

(Translation)

Procedures for Acquisition or Disposal of Assets

Of

AVerMedia TECHNOLOGIES, Inc. (the Company)

1. Purpose and legal basis of the Procedures:
For protecting the investment and implementing the information public, the Company's acquisition or disposal of assets shall be made pursuant the Procedures. This Procedure is pursuant Article 36-1 of Securities and Exchange Act and competent authority's No. 091000610.
2. Scope
 - 2.1 Investment such as stocks, government bonds, corporate bonds, financial debentures, securities representing interest in a fund, deposit receipts, call (put) warrants, beneficiary certificates and asset-backed securities.
 - 2.2 Real estate and other fixed assets
 - 2.3 Membership certificates
 - 2.4 Intangible assets such as patents, copyrights, trademark and franchises.
 - 2.5 Claims against financial institutions (including receivables, loans and bills purchase discounts, and overdue receivables)
 - 2.6 Derivatives
 - 2.7 Assets acquired or disposed through mergers or consolidations, splits, acquisitions, or transfer of shares according to relevant laws.
 - 2.8 Other major assets
3. Accountability and responsibility: Board of Directors, Finance Department, and Human Resource Department.
4. Flowchart: Nil
5. Process Content
 - 5.1 Definition
 - 5.1.1 Derivatives: refers to forward contracts, options contracts, future contracts, leverage contracts, swap contracts, and compound contracts comprising combinations of the aforementioned products, whose value is derived from assets, interest rates, foreign exchange rates, indexes or other interests. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) agreements.
 - 5.1.2 Acquisition or disposal assets through mergers or consolidations, splits, acquisitions, or stock transfer pursuant relevant laws: refers to acquisition or disposal assets through mergers, splits or acquisitions conducted pursuant the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act or other laws, or issuance of new shares and by use of the share equity so raised as the consideration payable for acquisition of another company's shares (the "assignment of shares") pursuant Paragraph 6, Article 156 of the Company Law.
 - 5.1.3 Related party: as defined in Statement of Financial Accounting Standards No. 6 published by the Accounting Research and Development Foundation of the Republic of China. (Hereinafter "ARDF")
 - 5.1.4 Subsidiary: as defined in Statement of Financial Accounting Standards No. 5 and No. 7

published by the ARDF.

- 5.1.5 Professional appraiser: refers to a real estate appraiser or other person authorized by law to engage in the appraisal of real estate or other fixed assets.
- 5.1.6 Date of occurrence: refers to the date of contract signing, date of payment, date of consignment trade, date of transfer registration, date of Board of Directors or other committees resolution, or other date that can confirm the counterpart and amount of the transaction, whichever date is earlier; supposing investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.
- 5.1.7 Mainland China area investment: refers to investments in Mainland China area approved by the Investment Commission of the Ministry of Economic Affairs or conducted in accordance with the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland China.

5.2 Evaluation Process

- 5.2.1 Acquisition or disposal securities which is not trading from the stock market or OTC, it shall refer the BVPS, the profitability, the potential, the interest rate, and the liquidity, credit of debtor and other trading price at that time.
- 5.2.2 Acquisition or disposal securities which trading from the stock market, the price is determined by the market price at that time.
- 5.2.3 Acquisition or disposal other assets, the unit-in-charge shall choose one method from inquiry, price negotiation, or public bidding and refer to the publicly announced value, evaluated value, and the actual trading price of near real estate to discuss. Supposing any satisfied the public and disclosure standard of the Procedures, the professional appraisal report shall be referenced.

