

BULL WILL CO., LTD.

Regulations Governing the Acquisition and Disposal of Assets (Before amendment)

Article 1: Objectives

To protect investment and information disclosure, the acquired or disposed assets of the Company should be processed according to this procedure.

Article 2: References

This procedure is processed according to Article 36.1 of the Securities and Exchange Act, but if there is another act or regulation that provides otherwise, the provisions of such act shall prevail.

Article 3: The term “assets” as used in these Regulations covers the following scope:

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment
3. Memberships
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets
5. Financial institutes’ rights of claims (including accounts receivable, bills purchased and discounted, loans, and overdue receivables)
6. Derivatives
7. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law
8. Other important financial assets

Article 3.1: Terms used in these regulations are defined below:

1. Derivatives: Derivatives are compound contracts made up of long-term contracts, option contracts, futures contracts, leveraged deposit contracts, exchange contracts or a combination derived from assets, interests, exchange rates, indexes, and other instruments providing gain. The so-called long-term contracts does not include insurance contracts, performance contracts, post-sale service contracts, long-term lease contracts, and long-term purchase (sale) contracts.
2. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter “transfer of shares”) under Article 156-3 of the Company Act.
3. The terms “subsidiaries” and “parent companies” should be defined according to the Regulations Governing the Preparation of Financial Reports by Securities Issuer.

4. Professional appraisers: It refers to a real property appraiser or other persons duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of occurrence refers to the date of contract signing, date of payment, date of consignment trade, date of transfer, dates of boards of directors resolutions, or other date that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier. For 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.
6. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.

Article 4: Evaluation procedure

1. For the acquisition or disposition of negotiable securities from a non-stock exchange market or over-the-counter venue, the net value per share, profitability, future development potential, market interest rates, transaction value of the bonds, the credit of the debtor, and the transaction price at the time should be taken into consideration.
2. For the acquisition or disposition of negotiable securities from a stock exchange market or over-the-counter venue, they are determined by the equity or the bond price at that time.
3. For the acquisition or disposition of other assets of the preceding paragraphs, use price comparison, price negotiation, or invitation to tender and refer to the assessed present value, appraised present value, the actual transaction price of neighboring property assets for evaluation. Those satisfying the announcing and reporting standards of this procedure should also have a appraisal report done by professional appraisers.

Article 5: Asset acquisition or disposition procedure

1. For acquired or disposed assets, the responsible department should evaluate the the reason for the acquisition/disposition, the underlying asset, the transaction counterparty, the transfer price, the receipt and payment conditions, and the reference price and then submit the result to the authority department for decision-making and then for the management department for implementation. Related matters should be processed according to the Company's internal control system regulations and the regulations of this procedure.
2. Investment related departments are responsible for implementing the trading of the Company's long- and short-term negotiable securities. For the acquisition or disposition of property assets and other fixed assets, the department using these assets and the related authority departments are responsible.
3. Regarding operations related to the acquisition or disposition of assets, they should be processed according to the Company's internal control system and related regulations. If any major violations are found, the responsible personnel will be disposed according to the situation of the violation.

Article 6: Decision-making authority

1. For the acquisition or disposition of negotiable securities for long-term investment, they should be first approved by the Chairperson and then consent from the Board of Directors should be obtained before the acquisition or disposition is carried out. For short-term investment purposes, they should be approved by the Chairperson before the acquisition or disposition is carried out.
2. For the acquisition or disposition of property assets, they should be approved by the Chairperson and then consent from the Board of Directors should be received before the acquisition or disposition is carried out.
3. For the acquisition or disposition of other fixed assets, they should be approved by the Chairperson before the acquisition or disposition is carried out.

Article 7: Investment amount

Aside from acquiring assets for business use, the Company and the subsidiaries may also purchase property assets or various negotiable securities for non-business use, and the purchase limits are presented below:

1. For purchasing property assets or various negotiable securities for non-business use, the total amount should not exceed one-third of the current net value of the given company and if the amount is exceeded, the case has to be resolved or authorized by the Board of Directors before the purchase is carried out.
2. For purchasing a given negotiable securities, the total amount should not exceed one-quarter of the current net value of the given company and if the amount is exceeded, the case has to be resolved or authorized by the Board of Directors before the purchase is carried out.

