

**Regulations
Governing
Procedure for
Board of Directors
Meetings**

Doc. Name	Regulations Governing Procedure for Board of Directors Meetings
Date	The second amendment was made on February 25, 2020
<p>Article 1. The Regulations are hereby formulated pursuant to Article 26-3(8) of the Securities and Exchange Act of the People's Republic of China (hereinafter referred to as the "Act").</p> <p>Article 2. A public company shall adopt rules of procedure for meetings of its board of directors; the main agenda items, operational procedures, required content of meeting minutes, public announcements, and other compliance requirements for board of directors meetings shall be handled in accordance with the Regulations.</p> <p>Article 3. A board of directors shall meet at least quarterly, which shall be set out in the rules of procedure.</p> <p>The reasons for calling a board of directors meeting shall be notified to each director and supervisor at least seven days in advance. In emergency circumstances, however, a meeting may be called on shorter notice.</p> <p>The notice set forth in the preceding paragraph may be effected by means of electronic transmission, after obtaining prior consent from the recipients thereof.</p> <p>All matters set out in the subparagraphs of Article 7, paragraph 1, shall be specified in the notice of the reasons for calling a board of directors meeting; none of them may be raised by an extraordinary motion except in the case of an emergency or legitimate reason.</p> <p>Article 4. A board of directors meeting shall be held at the location and during the business hours of the Company or at a place and time convenient to all directors and suitable for holding such a meeting.</p> <p>Article 5. The board of directors of a company shall appoint an agenda working group, which shall be specified in the rules of procedure.</p> <p>The agenda working group shall prepare agenda items for board of directors meetings and provide comprehensive pre-meeting materials, to be sent together with the notice of the meeting.</p> <p>A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request the agenda working group to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the board of directors.</p> <p>Article 6. Agenda items for regular board of directors meetings shall include at least the following:</p> <ol style="list-style-type: none"> 1. Reports: <ol style="list-style-type: none"> 1.1 Minutes of the last meeting and actions arising. 1.2 Reporting on important financial and business matters. 1.3 Reporting on internal audit activities. 1.4 Other important matters to be reported. 2. Discussions: <ol style="list-style-type: none"> 2.1 Items discussed and continued from the last meeting. 2.2 Items for discussion at this meeting. 3. Extraordinary motions. <p>Article 7. A company shall submit the following items for discussion by the board of directors:</p> <ol style="list-style-type: none"> 1. Corporate business plan. 	

2. Annual and semi-annual financial reports.
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and evaluation of the effectiveness of an internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of any equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
8. Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or the Articles of Incorporation to be approved by resolution at a shareholders' meeting or board of directors meeting, or any such significant matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means any individual donation or cumulative donations within a 1-year period to a single recipient at an amount of NTD100 million or more or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. (For foreign companies whose stock has no par value or a par value other than NTD10, the "5 percent of paid-in capital" in paragraph 2 above shall be calculated instead as 2.5 percent of shareholder equity.)

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

At least one independent director shall attend each meeting in person. In the case of a meeting concerning any matter required to be submitted for a resolution by the board of directors under paragraph 1, each independent director shall attend in person; if an independent director is unable to attend in person, he or she shall appoint a proxy to attend on their behalf. It shall be noted in the minutes of the board of directors meeting when an independent director has a dissenting or qualified opinion; if the independent director cannot attend the board of directors meeting in person to voice his or her dissenting or qualified opinion, he or she shall provide a written opinion before the board of directors meeting unless there are justifiable reasons for failing to do so, and the opinion shall be noted in the minutes of the board of directors meeting.

Article 8. If the board of directors delegates any exercise of its powers pursuant to laws or regulations or the Company's Articles of Incorporation apart from matters referred to in paragraph 1 of

the preceding article, which are required to be submitted for discussion by the board of directors, the level and substance of this delegation shall be concretely and specifically set out.

Article 9. When a board of directors meeting is held, an attendance book shall be made ready for signature by directors attending the meeting and thereafter be made available for future reference.

