1. Purpose: All endorsements and guarantees provided by the Company shall be governed by these Procedures and shall be handled in strict accordance with the provisions set forth herein.

2. Scope of Application

2.1 Financing endorsements and guarantees include:

2.1.1 Financing through the discounting of negotiable instruments.

2.1.2 Endorsements or guarantees provided for the purpose of facilitating the financing of another company.

2.1.3 The issuance by the Company of a separate negotiable instrument in favor of a non-financial enterprise as security for financing obtained by the Company.

2.2 Customs Duty Endorsements and Guarantees: Endorsements or guarantees provided in connection with customs matters involving the Company or any other company.

2.3 Other Endorsements and Guarantees: Any endorsement or guarantee that does not fall within the categories set forth in Sections 2.1 or 2.2.

2.4 The provision by the Company of its movable or immovable property as collateral, through the creation of a pledge or mortgage, to secure borrowings of another company.

3. Eligible Parties for Endorsements and Guarantees

3.1 The Company may provide endorsements and guarantees only to the following entities:

3.1.1 A company in which the Company directly or indirectly holds more than fifty percent of the voting shares.

3.1.1.1 Where the Company provides an endorsement or guarantee to a company in which it directly or indirectly holds more than fifty percent of the voting shares, all shareholders participating in the joint investment shall jointly provide endorsements and guarantees to the investee company in proportion to their respective ownership interests before such endorsement or guarantee may be provided.

3.1.1.2 Notwithstanding the preceding subparagraph, where the Company provides an endorsement or guarantee to a company in which it directly or indirectly holds more than fifty percent of the voting shares, the Chairperson of the Board may, based on actual business needs, submit the matter to the Board of Directors for approval in accordance with these Procedures. Upon approval by the Board, the endorsement or guarantee may be implemented without being subject to the proportional investment requirement set forth in the preceding subparagraph.

3.1.2 A company that directly or indirectly holds more than fifty percent of the Company's voting shares.

3.1.3 Endorsements and guarantees may be provided among companies in which the Company directly or indirectly holds ninety percent or more of the voting shares, provided that the aggregate amount of such endorsements and guarantees shall not exceed ten percent of the Company's net worth. The foregoing limitation shall not apply, however, to endorsements and guarantees among companies in which the Company directly or indirectly holds one hundred percent of the voting shares.

3.1.4 The restrictions set forth in the preceding two subparagraphs shall not apply where: (i) companies in the same industry mutually provide guarantees pursuant to contractual requirements arising from construction projects; (ii) joint constructors mutually provide guarantees pursuant to contract; (iii) all investing shareholders jointly provide endorsements and guarantees to an investee company in proportion to their respective shareholding percentages by reason of a joint investment relationship; or (iv) companies in the same industry provide joint and several guarantees for the performance of presale residential property sales contracts in accordance with applicable consumer protection laws and regulations.

3.1.5 For purposes of the preceding subparagraph, the term investment means either a direct investment made by the Company or an indirect investment made through a company in which the Company directly or indirectly holds one hundred percent of the voting shares.

3.2 For purposes of these Procedures, the terms subsidiary and parent company shall be construed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

4. Limits on Endorsements and Guarantees

4.1 The aggregate amount of all endorsements and guarantees provided by the Company to external parties shall not exceed fifty percent of the Company's net worth as reflected in its most recent financial statements.

4.2 The aggregate amount of endorsements and guarantees provided to any single enterprise shall not exceed twenty percent of the Company's net worth as reflected in its most recent financial statements.

4.3 The combined outstanding balance of endorsements and guarantees, long-term investments, and loans extended to any single enterprise shall not exceed thirty percent of the Company's net worth as reflected in its most recent financial statements.

4.4 The aggregate amount of endorsements and guarantees provided by the Company and its subsidiaries shall not exceed fifty percent of the consolidated net worth of the Company and its subsidiaries as reflected in their most recent financial statements.

4.5 The aggregate amount of endorsements and guarantees provided by the Company and its subsidiaries to any single enterprise shall not exceed twenty percent of the consolidated net worth of the Company and its subsidiaries as reflected in their most recent financial statements.

4.6 If the aggregate amount of endorsements and guarantees available to be provided by the Company and its subsidiaries exceeds fifty percent of the Company's net worth, the Company shall provide an explanation of the necessity and reasonableness thereof at a shareholders' meeting.

4.7 If the financial reports of the Company are prepared in accordance with the International Financial Reporting Standards, the term net worth as used in these Procedures shall mean the equity attributable to owners of the parent as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

4.8 Where a subsidiary has issued no-par value shares or shares with a par value other than NT$10 per share, the amount of its paid-in capital for purposes of the calculation under Section 6.6 of these Procedures shall be the sum of its share capital and capital surplus arising from share premium.