5.3 Process of acquisition and disposal assets

- 5.3.1 Acquisition and disposal assets, the unit-in-charge shall access the reason, subject property, transaction counterpart, transferring price, receivable conditions and supporting reference materials and appraise, then submit to the responsibility department to decide and execute by the management department. The relevant issue shall be conducted in accordance with applicable procedures of the Company's internal control system and the Procedures.
- 5.3.2 The responsible department for implementation of investment of the Company is finance department; the responsible department for implementation of real estate and other fixed assets are the users and related authorized and responsible departments. Other asset which is not about investment, real estate and other fixed assets shall be implemented after evaluation by relevant departments.
- 5.3.3 Regarding the operation of acquisition and disposal asset shall be conducted in accordance with the internal control system of the Company. If any violate is discovered, the relevant personnel shall be disciplined according to the violate circumstance.

5.4 Authorization

- 5.4.1 Acquisition and disposal assets of the Company, the responsibilities are as followed:
 - 5.4.1.1 Acquisition and disposal of long-term securities shall be appraised by the responsible department and implement after resolved by the Board of Directors. The Board of Directors may authorize the Chairman to execute, and then submit to the Board of Directors to confirm.
 - 5.4.1.2 Acquisition and disposal of short-term securities shall be appraised by the responsible department and implement within the limits of amount set forth in Item 5 of the Procedures. The approval process shall be conducted in accordance with the ISO chart

of the Company (A-R-C051 Financial Asset Debt Application)

- 5.4.1.3 Acquisition or disposal of real estate shall be appraised by the responsible department and implemented after resolved by the Board of Directors. The Board of Directors may authorize the Chairman to execute, and then submit to the Board of Directors to confirm.
- 5.4.2 The Company's approval process of financial derivative product shall be conducted pursuant to Policies and Procedures of Financial Derivatives Transactions.
- 5.4.3 Acquisition or disposal of assets of the Company, except for Article 5.8, Item 1 and Article 5.13.2, the rest of the approval process shall be resolved by the Board of Directors and under NT\$50 million. If the Board of Directors is during the recess, the process shall be conducted and the report submitted to the Board of Directors afterward.
- 5.4.4 Responsible Department
Acquisition and disposal of long-term and short-term securities: Finance Department and other relevant departments.
Real estate and other fixed assets: Human Resource Department, Finance Department and other relevant departments.
- 5.5 Investment limitation of amount
 - 5.5.1 Acquisition of real estate or securities by the Company for non-operating purposes shall not exceed the Company's net worth.
 - 5.5.2 The limitation of amount of respective securities investment shall not exceed 60% of the Company's net worth. (Except for short-term stock investment)
 - 5.5.3 Short-term investment- The total amount of stock shall not exceed the Company's net worth or 20% of the liquid assets, and choose the lower one as the limitation.
 - 5.5.4 Short-term investment- the limitation amounts of stock investment of each respective company shall not exceed the Company's net worth or 5% of liquid assets, and choose the lower one as the limitation.
- 5.6 The requirement of public announcement
If any following condition relating to the Company's acquisition or disposal of assets occurs, public announcement shall be reported to the website designated by competent authority pursuant to the relevant regulation within two days from the date of occurrence:
 - a. Acquisition of real estate from related party
 - b. Investment in Mainland China area
 - c. Mergers or consolidations, splits, acquisition, or transfer of shares
 - d. Executions of financial derivatives' loss reach the loss limitation amount of all or respective contract in the Procedures.
 - e. In addition to the asset transaction or disposal claims against financial institution those mentioned above, of which one of the following amounts reaches 20% of the Company's paid-in capital or exceeds NT\$300 million. However, the issues as followed shall not be subject to above requirement of announcement:
 - (1) Buying or selling bonds
 - (2) Buying or selling securities in domestic or abroad stock market or securities corporation
 - (3) Buying or selling bonds under re-purchase/ re-sale condition
 - (4) Acquisition or disposal of operation-purpose machinery and equipment with non-related parties in an amount not exceeding NT\$500 million
 - (5) The public constructor company acquisition or disposal of operation-purpose real estate with non-related parties in an amount not exceeding NT\$500 million.
 - (6) For acquisition of real estate by way of engaging others to build on land owned by the Company, distribution of building under joint construction project, distribution of profit

under joint construction project, or selling building under joint construction project, and the amount of transaction not exceeding NT\$500 million based on the amount the Company plans to invest.

