Chapter I  General Principles

Article 1  These Regulations are adopted in accordance with the provisions of Article 36-1 of the Securities and Exchange Act and the Regulations Governing the Acquisition and Disposal of Assets by Public Companies (the “Rules”) as promulgated by the Financial Supervisory Commission (the “FSC”). The Company shall handle the acquisition or disposal of assets in compliance with these Regulations; provided, where the Rules or other financial laws or regulations provide otherwise, such provisions shall govern.

Article 2  The term "assets" as used in these Regulations includes the following:
1.  Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficiary certificates, and asset-backed securities.
2.  Real properties (including lands, houses and buildings, investment real estates, rights to use lands, and construction inventories) and equipment.
3.  Memberships.
4.  Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5.  Right-of-use assets.
6.  Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7.  Derivatives.
8.  Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9.  Other material assets.

Article 3  Terms used in these Regulations are defined as follows:
1.  Derivatives: forward contracts, options contracts, futures contracts, leverage contracts, and swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable;
or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.

2. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other applicable laws, or to acquire title 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, paragraph 8 of the Company Act.


5. Professional appraiser: a real property appraiser or other person duly authorized by law to provide appraisal services with respect to real property or equipment.

6. Date of Occurrence: the date of contract execution, date of payment, effective date of consignment sale, date of title transfer, date of board resolutions, or such other date that the counterparty and monetary amount of the transaction can be determined, whichever date is the earliest; provided, 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.

7. Mainland China investment: investments in the mainland China conducted in accordance with the provisions of the Regulations Governing Permitted Investment or Technical Cooperation in the Mainland China promulgated by the Investment Commission of the Ministry of Economic Affairs.

8. Securities exchange: "domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.

9. Over-the-counter venue ("OTC market", "OTC"): "domestic OTC market" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC market" refers to a venue at a financial institution that is
regulated by the foreign competent authority and that is permitted to conduct securities business.

10. 10 percent of total assets: the amount shall be computed based on 10 percent of the total assets stated in latest separate financial statements or individual financial statements as prescribed in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 4 Professional appraisers and their officers, certified public accountants, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, expiration of probation or grant of pardon.
2. May not be a related party or de facto related party of any party to the transaction.
3. If the Company is required to obtain appraisal reports from two or more professional appraisers, these professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

Article 5 Where a Director objects to the Company's proposed acquisition and disposal of assets, which, pursuant to these Regulations or other applicable laws and regulations, requires to be approved by the Board of Directors, and such dissenting opinion is recorded in the minutes or reduced to writing, the Company shall submit the Director's dissenting opinion to the Audit Committee.
Where a proposal for acquiring or disposing of assets is submitted to the Board of Directors for discussion pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.
All material assets or derivatives transactions shall be subject to the approval of the majority of all Audit Committee members, and be presented to the Board of Directors for resolution. If the approval by the majority of all Audit Committee members is not obtained, such transactions may still be implemented if approved by more than two-thirds of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.
The terms "all Audit Committee members" and "all Directors" referred to in the preceding paragraph shall be the persons currently in office.

Chapter II
Assets Acquisition or Disposal Procedures

Article 6
The Company shall obtain an appraisal report from a professional appraiser prior to the Date of Occurrence of its acquisition or disposal of its real properties. In acquiring or disposing of equipment or the right-of-use assets thereof, or the real property right-of-use assets, where the transaction amount reaches or exceeds 20 percent of the Company's paid-in capital or NT$300 million, the Company, unless transacting with a domestic government agency or acquiring or disposing of equipment, or right-of-use assets thereof held for business use, shall obtain an appraisal report from a professional appraiser prior to the Date of Occurrence of the event.

In addition to the provisions of the preceding two paragraphs, the Company shall further comply with the following provisions in acquiring or disposing of its real properties, equipment, or right-of-use assets thereof:

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, and the same procedure shall be followed whenever there is any subsequent change to the terms and conditions of the transaction.

2. Where the transaction amount reaches or exceeds NT$1 billion, appraisals from two or more professional appraisers shall be obtained.

3. Where any of the following circumstances occurs 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 reappraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation of the R.O.C.(the “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 percent or more of the transaction amount.
   (2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.