Directors shall attend the board of directors' meetings in person. A director who is unable to attend in person shall appoint a proxy in accordance with the Company's Articles of Incorporation. Attendance by video conference shall be deemed as attendance in person.

A director appointing a proxy to attend a board of directors meeting in his or her place shall in each case give to that proxy a written notice stating the scope of authorization with respect to the reasons for convening a meeting.

The proxy under paragraph 2 may accept a proxy request from one person only.

Article 10. Where a board of directors meeting is called by the chairperson of the board, the meeting shall be chaired by the chairperson. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.

Where a board of directors meeting is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the chairperson of the board is on leave or is for any reason unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson. If there is no vice chairperson or the vice chairperson is also on leave or is for any reason unable to act, a managing director or director shall be designated by the chairperson. If the chairperson does not make such a designation, then a managing director or director shall be elected by and from among themselves.

When holding a board of directors meeting, a company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting as nonvoting participants.

When necessary, the Company may also invite certificated public accounts, attorneys or other professionals to attend as nonvoting participants and to make explanatory statements provided that they shall leave the meeting when discussion or voting takes place.

Article 12. When the time of a meeting has arrived and one-half all board directors are not present, the chairperson may announce a delay in the start of the meeting provided that only two such postponements are made. If the quorum is still not met after two such delays, the chairperson shall re-call the meeting following the procedures provided in Article 3, paragraph 2.

The term "all board directors" as used in the preceding paragraph and in Article 17, paragraph 2,

subparagraph 2 shall be calculated as the number of directors then in office.

A board of directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.

The meeting chair may not declare the meeting closed without the approval of a majority of directors present at the meeting.

If the number of directors attending a board of directors meeting fall below half at any time, then upon motion by the directors sitting at the meeting, the chairperson shall declare a suspension of the meeting, in which case paragraph 1 of the preceding article shall apply mutatis mutandis.

Article 14. When the chairperson at a board of directors meeting is of the opinion that a matter has been sufficiently discussed for a vote, the chairperson may announce the discussion closed and bring the matter to a vote.

When a proposal comes to a vote at a board of directors meeting, if the chairperson puts the matter before all the directors present at the meeting and no one voices an objection, the matter is deemed approved.

The method of voting on matters at a board of directors meeting shall be specified in the rules of procedure. Except for the case of unanimous consent of all the directors present at the meeting upon inquiry [by the chairperson], the methods of vote monitoring and counting shall also be specified.

"All directors present at the meeting" in the preceding two paragraphs does not include directors prohibited from exercising voting rights pursuant to Article 16, paragraph 1.

Except as otherwise stated in the Securities and Exchange Act or in the Company Act, a resolution on a matter at a board of directors meeting requires the approval of a majority of the directors present at the meeting, which shall be attended by a majority of all directors.

Article 16. If any director or a juristic person represented by a director is an interested party with respect to any agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that agenda item. Furthermore this director shall enter recusal during discussion and voting on that agenda item, and may not act as another director's proxy to exercise voting rights on that matter.

Where the spouse or a blood relative within the second degree of kinship of a director or a company which has a controlling or subordinate relation with a director is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.

The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to the resolutions of board of directors' meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.

Article 17. The board of directors shall prepare a meeting minutes handbook that includes all appointments of senior staff, matters of company meetings, shareholders meetings, board of directors meetings and board committees attended by shareholders of any kind of

shares, including the names of directors attending each meeting.

Minutes shall be prepared for discussions at a board of directors meeting. The meeting minutes shall record the following:

1. Session (or year), time, and place of meeting.
2. Name of the meeting chairperson.
3. Those directors attending the meeting, specifying their names and the number of members present, excused or absent.
4. Names and titles of those attending the meeting as nonvoting participants.
5. Name of meeting minutes taker.
6. Matters reported on.
7. The method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director under Article 7, paragraph 5.
8. Extraordinary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, experts or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
9. Other matters required to be recorded.

Any of the following matters in relation to a resolution passed at a board of directors meeting shall be stated in the meeting minutes and within two days of the meeting be published on an information reporting website designated by the competent authority:

- (1) An independent director has a dissenting or qualified opinion which is on record or stated in a written statement.
- (2) If the Company has an audit committee, any matter that has not been passed by the audit committee, but has been adopted with the approval of two-thirds or more of all board directors without having been passed by the audit committee.