The above transaction amount shall be calculated as follows:

- a. the amount of respective transaction
- b. The accumulative transaction amount of acquisitions or disposals of the same type of subject transaction with the same counterparty within a year.
- c. The accumulative amount of acquisitions or disposal of the same real estate construction project within a year. (Respectively accumulative acquisition and disposal)
- d. The accumulative amount of acquisitions or disposal of the same security within a year
The term “within a year” in item 2 refers to trace back one year on the basis of the date of occurrence of this transaction. The announced items in accordance with the Procedures need not be calculated.

The company shall post information concerning derivative transaction activities of the Company and its subsidiaries that are not domestic public companies during the preceding month on the website designated by the competent authority in regular format by the 10th of each month.

The Company shall publish the announcement pursuant the regulation, if there is any error or omission during the original announcement, the Company shall correct it, publish and report all the items again.

Acquisition or disposal assets of the Company shall keep the relevant contract, memorandum of understanding, reference book, appraisal reports, and CPA, attorney, or securities underwriter opinions in the Company at least for five years, except for specifying by the relevant laws.

5.7 Deadline of public announcement and reporting

After the Company published and reported the transaction in accordance with the former regulation. If any one of the following situation occurs, the Company shall make a public announcement and report on the website designated by the competent authority within two days of the date of occurrence.

- a. Any amendment, termination or discharge of the relevant contracts originally executed in the transaction.
- b. The merger or consolidation, split, acquisition or transfer of shares do not complete by the scheduled date set forth in the contract.

5.8 The Company acquired and disposed real estate or other fixed assets, except for transaction with government organization, engaging others to build on its own land, engaging others to build on rented land, or the acquisition or disposal the machinery for operating purpose, the transaction amounts exceed 20% of the Company’s paid-in capital or NT\$300 million, the Company shall obtain the appraisal report in advance from professional appraiser and the comply with the following regulations:

- a. On account of the special reason, a limited price, specified price or special price shall be the basis of the transaction price’s reference; the transaction shall be resolved by the Board of the Directors in advance. The same procedure shall apply to changes to condition of transaction in the future.
- b. If the transaction amount reaches NT\$1 billion or more, the Company shall obtain appraisal reports from at least two professional appraisers.
- c. If the professional appraiser’s appraisal report has any of the following situations, the Company shall make CPA to conduct the appraisal in accordance with the provisions of

Statement of General Auditing Procedures No. 20 published by the ARDF and express specific opinions regarding the reason of the differences and reasonableness of the transaction price