4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date;
provided, where the announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.

The Company's total amount on investment real estates (not for business use) and right-of-use assets thereof shall be subject to the provisions of the Insurance Act and relevant regulations; and each subsidiary's total investment amount on its investment real estates (not for business use) and right-of-use assets thereof shall be subject to the regulations promulgated by its own competent authorities.

### Article 7
Before acquiring or disposing of any securities, the Company shall, prior to the Date of Occurrence of the event, obtain the issuer's most recent financial statements audited or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the transaction amount reaches or exceeds 20 percent of the Company's paid-in capital or NT$300 million, the Company shall additionally engage a certified public accountant ("CPA") prior to the Date of Occurrence of the event to provide a fairness opinion regarding the transaction price. If the CPA needs to use any expert opinions as supporting documents, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF, provided however that the above requirement does not apply, if such securities have publicly quoted prices from an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (the "FSC").

The Company's total investment amount on all securities in aggregate and on individual securities shall be subject to the provisions of the Insurance Act and the relevant regulations; and each subsidiary's total investment amount on all securities in aggregate and on individual securities shall be subject to the regulations promulgated by its own competent authorities.

### Article 8
Except for transacting with domestic government agencies, where the Company acquires or disposes of intangible assets or right-of-use assets thereof, or memberships and the transaction amount reaches 20 percent or more of its paid-in capital or NT$300 million, the Company shall engage a CPA prior to the Date of Occurrence of the event to render a fairness opinion on the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

### Article 9
The calculation of the transaction amounts referred to in Articles 6, 7, and 8 shall be made in accordance with Article 27, paragraph 2 herein, and "within the preceding year" as used herein refers to one 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 pursuant to these Regulations need not be counted toward the transaction amount.
Article 10  Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 11  Amount and level of authorization: subject to the Company’s Guidelines on Investment Authorization and other internal authorization rules. Responsible unit and transaction flow: each transaction shall be approved and recognized by the respective unit responsible for relevant business based on internal authorization prescribed in the Company’s rules or the unit’s own internal procedures.

Article 12  The Company shall follow the rules set forth below:
1. the Company shall ensure that its subsidiaries adopt and implement the procedures for the acquisition or disposal of assets in compliance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
2. the Company shall ensure that its subsidiaries to examine if their internal procedures set forth for the acquisition or disposal of assets are in compliance with the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, and if their transactions for acquisitions or disposals of assets are in compliance with such procedures.
3. Where its subsidiaries are not domestic public companies, provided that their acquisitions or dispositions of assets are required to be disclosed as prescribed in Chapter VI of these Regulations, the Company shall ensure that they inform the Company of such transactions prior to the Date of Occurrence of the event, and make all relevant public disclosure and reports on their behalf.
4. the Company shall conduct internal audit to review and examine its subsidiaries' self-audit reports and relevant matters for compliance herewith.

Chapter III Related Party Transactions

Article 13  When the 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 in compliance with the provisions under the preceding Chapter and this Chapter, if the transaction amount reaches or exceeds 10 percent 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 Chapter.
The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with Article 9 herein.
When judging whether a trading counterparty is a related party, the Company shall take into consideration the substance of their relations in addition to legal
formalities.

Article 14 When the Company intends to acquire or dispose of real property or right-of-use assets thereof 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 thereof from or to a related party and the transaction amount reaches or exceeds 20 percent of its paid-in capital, 10 percent of its total assets, or NT$300 million, unless in case of domestic government bond transactions, bonds under repurchase/resale agreements, subscription or redemption of domestic money market funds issued by domestic securities investment trust enterprises, or unless otherwise prescribed in the Rules or other applicable laws and regulations, the Company may not enter into a transaction contract or make a payment until the following materials have been submitted to and approved by the Audit Committee and the Board of Directors:

1. the purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
2. the reason for choosing the related party as a trading counterparty.
3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 15 and Article 16.
4. The date and price at which the related party originally acquired the real property, the original trading counterparty, and that trading counterparty's relationship to the Company and the related party.
5. Monthly cash flow forecasts for the year commencing from the month scheduled for contract execution, 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 contractual provisions associated with the transaction.