The attendance book forms a part of the minutes for each board of directors' meeting and shall be well preserved during the existence of the Company.

The minutes of a board of directors meeting shall bear the signature or seal of both the meeting chairperson and the meeting minutes taker; a copy of the minutes shall be distributed to each director within 20 days after the meeting and well preserved as important company records during the existence of the Company.

The meeting minutes of paragraph 1 may be produced and distributed in electronic form.

Article 18. A company shall record on audio or video tape the entire proceedings of a board of directors meeting and preserve the recordings for at least 5 years, in electronic form or

otherwise.

If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a board of directors meeting, the relevant audio or video recordings shall continue to be preserved until the litigation is concluded.

Where a board of directors meeting is held via tele- or video conferencing, the audio and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the Company.

Article 19. If there is one or more managing director on the board of directors, the provisions of Article 2, paragraph 2 of Article 3, Articles 4 to 6, Article 9, and Articles 11 to 18 shall apply mutatis mutandis to the procedure for meetings of the managing directors, provided that if a meeting of managing directors is scheduled to be convened within seven days, the notice to each managing director may be made two days in advance.

Article 20. The board of directors shall keep a general register of shareholders at such place as it may think fit within or outside the Cayman Islands, which shall record the details of and the number of shares held by the shareholders as well as other details required by the law.

Article 21. If the board of directors considers it necessary or appropriate, the Company may establish and maintain one or more branch register of shareholders at such location or locations it may think fit within or outside the Cayman Islands. The general and branch register of shareholders shall be considered the shareholder register referred to in the Articles of Incorporation.

Article 22. The board of directors may, at its full discretion, transfer the shares of the general register of shareholders to any branch register at any time or transfer the shares of any branch register to the general register or other branch registers.

Article 23. The board of directors of the Company shall consist of at least five (5) directors. Each director shall serve a term of 3 years and shall be subject to re-election.

Subject to applicable laws and regulations (including but not limited to the requirements for listed companies), the Company may increase or decrease the number of directors at any time by ordinary resolution, which shall be within the aforementioned number of directors.

Article 24. Unless otherwise approved by the competent authority, a spousal relationship or a familial relationship within the second degree of kinship may not exist among more than half of the directors.

Article 25. Where the directors elected in the shareholders' meeting do not meet the condition set forth in Article 24, the election of the director receiving the lowest number of votes among those not meeting the said condition shall be deemed invalid. Directors who violate the above provisions shall be dismissed.

Article 26. Unless otherwise provided in the Company Act for listed companies, the number of independent directors shall be no less than three (3). To the extent required by the Company Act for listed companies, at least one of the independent directors shall be domiciled in the ROC and at least one of them shall possess accounting or financial expertise.

Article 27. All independent directors shall possess professional knowledge, shall maintain their independence in performing their duties as independent directors, and shall not, either

directly or indirectly, have a conflict of interest with the Company. The professional qualifications, restrictions on shareholdings and concurrent positions, and independence of independent directors shall comply with the Company Act for listed companies.

Article 28. In compliance with laws and regulations, the Memorandum, the Articles of Incorporation as well as the instructions given by general resolutions, special resolutions, and supermajority resolutions of shareholders' meetings, the Company's business shall be managed by the board of directors that can exercise all the powers of the Company. If the actions of the board of directors are valid before the changes made to the Memorandum or to the Articles of Incorporation or the above instruction is made at the shareholders' meeting, the changes made to the Memorandum or to the Articles of Incorporation, and the above instruction that is made at the shareholders' meeting shall not cause such actions previously made by the board of directors invalid. The board of directors may exercise all entitled powers when the statutory attendance of a board of directors meeting is met.

Article 29. The Company shall issue shares with rights ("Preferred Shares"), which are preferential to those of ordinary shares issued by the Company for resolutions and extraordinary resolutions approved by a majority of directors present at a shareholders meeting that is attended by two-thirds or more of the total directors.

