

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 23, 2019

Applied Optoelectronics, Inc.
(Exact name of Registrant as specified in its charter)

Delaware
(State or incorporation)

001-36083
(Commission File Number)

76-0533927
(I.R.S. Employer Identification No.)

13139 Jess Pirtle Blvd.
Sugar Land, TX 77478
(address of principal executive offices and zip code)

(281) 295-1800
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, Par value \$0.001	AAOI	NASDAQ Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On July 23, 2019, Prime World International Holdings, Ltd. (“Prime World”), a wholly owned subsidiary of Applied Optoelectronics, Inc., entered into a one-year revolving credit facility totaling 100,000,000 NTD (the “NT\$100M Credit Line”) and 1,000,000 USD (the “US\$1M Credit Line”) with Taishin International Bank in Taiwan (the “Bank”). Borrowing under the NT\$100M Credit Line will be used for short-term working capital; the borrowing under the US\$1M Credit Line will be strictly used for spot transactions in the foreign exchange market. The NT\$100M Credit Line and US\$1M Credit Line are collectively referred to as the “Credit Facility”.

Prime World may draw upon the Credit Facility from July 23, 2019 through July 31, 2020. The term of each draw shall be either 90 or 120 days. Borrowings under the NT\$100M Credit Line will bear interest at a rate of 2.25% for 90 day draws and 2.2% for 120 day draws; borrowings under the US\$1M Credit Line will bear interest equal to the Bank’s foreign exchange rate effective on the day of the applicable draw. At the end of the draw term Prime World will make payment for all principal and accrued interest.

Prime World’s obligations under the Credit Facility will be secured by a promissory note executed between Prime World and the Bank. The agreements for the Credit Facility contain representations and warranties, and events of default applicable to Prime World that are customary for agreements of this type.

The foregoing description of the Credit Facility does not purport to be a complete statement of the parties’ rights and obligations under the Credit Facility and is qualified in its entirety by reference to the translation of the full text of the Approval Notice of Credit Line, General Agreement for Financial Transaction, Credit Facility Agreement, and Promissory Note which are attached as Exhibit 10.1 through 10.4 to this Current Report on Form 8-K and are incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained in Item 1.01 of this Current Report on Form 8-K with respect to the Amendment is incorporated by reference herein and made a part hereof.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 10.1 [Translation of the Approval Notice of Credit Line.](#)
- 10.2 [Translation of the General Agreement for Financial Transaction, dated July 23, 2019, between Prime World International Holdings Ltd. and Taishin International Bank.](#)
- 10.3 [Translation of the Credit Facility Agreement, dated July 23, 2019, between Prime World International Holdings Ltd. and Taishin International Bank.](#)
- 10.4 [Translation of the Promissory Note, dated July 23, 2019, between Prime World International Holdings Ltd. and Taishin International Bank.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Applied Optoelectronics, Inc.

By: /s/ David C. Kuo
Name David C. Kuo
Title: General Counsel and Vice President

Date: July 29, 2019

Approval Notice of Credit Line

I. Regarding the related transactions between your company and the Bank, the transaction conditions approved by the Bank are as follows:

Amount Unit: One thousand NTD

Transaction Type	Credit Line	Interest Rate	Usage/Note
1. Comprehensive Credit Line	100,000		
(1) Short term loan - Import 0/A	(100,000)	Negotiable on a case-by-case basis	1. Revolving loans 2. 120-day repayment period 3. The current reference rate for 120-day period is 2.2% 4. A copy of the Invoice must be obtained before the loan can be issued; credited in full amount; the remittance restricted only to the suppliers (must not be enterprises/individuals)
(2) Short term loan	(100,000)	Negotiable on a case-by-case basis	1. Revolving loans 2. 90-day repayment period 3. The current reference rate for 90-day period is 2.25%
2. Financial Derivatives Credit Line - Hedging	USD 1,000	Negotiable with Financial Marketing Department	1. Shall restrict only for spot transactions in the foreign exchange market. 2. The part of the hedging amount that exceeds 30% of the MTM loss needs to be replenished with margin or deposit within two business days.
Total	100,000+ USD 1,000		Maturity Date: July 31,2020

Additional (special) conditions:

1. From August 1, 2019, the Bank will quarterly check and review if the amount of your company's average deposit during each quarter (exclude the cash deposited in the account and pledge of a banking deposit) is more than or equal to **30%** of the average credit amount during each quarter.
2. From August 1, 2019, the Bank will quarterly check and review if the amount of the fund transfer between you and your non-related parties during each quarter is more than or equal to **USD 2 million**.
3. Please provide the Quarterly Consolidated Financial Statements of your parent company ("AOI") before August 31, 2019 and November 30, 2019, and March 15, 2020 and May 31, 2020 for the Bank's reference.
4. Before the loan can be issued, a **letter of responsibility** issued by **Prime World International Holdings Ltd.** shall be required.
5. At the end of each quarter (**March, May, August, and November**), the **Applied Optoelectronics, Inc.'s shareholding** in Prime World International Holdings Ltd. shall be checked, which must not be less than **100%**.
6. Other matters not mentioned herein shall be governed by the Bank's related policy.

II. Under the above-mentioned conditions, if there are difficulties obtaining the funds due to market factors, or these conditions cannot properly reflect the costs of the Bank's acquisition for the related funds, the Bank reserves the rights to make the adjustments in a timely manner to the amounts of the loan, usage, and the re-determination of the loan interest rates.

III. We kindly request your company/your good self to check with the relevant documents for signing and other matters.

Kind Regards

Prime World International Holdings Ltd.
Taiwan Branch

Customer Confirmation with Signature
The company/I have fully understood the above content and agreed that it is a part of the agreement signed with the Bank.

Date: July 8, 2019



Taishin International Bank

General Agreement for Financial Transaction



Taishin International Bank

General Agreement for Financial Transaction

The Customer and Taishin International Bank (hereinafter referred to as “the Bank”) agree to use this General Agreement for Financial Transaction (hereinafter referred to as “this Agreement”) as the standard of both parties in terms of Financial Transactions that have been made or to be made. All requirements, instructions, confirmations, transactional contracts and other documents signed or issued by the Customer apply to all promises of this Agreement and constitute one part of this Agreement, unless otherwise expressly stated in this Agreement. **All transactions made in accordance with this Agreement and confirmations that proved transactions, along with this Agreement, constitute the single consensus between the Customer and the Bank.**

Chapter I General Terms and Conditions

1. Definition

Unless otherwise specified, the following definitions will apply to the situations below within this Agreement and Individual Transactional Contracts:

- (1) “Financial Transaction” or “Transaction”: Financial Transactions made from time to time between the Bank and the Customer, including but not limited to Spot transactions or Forward transactions of Currency, Currency exchange, exchange rate Option, Forward Rate Agreement, index swap, Cross Currency Swap, Exchange of Assets, Structured Products, Credit Derivatives, Equity Derivatives, Commodity Derivatives, and all other financial derivative transaction contracts. All Financial Transactions within this Agreement are not protected by deposit insurance.
- (2) “Business Day”: Refers to the Business Day of the Bank in the region of Taipei City in Taiwan, Republic of China, and the Foreign Currency part are applicable to the international market practice; if there are special provisions in individual transactional contracts, subject to the agreement of this contract.
- (3) “Currency”: Refers to new Taiwan Currency and any other country’s legal tender that the Bank agrees to deal with.
- (4) “Foreign Currency”: Refers to any other country’s legal tender other than new Taiwan Currency.
- (5) “Spot”: Transactions made on the trade date, the first Business Day after the transaction date or the second Business Day after the transaction date for substantive settlement or balance settlement.
- (6) “Forward”: Transactions that specify a future Business Day as the expiration date on the trade date, and deal with substantive settlement or balance settlement at a specific price and specified amount.
- (7) “Forward Rate Agreement”: Transactions that specify a future period as the interest period on the trade date, and deal with interest receipt and payment at a specific interest rate and specified amount.
- (8) “Interest Rate Swap”: Transactions that use different interest rate index of single Currency as exchange goal to exchange interest or interest differential.
- (9) “Currency Swap”: Transactions that buy (sell) some foreign exchanges in the Spot market, and at the same time sell (buy) equivalent amount of foreign exchanges in the Forward market.
- (10) “Cross Currency Swap”: Transactions that exchange principal and interest between different currencies.
- (11) “Exchange of Assets” (ECB/CB Asset Swap): Exchange of Assets that use profits and equity related convertible bonds as the target.
- (12) “Credit Derivatives”: Transactions that use credit and its relevant interest as the goal, including but not limited to credit protection transactions, credit swap, credit default swap, credit spread transactions, and so on.
- (13) “Equity Derivatives”: Transactions that use stock and its relevant interest as the goal, including but not limited to equity or equity index Option, equity or equity index exchange transactions, and so on.
- (14) “Commodity Derivatives”: Transactions that use commodity price as the goal, including but not limited to Commodity Swap, Commodity Option and Commodity Forward.
- (15) “Option”: The agreement that the capital of the Option commit that the Buyer with the Option has the right (but not the obligation) to buy/sell a target interest from/to him at the time of the exercise of the Option (including American, European, Bermuda, and so on).
- (16) “Call Option”: Refers to the right (but not the obligation) that the holder can buy a target from the Option Seller at Strike Price, which is also known as Call Option.
- (17) “Put Option”: Refers to the right (but not the obligation) that the holder can sell a target to the Option Seller at Strike Price, which is also known as Put Option.