- (1) The difference between appraisal result and the transaction amount reaches 20% or more of the transaction amount.
 - (2) The difference between appraisal results of two or more profession appraiser and transaction amount reaches 10% or more.
- d. An appraisal is conducted prior to the execution date of the agreement; the date of appraisal report to the execution date shall less than three months. However, the announced current value for the same period is used and less than six months, an opinion may still be issued by the same professional appraiser.
- 5.9 Before the Company acquired or disposed security (pursuant Article 6 of Securities and Exchange Act) shall obtain the latest financial statements of the object company audited or reviewed by CPA for the assessment and reference of transaction price. If the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million, the Company shall ask CPA express the opinion regarding the reasonableness of transaction price. However, these regulations are not applicable if such securities have a public price from an active market or if the competence authorities stipulate otherwise.
- The securities through promotion or established, or cash issue of shares, or emerging stocks, or government bonds with repurchase/resale agreement, or domestic and foreign mutual fund...etc and the securities which are not accrued from private placement may not necessary to obtain the financial report and the opinion from CPA.
- 5.10 The Company acquired or disposed the membership certificates or intangible assets, the transaction amounts reach 20% of the Company's paid-in capital or NT\$ 300 million, the Company shall ask CPA express the opinion regarding the reasonableness of transaction price. CPA shall conduct in accordance with the provisions of Statement of General Auditing Procedures No. 20 published by the ARDF.
- 5.11 The Company acquired or disposed assets through court auction procedures, the evidentiary document issued by the court may be substituted for the appraisal report or CPA opinion.
- 5.12 Appraisal report or opinion from CPA, attorney, securities underwriters that the Company acquired, the professional appraiser and the officer, CPA, attorneys and securities underwriters shall not be a related party of any party to the transaction.
- 5.13 Acquiring real estate from related parties
- 5.13.1 When the Company purchase or exchange real estate with the related parties, the Company shall conduct the relevant resolution procedures pursuant regulations and assess the reasonableness of transaction condition.
- When judging whether counterparty is a related party, in addition to legal form, the substance of the relationship shall also take into consideration.
- 5.13.2 The Company acquired real estate from the related party may not execute the transaction until the following material shall be approved by the Board of Directors and recognized by Supervisors:
- a. The purpose, necessity, anticipated beneficial of acquiring real estate
 - b. The reason for choosing the related party as transaction counterparty
 - c. The relevant material to assess anticipated reasonableness of transaction condition in accordance with the regulation
 - d. The date and price that the related party obtained the real estate, the transaction counterparty, and the relationship between the Company and the related party.
 - e. Monthly cash flow forecasts for the coming year from the anticipated month of signing of

the contract, and assessment of the necessity of the transaction, and reasonableness of the fund utilization.

f. Restriction of this transaction and other important stipulation regarding the transaction.

The independent director has been established pursuant the Securities and Exchange Act, when an acquisition is submitted to the Board of Directors for discussion, the independent director's opinion shall be fully considered. If the independent directors have dissenting opinion or qualified opinion, it shall be recorded in the minutes of the Board Meeting.

When the audit committee has been established pursuant the Securities and Exchange Act, the affair in item 1 shall recognition by the supervisors shall be approved by more than half of all audit committee members in advance and be resolved by the Board of Directors, and shall be subject to mutatis mutandis application of the provisions of Article 4, Paragraph 4 and 5.

5.13.3 The Company that acquires the real estate from a related party shall evaluate the reasonableness of the transaction cost according to following ways:

- a. Based on transaction price of related party plus necessary interest on funding and the costs the buyer shall duly bear. The term "necessary interest on funding" is based on weighted average interest rate on borrowing in the year the Company purchases the estate, and which shall not exceed the maximum non-financial industry lending rate published by Ministry of Finance.
- b. If the related party has previously mortgaged the real estate as security for a loan, the financial institution shall appraise the total loan value. Provided, the actual accumulative amount shall have been reached the 70% or more of the appraised value of financial institution and the loan period shall have been one year or more. However, this term is not applicable when the financial institution is related party of one of the trading counterparties.

When the land and building thereupon are combined as a single estate purchased, transaction cost of land and building may be respective appraised according to any aforementioned way.

The Company acquired real estate from a related party shall appraise the cost of real estate according to the regulation of item 1 and 2, and shall engage the CPA to review and express the specific opinion.

The Company acquired real estate from the related party, if any of following circumstance existed, the acquisition shall be conducted in accordance with the Article 5.13.2 of the Procedures, and the preceding three regulations are not applicable:

- a. The related party acquired the real estate through inheritance or bestowment.
- b. More than five years will have elapsed from the time the related party signed the contract to obtain the real property to signing date of this contract.
- c. The real estate is acquired through signing the joint development contract with the related party.

5.13.4 When the appraisal result is lower than transaction cost according to Item 1 and 2, Article 5.13.3, the matter shall be conducted pursuant the provision of Article 5.13.5.