Article 30. The Company may pass one or more incentive measures approved by a majority of directors present at a shareholders meeting that is attended by two-thirds or more of the total directors. In such case, the Company may issue shares or options, stock options or other similar tools to employees of the Company and its affiliated companies. The rules and procedures for regulating such incentive plans should be consistent with the policies formulated by the board of directors, and shall comply with laws and regulations, the Memorandum, the Articles of Incorporation, and the Company Act for listed companies.

Article 31. The board of directors shall prepare a manual and supplementary materials for the shareholders' meeting in accordance with the Company Act for listed companies 15 days before the shareholders' meeting, which shall be sent or otherwise made available to all shareholders and posted on the Market Observation Post System.

If the board of directors fails to notify the shareholders of an extraordinary general meeting within 15 days from the date of the shareholder's request, the requesting shareholder may convene an extraordinary general meeting within the scope prescribed by the rules of procedures of the shareholders' meeting established by the board of directors and approved by an ordinary resolution.

Article 32. The board of directors may convene a shareholders' meeting. The board of directors shall convene an extraordinary general meeting immediately upon request from shareholders. The board of directors shall submit its business report and financial statements prepared for the annual general meeting of shareholders as well as appropriation or loss allowance resolutions to shareholders in accordance with the Company Act for listed companies. After they are approved at a shareholders' meeting, the board of directors shall distribute the approved financial statement and its copy, and the Company's appropriation or loss allowance resolutions to each shareholder.

Article 33. All checks, promissory notes, bills, other negotiable bills, and all receipts for payments to the Company shall be signed, issued, accepted, endorsed or signed in the manner determined by the board of directors.

Article 34. The board of directors may exercise all powers of the Company to make loans for the Company, set mortgages on the Company's guarantees, property, and uncalled capital or collect all or part of the fees or purchase directly or issue bonds, credit bonds, mortgages, corporate bonds or other related securities for the purpose of making guarantee for debts, liabilities or obligations for the Company or any third parties.

Article 35. Any director shall be dismissed under the following circumstances:

1. He/she gives notice to the Company in writing to resign as a director;
2. Death, bankruptcy or extensive agreement or settlement with its creditors;
3. An order is made by any competent court or official on the grounds that he/she is or will be suffering from mental disorder or is otherwise incapable of managing his/her affairs or his/her legal capacity is restricted according to the applicable laws;
4. He/she commits a felony and is subsequently adjudicated guilty by a final judgment, and the time elapsed since he/she has served the full term of the sentence is less than five years;
5. He/she commits any criminal offence of fraud, breach of trust or misappropriation and is subsequently punished with imprisonment for a term of more than one year, and the time elapsed since he/she has served the full term of such sentence is less than two years;
6. He/she is adjudicated guilty by a final judgment for misappropriating the Company's or public funds during the terms of his service, and the time elapsed after he/she has served the full term of such sentence is less than two years;
7. He/she is rejected for using bills, and the term of such sanction has not expired yet;
8. He/she is dismissed as a director by a supermajority resolution at a shareholders' meeting;
or
9. If any directors are deemed to have caused significant damage to the Company or violated relevant applicable laws and/or regulations, the Memorandum or the Articles of Incorporation during his/her term of office, and has yet to be dismissed by the Company by a supermajority resolution Shareholders holding more than 3% of the total issued shares shall be entitled to file an application to a court of competent jurisdiction to dismiss such director at the expense of the Company's expenses within 30 days from the date of resolution at the shareholders' meeting. Such director shall be dismissed when a final judgment has been made by the court of competent jurisdiction. If a court of competent jurisdiction is responsible for making the judgement for all people involved in a single or series of proceedings, then for the purpose of this article, the final judgment shall refer to the final judgment made by the court of competent jurisdiction.

In the event of any of the above circumstances described in clauses 2, 3, 4, 5, 6, or 7, such elected director shall be disqualified.