- (18) “Buyer”: Refers to one party who buy or hold the Option.
- (19) “Seller”: Refers to the Seller of the Option.
- (20) “Currency Option Agreement”: The transaction that the Buyer of the Option commit that Buyer with the Option has the right (but not the obligation) to buy a designated Currency from him and/or sell another designated Currency to him at the time of the exercise of the Option.
- (21) “Knock-in”: When the Spot price reaches an agreed price, the Option comes into effect.
- (22) “Knock-out”: When the Spot price reaches an agreed price, the Option becomes invalid.
- (23) “Cap”: At the agreed Fixing Date, when the market interest rate is higher than the performance interest rate, the Option Buyer has the right to execute the interest differential profit between the market interest rate and the performance interest rate (not the obligation), and the Option Seller has the obligation to pay the interest differential between the market interest rate and the performance interest rate to Buyer when the Buyer exercise the Option.
- (24) “Floor”: At the agreed Fixing Date, when the market interest rate is lower than the performance interest rate, the Option Buyer has the right to execute the interest differential profit between the market interest rate and the performance interest rate (not the obligation), and the Option Seller has the obligation to pay the interest differential between the market interest rate and the performance interest rate to Buyer when the Buyer exercise the Option.
- (25) “American”: The Option to exercise on any Business Day before expiring date (including expiring date).
- (26) “European”: The Option to exercise only on the expiring date.
- (27) “Bermuda”: The Option to exercise on any agreed Option exercise date.
- (28) “Fixing Date”: The Business Day on which price comparison is made between the market price and the contracting price.
- (29) “Premium”: Refers to the Option consideration that Option Buyer paid to Seller, that is, the amount of money Option Seller obtained due to the sale of the Option.
- (30) “Strike Price”: Refers to the consideration that should be paid for buying or selling a specified Currency or other target asset according to contract provisions when exercising the Option.
- (31) “Sold Option by Customer”: Refers to the Option that Customer sells to the Bank.
- (32) “Option with Intrinsic Value”: Refers to the situation where Buyer is willing to exercise the Option when the Option dealing goal’s Spot price is beneficial to Buyer compared with its set price.
- (33) “Maturity Date/Termination Date”: The Maturity Date of each Financial Transaction contract made according to this Agreement.
- (34) “Settlement Day”: Refers to the Business Day on which substantive settlement or balance settlement is made, unless otherwise agreed in individual transactional contract, which is usually the Fixing Date or the second Business Day after the maturity Date.
- (35) “Structured Product”: Refers to the Structured Product transaction that combines fixed income products with financial derivatives (such as Option), and it can join a large number of goals, including transactional contracts derived from interest rate, exchange rate, stock price, index, commodity, credit event or other interests and their combinations. Structured Product is not a general traditional savings account, but an investment. Its profit and loss are influenced by many factors, such as the price of the target asset, the volatility of the index or the performance, or the occurrence of the agreed credit event. In the situation where certain conditions are met, the profit of Structured Product may be higher than that of the common simple deposit rate; otherwise, it may reduce and erode the investment principal. **The Bank doesn’t promise to return all investment principal when the agreement is terminated before maturity, and modest capital preservation at maturity is depending on the condition set up. Each Structured Product transaction that ordered by Customer according to this Agreement takes the Structured Product Transaction Confirmation as the voucher.**
- (36) “Electronic Transmission Mode”: From time to time, the Bank decides or works out Electronic Transmission Mode for communication between the Bank and the Customer, including telephone, fax, interactive visualized information system, computer, terminal or other electronic or telecommunication equipment.
- (37) “Calculation Agent”: Refers to the calculation of each amount, interest rate, exchange rate, price, profit, cost, and so on involved in this Agreement and individual transactional contract, and the identification of the occurrence of each event referred by individual transaction’s product specification or Transaction Confirmation, as well as other conditions must be identified or calculated or adjusted by Calculation Agent.
- (38) “Customer”: If this Agreement is signed jointly by a Customer, which is a securities investment trust limited liability company (hereinafter referred to as the “trust company”), on behalf of its raised funds/private placements, together with the custodial bank, the Customer referred to in this Agreement shall, unless otherwise agreed, refer to the trust company, the custodian bank and the fund in principle. Also, this Agreement is an agreement on financial derivative instrument transactions between the funds and the Bank.
- (39) “Confirmation Letter” or “Transaction Confirmation”: means a document containing the transaction conditions (including but not limited to the amount, the term, etc.) and special terms and conditions agreed between the Customer and the Bank, which is issued by the Bank after it receives the instruction of the Customer to make a Financial Transaction.
- (40) “Close-out Amount”: For each terminated transaction, it refers to losses suffered or commonly incurred (expressed with positive figures) due to the economic interests which shall be restored in or provided to the Bank, including the economic interests (1) which shall be equivalent to that specified in the principal provisions concerning the relevant terminated transactions (including the equivalent economic interests that both parties shall pay or provide concerning terminated transaction according to this Agreement in case of no Termination Date has occurred), and economic interests (2) which shall be equivalent to the Options enjoyed by both parties in relation to the terminated transaction, or refers to the interests realized or commonly realized (expressed with negative figures) by the Bank. Any Close-out Amount shall be determined in good faith by the Bank.

- (41) "Termination Currency": shall be calculated in NTD, and if the NTD does not circulate freely, this shall be calculated in US dollars.
- (42) "Termination Currency Equivalent": For amounts settled in the Termination Currency, it refers to the amount of the Termination Currency; for amounts settled in currencies other than the Termination Currency ("other currencies"), it refers to the amount of the Termination Currency required for the purchase of such amount of other currencies with a Spot rate chosen by the Bank on the relevant Termination Date, or if the Bank settles the amount on a later date, it refers to the amount of the Termination Currency required for the purchase of such amount of other currencies with the Spot rate at approximately 11:00 am Taipei time on this later date.

Except as otherwise provided in this Agreement or in the Confirmation Letters of the individual transaction contracts, the terms used in this Agreement and the Confirmation Letters of the individual transaction contracts shall give priority to the application of the latest version of the definitions made by International Swaps and Derivatives Association, Inc. (or ISDA) whenever applicable, or shall be interpreted in accordance with relevant laws of the Republic of China or current market practices.

Matters that are not covered in this Agreement are subject to the Confirmation Letters of individual transactions, condition descriptions/product descriptions or current market practices. If there are any inconsistencies between provisions, the following order of priority shall apply: verbal or written transaction contracts (including Confirmation Letters), special provisions under this Agreement, General Provisions under this Agreement.

2. Individual Transaction Contracts

- (1) Price offering: The Customer may at any time request the Bank to provide reference prices for individual transactions. However, unless the Bank and the Customer establish separate transaction contracts in accordance with this Agreement, the prices provided by the Bank shall not be binding on neither party.
- (2) Condition description/Product description: The Bank has the right to provide a description on an individual transaction to the Customer for reference, and the Bank has the right to change any transaction conditions in the description at any time. However, unless the Bank and the Customer establish relevant transaction contracts according to this Agreement, the description provided by the Bank shall not be binding on neither party. And if there are any additions, deletions or changes made to the description, the Bank shall keep the Customer informed.
- (3) Advices: Though the Customer may ask for advices on the transactions from the Bank, the advices shall only be used for the Customer's reference. All transactions shall be conducted in the sole judgment of the Customer. The Bank shall not be responsible for any gains or losses from the transactions. The Customer also undertakes that it will not recover any losses from the Bank in respect of any of the Bank's advices on the transactions under any circumstances. The Bank has the absolute right to refuse to provide any advices depending on the circumstances.
- (4) Offer or Instruction: The Customer must issue a transaction offer or instruction to the Bank for individual transactions. For the purpose of this Agreement, the Customer hereby requests and authorizes the Bank to accept the offer or instruction given by the Customer verbally or in writing or by any other means approved by the Bank (collectively "Instructions"). These Instructions may be withdrawn before the Bank completes the transaction. The Bank shall act in accordance with the instructions of the Customer whether they are given verbally, in writing or otherwise. Each person listed in the "Power of Attorney for Authorized Transaction Personnel" made under this Agreement shall be the person authorized by the Customer to act on his/her behalf to give instructions to the Bank. Unless and until the Bank actually receives any written notice of withdrawal or amendment of the "Power of Attorney for Authorized Transaction Personnel", the Bank should follow the instructions of the original "authorized transaction personnel". The Customer expressly agrees that, the fact whether the instructions made by the authorized personnel who are listed in the "Power of Attorney for Authorized Transaction Personnel" are indeed the very ones executed shall rely on the records preserved by the Bank for verification. The Bank shall not be responsible for any losses suffered by the Customer (including any errors or omissions during the delivery of any instructions), except for those caused by the intentional or gross negligence of the Bank. And the Customer agrees to make up for any loss, damages, or expenses incurred or committed by the Bank due to such errors or required actions taken by the Bank. Notwithstanding the above provisions, the Bank may refuse any instructions at its discretion.
- (5) When the Bank accepts a transaction offer or instruction from the Customer, the corresponding individual transaction contract is established immediately and shall be binding on both parties. The Bank shall confirm it with the Customer in accordance with the provisions of Article 3.
- (6) Transaction documents: According to the regulations of the Bank, individual transaction contracts can be established verbally or in writing.
- (7) Verbally and in writing: "Verbally" means the instructions are delivered personally or through a phone call by the person authorized by the Customer; and the Customer agrees that the Bank may record and archive the conversation between the two parties to serve as evidence. "In writing" means that the instructions are delivered through an original (including electronic files) file or a facsimile copy or a file transmitted in a way approved by the Bank, and the Customer agrees that such a facsimile copy or a file transmitted in other ways shall have the same force as the original one, and that the Bank may act on such files for instructions, and the Customer shall raise no objection to this, and shall send the original files to the Bank for filing within ten days after the fax or transmission. If the Bank believes that the text or data in the facsimile copy is ambiguous or doubtful, it shall confirm with the Customer and the copy shall be seen as valid only after it has been confirmed. "Other means approved by the Bank" means electronic transaction or other agreed transaction methods that have been approved by the Bank.

