

(Translation)

Procedures for Lending Funds to Other Parties Of

AVerMedia TECHNOLOGIES, Inc. (the Company)

1. The Company shall follow the Procedures set forth below for lending funds to other parties.
2. The party to whom the Company may lend its funds shall be in accordance with Article 15 in the Company Law.
 - 2.1 Reasons and necessities of lending funds to other parties

The party to whom the Company may lend its funds for having business relationship shall be in accordance with the Article 3 of the Procedures. Companies lend funds in need of funds for a short-term period shall be limited as follows,

 - 2.1.1 The companies which need funds for a short-term period in need of business and the Company hold 50% of its shares.
 - 2.1.2 Other companies which need funds for a short-term period in need of the procurement or operating capital.
3. The total amount available for lending purpose shall not exceed forty percent (40%) of the net worth of the Company. The total amount for lending to companies having business relationship with the Company shall not exceed five percent (5%) of the net worth of the Company. The total amount for lending to companies for a short-term period shall not exceed five percent (5%) of the net worth of the Company.

The total amount for lending fund to the foreign companies whose voting share are 100% owned, directly or indirectly, by the Company will not be limited to forty percent (40%) of the net worth of the lending companies.
4. Follow-up control procedures of lent amount and processing procedures of overdue creditor's right.

After a loan extended, the Company's division in charge shall regularly notify with the financial, business, and credit status of loaner and guarantor; in addition, pay attention whether the collateral value changes. Supposing face any severe variation, the finance department shall notify the Chairman and appropriately deal with it according to the instruction.

Loaner shall sum up the interest that loaner shall pay on or before the due date. After the interest and principal are reimbursed, the promissory note can be written off or cancelled the mortgage. The term of loan extended by the Company shall not exceed one (1) year. Supposing that the loaner fails to reimburse on time and needs to postpone, the loaner shall take the application in advance and report to the Board of the Directors. The Company can take legal actions to the collateral or the guarantor.
5. The interest rate of lending fund shall not be lower than the short-term bank borrowing rate on the lending date.
6. When the loaner applies the loan, finance department shall establish credit verification information. The finance department aims at the entity to which the lending of funds to investigate and evaluate in detail, the assessing aspects shall include,
 - (1) Necessity and rationality of the lending fund and others
 - (2) Evaluating the necessity of lending amount on the basis of lending companies' financial data

- (3) Accumulated the amount of lending fund is in the limitation amount
- (4) Impacts towards the Company's operating risk, financial position and shareholder's equity
- (5) Necessity to acquire the collateral and evaluating the value of collateral
- (6) Attachment of lending company's creditability and record of risk assessing

The lending fund of the Company shall be effective after the investigation of Company's finance department, signed approval of General Manager, submission to the Board of the Directors and adopted by the Board of the Directors. In addition, every Director's independent opinion shall be valued and included their approval opinion and opposite reason into the minutes of the Board of the Directors meeting.

- 7. Fund loaner shall provide a promissory note (expected payment date as a mature date of promissory note) to protect the Company's right. (Except for subsidiaries)
- 8. If necessary, the Company can ask for loaner to provide the guarantor who was accepted by the Company or personal and real property as collateral.
- 9. The Company's finance department shall analyze and evaluate loaner's creditability and operating state for the Board of Directors as reference of risk assessing.
- 10. When fund-lending to other parties is contemplated by the Company's subsidiary for the business reason, the subsidiary shall establish relevant procedures for lending funds to other parties and handle in accordance with its procedures.
- 11. Any fund-lending which is required to the competent authority shall be made by the Company in accordance with the relevant laws.
- 12.
 - (1) The Company shall establish a reference book to record the loaner, lending amount, the Board of Directors' adopted date and fund lending date and related information which shall be cautiously evaluated in accordance with the relevant regulations, then publish it for reference.
 - (2) Internal audit personnel shall perform auditing on the Company's lending profile every quarter and produce written auditing reports. Supposing there is any violation, a written report is needed to notify every Supervisor. Supposing any violation found, the punishment shall be conducted on the person-in-charge according to the violation.
 - (3) Supposing a loaner no longer satisfy the relevant regulations or the Procedures set forth in or there be any excess over the lending limit due to unexpected changes of the Company, a corrective plan has to be provided to every Supervisor and the proposed correction actions should be implemented within the period as proposal to reinforce the Company's internal control.
- 13. The Company enacts the Procedures for lending funds to others, after the approval of the Board of Directors. Supposing there are any Directors has had opposite opinion and has recorded or written announcement, the Company shall send the opposite opinion to every Supervisors and submit to the Shareholders' Meeting for discussing. Any Amendment is subject to the same procedure. When the Procedures submit for Lending Funds to others to the Board of Directors to discuss according to the former regulation, every Director's opinion shall be valued and the approval opinion and opposite opinion shall be included in the minutes of the Board of Director's meeting.
- 14. This Procedure is enacted on June 23rd, 1995.
 The first Amendment is on April 25th, 2000.
 The second Amendment is on March 18th, 2002.
 The third Amendment is on April 26th, 2002.
 The fourth Amendment is on May 28th, 2003.

The fifth Amendment is on June 10th, 2009.