However, on account of the following situation, objective evidence and the specific opinion on reasonableness of professional real estate appraiser and CPA had provided, this restriction is not applicable:

- a. The related party acquired undeveloped land or leased land for development shall prove the compliance with one of the following situation:
 - (1) Undeveloped land shall be appraised in accordance with the former provision, the building according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The term "reasonable construction profit"

shall on the basis of average gross operating profit margin of construction division of the related party over the recent three years or the most period's gross profit margin for the construction industry announced by the Ministry of Finance, whichever is lower.

- (2) Concluded transactions by unrelated parties within the preceding year involving other floors of the same target property or properties located in the neighboring area, of which property size and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market practices.
 - (3) Concluded leasing transactions by unrelated parties within the preceding year for other floors of the same target property, of which the transaction terms are similar to the proposed calculation of reasonable price discrepancies among floors in accordance with standard property leasing market practices.
- b. When the Company acquiring the real estate from the related party provides evidence that the terms of the transaction are similar to the terms of transaction concluded for the acquisition of property located in neighboring area of a similar size by unrelated parties within the preceding year.

Concluded transactions for the acquisition of property located in neighboring area in the preceding paragraph refers to the same or close adjacent block and within a distance of no more than 500 meters or close in publicly announced current value; transaction of similar size refers to transactions concluded by unrelated parties with an area of no less than 50% of the target property; within one year refers to one year from the actual date of acquisition of the real property.

5.13.5 The Company acquired the real estate from the related parties; the following items shall be taken, if the appraisal result is lower than the transaction price in accordance with the provision of Article 5.13.3 and 5.13.4.

- a. An appropriate reserve shall be allotted in accordance with Article 41, Paragraph 1 of Securities and Exchange Act aimed at the discrepancy between the real estate's transaction price and the appraisal cost, and shall not be distributed or used for capital increase or issuance of bonus shares. A public company uses the equity method to account for its investment in another company, the appropriate reserve called for under Article 41, Paragraph 1 of the Securities and Exchange Act shall be allotted pro rata in a proportion consistent with the share of public company's equity stake in the other company.
- b. Supervisors shall comply with the provisions of Article 218 of the Company Law.
- c. The conducted conditions of paragraph 1 and 2 shall be reported to the Shareholders' Meeting and the details of transaction shall be disclosed in the annual report and any investment prospectus.

The Company that has allotted an appropriated reserve according to the aforementioned regulation may not utilize the appropriated reserve until it has recognized a loss on decline in market value of the assets it purchased at a premium, or they have been disposed of, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about transaction, and the competence authority has approved.

When the Company acquired the real estate from the related party, if there is any evidence indicating that the acquisition was not in accordance with the operating regulation, it shall also comply with the provisions of the provisions of the aforementioned paragraph 1 and 2.

5.14 Financial derivatives transaction of the Company shall be in compliance with this Company's "Policies and Procedures for Financial Derivatives Transactions" and shall

notice the risk management and auditing item to practice the internal control system.

5.15 Before convening the board of directors to resolve on the matters, the Company that conducted a merger or consolidation, split, acquisition or transfer of shares, shall engage CPA, attorney, or securities underwriter to render an opinion regarding the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for discussing and resolving.

The Company conducting a merger or consolidation, split, acquisition, shall prepare a public report to shareholders detailing important contractual content and relevant matters, prior to the Shareholders' Meeting and include it along with the professional opinion referred to in paragraph above when sending shareholders notification of the Shareholders Meeting for reference in deciding whether to approve the merger or consolidation, split, acquisition. Provided, where a provision of another act exempts a company from convening a Shareholders' Meeting to approve the merger or consolidation, splits, or acquisition, this restriction is not applicable.

When the Shareholders' Meeting of any one of the companies participating in a merger, split or acquire fails to convene or pass a resolution due to lack of quorum, insufficient right of votes, or other legal restriction, or the proposal is rejected by the Shareholders' Meeting, the companies participating in a merger, split, or acquire shall publicly explain the reason, the follow-up measures, and the preliminary date of the next Shareholders' Meeting immediately.