3. Confirmation

- (1) Confirmation by telephone: The Bank may confirm the essential conditions of the transaction with the authorized confirmation personnel designated by the Customer via a telephone on the completion date of the transaction. If the Bank has not confirmed via telephone, the validity of the transaction shall not be affected.
- (2) Written confirmation: Except for Spot transactions, the Bank shall send a Confirmation Letter to the Customer within five Business Days from the day after the day of completion of the transaction. Once the Customer confirmed the transaction, it shall stamp on the Confirmation Letter the confirmation seal as shown in the letter of authorization, and shall send it back to the Bank. If the Customer has any doubts about the matters contained in the Confirmation Letter, it shall raise an objection immediately to the Bank by phone. The Bank shall verify the debatable transaction conditions raised by the Customer. When a verbal or written transaction differs from the information contained in the Confirmation Letter, the verbal or written transaction shall prevail. If the Customer has not filed an objection within three Business Days after the Confirmation Letter was delivered (or seen as delivered) in the manner indicated in this Agreement, it is regarded that the Customer has accepted and agreed to the content of the Confirmation Letter, and the Customer shall raise no objection. After receiving an objection notice from the Customer, the Bank will verify the objection filed by the Customer and make a decision. The decision made by the Bank shall prevail unless it is obviously erroneous. If the Bank has verified that the Confirmation Letter was incorrect, the Confirmation Letter shall be resent. If the Customer has completed delivery or settlement before sending back the Confirmation Letter, it shall be deemed that the transaction has been confirmed, but the Customer is still obliged to send the Confirmation Letter back. If the Bank finds that the Confirmation Letter sent to the Customer is incorrect or different from the content of the verbal transaction, the Bank has the right to resend the Confirmation Letter to the Customer.
- (3) Electronic transmission system confirmation (including but not limited to the corporate financial network system of the Bank): The Bank may send an electronic Transaction Confirmation in place of a written Transaction Confirmation. The Customer agrees and is aware of that:
 - A. Although not expressly indicated in the electronic Transaction Confirmation, the electronic Transaction Confirmation shall form the Confirmation Letter referred to in this Agreement.
 - B. The electronic Transaction Confirmation shall form or be appended as part of this Agreement. Except as otherwise agreed in the contents of the electronic Transaction Confirmation, the provisions under this Agreement and all types of contracts executed through electronic transmission system shall apply to the electronic Transaction Confirmation.
 - C. In case the Customer intends to confirm transactions with the corporate financial network service system, he shall apply to the Bank for the use of the corporate financial network service, and confirm every derivative transaction with the Bank through the corporate financial network service system (hereinafter referred to as the System) as agreed in the *Application for Corporate Financial Service System of Taishin International Commercial Bank*. Additionally the Customer shall set authorized confirmation personnel and user code, password on the system by himself; the same action shall be performed if any change occurs; the authorized confirmation personnel is set and managed by the Customer, and the Customer understands and promises that the authorized transaction personnel and the authorized confirmation personnel of the same transaction shall not be the same person, but the Bank is not responsible for confirming the identity of the confirmation personnel and whether he is the same person as the transaction person. All confirmations based on valid user code and password are deemed as done by the authorized confirmation personnel, and are binding on the Customer.
 - D. After the Customer and the Bank perform the Financial Transactions referred to in this Agreement, the Bank shall transmit Transaction Confirmation of the transactions made by the Customer to the System, and shall notify the Customer of the transaction messages to be confirmed by email. The confirmation personnel authorized by the Customer shall confirm the messages on the System immediately. If the Customer has doubts on the items contained in the electronic Transaction Confirmation, he should immediately click "incorrect transaction content, reject" and select the objected items to inform the Bank. The Bank shall verify the debatable transaction conditions raised by the Customer. If more than two authorized confirmation person deal with the same Transaction Confirmation at the same time, the first confirmation or rejection message sent to the system shall prevail. For the time being, others cannot confirm or reject this transaction. Verbal transactions shall prevail when there are differences between verbal transactions and items contained in the electronic Transaction Confirmation. If the Customer does not raise an objection within three Business Days after the electronic Transaction Confirmation is sent by the Bank, it shall be considered that the Customer accepts and agrees with no objections that the items contained in the electronic Transaction Confirmation are correct. After receiving objection notices from the Customer, the Bank will verify the corresponding content of the objection raised by the Customer and make decisions. The decisions made by the Bank shall prevail unless it is obviously erroneous. If the Bank verified that there are mistakes in the electronic Transaction Confirmation, the electronic Transaction Confirmation shall be re-transmitted and the Customer shall be notified by e-mail. The Customer shall reconfirm it immediately. If the Customer has completed delivery or settlement before confirming the electronic Transaction Confirmation, the Customer shall be deemed to confirm the transaction message, but he is still obliged to confirm the electronic Transaction Confirmation. If the Bank finds that the electronic Transaction Confirmation transmitted to the Customer is incorrect or different from the content of the verbal transaction, the Bank has the right to re-transmit the electronic Transaction Confirmation to the Customer.

E. In case the Customer intends to confirm the transaction with other electronic transmission systems that have been approved by the Bank and opened to the public, the Customer shall sign relevant covenant separately with the Bank.

(4) Application of Confirmation Definition and Interpretation

A. Unless otherwise stipulated in the content of the Transaction Confirmation, the relevant definitions and terms (including the subsequent supplements and amendments) of the ISDA 1998 FX and Currency Option Definitions (including the subsequent amendments) published by the International Swaps and Derivatives Association, Inc., the Emerging Markets Traders Association, and the Foreign Exchange Committee are applicable to Transaction Confirmation of foreign exchange transactions and Currency Option transactions; the relevant definitions and terms (including the subsequent supplements and amendments) of the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. are applicable to Transaction Confirmation of other Financial Transactions.

B. In case of any inconsistency between the applicable definition file agreed in the preceding paragraph and the Transaction Confirmation, the Transaction Confirmation shall prevail for relevant transactions.

4. Settlement and Delivery

When an individual transaction is completed, the following transaction methods apply unless otherwise specified in the confirmation of individual transaction:

- (1) "Close Position": The Customer has the right to close out part or all of the original transaction with a reversing transaction.
- (2) "Close Position Settlement": Profit and loss arising from closing a position are paid by the losing party to the counter party. The Customer agrees that the profit and loss of the close position shall be calculated by the Bank. If only a part of the transaction is closed out, the part of the transaction which is not closed out shall continue to be valid and shall be binding on both the Customer and the Bank.
- (3) "Delivery": For payables of individual transaction contract, the Customer shall deliver the funds that are immediately available and conform to the agreed Currency to the Bank on the appointed date. After delivery, the Customer has the right to receive money earned in the transaction from the Bank.
- (4) "Net Delivery": The payables of multiple transactions with the same payment Currency and expires at the same Business Day shall be paid as an offset amount of money paid by the Customer to the Bank (expressed as positive numbers) or paid by the Bank to the Customer (expressed as negative numbers).

5. Payment and Delay of Premium

- (1) Payment: Unless otherwise agreed in writing agreement, the Buyer shall pay the Premium within two Business Days after the parties agree to the transaction of the Option. The Premium shall not be refunded once it is paid.
- (2) Delay: If the Seller of the Option does not receive the Premium before the Premium payment date (inclusive), he may choose to:
 - A. Accept delayed payment of the Premium.
 - B. Write a summon exhortation to the Buyer. If the Seller does not receive the Premium within two Business Days after the summon exhortation letter arrives (or is deemed to be arrived) to the Buyer, the Option transaction will be invalidated or deemed to be a breach of contract, and the Seller will have the right to deal with the Option directly.
- (3) For all costs, interest, losses or damages of the Seller caused by the Buyer due to the delayed payment of the Premium, the Buyer shall be liable for compensation.

6. Deposit

- (1) Deposit: **According to the transaction contract agreed between the Bank and the Customer, the Customer must provide a deposit or other guaranty approved by the Bank in accordance with the Bank's request, pledge it to the Bank as a guarantee, and the Customer shall also agree to provide what the Bank requested, whether it is inapplicable in original agreement or it is not agreed but later considered as applicable. The type, amount, value of pledged object and the payment (delivery) due date, etc. shall be specified and determined by the Bank. The Customer shall, in accordance with the Bank's reasonable requirements, sign the relevant documents and take necessary measures to ensure the Bank's rights and interests of the deposit and other guaranty relevant to this term. The Customer understands and agrees that the Bank has the right to notify the Customer at any time to change the application of the deposit and its scope.**
- (2) Deposit type: The Customer shall divide the deposit respectively claimed by the Financial Transaction individual limits approved by the Bank (including but not limited to hedging and non-hedging limits) and the transaction contract agreed between the Bank and the Customer (including but not limited to hedging and non-hedging Financial Transactions) into "initial deposit" and "loss deposit". The Customer shall claim before the commencement of transaction or before the establishment of transaction contract; the Customer's transaction contract shall be valued on the valuation date set by other special covenants in the following chapter two article three. If the valued loss reaches the "loss limits" set by the covenants according to the market price calculated by the Bank, the Customer shall claim the "loss deposit" for the portion that exceeds the loss limits.
- (3) Deposit delay: If the Bank does not receive a "initial deposit" that shall be provided by the Customer according to individual limits before the commencement of transaction, the Bank has the right not to accept any transaction instruction from the Customer; if the Bank does not receive the "initial deposit" claimed by individual transaction contract as scheduled, the Bank has the right not to establish a transaction contract related to the "initial deposit" with the Customer; **if the Bank does not receive the "loss deposit" as scheduled, the Bank has the right to settle all positions of the Customer immediately (without issuing any additional notice), and the Customer shall also agree to be liable for compensation of any costs and losses incurred by the processing of positions.** The above fees and losses shall be calculated by the Bank. The Customer shall not raise objections.