The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 27, paragraph 2 herein, and "within the preceding year" as used herein refers to one year preceding the Date of Occurrence of the current transaction. Items that have been approved by the Board of Directors in accordance with these Regulations need not be counted toward the transaction amount.

With respect to the type of transactions listed below to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or capital, the Board of Directors may pursuant to Article 11 authorize the Chairperson to decide such
transactions within a certain amount and submit such transactions to the next Board of Directors meeting for ratification:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real property right-of-use assets held for business use.

Where a matter is submitted to the Board of Directors for discussion pursuant to the first paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. If an Independent Director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.

A matter submitted for discussion to the Audit Committee pursuant to the first paragraph shall be approved by the majority of all Audit Committee members. If approval of the majority of all Audit Committee members is not obtained, the matter may be implemented if approved by more than two-thirds of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.

The terms "all Audit Committee members" and "all Directors" in the preceding paragraph shall be the persons currently in office.

Article 15

When acquiring real properties or right-of-use assets thereof from a related party, the Company shall evaluate the reasonableness of the transaction costs by the following means:

1. 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 computed based on 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 reached or exceeded 70 percent of the financial institution's appraised loan value of the property and the loan shall have been disbursed for more than 1 year. However, this shall not apply where the financial institution is a related party of one of the trading counterparties.

Where land and buildings thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the buildings may be separately appraised in accordance with either of the means listed in the preceding paragraph.
When acquiring real properties or right-of-use thereof from a related party, the Company shall appraise the cost of the real property or right-of-use thereof in accordance with paragraph 1 and paragraph 2 as well as engage a CPA to check the appraisal and render a specific opinion.

Where acquiring a real property or right-of-use thereof from a related party under one of the following circumstances, the Company shall conduct such transaction in accordance with Article 14 and the preceding three paragraphs do not apply:

1. The related party acquired the real property or right-of-use thereof through inheritance or as a gift.
2. More than 5 years have elapsed from the time the related party signed the contract to obtain the real property or right-of-use thereof to the contract execution date for the current transaction.
3. The real property is acquired under a development arrangement with a related party, such as signing a joint construction agreement with a related party, or engaging a related party to build on the Company's own land or on rented land.
4. The real property right-of-use assets for business use are acquired between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or capital.

Article 16

When the results of the Company's appraisal conducted in accordance with preceding Article are consistently lower than the transaction price, the matter shall be handled in compliance with Article 17 of the Regulations; provided however, such restriction shall not apply to any of the following circumstances, if substantive evidence has been submitted and specific opinions on reasonableness of price have been obtained from a professional real property appraiser and a CPA:

1. Where the related party acquiring undeveloped land or leased land for development is able to submit proof of compliance with one of the following conditions:
   (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and buildings according to the related party's construction cost plus reasonable construction profit, the aggregate value of which are in excess of the actual transaction price. The aforementioned "reasonable construction profit" shall be determined by the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
   (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same building or neighboring parcels of land,
where the land areas and transaction terms are similar after calculation of reasonable price discrepancies in floor or location in accordance with standard property market sale or leasing practices.

2. Where the Company is able to provide evidence that the terms of the transaction that it acquires real property or obtains real property right-of-use assets through leasing from a related party are similar to the terms of completed transactions for the acquisition of neighboring land of a similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and either within a distance of no more than 500 meters or at comparable announced current values; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the area of the property in the planned transaction; within the preceding year refers to one year preceding the Date of Occurrence of the acquisition of the real property or the right-of-use assets thereof.

Article 17

When the Company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with Article 15 and Article 16 are consistently lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the transaction price and the appraised cost of the real estate or the right-of-use assets thereof, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph 1 of the Securities and Exchange Act shall be set aside in a proportion consistent with the share of public company's equity stake in the other company.

2. The Independent Directors of the Audit Committee shall exercise their powers in accordance with Article 218 of the Company Act.

3. Actions taken pursuant to subparagraph 1 and subparagraph 2 shall be reported to a Meeting of Shareholders, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

The Company having set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of or terminated, 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 FSC has given its consent.

When acquiring a real property or right-of-use assets thereof from a related party, the Company shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arm’s length transaction.

