meeting shall proceed in accordance with the agenda attached to the meeting notice.

If there is no more than half of the attending Directors' consent, the Chairman may not announce adjournment of the meeting.

In the process of a Board Meeting, if the number of attending Directors is fewer than half of the Directors attending the meeting, the Chairman shall announce a temporary adjournment of the meeting upon a motion made by any Director present at the meeting, and the third rule of Article 8, Paragraph 3 of the Rules and Procedures is applied to such case.

12. The discussion issue listed below should be discussed in the Board Meeting:

- (1) Corporate business plans
- (2) Annual or semi-annual financial reports
- (3) Adoption or amendment of internal control system pursuant Article 14-1 of Securities and

Exchange Law.

- (4) Adoption or amendment of procedures for acquisition or disposal of assets, financial derivatives transactions, lending funds to other parties, or endorsement or guarantees for other parties, or procedures of material financial transaction
- (5) Offering, issuance, or private placement of any equity-type securities
- (6) Appointment or discharge of CFO, accountant or chief of internal auditor
- (7) Any other matters that shall be resolved by the Shareholder's Meeting or Board Meeting as required by relevant laws and regulations or Article 14-3 of Securities and Exchange Law or that are deemed to be material by the regulatory authorities.

Regarding the matters specified under Article 14-3 of the Securities and Exchange Law, Independent Directors shall attend the Board Meetings in person or delegate another Independent Director to attend on his/her behalf. Any dissenting opinion or qualified opinion by Independent Directors shall be recorded in the Board Meeting minutes. If Independent Directors are unable to attend Board Meetings in person to express their dissenting opinion or qualified opinion, except for legitimate reasons, they shall submit a written statement in advance to be recorded in the Board Meetings minutes.

### 13. Voting I

The Chairman may announce to end the discussion of any resolution and execute voting if the Chairman deems it appropriate for voting.

Resolution shall be deemed adopted if no objection is voiced by any of the attending Directors after solicitation by the Chairman. If objection is voiced after solicitation by the Chairman, such resolution shall be executed voting.

The method of voting shall be one of the following as determined by the Chairman. However, if objection is voiced by any of the attending Directors, majority opinion shall be solicited to determine.

- (1) By showing of hands or voting machine
- (2) Roll call votes
- (3) Voting by ballots
- (4) Other voting process chosen by the Company

The term "attending directors" in this Article does not include the Director who is prohibited from voting according to Article 15, Paragraph 1 of the Rules and Procedures.

### 14. Voting II Monitoring and counting voting.

Except otherwise specified in Securities and Exchange Law and Company Law, a resolution shall be adopted by the majority of attending Directors.

If there is an amendment to or substitute for a proposed resolution, the Chairman shall decide the sequence of voting for such proposed resolution and the amendment or substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is required.

If the voting process needs to set supervising personnel or ballot counting personnel, the Chairman shall appoint. However, the supervising personnel the voting process shall be a Director.

The result of voting shall be announced on the spot and placed on record.

15. If a Director or the legal person the Director represents has a personal interest in the matter under discussion at the meeting, which may prejudice the interest of the Company, the Director may make statement or answer inquiries, but the Director shall prohibit from joining in the discussion or voting. The Director shall avoid himself/herself when the matter is being discussed and resolved; shall not as a proxy of another director.

The Board Meeting resolved, to the Directors who could not exercise voting right as aforementioned, according to Article 206-2 of the Company Law, the Article 180-2 applies to such case.

16. The resolutions of the Board Meeting of the Company shall be recorded in the meeting minutes. The meeting minutes shall accurately record the following items:
  - (1)The year, place, time of the meeting
  - (2)The name of the chairman
  - (3)The attendance situation of Directors, including the name and number of those who are present, excused, and absent.
  - (4)The names and titles of other attendances
  - (5)The name of minutes taker
  - (6)Report item
  - (7)Agenda items: the resolution method and the result for each proposed resolution; the summary of comments made by the Directors, Supervisors, experts, and other personnel; any dissenting opinion or qualified opinion with a written statement or recorded; any written statement provided by the Independent Directors under Article 5-10, Paragraph 2 of the Rules and Procedures.
  - (8)Extempore motion: the name of proposer of extempore motion, the resolution method and result for each proposed resolution; the summary of comments made by the Directors, Supervisors, experts, and other personnel; any dissenting opinion or qualified opinion with a written statement or recorded
  - (9) Other items required to be recorded

The resolved items in Board Meeting, if any circumstance happened, in addition accurately recorded in the meeting minutes, announced to Market Observation Post System appointed by regulatory authorities within two days of the Board Meeting date.

    - a. Any dissenting opinion or qualified opinion of Independent Directors with a written statement or recorded
    - b. If the Company has Audit Committee, without the admission of the Audit Committee, but more than 2/3 of all Directors' consent.

The attendance book of a Board Meeting shall be part of the meeting minutes and be permanently retained throughout the existence of the Company.  
Meeting minutes shall be signed or sealed by the chairman of the meeting minutes taker, distributed to each Directors and Supervisors with twenty days after the meeting, and carefully kept as the Company's important file throughout the existence of the Company. The recording and distribution of meeting minutes of first type may be perform by means of electronic transmission.
17. Except for the first item of Article 12 of the Rules and Procedures shall submit to the Board Meeting's discussion issue, the Board Meeting may authorize to the Chairman on behalf of the Board of Directors to exercise the right pursuant to the regulations or the Article of the Company. The delegated content or items are as followed:
  - (1)According to Article 5.4.3 of ISO A-D-C033"Procedures for Acquisition or Disposal of Assets"
  - (2)Consider the need of the Company's capital, dealing with the credit limit, condition, and relevant affairs with financial organization, and submit the execution situation to the Board Meeting.
  - (3) Appoint the Directors, Supervisors, and Representatives of transferring investment company.
18. Any institution and amendment of these Rules and Procedures shall be approved by the

Board of Directors of the Company.

19. The Rules and Procedure is enacted on February 9<sup>th</sup> 2007.

The first Amendment is on April 13<sup>th</sup> 2007.

The second Amendment is on April 30<sup>th</sup> 2008.

The third Amendment is on March 24<sup>th</sup> 2010.