7. Authorize Deductions

For all kinds of payments (including but not limited to delivery payments, fees, or losses, etc.) incurred by various transactions according to this Agreement and related terms, the Customer agrees and authorizes the Bank to deduct payment from one of the Customer's deposit accounts in the Bank on the payment date, and this Agreement is used as a proof of authorization. When different currencies conversion is involved, the exchange rate is determined by the Bank based on the fair market price principle.

8. Events of Default

(1) Events of default: Any of the following events that occurs shall all be called "Event of Default":

- A. The Customer fails to pay any agreed payment as scheduled or provide the deposit (or other agreed collaterals) as scheduled under this Agreement and/or individual transaction contracts, or fails to pay the payment agreed with the Bank or its related enterprises as scheduled, while failing to correct and compensate after receiving the notice of default issued by the Bank;
- B. The Customer violates other obligations of this Agreement and/or individual transaction contracts, and fails to correct or propose remedies approved by the Bank after receiving the notice of default issued by the Bank;
- C. The statement of facts, declaration or commitment made, or the accounts or other materials submitted by the Customer in relation to this Agreement and/or individual transaction contracts are in violation of good faith such as being false, concealed or misleading, or any circumstance occurs where the Customer has violated this Agreement or the commitment;
- D. The Customer has applied for settlement or adjudication of bankruptcy on its own or by another person under the Bankruptcy law, or has applied for corporation reorganization, *dissolution*, liquidation, or deregistration on its own or by another person under the corporation law, the Customer has been informed by the clearing house of transaction refusal (regardless of whether the transaction relation has been resumed or not), or its stock is delisted/off the counter or a relevant exchange has shut down its transactions and business or has required its debt settled;
- E. The collaterals provided by the Customer for the Bank are impounded, or the business or assets of the Customer are subject to enforcement, sequestration, provisional injunction, detention or takeover;
- F. The Customer fails to pay the total amount as scheduled in the contracts established with others, or, the monetary liability of the Customer (whether as the principal debtor or guarantor) is in a condition where accelerated maturity of the terms has occurred or has been granted, and the accumulative amount has reached 3% of the equity of the Customer's shareholders (the shareholders' equity shall be based on the latest financial statement, and if the Customer is a listed company/OTC company, the financial statement must be certified by a qualified accountant);
- G. Under objective circumstances where major adverse changes occur in management, operation, or financial conditions of the Customer, the Bank believes that the Customer will not be able to perform the obligations of this Agreement based on reasonable judgment;
- H. If the Customer is a trust company who, on behalf of its raised funds/private fund, jointly signs this Agreement with the custodian bank, the trust company or the custodian bank violates the provisions of the fund trust indenture, or an event of default or a termination event indicated in the Agreement occurs;
- I. The Customer is notified as a warning account by the judicial authority or other competent authorities or identified as a suspected illegal or unusual dealer by other governing authorities or the Bank, or the Customer (including persons in charge, major shareholders, directors, persons with control and actual beneficiaries) is involved with targets of sanctions identified or investigated by domestic and foreign governments or international anti-money laundering organizations, terrorists or terrorist groups, or high-risk targets identified the Bank.

(2) Consequences of Default: In case of any event of default, the Customer shall not be entitled to carry on any further transaction with the Bank. The Bank shall have the rights (but with no obligation) to do any of the following at any time:

- A. Issue a notice of premature termination of this Agreement and/or individual transaction contracts to the Customer;
- B. Cancel the transaction instructions of the Customer;
- C. Specify the Termination Date of each relevant transaction (hereinafter referred to as "Termination Date"), and calculate the premature termination amount payable on the Termination Date (hereinafter referred to as "premature termination amount"). The premature termination amount equals to the sum of (1) (A) the Termination Currency Equivalent of the settlement amount (whether positive or negative) determined by the Bank for each terminated transaction and (B) the Termination Currency Equivalent of any other payments by the Customer to the Bank under this Agreement, minus (2) the Termination Currency Equivalent of any other payments to the Customer by the Bank under this Agreement. If the premature termination amount is a positive number, the Customer shall pay the Bank; if it is a negative number, the Bank shall pay the Customer;
- D. Dispose the deposit or collaterals at will, and offset all payments that the Customer is willing to pay the Bank with the proceeds;
- E. Request the Customer for compensation stipulated in Item (4) of this article;

- F. Include and treat the money as temporary bank collection according to Item (5) of this article.
 - G. Transfer the rights and interests of the Customer to a third party at will;
 - H. The Customer is aware of that the Customer shall not claim rights only for the parts that are in favor of the Customer and that it's not an obligation of the Bank to enforce the above rights in a time or manner favorable to the Customer.
- (3) **Deferred interests and liquidated damages:** If the Customer fails to pay any payment agreed in this Agreement or individual transaction contracts, the Customer must pay deferred interests for such payments at any time at the request of the Bank, with the interest rate being an annual rate of 2% on the costs of the Bank's collection of such payments (determined at the Bank's sole discretion), in a calculation period from the Maturity Date until the day the Customer pays off. And if the Customer has any delay in payment, liquidated damages within less than six months of the overdue time shall be paid at 10% of the above interest rate, liquidated damages that's delayed more than six months after the due time shall be paid at 20% of the above interest rate.
 - (4) **Compensation:** If the Customer fails to perform the obligations of this Agreement and/or any transaction contracts or other related transactions due to events of default, the Customer shall be liable for the compensation of any expenditures, damages, expenses and losses incurred by the Bank. In addition to the above provisions on liability for compensation, the Customer shall also compensate for any of the following (including but not limited to): costs, expenses or other charges paid or payable by the Bank as a result of the Customer's failure to receive or pay in accordance with the provisions of a transaction, or the losses (including losses in benefits), fines or other expenses that may have occurred as a result of the Bank's use of its own funds or funds obtained from a third party to pay or offset the payments due or to be due for this Agreement and/or individual transaction contracts or any transactions.
 - (5) **Temporary bank collection:** The Bank shall have the rights to include and treat the payables to the Customer, deposits, and proceeds from the sale of the collaterals as temporary collection, and until the Customer's debt to the Bank reaches its Maturity Date pursuant to individual transaction contracts, the Bank may reserve all rights to the Customer. Such temporary receipts shall be offset at will when the above debt reaches its Maturity Date. If the Customer does not have any debt to the Bank till the Maturity Date of such transaction contracts, the temporary receipts mentioned above shall be immediately returned to the Customer without interests.

9. Termination Events

- (1) **Termination events:** Any of the following events that occurs shall be seen as a "termination event":
 - A. **Unlawfulness:** means the violation of any laws, regulations, or provisions or directives of the governing authorities due to the changes in laws and decrees after the signing of this Agreement or the establishment of individual transaction contracts.
 - B. **Force majeure:** means that either party of this Agreement cannot fulfill the obligations under this Agreement or individual transaction contracts because of force majeure factors such as natural disasters, strikes, riots, and wars.
 - C. **Merger:** means the fact that the Customer's ability to perform this Agreement or any transaction is adversely affected by an acquisition or a merger, etc.
- (2) **Consequences of termination events**
 - A. **Unlawfulness:** both parties may terminate related transactions immediately and the losses incurred shall be borne by both themselves. Except as stipulated in the second paragraph below, the Customer must not whereby claim any rights or make any claims to the Bank.
 - B. **Force majeure:** (i) The party that has encountered force majeure (i.e. the affected party) must notify the other party of any event of force majeure. (ii) The obligations that the affected party must fulfill may be extended until the end of the force majeure event. (iii) If a force majeure event lasts for more than seven Business Days, either party has the right to terminate this Agreement or individual transactions being affected
 - C. **Merger:** The Bank may immediately close all transactions and the losses incurred shall be borne by both parties themselves. Except as stipulated in the second paragraph below, the Customer must not whereby claim any rights or make any claims to the Bank.

When a relevant transaction is terminated by either party in accordance with the above provisions, a Termination Date shall be specified and the amount of premature termination amount payable on the Termination Date shall be calculated by a calculating agency. If the premature termination amount is a positive number, the Customer shall pay the Bank; if it is a negative number, the Bank shall pay the Customer.

10. Right of set-off, Liens, Account Mortgage

- (1) **Right of set-off:** If the Customer fails to pay the payment as scheduled under this Agreement or other contracts between the two parties, the Customer agrees that the Bank shall be entitled (but not obligated) to the maximum extent permitted by law (and not limited to its existing rights under this Agreement and other contracts) to offset the payables of the Customer mentioned above with a. various deposits or other funds deposited by the Customer in the head office and branches of the Bank and b. Any payables or liabilities that the Bank shall pay to the Customer (regardless of whether both of which are incurred as a result of this Agreement or other contracts, and regardless of the Currency and the size or Maturity Date of the money). The Customer unconditionally and irrevocably agrees that the Bank may exercise the right of set-off in this article without a prior notice to the Customer, and that the right of set-off shall take effect as from the account deduction. However, provided that there is a prohibition against the set-off by law, or that the Customer has stated that those may not be offset, or that it is on the basis of voluntary service or a payment made by a third party to the Customer through the Bank for transaction relations, the right of set-off shall not be exercised.