5. Approval Authority and Authorization Levels

5.1 Before providing any endorsement or guarantee on behalf of another party, the Company shall conduct a prudent evaluation and comprehensive review to determine whether the proposed transaction complies with applicable laws and regulations and these Procedures. The evaluation results shall be submitted to the Board of Directors for approval prior to implementation.

5.1.1 Where the Company has appointed independent directors, full consideration shall be given to the views of each independent director. Any express opinion of an independent director, whether in support of or in opposition to the proposal, together with the reasons for any objection, shall be recorded in the minutes of the Board meeting.

5.1.2 The Board of Directors may authorize the Chairperson of the Board to approve endorsements and guarantees in accordance with these Procedures, provided that the aggregate amount does not exceed NT$50,000,000 or its equivalent in U.S. dollars. Any endorsement or guarantee so approved shall thereafter be submitted to the Board of Directors for ratification, and a report of the actions taken shall be submitted to the shareholders' meeting for record.

5.1.3 Before any subsidiary in which the Company directly or indirectly holds ninety percent or more of the voting shares provides an endorsement or guarantee pursuant to Section 3.1.3, such matter shall first be approved by the Company's Board of Directors. This requirement shall not apply, however, to endorsements and guarantees between companies in which the Company directly or indirectly holds one hundred percent of the voting shares.

5.2 Where, due to operational requirements, the Company must provide an endorsement or guarantee in excess of the limits prescribed under these Procedures, and the proposed transaction otherwise satisfies the requirements set forth herein, the excess amount shall be subject to approval by the Board of Directors. In such event, more than one-half of all directors shall execute a joint guarantee in their individual names with respect to any potential losses that may arise from the excess amount, and the Company shall amend these Procedures accordingly and submit the amendment to the shareholders' meeting for ratification. If the shareholders' meeting declines to ratify the excess amount, the Company shall adopt a plan to eliminate the excess portion within a specified period.

6. Procedures for Processing Endorsements and Guarantees

6.1 Prior to providing any endorsement or guarantee, the proposed beneficiary shall submit a written application to the Company's Finance Department. The Finance Department shall conduct appropriate credit due diligence, perform a risk assessment, and maintain written records of its evaluation. Upon completion of the review, the application shall be submitted to the President and the Chairperson of the Board for approval. Where deemed necessary, the Company shall require the provision of adequate collateral.

6.2 The Finance Department shall conduct credit due diligence and a risk assessment with respect to the proposed beneficiary. Such assessment shall include, at a minimum, the following:

6.2.1 The necessity and commercial reasonableness of the proposed endorsement or guarantee.

6.2.2 Whether the amount of the proposed endorsement or guarantee is justified in light of the financial condition of the proposed beneficiary.

6.2.3 Whether the aggregate outstanding amount of endorsements and guarantees remains within the applicable limits prescribed by these Procedures.

6.2.4 Where the endorsement or guarantee is provided by reason of a business relationship, whether the amount of the endorsement or guarantee is commensurate with, and remains within the prescribed limit relative to, the amount of business transactions between the parties.

6.2.5 The potential impact on the Company's operational risk, financial condition, and shareholders' equity.

6.2.6 Whether collateral should be obtained and, if so, the appraised value thereof.

6.2.7 The credit investigation report and risk assessment records supporting the proposed endorsement or guarantee.

6.3 The Finance Department shall maintain a register recording, in detail, the identity of the beneficiary, the amount of the endorsement or guarantee, the date of approval by the Board of Directors or authorization by the Chairperson of the Board, the effective date of the endorsement or guarantee, and all matters required to be prudently evaluated pursuant to the preceding section.

6.4 The Finance Department shall assess and, where applicable, recognize any contingent losses arising from endorsements and guarantees, ensure that all required disclosures relating to endorsements and guarantees are properly included in the Company's financial reports, and provide the Company's independent certified public accountant with all relevant information necessary to perform the required audit procedures.

6.5 If, due to a change in circumstances, the beneficiary of an endorsement or guarantee no longer satisfies the eligibility requirements under these Procedures or the amount of the endorsement or guarantee exceeds the applicable limit, the Company shall formulate a corrective action plan, submit such plan to the Audit Committee for review, and complete the corrective actions in accordance with the implementation schedule.

6.6 Where the beneficiary of an endorsement or guarantee is a subsidiary whose net worth is less than one-half of its paid-in capital, the Company shall require such subsidiary to submit a corrective action plan, submit the relevant plan to the Audit Committee for review, and ensure that the corrective actions are completed in accordance with the implementation schedule.