Article 36. The board of directors shall determine the minimum quorum required for holding a board of directors meeting. The quorum shall be more than half of the total number of elected directors unless otherwise stipulated by the board of directors. The Company shall hold a

by-election for a new director at the next shareholders meeting when the number of directors falls below five (5) due to the dismissal of a director. If the number of absent seats on the Company's board of directors reaches one third of the total number of elected directors, the board of directors shall convene a shareholders' meeting within 60 days to re-elect directors and fill the vacancy.

Article 37. The Company shall hold a by-election for director at the next shareholders meeting when the number of directors falls below two (2) due to the dismissal of an independent director.

If the independent directors are dismissed en masse, then an extraordinary general meeting shall be called within 60 days from the date of the occurrence to hold a by-election to fill the vacancies.

Article 38. Subject to the Articles of Incorporation, the directors may regulate their proceedings as they think fit. Any motions shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote.

Article 39. A person may participate in a board of directors meeting or board committees by phone or other communication equipment that enables communication with other participants. Attending a meeting via telecommunications will be deemed attendance in person. The time and place for a board of directors meeting or board committees shall be at the office of the Company and during business hours or at a place and time convenient to the directors and suitable for holding such meeting.

Article 40. All written resolutions (one or more copies) signed by all directors or members of all board committees shall have the same effect as the resolutions passed by the board of directors or board committees convened in accordance with the laws.

Article 41. Any director or senior officer of the Company authorized by any director that calls a board of directors meeting shall issue a written notice to each director at least seven days in advance, which shall include an overview of issues to be discussed, save for those exempted from notice by all directors before, during or after the meeting.

Article 42. Re-appointed directors may perform their duties as directors without being affected by the vacancies of dismissed directors. However, if the number of re-appointed directors is less than the number of directors required in the Articles of Incorporation, the re-appointed directors may only call a shareholders' meeting, while other activities are prohibited.

Article 43. The board of directors shall formulate the procedures for board of directors meetings in accordance with its resolutions. The procedure shall comply with the Articles of Incorporation and Company Act for listed companies.

Article 44. All acts made at any board of directors meeting or board committee shall be valid as if every director are duly elected and qualified to be a director despite defects subsequently found in the election process for any director or if any director is found not to be qualified as a director.

Article 45: A director may be represented at any board of directors meeting by a proxy appointed in writing by him/her. The proxy shall count towards the quorum, and the vote of the proxy shall be deemed to be made by the appointing director.

Article 46. A director may hold any other concurrent paid position in the Company during their tenure

as a director. The board of directors may decide on the period, conditions and remuneration of such a position.

Article 47. Directors are eligible for the appropriation of company profits and remuneration, the amount and percentage of which shall be determined by the board of directors and approved by an ordinary resolution at a shareholders' meeting. However, the total amount shall not exceed 5% of the Company's annual net profit. Such payment can only be made until the Company has calculated its annual net profit. Directors also have the right to demand payment of all travel expenses, accommodation and other expenses reasonably incurred by attending board of directors meetings or board committees, the Company's shareholders' meetings, shareholders' meetings of any particular class of shares, corporate bondholders' meetings or other company business. Other expenses, either for the director's remuneration or who chooses to mix the first method and the second method mentioned above, provided that it shall comply with the Company Act for listed companies. The Company may also pay the directors for the performance of their duties based on their contribution to operations, taking into account the general salary level and method of the industry.

Article 48. Directors may act on behalf of the Company within his/her professional field as an individual or his/her company unless otherwise prohibited by law or the Company Act for listed companies. The director or his/her company has the right to receive fees for professional services provided at an amount equivalent to what a non-director may receive for providing the said services.

Article 49. If a director acts for himself/herself or on behalf of others within the business scope of the Company, he/she shall disclose the key interests to shareholders at a shareholders' meeting and obtain approval by a supermajority resolution before conducting in such action. If a director violates the provisions of this Article and commits the act for himself/herself or on behalf of others, shareholders may require the director to surrender any and all income derived from the act by an ordinary resolution within the past year only.