- (2) **Liens:** The Customer acknowledges that the Bank has a lien on the assets (including but not limited to stocks, bonds, funds, etc.) of the Customer that are held by the Bank, so that they may be used for the purpose of offsetting the debts owed by the Customer to the Bank.
- (3) **Account mortgage:** The Customer shall mortgages all rights of all the accounts that are opened by the Bank to the Bank as a collateral of the Customer's debts to the Bank.

11. Costs and Expenses

- (1) **Costs and Expenses:** The Customer agrees to pay off the costs and expenses incurred by the Bank in executing or maintaining this Agreement and the individual transactions, including the costs for exercising the collaterals and recovering the debts from the Customer.
- (2) **Currency and Amount:** The Customer must pay in the Currency and amount agreed upon in this Agreement or on individual transactions. No amount may be deducted in the name of costs, taxes or any reason. If the Customer pays in a Currency other than the agreed Currency, the Bank may convert the Currency paid by the Customer into the agreed Currency with an exchange rate that shall be determined by the Bank on the principle of fair market price. If there is any difference after the conversion, the Customer must make up the difference. Otherwise the Bank may refuse to accept a payment made by the Customer in other currencies depending on the circumstances, and the Customer may not object to this.

12. Premature Termination of the Individual Transaction Contracts

Except as agreed by the Bank or otherwise agreed in the individual transaction contracts, the individual transaction contracts made by the Customer pursuant to this Agreement shall not be terminated in advance before the agreed Maturity Date. If the Bank agrees to terminate a contract in advance, the costs, losses or service charges incurred by the Bank shall be borne by the Customer, and the costs or losses shall include the costs incurred by the Bank in writing off the hedge part of the commodity. The Customer may get a return rate lower than the preset rate of the commodity, or even a negative return rate.

13. Statement of Facts, Declaration and Commitment of the Customer

- (1) The Customer must legally signed this Agreement and the individual transaction contracts and other related documents;
- (2) The Customer has taken necessary actions and has the proper permission to sign and perform this Agreement and the individual transaction contracts;
- (3) The Customer has the ability to assess and analyze by himself/herself (or through independent professional advices), and to understand and accept the terms, conditions and risks of this Agreement and the individual transaction contracts; and the Customer also has the ability to bear the financial risks and other risks arising from the signing of this Agreement and the individual transaction contracts;
- (4) This Agreement and the individual transaction contracts shall form a lawful and effective debt of the Customer, and the terms of these contracts shall all be effective in execution;
- (5) The performance and completion of this Agreement and the individual transaction contracts by the Customer does not violate any law or regulations or form a default event for other contracts;
- (6) Each transaction made by the Customer must meet the requirements of the competent authorities. If it is a publicly-established company in the Republic of China, the Customer must provide with the "Asset Acquisition or Disposal Procedures" or "Financial Derivative Transaction Procedures" or other similar regulations passed by the Board of Directors and Shareholder Meeting (hereinafter referred to as "Procedures"), and declare that the procedures are true and correct and continues to be valid, and that if the procedures are revised later, the Customer shall immediately notify the Bank and provide the revised procedures to the Bank within 3 days after the notification. Before receiving another notice of the revised procedures, the Bank may believe that the original procedures of the Customer are of the latest version, and the contents shall be indeed true and correct and shall continue to be valid.
- (7) The transaction and confirmation personnel indicated in the "Power of Attorney for Authorized Transaction Personnel and Authorized Confirmation Personnel (confirmation seals and signatures)" (Or similar documents) (hereinafter referred to as "Power of Attorney") by the Customer to the Bank, shall be authorized legally to act on behalf of the Customer in the scope of the authorization to conduct transactions or confirmations associated with the derivatives, and such transaction personnel must also be accordance with the authorized transaction personnel or hierarchy appointed by the Customer's procedures and internal regulations. Provided that the procedures or other internal regulations otherwise require that such transaction personnel must obtain an internal approval or authorization from the Customer, in addition to the power of attorney that may serve as a general approval or authorization, the transaction personnel, prior to the transaction, have also proven orally, in writing or other ways, that they have obtained the internal approval or authorization required by the procedures prior to the transaction, the Bank may also rely on those such transaction personnel who have obtained an internal approval or authorization from the Customer. In addition, the Customer does not have any other authorization restrictions on the transaction personnel that are indicated in the power of attorney provided to the Bank, except for that the Customer has specified a restriction on the authorized transaction personnel in the procedures or in the power of attorney.
- (8) The Customer shall faithfully follow all rules of the procedures, articles of incorporation, or other internal regulations (including but not limited to transaction types, limits, etc.), and shall conduct various financial derivatives with the Bank in accordance with these rules. Even if the Customer violates these rules, the validity of the transaction between the Customer and the Bank shall not be affected. The Customer shall also control the amount of the individual or all transactions and the maximum loss limit, and the Bank has no obligation of notifying the Customer about this.

- (9) All information submitted by the Customer to the Bank must be true, correct, valid and complete;
- (10) For individual transactions, the Bank is not a trustee or financial advisor (or other similar legal relationship) of the Customer;
- (11) **Before signing this Agreement, the Customer confirms that he/she has fully understood and accepted the financial derivatives description and risk disclosure statement and notice provided by the Bank. And the Customer promises to read the contents of the risk disclosure terms indicated in the product descriptions before conducting any transaction or instruction;**
- (12) Other declarations: the Customer makes the following declarations to the Bank when entering into this Agreement and each time when making a transaction;
- A. **No trust relationship.** Concerning the negotiation, signing and confirmation of this Agreement and each transaction; (1) the Bank does not (directly or indirectly) provide any guarantees, promises or declarations in terms of the expected successes, profitability, profits, performances, achievements, benefits, results, or interests (economic interests, legal interests, regulatory interests, tax interests, financial interests, accounting interests, or other interests) of this Agreement and any transactions; (2) the Customer can understand and have assessed (solely or by consulting an independent professional adviser) the terms and conditions as well as economic risks or other kinds of risks of this Agreement, and will assess the terms and conditions as well as economic risks or other kinds of risks of each individual transaction, and is able and willing to bear these risks; (3) the Customer has made or will make an investment, hedge, and transaction decision based on its sole judgment, independent adviser's suggestions, and information that he deems necessary or appropriate (including decisions about suitability and appropriateness of a transaction based on the Customer's conditions), rather than any suggestions, opinions, recommendations, ideas or instructions provided by the Bank.
- B. **Suitability.** The Customer is solely responsible for (i) assessing and understanding the terms and conditions as well as economic risks or other kinds of risks of each transaction and this Agreement; (ii) determining (X)the suitability and appropriateness of the transaction and this Agreement based on the Customer's conditions; (y) to a necessary or appropriate extent, consulting its legal adviser, tax adviser, business consultant, investment advisor, financial or accounting advisor, or get other information and analysis, and (z) deciding whether to accept the interest exchange rate, price, quantity and other conditions and indexes quotations (if these quotations exist) provided by the Bank for each transaction based on considerations about relevant factors (including interest exchange rate, price, quantity and other conditions available from related markets).
- C. **Purposes of transactions.** This Agreement is signed and each individual transaction is and will be executed (as the case may be) only for the purposes of managing borrowings or investments, hedging for underlying assets or liabilities for the Customer, or other purposes related to the Customer's businesses.
- D. **Corporate principles.** The Customer declares and guarantees that there are no existing or to-be-adopted corporate principles, decisions or internal rules that will affect the validity and enforceability of this Agreement and/or any existing or future transactions, and obligations caused by signing this Agreement and execution of the master contract or any transactions will not contradict or breach any existing corporate principles, decisions or internal rules. This Agreement and all related transactions shall comply with any applicable laws, rules and regulations and any relevant policies of governing authorities that may affect the Customer's internal policies and procedures. The Customer also agrees to conduct Financial Transactions in connection with this Agreement with the Bank according to applicable laws, rules and regulations, and declare or disclose the transactions according to applicable laws, rules and regulations and generally accepted accounting principles after completion of the transactions.

14. Calculation Entity

This Agreement and all individual transaction contracts consider the Bank as the Calculation Entity. The Calculation Entity shall perform duties in good faith and according to reasonable business practices, and it is not deemed as an agent or counselor for anyone during the performance of the duties under this Agreement and individual transaction contracts. If the Calculation Entity's decisions or determinations have no deliberate or gross faults, they shall have absolute binding force on the Customer.

15. Telephone recording

The Customer agrees and acknowledges that all telephone conversations between the Customer and the Bank's personnel that are related to the Customer's individual transactions as well as any verbal notices will be electronically recorded by the central recording system (whether there is an automated verbal warning device or not). The Customer agrees that such records are used as either party's evidences for disputes or litigations between the Customer and the Bank.

16. Notices

- (1) According to Chapter I Article 8, Clause (1) under this Agreement, notices should be delivered verbally or in writing. If a notice is delivered verbally, a written version of it may also be delivered later, however, the validity of the verbal notice will not be affected without such a written version.
- (2) Unless otherwise agreed, any notices delivered in accordance with this Agreement and individual transaction contracts should be in written form. And the notice should be sent to the other party in the following manners: notices delivered by registered mail are deemed to be received two days after mailing with postage paid; notices delivered personally by a delegate are deemed to be received at the time the delegate arrives and delivers the notice; notices delivered by fax are deemed to be received after the notice is sent out and a confirmation is received from the recipient or a telephone confirmation is made; notices delivered by electronic messages or emails are deemed to be received on the same day the message or email is received. The address or contact information of the Customer and the Bank are subject to the address, fax number and email box listed in this Agreement or finally informed according to this Agreement and its schedules.
- (3) If the address or contact information of the Customer is changed, the Customer shall inform the Bank of such changes in writing or by means specified later in this clause. If the Customer failed to inform the Bank in a timely manner, the Bank may notify the Customer of relevant documents (including but not limited to the Confirmation Letter) using the address or contact information as described in this Agreement or the latest known address or contact information. And the notice is deemed to be received as agreed in this article. Unless otherwise agreed according to market practices, one of Authorized Confirmation Personnel specified by the Customer shall notify the Bank of changes to the Confirmation Letter as well as the entity to receive, delivery address of or related information about the market price assessment in writing.
- (4) The current address of the Bank for receiving notices is 13th Floor, No. 118, 4 sect of Ren Ai Road, Taipei (Taishin International Bank Financial Transaction department). If the address is changed, the Customer will be notified of this in writing.