Chapter IV

Procedures for Derivatives Trading

Article 18

When engaging in derivatives trading, the Company shall comply with its Procedures for Derivatives Trading in addition to provisions of the Regulations Governing Foreign Investments by Insurance Companies, the Regulations Governing Derivatives Transactions Conducted by Insurance Companies.

Chapter V

Mergers and Consolidations, Demerger, Acquisitions, and Transfer of Shares

Article 19

When conducting a merger, demerger, acquisition, or transfer of shares, prior to convening the Board of Directors to resolve on the matter, the Company 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 such opinion to the Board of Directors for deliberation and approval. However, the requirement of obtaining an aforesaid fairness opinion issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or capital, and in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100 percent of the respective subsidiaries’ issued shares or capital.

Article 20

When participating in a merger, demerger, or acquisition, the Company shall prepare a public report to shareholders detailing important contractual terms and matters relevant to the merger, demerger, or acquisition prior to the Meeting of Shareholders and include such document along with the expert opinion referred to in paragraph 1 of the preceding Article when sending shareholders the meeting notice for reference in deciding whether to approve the merger, demerger, or acquisition, provided that, where a provision of another statute exempts the Company from convening a Meeting of Shareholders to approve the merger, demerger, or acquisition, this restriction shall not apply.

When the shareholders’ meeting of the Company or any other party 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 Company shall immediately explain to the public the reason, the follow-up measures, and the proposed date of the next Meeting of Shareholders.

Article 21

When participating in a merger, demerger, or acquisition, the Company shall convene a Board of Directors meeting and a Meeting of Shareholders on the
same days as other participating companies to resolve matters relevant to the merger, demerger, or acquisition, unless another statute provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

When participating in a transfer of shares, the Company shall call a Board of Directors meeting on the same day as the trading counterparty, unless another statute provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

If the Company is listed on an exchange or has shares traded on an OTC market, when participating in a merger, demerger, acquisition, or transfer of shares, the Company shall prepare a full written record of the following information and retain it for 5 years for inspection:

1. Basic identification data for personnel: including the 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 Shares prior to public 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 advisor, the execution of a contract, and the convening of a Board of Directors meeting.

3. Important documents and minutes: including merger, demerger, acquisition, and transfer of share plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.

If the Company is listed on an exchange or has shares traded on an OTC market when participating in a merger, demerger, acquisition, or transfer of shares, the Company shall, within 2 days commencing immediately from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC for recordation.

In case any party of a merger, demerger, acquisition, or transfer of shares is neither listed nor traded on an OTC market, other participating companies with their shares so listed or traded shall sign an agreement with such company, and shall proceed pursuant to paragraphs 3 and 4.

Article 22 The Company shall require everyone participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares to issue a written undertaking of confidentiality providing that he or she may not disclose the content of the plan prior to public disclosure of the information and may not trade, in his or her own name or under the name of another person, in any stock or other equity securities
of any company related to the plan for merger, demerger, acquisition, or transfer of shares.

Article 23  When participating in a merger, demerger, acquisition, or transfer of shares, the Company may not arbitrarily alter the share exchange ratio or acquisition price except for circumstances specified below, 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 securities representing equity interests.

2. An action, such as a disposal of material assets, that affects the Company's financial or business 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 repurchases its treasury stock according to law.

5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.

6. Other adjustment terms/conditions provided under the contract that have been publicly disclosed.

Article 24  The contract of merger, demerger, acquisition, or transfer of shares shall specify the rights and obligations of the parties, and shall also specify the following:

1. Handling of breach of contract.

2. Principles for the handling of equity-type securities previously issued or treasury stock previously repurchased by any company that is dissolved in a merger or that is demerged.

3. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.

4. The manner of handling changes in the number of participating entities or companies.

5. Anticipated progress schedule for plan execution, and anticipated completion date.

6. Scheduled date for convening a shareholders’ meeting if the plan fails to complete within the deadline, and relevant procedures.

Article 25  After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a
merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company’s shareholders’ meeting has adopted a resolution authorizing its board of directors to amend the project, such participating company may be exempted from convening another shareholders’ meeting to resolve on the matter anew.