Article 8: Announcing and reporting standards

Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within two days counting inclusively from the date of occurrence of the event:

- Acquisition or disposal of real property or right-of-use assets from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets from or to a related party where the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NTD 300 million or more. Nevertheless, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. Assets for mergers, demergers, acquisitions, or transfer of shares.
 3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
 4. When equipment or right-of-use assets for business use are acquired or disposed of, the

transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:

- (1) For a public company whose paid-in capital is less than NTD 10 billion, the transaction amount reaches NTD 500 million or more.
 - (2) For a public company whose paid-in capital is NTD 10 billion or more, the transaction amount reaches NTD 1 billion or more.
5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NTD 500 million.
6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NTD 500 million.
7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of paid-in capital or NTD 300 million; provided, this shall not apply to the following circumstances: The above shall not apply to the following circumstances:
- (1) Buying or selling government bonds.
 - (2) When done by professional investors-securities trading on securities exchanges or OTC markets domestically or overseas, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
 - (3) Trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The amount of transactions above shall be calculated as follows:

1. The amount of any individual transaction
2. The accumulated transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
3. The accumulated transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property within the same development project in a year.
4. The accumulated transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of negotiable securities within a year.

"Within the preceding year " used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these regulations need not be counted toward the transaction amount.

The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.

When a public company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowing such error or omission.

The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for five years except where another act provides otherwise.

Article 9: Announcing and reporting time limit

Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:

1. Change, termination, or rescission of a contract signed in regard to the original transaction
2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract
3. Change to the originally publicly announced and reported information

Article 10: For the Company's acquisition or disposition of property assets or other fixed assets, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets held for business use, if the transaction amount reaches 20% of the company's paid-in capital or NTD 300 million or more, the company should acquire the appraisal report issued by a professional appraiser before the date of the occurrence and meet the following regulations:

1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
2. Where the transaction amount is NTD 1 billion or more, appraisals from two or more professional appraisers shall be obtained.
3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are

higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:

(1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.

(2) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.

4. No more than three months may elapse between the date of the appraisal report issued by a professional appraiser. However, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 11: A public company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20% of the company's paid-in capital or NTD 300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission.

Article 12: Where a public company acquires or disposes of intangible assets or right-of-use assets or memberships and the transaction amount reaches 20% or more of paid-in capital or NTD 300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

Article 12.1: The calculation of the transaction amounts referred to in the preceding three articles shall be done in accordance with Article 31, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.

Article 13: When a public company acquires or disposes of assets through court auction procedures, a proof issued by the court may be substituted for the appraisal report or CPA opinion.

Article 14: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party.

Article 15: When a public company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10% or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions of the preceding Section and this Section. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 8.2. When judging whether a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 16: When the Company intends to acquire or dispose of real property or right-of-use assets from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NTD 300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets
2. The reason for choosing the related party as a transaction counterparty
3. For acquisition of property assets, related information should be evaluated according to Articles 17 and 18 regarding the reasonableness of anticipated transaction conditions
4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article
7. Restrictive covenants and other important stipulations associated with the transaction

The calculation of the preceding transaction amount should be done based on Article 8, and the term "within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these regulations need not be counted toward the transaction amount.

Between a public company and its parent company or subsidiaries for the acquisition or disposition

of equipment for business purposes, the Board of Directors shall comply with Article 16 to delegate the Chairperson to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting.

The Company has independent directors according to these regulations, and when submitting the case to the Board of Directors for discussion according to the first regulation, it is important to take each independent director's comment into good consideration and if an independent director shows disagreement or expresses reservation, the information should be recorded in the meeting minutes of the Board of Directors.

For companies setting up the audit committee according to these regulations, matters recognized by the supervisors in accordance with the first regulation should be first approved by a majority of the audit committee members and resolved by the Board of Directors. Paragraphs 4 and 5 of Article 6 apply.

Article 17: With respect to the Company's acquisition of real property from a related party, the reasonableness of the transaction cost should be appraised by the following methods:

1. It is based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70% or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

Where land and structures are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the method listed in the preceding paragraph.

A public company that acquires real property from a related party and appraises the cost of the real property in accordance with the preceding two paragraphs shall also engage a CPA to check the appraisal and render a specific opinion.

Where a public company acquires real property from a related party and one of the following conditions exists, the acquisition shall be conducted in accordance with Article 16, and the preceding three paragraphs do not apply:

1. Acquisition of real property by a related party through inheritance or as a gift
2. More than five years have elapsed from the time the related party signed the contract to obtain the real property to the signing date for the current transaction
3. The real property is acquired through signing of a joint development contract with the related

party, or through engaging a related party to build real property, either on the company's own land or on rented land.

If the Company acquires real property from a related party and the results of appraisals conducted in accordance with the regulations are uniformly lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside according to regulations against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. If the Company uses the equity method to account for its investment in another company, then the special reserve shall be set aside in a proportion consistent with the share of public company's equity stake in the other company.
2. Supervisors shall comply with Article 218 of the Company Act.
3. Actions taken for subparagraphs 1 and 2 shall be reported to at the shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. The Company has set aside a special reserve under the preceding paragraph and cannot utilize the special 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 the transaction, and the Securities and Futures Institute has given its consent.

When the Company obtaining real property from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms length transaction.