17. Assignment

The rights and obligations arising from this Agreement and individual transaction contracts shall not be assigned to others by the Customer without written consent of the Bank. If the Bank has to make such assignments of interest because of business combination or other similar activities or events, the Bank should notify the Customer of such assignments in writing, and the notice shall be binding on the Customer.

18. Non-Waiver of Rights

No delay or omission (including delay, not exercising any rights, fault tolerance or other reasons) by the Bank or any of its personnel, assignees or representatives in exercising any rights under this Agreement shall operate as a waiver of these rights by the Bank or exempt the Customer from related obligations.

19. Termination

- (1) **If there is an “Event of Default” as described in Chapter 1 Article 8 or “Termination Event” as described in Article 9 under this Agreement, this Agreement may be terminated according to these provisions.**
- (2) **Unless otherwise agreed in this Agreement, either party may terminate this Agreement immediately after notifying the other party in writing at any time.**
- (3) **The termination of this Agreement (for any reason or in any way) shall not affect the validity of individual transactions executed by either party before the termination of this Agreement, and shall not exempt any party from its obligations that are not fulfilled under this Agreement and in connection with individual transactions, and shall not affect the validity of the guarantees and commitments provided by the Customer.**

20. Information of the Customer

- (1) **The Customer hereby agrees that, for the purpose specified within the operations scope of the business approved by the competent authorities, the Bank (including the head office and its branches) has the right to collect, process, use and/or internationally transmit the Customer’s personal information, including but not limited to the basic information (including name, date of birth, ID card number, telephone, residential address, and others), billing information, credit information, investment information, insurance information, and etc., and/or use such information for credit checking, or provide it to the outsourcing company (organization) appointed by the Bank to undertake the related work on its behalf, or the third party (including but not limited to the organization that is entrusted to do the marketing research) that has commission of authority, cooperation or other relationships with the Bank, or the related financial institutions that have the business connections with the Bank, Joint Credit Information Center, and Financial Information Service Co., Ltd., or the financial administrative authorities and judiciary authorities that have jurisdiction over the Bank, or other agencies, institutions or individuals that such information shall be disclosed to in accordance with the relevant provisions of law, or the foreign government agencies that have signed a treaty or an agreement with the government of the Republic of China, and other institutions designated by the competent authorities, to the extent permitted by applicable law. The name of the outsourcing company (organization) or the third party that has commission of authority, cooperation or other relationships with the Bank will be disclosed regularly on the official website of the Bank for consulting. The personal information, in principle, may only be collected by the Bank during the preceding stage of the contract negotiation for the various financial product services between the Customer and the Bank, during the course of the contract, and within the agreed period by the Customer; and such information will be processed and used in form of soft copy or paper copy behind the border of the Republic of China; only if the Bank need to provide the overseas financial services for the Customer in the future, such information may be processed and used overseas.**

The consulting request from the Customer for looking up, making a copy of, making a supplement to or correcting their personal information, or the request for having the information collection, process or usage stopped or deleted can be handled by the Bank's customer service desk, individual branches and original sales unit to which the Customer belongs or the Customer's personal financial specialist. The Customer also acknowledges that when the Bank need to collect, process or use their personal information for the above reasons, the Customer can be free to choose whether to provide their personal information. However, the Bank may not be able to provide the full financial services as required for execution of the relevant business if the Customer chooses not to provide such information or if the information provided is incomplete.

- (2) The Customer agrees and declares that the Customer shall inform the person authorized based on this Agreement who has the right to make the transactions and such person who has the right to confirm the transactions, as well as the person designated to receive the documents or notifications under this Agreement (hereinafter collectively referred to as "the authorized/designated person") that the Bank may collect, process, use and/or internationally transmit the personal information of the authorized/designated person for the transactions made under this Agreement. The Customer shall be responsible for any request made to the Bank by the authorized/designated person in terms of the collection, process, usage and/or international transmission of their personal information.
- (3) The Customer acknowledges that the Bank and other subsidiaries of the financial holding co., Ltd. to which the Bank belongs may file, use, disclose, transfer or interactively use the Customer information for cross-selling according to the regulations such as [Financial Holding Company Act], [Financial Holding Company and Subsidiaries of Financial Holding Company Cross-selling Regulations], and [Agreement on Interactive Usage of the Customer Information] (if any) signed separately by the Customer. The Customer shall inform the Bank by visiting or via written notification at any time to request to change the usage scope of their information or stop the filing and usage of their information for cross-selling, and the Bank will remove the Customer from the cross-selling list immediately after the acceptance. For details of the confidentiality measures for the customer information, please refer to [The Confidentiality Measures of Taishin Financial Holdings and Its Various Subsidiaries for Customer] and the latest [The Confidentiality Measures of Taishin Financial Holdings and Its Various Subsidiaries for Customer Information] disclosed on the website of Taishin Financial Holdings and its various subsidiaries.
- (4) The Customer agrees that for the purpose of the creditor's right transfer, the Bank may provide the relevant information of the Customer to the creditor's right transferee and the person who is in charge of the price identification check for the creditor's right for filing and using, only if the Bank shall urge these persons to carry out the duty of confidentiality according to the relevant regulations.
- (5) **The Foreign Account Tax Compliance Act**
 - A. According to the Foreign Account Tax Compliance Act, the Bank must collect, process, use and/or internationally transmit the personal information of the Customer, including but not limited to name, date of birth, nationality, ID card number, passport number, the tax status and taxpayer registration number in U.S., contact information, financial situation, social activities and so on. The Customer hereby is informed and agrees to be cooperative for that the Bank shall follow the necessary measures, including the nationality and tax status information investigation against the Customer and the Beneficiary, as required by the domestic and foreign tax acts (including but not limited to the Foreign Account Tax Compliance Act and relevant laws of the Republic of China), treaties or international agreements, to disclose the tax status information and account information to the domestic and foreign government agencies (including the government of the Republic of China and Federal government of the United States) and the person who handles the tax withholding in accordance with the domestic and foreign tax acts. And the Bank shall handle the tax settlement for the Customer or terminate the transactions between the Customer and the Bank when the investigation result shows that the relationship between the Customer and the Bank is in accordance with the specific conditions specified in the domestic and foreign tax acts, treaties or international agreements (including but not limited to the situations, such as the Customer or the Beneficiary failed to provide the information or forms required by the aforementioned investigations honestly, or the Customer or the Beneficiary did not agree the Bank to make the aforementioned disclosure to the government of the Republic of China and Federal government of the United States).
 - B. The descriptions based on the Foreign Account Tax Compliance Act for the relevant nouns mentioned in the preceding articles are as follows. In the event that there is any inconsistency between the descriptions and the contents in the Foreign Account Tax Compliance Act, the authoritative interpretations in the Foreign Account Tax Compliance Act shall prevail:
 - i. The Foreign Account Tax Compliance Act: Refers to the U.S Foreign Account Tax Compliance Act, also known as 26 USC§1471 - §1474, or Internal Revenue Code Chapter 4, which includes the relevant administrative orders (including but not limited to 26 CFR Parts 1 and 301), instructions, tax forms and others issued by Internal Revenue Service.
 - ii. Treaties or International Agreements: Including but not limited to the intergovernmental agreement related to the execution of the Foreign Account Tax Compliance Act signed between the government of the Republic of China and the government of the United States or between the respective representatives or representative agencies of both governments.
 - iii. Beneficiary: Including but not limited to the account holder that the Customer has the funds automatically or regularly transferred to; if the Customer is a legal entity of a non-natural person, the beneficiary is the person who has direct or indirect equity interest, partnership interest, investment interest, and trust interest against the Customer, and other persons who do not hold the account directly but actually have the account-related interest based on the Foreign Account Tax Compliance Act.

- iv. Nationality and Tax Status Information: Including but not limited to the nationality, dual nationality or permanent residence identification: Taxpayer Identification Number, Global Intermediary Identification Number; the official documents or other alternative documents issued by the U.S. Federal Government Internal Revenue Service, such as the United States tax Form W-8 BEN, Form W-8BEN-E, Form W-9, etc., and other account-related information that must be taken for investigation or obtained by the financial institutions in accordance with the Foreign Account Tax Compliance Act.
- (6) **U.S. Person Identification:** The Customer hereby declares that if the Customer is an U.S. Person or non-U.S. Person but an Affiliate Conduit or non-U.S. Person but an person under the U.S. Person Guarantee defined in the [Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations] issued by the Commodity Futures Trading Commission (CFTC) on July 26th, 2013, when engaging in the Financial Transactions with the Bank, the Customer shall standardize the central settlement, central execution of the transactions, immediate transaction reporting, huge transactions reporting, the reporting to the swap transaction information store institutions and the transaction information maintenance in accordance with the Commodity Exchange Act, which is specified in the Chapter seven of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- (7) **Money Laundering Prevention:** The Customer agrees that the Bank (including the head office and its branches) may collect, process, use or internationally transmit the personal information of the Customer and the information related to all their business transactions for money laundering prevention, combating the terrorism funding activities, crime prevention, anti-terrorism, as well as within the specific purpose scopes set out by the related anti-terrorism legislation (including but not limited to the situations such as the Customer or their Financial Transactions or payments are investigated or their transaction payments/documents are seized by a foreign bank in accordance with the related money-laundering prevention or combating the terrorism funding activities, crime prevention and anti-terrorism legislation in its own country). If the information provided by the Customer includes the personal information of a third party (including but not limited to the company executives or ultimate beneficiaries), the Customer shall inform the third party and have them agree to the foregoing.