7. Cancellation of Endorsements and Guarantees

7.1 Where any document or negotiable instrument relating to an endorsement or guarantee is to be released as a result of repayment of the underlying obligation or renewal and replacement thereof, the beneficiary shall submit a formal written request together with the original endorsement or guarantee documents for the approval of the Chairperson of the Board. Upon such approval, the documents shall be delivered to the Company's Finance Department, which shall affix a "Cancelled" stamp thereto and return them to the beneficiary. The written request shall be retained for record purposes.

7.2 The Finance Department shall promptly record each cancellation in the endorsement and guarantee register to reflect the corresponding reduction in the outstanding amount of endorsements and guarantees.

8. Internal Control

8.1 The Company's internal auditors shall conduct an audit of these Procedures and their implementation at least quarterly and prepare written audit records. Upon discovery of any material violation, the internal auditors shall promptly notify the Audit Committee in writing.

8.2 The Company shall process all endorsements and guarantees in accordance with these Procedures. Any material violation shall be subject to appropriate disciplinary action against the responsible managerial personnel and the personnel directly responsible, taking into account the nature and severity of the violation.

9. Custody and Procedures for the Corporate Seal

9.1 The corporate seal registered by the Company with the Ministry of Economic Affairs shall serve as the exclusive seal for endorsements and guarantees. The corporate seal and any guarantee instruments shall be kept separately by designated custodians. The affixation of the corporate seal and the issuance of guarantee instruments shall be carried out in accordance with the prescribed procedures. Any appointment, replacement, or transfer of the custodian responsible for the corporate seal shall be subject to the prior approval of the Board of Directors.

9.2 Where the Company provides a guarantee on behalf of a foreign company, any letter of guarantee issued by the Company shall be executed by a person duly authorized by the Board of Directors.

10. Public Announcement and Reporting Procedures

10.1 The Company shall publicly announce and report the outstanding balance of endorsements and guarantees of the Company and its subsidiaries for the preceding month on or before the tenth day of each month. In addition, where any of the following thresholds is met, the Company shall make the required public announcement and filing within two days following the date of occurrence:

10.1.1 The aggregate outstanding balance of endorsements and guarantees provided by the Company and its subsidiaries reaches fifty percent or more of the Company's net worth as reflected in its most recent financial statements.

10.1.2 The outstanding balance of endorsements and guarantees provided by the Company and its subsidiaries to any single enterprise reaches twenty percent or more of the Company's net worth as reflected in its most recent financial statements.

10.1.3 The outstanding balance of endorsements and guarantees provided by the Company and its subsidiaries to any single enterprise reaches NT$10,000,000 or more, and the aggregate of (i) such outstanding balance, (ii) the carrying amount of investments in such enterprise accounted for under the equity method, and (iii) the outstanding balance of loans extended to such enterprise reaches thirty percent or more of the Company's net worth as reflected in its most recent financial statements.

10.1.4 Any newly provided endorsement or guarantee by the Company or any subsidiary reaches NT$30,000,000 or more and also equals or exceeds five percent of the Company's net worth as reflected in its most recent financial statements.

10.2 If any subsidiary of the Company is not a domestic public company and any event specified in the preceding paragraph requires public announcement and reporting, the Company shall make such announcement and filing on behalf of the subsidiary.

10.3 For purposes of these Procedures, public announcement and reporting means the electronic filing of the required information through the information reporting website designated by the Financial Supervisory Commission.

10.4 For purposes of these Procedures, the date of occurrence means the earliest of the date of execution of the relevant agreement, the date of payment, the date of the Board of Directors' resolution, or any other date on which both the transaction counterparty and the transaction amount become ascertainable.

11. If any subsidiary of the Company intends to provide an endorsement or guarantee on behalf of another party, the Company shall require such subsidiary to adopt its own Procedures for Endorsements and Guarantees in accordance with the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, and to process all endorsements and guarantees in accordance with such procedures.

12. Any matters not expressly provided for in these Procedures shall be governed by the applicable laws and regulations and the relevant internal rules and policies of the Company.

13. Effectiveness and Amendments

13.1 The adoption of, or any amendment to, these Procedures shall be approved by more than one-half of all members of the Audit Committee, approved by resolution of the Board of Directors, and thereafter submitted to the shareholders' meeting for approval.

13.2 If the approval required under the preceding Section is not obtained from more than one-half of all members of the Audit Committee, the matter may nevertheless be approved by the affirmative vote of at least two-thirds of all directors. In such event, the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.

13.3 For purposes of Section 13.1, the term "all members of the Audit Committee", and for purposes of Section 13.3, the term "all directors," shall refer to those members and directors who are actually in office.

14. Reference Forms / Attachments:

14.1 Register of Endorsements and Guarantees (Form No. FHt-TA-01)