5.15.1 Except for another act provides or the competence authority is notified in advance of extraordinary situations and grant consent, the Company shall convene a Board Meeting and Shareholders' Meeting to resolve the relevant matters regarding the merge, splits, acquisition on the same day.

Except for another act provides or the competence authority is notified in advance of extraordinary situations and grant consent, the company participating in a transfer of share shall convene the Board Meeting in the same day.

5.15.1.1 The Company shall make the following information as complete written record and preserve it for at least five year for reference.

(1)Basic identification data for personnel: which includes the occupational titles, names, identification card number (or passport number in the case of foreign nationals) of the personnel who participated in merger, split, acquisition, transfer of shares, or who execute the plan.

(2)Dates of material issue: including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal consultant, signing contract, and the Board of Directors Meeting.

(3)Important letters and minutes: including the letter of intent, merger, split, acquisition, or transfer of shares plan or the memorandum of understanding, the important contracts and the minutes of the Board of Directors Meeting.

The Company shall, within two days of the passage resolution of the Board of Directors Meeting, report the information set in item 1 and 2 as the prescribed format via the Internet-based system to the competent authority for reference.

The companies participating in merger, splits, acquisition, or transfer of shares and which is neither listed in the securities exchange nor trading over-the-counter, the Company shall sign the agreement with such companies and conduct in accordance with the provision of item 1 and 2.

5.15.2 Every person participating in or privy to the plan of merger, split, acquisition, or

transfer of shares shall issue the written confidentiality and may not disclose any content of the plan to public prior to the public disclosure of the information and in their own name or under the name of other person, in any share or other equity security of any Company related to the plan of merger, split, acquisition, or transfer of shares.

5.15.3 The Company participating in merger, split, acquisition, or transfer of shares, except for the following circumstances, may not arbitrarily alter the share exchange ratio or acquisition price and shall stipulate the permitting alteration circumstance in the contract for the merger, split, acquisition or transfer of shares:

- (1) Cash capital increase, issuance of convertible corporate bonds, or allotment of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.
- (2) An action of disposal of major assets which affects the Company's financial operation.
- (3) An issue of major disaster or major reformation which affects the Company's shareholder equity or share price.
- (4) An adjustment of any of companies participating in merger, split, acquisition or transfer of shares buys back treasury stock.
- (5) An increase or decrease in number of entities or companies participating in merger, split, acquisition or transfer of shares.
- (6) Other conditions which are already stipulated in the contract, and have been publicly disclosed

The Company's contracts of merger, split, acquisition, or transfer of shares shall specify the following relevant items to protect the rights of companies participating in merger, split, acquisition, or transfer of shares:

- (1) Remedy of breach the contract
- (2) Principle for handling of equity-type securities previously issued or treasury stock previously bought back by any company that is to be dissolve in a merger or that is demerged.
- (3) The amount of treasury stock participating companies are permitted in accordance with applicable law to buy back after the record date of calculation of the share exchange ratio, and the handling principles thereof.
- (4) Methods for handling changes in number of participating entities and companies.
- (5) Estimated plan execution progress, anticipated completion date.
- (6) Scheduled date for convention of shareholder's meeting in accordance with applicable laws if the execution of the plan falls behind the estimated schedule and relevant procedures.

5.15.4 After relevant information has been publicly announced, if any company participating in a merger, split, acquisition or transfer of shares intends further to carry out a merger, split, acquisition or transfer of shares with another company, all of the participating company shall carry out anew the procedures or legal actions that had originally been completed toward a merger, split, acquisition or transfer of shares; except that where the number of participating companies is decreased and a participating company's shareholders meeting has resolved and authorized the Board of Directors to alter the limit of authority, such participating company may be exempted from calling another shareholders' meeting to resolve the matter again.

5.15.5 Where any of the companies participating in a merger, split, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with them and is

required to abide by the provisions of the Article 5.15.1, 5.15.1.1, 5.15.2 and 5.15.4.