21. Outsourcing Terms

The Customer agrees that the Bank's accounts collection and payment activities, computer processing activities or other accompanying activities related to this Agreement (including but not limited to data input, processing and input of the information systems, development, monitoring and maintenance of the information systems, and the logistics work for processing the business-related information, customer information inputting, form printing, packaging, delivery and mailing, collection of creditor's rights receivable, internal auditing, data storage for forms and vouchers, electronic channel service and other outsourced businesses approved by the competent authority, etc.) can be handled by a appropriate third party, which is entrusted by the Bank when the Bank deems it necessary, in accordance with the related laws. The name of that outsourcing company (organization) that has commission of authority, cooperation or other relationships with the Bank will be disclosed by the Bank on its website in accordance with related laws.

22. Entire Agreement

- (1) Unless otherwise agreed by both parties, all provisions of this Agreement and its annexes shall be the entire agreement between both parties in terms of this Agreement, and shall supersede all the written agreements (including the principal contract for the Structured Product related transactions, general agreement for Forward exchange transactions, etc.) or verbal agreements and arrangements previously made between the Customer and the Bank, and except for the terms stated in this Agreement, both parties do not agree to other terms or obligations.
- (2) This Agreement shall remain in force and effect until it is terminated by either party in accordance with the provisions of this Agreement, and the obligations and responsibilities of both parties subject to this Agreement will continue to be valid after the individual transaction contracts termination.
- (3) If the Customer has other general agreements (contracts) on Financial Transactions with the Bank's overseas branches, the Financial Transactions between the Customer and these overseas branches will be conducted under such agreements (contracts).
- (4) If the Customer signs the ISDA contract (including the ISDA Master Agreement and its Schedule) with the Bank after signing this Agreement, this Agreement will not be valid from the effective date of the ISDA contract. However, if the Customer does not check the box [Chapter II Article 1 regarding special provisions of Currency Option transaction does not apply] and/or [Chapter II Article 2 regarding special provisions of Structured Product transaction does not apply] in the Chapter II Article 3 "Other special provisions" of this Agreement, the Chapter II Article 1 regarding special provisions of Currency Option transaction and/or Chapter II Article 2 regarding special provisions of Structured Product transaction shall continue to be valid, and form part of the ISDA contract (within the scopes to which the unchecked articles does not apply).

23. Amendment of Agreement

The Bank may make amendments to the contents of this Agreement at any time and notify the Customer in writing. If the Customer fails to raise an objection to the Bank within seven Business Days after receiving the notice of amendments, the Customer will be deemed to have accepted the amendments; if the Customer raises an objection to the Bank after the above-mentioned seven Business Days, the objection shall be deemed invalid, and the Bank has the right not to accept it.

24. Applicable Law and Competent Court

- (1) The rights and obligations under this Agreement and all transactions directly or indirectly made for this Agreement or based on this Agreement are subject to the laws and orders of the Republic of China.
- (2) The Customer agrees to irrevocably accept the Taiwan Taipei District Court as the competent court of first instance between the Customer and the Bank, and agrees to waive the right to raise an objection for it for the reasons such as the inconvenience of the place. If the Customer is a company established outside Taiwan or does not have a residential address in Taiwan, they shall be agreed that the Bank and the competent court may send the relevant legal documents (including any pleadings, notifications, notice of entry of judgment or other notices) to the address of the Customer's process agent in Taiwan by mail. The name and residential address of the process agent are detailed in "Other special provisions" in Chapter II Article 3.

25. Limitation of Liability

- (1) The Customer agrees that the Bank shall not be liable for any loss caused by the exercise of the Bank's rights under this Agreement, or caused by the Bank's act or omission in good faith in accordance with this Agreement or individual transaction contracts.
- (2) The Customer agrees that transactions are made at its sole discretion based on this Agreement and individual transaction contracts, and are not dependent on any promises, commitments, views or opinions from the Bank or the Bank's staff, agents or representatives. The Customer shall remain solely responsible for all these transactions.
- (3) When the Bank conducts any transaction with a branch outside of the Republic of China (hereinafter referred to as "Overseas Branch"), the Bank's performance shall be subject to the laws, orders, rules and similar government actions in the jurisdiction where the overseas branch is located.

26. Taxes

Taxes resulting from this Agreement or individual transaction contracts, unless otherwise stipulated in this Agreement or individual transaction contracts (including confirmation), shall be undertaken respectively by both parties in accordance with relevant laws; and unless otherwise agreed in written consent by the Bank, the Customer shall not, for any reason, require the Bank to undertake the taxes that the Customer must bear.

27. Headline

The headline used in this Agreement is for convenience of reference and shall not affect the exact content and its interpretation in this Agreement.

28. The Number of Contracts

This Agreement is in duplicate. The original one is kept by the Bank, while the copy (including the "Taishin Financial Holdings and Its Various Subsidiaries Confidentiality Measures for Customer Information") is kept by the Customer.

29. Dispute Settlement

The Customer can contact the original branch, original sales unit that undertake the transactions or call customer complaint processing line: (02)2700-3166 (business hours: 09:00 a.m. - 17:30 p.m. from Monday to Friday).

Chapter II Special Agreed Terms

1. Currency Option Agreement

- (1) Exercise of Option
 - A. Notice for Exercise
 - i. Notice for the exercise of the American Option, unless otherwise agreed in written agreement, shall be made by the Buyer during the business hours on any Business Day, from the date of the Option transaction agreed by both parties to the due date that is deemed as the day when the Seller receives the notice, and the Option agreement shall be fulfilled on the Settlement Day.
 - ii. Notice for the exercise of the European Option, unless otherwise agreed in written agreement, only shall be made by the Buyer on the Due Day, and the European Option agreement shall be exercised during the agreed time period on the agreed Due Day and shall be fulfilled on the Settlement Day.
 - iii. Notice for the exercise of the Bermudian Option, unless otherwise agreed in written agreement, shall be made by the Buyer during the business hours on any Due Day for exercise agreed by both parties, and the Option agreement shall be fulfilled on the Settlement Day.
 - iv. The notice for the Option exercise: Oral or written notice; if the notice takes the oral form, a written notice needs to be supplemented after two Business Days, and if a written notice is not supplemented later, the validity of the oral notice will not be affected.

- B. Automatic Avoidance
Unless eligible for the automatic exercise of the Option, if the Seller does not receive the Buyer's notice for the exercise of the Option as of the due date, the Option shall not be exercised and shall automatically become invalid.
- C. Automatic Exercise
If the Option has an intrinsic value on the Due Day and the Seller has not received the notice for the exercise, the Option shall be deemed to have been exercised before the due date, but this restriction shall not apply in the event that the confirmation stipulates otherwise that [automatic exercise is not applicable] or the Buyer has the contrary instructions in advance.

(2) Settlement

- A. When the Buyer exercises the Call Option, the Seller shall sell the specified Currency amount of the Option to the Buyer on the Settlement Day while the Buyer shall pay the Seller the other Currency amount of the Option. When the Buyer exercises the Put Option, the Seller shall pay the Buyer the other Currency amount of the Option on the Settlement Day while the Buyer shall sell the specified Currency amount of the Option to the Seller.
- B. When the Buyer exercises the Option, the actual settlement (i.e. total settlement) shall be made in principle. However, the settlement for the Currency Option of the NTD rate against the U. S. dollar shall adopt a non-actual settlement (i.e. net settlement) method.
- C. Regardless of whether the actual settlement is raised by the Option Buyer or Seller, the payment instruction shall be delivered to the other party on the Due Day. The payment instruction shall be delivered in writing, and the payment shall be settled on the Settlement Day.
- D. **When the settlement for the Currency Option of the NTD rate against the U. S. dollar are made on the Due Day, the two parties will take the NTD rate against the U. S. dollar at 11:00 a.m. on the Due Day as the fixing rate.** If the net settlement is adopted, only the difference will be settled on the Settlement Day.
- E. **When the settlement for the Currency Option of the non-NTD rate against the U. S. dollar are made on the Due Day, the exercise time is subject to 2:00 p.m.** of Taipei time, and the Customer can square the Spot foreign exchange transactions bought/sold by the Bank for the settlement position before 3:30 p.m. of Taipei time on the Due Day, and make the actual settlement on the Settlement Day. Since the Spot transaction and the Option agreement have the same Settlement Day, the difference can also be used as the net settlement. **If the Customer has informed the Bank to make the net settlement but has not squared the Spot foreign exchange bought/sold by the Bank for the settlement position before the above-mentioned time, the Bank has the right to calculate the amount of the difference according to the market price at 3:30 p.m. of Taipei time on the Due Day.**

(3) Others

- A. If the Customer is required to provide the deposits to the Bank in accordance with the individual transaction contract, the Bank will not be required to pay the Option Premium to the Customer until all the performance guarantees related to the Customer's Put Option are received.
- B. In the event of any breach of contract by the Customer, the Bank may, in addition to the relevant provisions of Chapter I of this Agreement, decide to cease its obligation under the unexpired or expired but unsettled Option payment in accordance with its own choice without paying any liquidated damages.