Article 26 Where any of the companies participating in a merger, demerger, acquisition, or transfer of shares is not a public company, the Company shall sign an agreement with such non-public company, and shall proceed pursuant to the provisions of Articles 21, 22, and 25 of these Regulations.

Chapter VI Public Disclosure of Information

Article 27 Under any of the following circumstances, unless otherwise prescribed in the Rules or other applicable laws and regulations, the Company, acquiring or disposing of assets, shall announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days commencing immediately from the Date of Occurrence of the event:

1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches or exceeds 20 percent of the Company’s paid-in capital, 10 percent of the total assets, or NT$300 million; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription/redemption of money market funds issued by domestic securities investment trust enterprises.

2. Merger, demerger, acquisition, 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. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, the transaction counterparty is not a related party, and the transaction amount reaches NT$ 1 billion or more.

5. Where real estate is acquired under an arrangement on engaging others to build on the Company’s own land, engaging others to build on rented land, allocation of buildings under a joint construction project, distribution of profits under a joint construction project, or separate sale of real estate under a joint construction project, the transaction counterparty is not a related party, and
the amount the Company expects to invest in the transaction reaches NT$500 million.

6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or a mainland China investment reaches or exceeds 20 percent or more of the Company’s paid-in capital or NT$300 million; provided, this shall not apply to the following circumstances:
   (1) Trading of domestic government bonds.
   (2) Securities trading on securities exchanges or OTC markets, 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.
   (3) Trading of bonds under repurchase/resale agreements, 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 cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.
3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof under the same development project within the preceding year.
4. The cumulative transaction amount of acquisitions and disposals (to be accumulated separately for acquisitions and disposals) of the same securities within the preceding year.

"Within the preceding year" as used in the preceding paragraph refers to one 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 itself 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 the Company at the time of announcement makes an error or omission in an item legally required to be announced and therefore is required to make any correction, all the items shall be again announced and reported in their entirety.
within 2 days counting inclusively from the date of knowing of such error or omission.

When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and the opinions issued by CPA, attorney, and securities underwriter respectively at the Company's headquarter, where they shall be retained for 5 years except where otherwise provided by another statute.

Article 28
Where any of the following circumstances occurs with respect to a transaction that the Company has already announced and reported in accordance with the preceding article, a public disclosure and report of relevant information shall be made on the information reporting website designated by the FSC within 2 days commencing immediately from the Date of Occurrence of the event:
1. Any change, termination, or rescission of a contract signed in regard to the original transaction.
2. Failure to complete the merger, demerger, acquisition, or transfer of shares by the scheduled date set forth in the contract.
3. Any change to the information previously announced and reported.

Chapter VII Other Material Provisions

Article 29
Relevant persons violating the provisions of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies or these Regulations shall be disciplined in accordance with the Company's internal rules.

Article 30
Information required to be announced and reported in accordance with the provisions of Chapter VI on acquisitions and disposals of assets by a subsidiary of the Company that is not itself a public company in Taiwan shall be reported by the Company.

The paid-in capital or total assets of the Company shall be the standard for determining whether or not a transaction of the subsidiary referred to in the preceding paragraph reaches the thresholds of 20 percent of the paid-in capital or 10 percent of the total assets under Article 27, paragraph 1 requiring a public disclosure and report.

Article 31 DELETED

Article 32
Any amendment to these Regulations shall be approved by the Audit Committee and the Board of Directors, and be adopted by the resolution of the most recent Meeting of Shareholders. Where any Director expresses dissent, verbally with record in the minutes or by a written statement, the Company shall submit the Director's dissenting opinion to each member of the Audit Committee.

Where a matter 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 an Independent Director objects to or expresses reservations about any matter, such dissenting opinion or reservation shall be recorded in the minutes of the Board of Directors meeting.

A proposal submitted to the Audit Committee in accordance with the provisions of the first paragraph shall be approved by the majority of all Audit Committee members. If approval by the majority of all Audit Committee members is not obtained, the proposal may still be implemented if approved by more than two-thirds of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.

The terms "all Audit Committee members" and "all Directors" referred to in the preceding paragraph shall be the persons currently in office.

Article 33 Any matters set forth in these Regulations shall be governed by applicable laws and regulations, as amended from time to time.

applicable laws, rules, and regulations