5.16 The provision of acquisition or disposal asset of the Subsidiary

1. The acquisition or disposal asset of non-public subsidiary shall be conducted in accordance with the provisions of parent company. If the acquisition or disposal thereof reaches the requirement of public announcement, the parent company shall publicly announce and report on behalf of the subsidiary.
2. Public subsidiary shall formulate “Procedures for Acquisition or Disposal of Assets”, after the Board of Directors Meeting resolved and submitted to both Shareholders’ Meeting. The same procedure is applicable to the amendment.
3. Regarding to requirement of public announcement and reporting for subsidiaries, the provisions regarding “exceeding 20% of the company’s paid-in capital” shall refer to the parent company’s paid-in capital.

Subsidiaries used herein should mean that the companies of which stock directly held by the Company is over 50% of its outstanding stock with voting right, or that the companies of which stock held indirectly by the Company through a subsidiary is over 50% of its outstanding stock with voting right, and so on, or that the companies of which stock directly held by and indirectly held through a subsidiary of the Company is over 50% of its outstanding stock with voting right.

5.17 Disclosed items of financial statement

The Company shall disclose its publication of its financial statement and submit to the Shareholders’ Meeting for reporting if the acquisition or disposal of assets reaches the requirement of public announcement and reporting as specified in Article 5.6 of the Procedures and the counterparty of the transaction is a related party.

5.18 Supplementary items

- 5.18.1 When the Company makes an error in public announcement or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety.
- 5.18.2 The term “Latest financial statement” in the Procedures shall mean the financial statements of the Company audited or reviewed by CPA which has been published in accordance with applicable regulation before acquisition or disposal of assets.
- 5.18.3 If the Procedures are not applicable or there is any doubt, it shall be conducted in accordance with relevant laws and regulations. If it is not included in the laws, the Board of Directors of the Company may discuss and decide it.
- 5.18.4 Acquisition or disposal of assets of the Company is subject to approval of the Board of Directors in accordance with the Procedures or other laws or regulations. If a director expresses dissent which is recorded in the minutes or a written statement, the Company shall submit the Directors’ opinion to each Supervisor. If the Company already established the position of independent director or audit committee in accordance with applicable law, it shall be conducted in accordance with Paragraph2-5, Article 5.19 of the Procedures.

5.19 Implement date

The Procedures are subject to the approval of the Board of Directors, and shall submit to each Supervisor and to Shareholders’ Meeting for approval; any amendment is subject to the same procedures. If a director expresses dissent which is recorded in the minutes or a written statement, the Company shall submit the Director’s opinion to each Supervisor.

If the Company already established the position of independent director in accordance with the applicable laws, when the procedures is submitted for discussion by the board of

directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If any of independent directors express dissent or qualified opinions, it shall be recorded in the minutes of the Board of Directors' Meeting.

If the Company already established the audit committee in accordance with the applicable laws, any amendment or revision to the Procedures shall be approved by more than half of all audit members and submitted to the Board of Directors for a resolution.

If approval of more than half of all audit committee member is not obtained, the Procedures may implement if approved by more than two-third of all directors; provided, the resolution of the audit committee shall be recorded in the minutes of the Board of Directors Meeting.

The term "all audit members" in paragraph 3 and "all directors" in the preceding paragraph shall be calculated as the actual number of persons currently holding those positions.

6. Relevant document
 - 6.1. A-D-C031 Short-term investment
 - 6.2. A-D-C032 Long-term investment
 - 6.3. A-D-C011 Acquisition of fixed asset
7. Relevant form
 - 7.1. A-R-C030 Financial Derivatives Application
 - 7.2. A-R-C040 Disposal of Long-term Investment Application
 - 7.3. A-R-C051 Financial AssetsDebt Application
 - 7.4. A-R-C052 Purchase Requisition (Purchase Order)
8. Relevant Information System
 - 8.1. Indirect material purchasing and expenses
- 9.