Article 50. Regardless of whether this Article violated any provisions, directors who have personal interests in the matters discussed at a board of directors meeting and whose interests may conflict with the interests of the Company shall not exercise voting rights or act on behalf of other directors. For directors who shall not exercise voting rights or act on behalf of other directors in accordance with the above regulations, their voting rights shall not be included in the number of voting rights of directors who have attended the board of directors meeting.

Article 51. The board of directors may delegate any of its powers to a committee composed of one or more directors, provided that it complies with the Company Act for listed companies. Executive directors or directors holding other administrative positions may be appointed to exercise their powers when necessary. However, if the appointed executive director is suspended as a director, the appointment shall be withdrawn. Any such appointment shall be subject to the conditions set by the board of directors, subordinate to or independent of the power of the board of directors, and may be withdrawn and amended. If the provisions of the Articles of Incorporation governing the board of directors are amended, the

aforementioned board committees shall also be subject to such provisions (if applicable).

Article 52. The board of directors shall establish a committee, appoint any person as a manager or proxy responsible for managing Company affairs, and designate any director as a member of the committee. Any such designation shall be subject to the conditions set by the board of directors, subordinate to or independent of the power of the board of directors, and may be withdrawn and amended. If the provisions of the Articles of Incorporation governing the board of directors are amended, the aforementioned committees shall also be subject to such provisions (if applicable).

Article 53. Directors may appoint the Company's agent by a power of attorney or other means according to the conditions set by the board of directors. However, the power of attorney shall not exclude the director's power and may be withdrawn by the director at any time.

Article 54. The board of directors may appoint any company, law firm, individual or subject (whether nominated directly or indirectly by the board of directors) as an agent or authorized signatory of the Company through a power of attorney or other means. Those appointed as such shall be entitled to the powers, authorization and discretion (but shall not exceed the powers entitled or exercisable by the board of directors in accordance with this Articles of Incorporation) under the conditions and period deemed appropriate by the board of directors. Any authorization and other appointments may include provisions deemed appropriate by the board of directors regarding the protection of and the provision of convenience to persons appointed or authorized signatories. Directors may also authorize agents or authorized signatories to delegate their powers, authorization and discretion.

Article 55. The board of directors shall appoint the senior management necessary to perform the obligations as appropriate under the conditions set provided that the provisions on disqualification and dismissal are not violated. Senior management shall be dismissed by a resolution at a board of directors meeting or shareholders' meeting unless otherwise indicated in the terms of their appointment.

Article 56. The Company shall establish an audit committee composed of all independent directors, one of whom shall be the convener. At least one member must possess accounting or financial expertise as per the Company Act for listed companies. Resolutions passed by the audit committee shall be approved by one-half or more of the committee members. The rules and procedures of the audit committee shall comply with the policies proposed by the members of the audit committee and approved by the board of directors at all times. The relevant policies shall comply with the provisions of laws, Memorandums of Association, Articles of Incorporation, and Company Act for listed companies as well as the instructions and requirements of the Financial Supervisory Commission or the TWSE (if any).

Article 57. Any of the following company matters shall be approved by one-half or more of the audit committee members, and submitted to the board of directors for resolution:

1. Formulation or amendment of the Company's internal control system;
2. Assessment of the effectiveness of the internal control system;
3. Formulation or amendment of handling procedures for financial or operational actions of material significance to the Company, such as acquisition or disposal of assets, derivatives

- trading, extension of monetary loans to others or endorsements or guarantees for others;
4. Matters involving the personal interests of the directors;
5. Major assets or derivatives transactions;
6. Significant loaning of funds, providing endorsements/guarantees;
7. Raising, issuing or, privately placing equity-type securities;
8. Appointment, dismissal, and compensation of CPAs;
9. Appointment and dismissal of the head of finance, accounting, and internal audit;
10. Annual and semi-annual financial reports; and
11. Any other matter so determined by the Company from time to time or required by any competent authority overseeing the Company.

Any of the items 1 through 11 of the above that has not been approved with the consent of one-half or more of the audit committee members may be undertaken only upon the approval of two-thirds or more of all directors except for item 10 without regard to the restrictions of the preceding paragraph, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.

Article 58. The Regulations shall be implemented from the date of issuance.