Article 19: The Company when engaging in derivatives trading shall comply with the Company's Procedure for Engagement in Derivative Instruments and related regulations and pay strict attention to control of risk management and auditing matters and implement the internal control system.

Article 19.1: For a public company engaging in derivatives transactions, the Board of Directors should implement supervision and management faithfully based on the following principles:

1. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.
2. Periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the company's permitted scope of tolerance. Senior management personnel authorized by the board of directors shall manage derivatives trading in accordance with the following principles:
 1. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Regulations and the procedures for engaging in derivatives trading formulated by the company.
 2. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the

board of directors; where a company has independent directors, an independent director shall be present at the meeting and express an opinion.

A company shall report to the latest meeting of the board of directors after it authorizes the relevant personnel to handle derivatives trading in accordance with its Procedures for Engaging in Derivatives Trading.

Article 20: A public company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board of directors to resolve on the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on 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 deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by a public company of a subsidiary in which it directly or indirectly holds 100% of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100% of the respective subsidiaries' issued shares or authorized capital.

A public company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to in paragraph 1 of the preceding article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. However, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply.

Where the shareholders meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restriction, or the proposal is rejected by the shareholders meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders meeting.

Article 21: A company participating in a merger, demerger, or acquisition shall convene a board of directors meeting and shareholders meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

A company participating in a transfer of shares shall call a board of directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent. When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following

information and retain it for five years for reference:

1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.
2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal adviser, the execution of a contract, and the convening of a board of directors meeting.
3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of board of directors meetings.

The company when conducting a merger, demerger, acquisition, or transfer of shares shall submit information of preceding paragraphs 1 and 2 presented in the required format via the Internet to the competent authority for inspection in two days after the date of the Board of Directors' resolution.

Article 22: The Company when participating in a merger, demerger, acquisition, or transfer of shares may not arbitrarily alter the share exchange ratio or acquisition price unless under the following circumstances, and shall stipulate the circumstances permitting alteration in the contract for the merger, demerger, acquisition, or transfer of shares:

1. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities
2. An action, such as a disposal of major assets, that affects the company's financial operations
3. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or transfer of shares from another company, buys back treasury stock
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares
6. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

The Company's contracts of merger, demerger, acquisition, or transfer of shares should specify related matters to protect the Company's interests.

Article 23: Subsidiaries' asset acquisition or disposition regulations

- (1) Subsidiaries' asset acquisition or disposition should be processed according to the parent company's regulations.
- (2) For a subsidiary that is not a public company in Taiwan shall be have the parent company process the report if the acquired or disposed assets reaching the standard for

announcement and report of Article 8.

- (3) "The transaction amount reaches 20% or more of paid-in capital of the Company" referred to in the announcement and report standards is based on the paid-in capital of the parent company.

The term "subsidiaries" refer to invested companies that the Company directly holds more than 50% of the issued voting shares or through other subsidiaries to hold more than 50% of the issued voting shares, or invested companies that the Company directly holds more than 50% of the issued voting shares through subsidiaries.

Article 24: Financial statement disclosure

If the Company's acquired or disposed assets reached the standards for announcement and reporting as stipulated in Article 8 of this procedure and the transaction counterparty is a substantive related party, then the Company should disclose the information in the financial statement and report the information at the shareholders' meeting.

Article 25: Date of implementation

Once approved by the Board of Directors, these regulations should be submitted to supervisors and to the shareholders' meeting for approval. If a director expresses disagreement, which is recorded or stated in writing, then the Company should submit the disagreement to the supervisor and to the shareholders' meeting for discussion.

When submitting the procedure of acquisition and disposal of assets by public companies to the Board of Directors for discussion according to the aforementioned regulation, it is important to take each independent director's comment into good consideration and the record their comments on or reasons for disagreement or agreement in the meeting minutes of the Board of Directors. The Company has set an audit committee, and to set up/revise the procedure of asset handling, it has to be approved by the majority of the audit committee members, and the case should be resolved by the Board of Directors.

If the aforementioned case was not approved by a majority of the audit committee members, then to implement it, the case has to be approved by more than two-thirds of all directors. The resolution of the audit committee should be recorded in the meeting minutes of the Board of Directors.

The number of "all audit committee members" and "all directors" mentioned in the preceding paragraph shall be the actual number of persons holding the position.

After setting up the audit committee, regulations on supervision of Paragraph 3 of Article 14.4 of the Securities and Exchange Act can be applied on the audit committee, and regulations of Paragraph 4 of Article 14.4 can be applied on audit committee members who are independent directors.

Article 26: For the calculation of 10% of total assets under these Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. If the shares issued by the Company have no par value or a par value other than NTD 10 per share,

the threshold transaction amount of 20% of paid-in capital shall be replaced by 10% of equity attributable to owners of the parent company as stated in the balance sheet.