2. Structured Product transaction

(1) Definition

- A. Structured Product: Refers to the Structured Product transaction that combines fixed income products with financial derivatives (such as Options). It may link a large number of subjects, including transactional contracts derived from interest rate, exchange rate, stock price, index, commodity, credit event or other interests and their combinations. Structured Product is not a general traditional savings account, but an investment. Its profit and loss are influenced by many factors, such as the price of the target asset, the volatility of the index or the performance, or the occurrence of the agreed credit event. In the situation where certain conditions are met, the profit of Structured Product may be higher than that of the common simple deposit rate; otherwise, it may reduce and erode the investment principal. The Bank does not promise to return all investment principal when the agreement is terminated before maturity, and capital preservation at maturity is depending on the condition set up. Each transaction that agreed by the Customer according to this Agreement takes the Transaction Confirmation as the voucher. Structured Product is not protected by deposit insurance.
- B. Investment Principal: Refers to the investment amount of individual transaction contracts signed by the Customer.
- C. Profit: Refers to the profit gained from individual transactions agreed by the Customer. Unless otherwise agreed in individual product specification/product development specification/Transaction Confirmation, the Bank does not guarantee the return rate at maturity; the profit is calculated in accordance with the profit calculation method at maturity stated in individual product specification/product development specification/Transaction Confirmation.

- D. **Linked subjects:** Refers to linked subjects indicated in individual product specification/product development specification/Transaction Confirmation. With respect to exchange rate linked Structured Product transaction, the Currency of investment principal is regarded as base Currency and the other Currency of linked subjects as counter Currency.
- E. **Collection period:** Refers to the collection period required to reach predetermined collection amount for specified products. The Bank is entitled to change the collection period.
- F. **Predetermined collection amount:** Refers to the minimum total amount that the Bank is required to collect at the end of the collection period. The Bank is entitled to change the predetermined collection amount.
- G. **Base period:** Refers to the base or the number of days in a year (such as, 365 days for pounds, 360 days for US dollars) that Currency for investment uses to calculate interest and profit based on international conventions
- H. **Trade date, effective date, profit distribution date, predetermined Maturity Date:** Refers to the trade date, effective date, profit distribution date, predetermined Maturity Date indicated in individual product specification/product development specification/Transaction Confirmation.
- (2) **Payment and authorized deduction of investment amount**
 Customer, who intends to be a trader for Structured Products, shall open a deposit account in the Bank (if not opened already, and if the Customer is a member of fund subordinated to securities investment trust limited liability company, he/she shall instruct and entrust the account to the custodial bank for fund contract). The Customer shall deposit full amount in investment Currency as indicated for transactions agreed at the same time. Aforementioned procedures for account opening and agreed issues shall be conducted according to the covenant related to deposit business signed by the Customer as well as relevant regulations of the Bank.
 The Customer shall pay the same amount of cash as investment principal that can be put to use at any time to the Bank at the effective date of individual transaction contracts (if the Customer is a member of fund subordinated to securities investment trust limited liability company, he/she shall instruct the custodial bank for fund to carry out the procedure. The Customer hereby authorizes the Bank to directly withdraw the same amount of money as that of instructed transactions by the Customer from any deposit account as Structured Product money that the Customer agrees to or instructs to agree to when the predetermined amount is successfully collected for "Structured Product" participated by the Customer (collection type) or at the confirmed effective date of instructed "Structured Product" (custom made type), and then deposit it to Structured Product account of the Customer according to Chapter I Article 7 of this Agreement (the account number shall be provided by the Bank and written on the Transaction Confirmation).The Customer agrees to cooperate on deduction business and deposits full amount of money for instructed transactions in the deposit Currency in any deposit account on the Business Day before the effective date. In the event of the Customer's inability to deposit or make up for the required payment (i.e. investment principal) on the Business Day before the effective date of individual transaction contracts leading to the Bank's inability to deduct money according to the preceding regulation, and in the event of inability to pay the same amount of cash as investment principal that can be put to use at any time in other ways, the Bank is entitled not to complete transactions based on conditions of the Structured Product. In addition, the Customer shall compensate the Bank for damages, losses and costs (including costs used to write off hedge part before the effective date by the Bank according to transaction instructions of the Customer) arisen from aforementioned problem.
- (3) **Special terms and conditions during collection period**
 In the event of collection period for Structured Product transactions between the Bank and the Customer, the Bank does not guarantee that predetermined collection amount will be reached for the product that the Customer intends to make during collection period. If actually collected amount does not reach the predetermined collection amount for the product specified by the Customer during collection period and the Bank does not change predetermined collection amount, then it shall be deemed that the collection amount is not reached. Actions shall be taken according to the following regulations in case of unreached collection amount:
 A. The Bank shall notify the Customer by phone, fax or written notice of the situation as soon as possible, and the Bank shall not be held accountable for the Customer in case of unreached collection amount.
 B. The Customer agrees that related transaction instructions automatically become invalid, and demand/comprehensive deposit interest of the Customer during collection period shall be handled in accordance with relevant regulations of the Bank.
- (4) **Taxes**
 A. Various taxes that the Customer shall pay for individual transactions shall be paid in accordance with regulations in product description/product establishment notice/Transaction Confirmation of individual transactions, unless otherwise stipulated.
 B. **For constructional product transactions (Structured Product transactions as one of constructional product transactions) engaged by individuals or profit-making enterprises with the Bank, the withholdings shall be calculated as follow: upon completion of transactions (referring to contract premature termination or settlement at maturity), the revenues during contract period minus costs and necessary expenses are deemed as the taxable income, which shall be withheld by the applicable withholding rate for the investor(i.e. the taxpayer): (i) The income of individuals who engaged in constructional product transactions shall be withheld pursuant to the law. For individuals living in the Republic of China, the applicable withholding rate shall be 10%. For other individuals, the withholding rate shall be 15%. The income of individuals after being withheld in accordance with regulations shall not be included in total comprehensive income; (ii) The income of profit-making enterprises who engaged in constructional product transactions shall be withheld pursuant to the law. For enterprises with a fixed place of business within the Republic of China, the applicable withholding rate shall be 10%. For other enterprises, the withholding rate shall be 15%.The income of profit-making enterprises after being withheld in accordance with regulations shall be included in the declaration of income tax of that year, and the withholdings can be applied for deduction from payable taxes. (iii) The Bank shall withhold taxes beforehand in accordance with tax law and relevant regulations. If the final income of the products gained by the Customer is zero or the income is not enough for deduction, the Bank will withhold taxes from the maturity amount which shall be returned to the Customer.**

- C. Taxes arisen from individual transactions, except aforementioned income tax, shall be paid by both parties respectively pursuant to relevant decrees, and the Customer shall not request the Bank, on any ground, to bear the taxes which shall be paid by the Customer.
- D. In case of any newly added or changed taxation decrees, relevant regulations and interpretations from competent authorities, the Bank may directly deal with relevant tax issues for the Customer in accordance with these decrees, including but not limited to, withholding taxes from maturity amount which shall be returned to the Customer, providing detailed transaction information on the completed part of individual product transaction and other relevant information to related competent authorities or its specified organizations.
- (5) **Income distribution/Payment of maturity amount**
- A. On the "income distribution date", "predetermined Maturity Date" or "premature Termination Date" (if there are clauses for premature termination of transactions and the Bank has prematurely terminated transactions according to those clauses) indicated on product description/Transaction Confirmation of individual products, the Bank shall deposit income (if any) of transactions and maturity amount to any deposit account the Customer opened at the Bank or an account separately specified by the Customer, or convert the amount into negotiable securities or other assets by methods agreed by the Customer and the Bank (if the Customer is a member of fund subordinated to securities investment trust limited liability company, then it shall be paid or delivered to the fund's custodial bank by methods agreed in individual Transaction Confirmation).When it comes to the conversion of different currencies, the exchange rate shall be determined by the Bank pursuant to fair market value principle.
- B. In case of the Customer terminating individual transaction contracts before maturity according to the following regulations of termination before maturity, the Bank shall deposit the amount (after deducting related expenses indicated in the following termination before maturity clauses and product description of the transaction) of termination before maturity of the transaction to any deposit account the Customer opened at the Bank or an account separately specified by the Customer within three Business Days after termination before Maturity Date or on another agreed Maturity Date.
- (6) **Termination before maturity/Premature termination**
- A. For individual transaction contracts that no prohibition of termination before maturity is agreed, the Customer may apply to the Bank for terminating these individual Structured Product transaction contracts (termination before maturity only applies to a whole transaction, not a part of it) before maturity by verbal, written or other methods agreed by the Bank after the lock-up period (if any) of the transaction contracts and within the period specified by the Bank. The Bank is the only party entitled to approve the termination or not, the Customer shall not raise any objections. The Bank is also entitled (but not obligated) to prematurely terminate Structured Product transaction contracts that are not yet due at that time under the following conditions: any default events or termination events indicated in Chapter I, General Terms and Conditions, Article 8 or Article 9 of this Agreement caused by the Customer; premature termination events agreed in Transaction Confirmation of individual Structured Products; individual Structured Products are under the circumstances of compulsory execution, sequestration, provisional injunction or other property preservation actions.
- B. Unless otherwise stipulated in Transaction Confirmation of individual Structured Products, with regard to the amount for termination before maturity/premature termination in the preceding article, the Bank shall calculate net value of capital invested (service charges indicated in Transaction Confirmation of individual Structured Products shall be deducted) based on market value on Termination Date. The amount shall not apply to the income of primary products, and the Bank does not guarantee 100% return of investment principal. The Bank shall determine and calculate aforementioned market value, which holds complete binding force on the Customer. In addition, whether termination before maturity/premature termination is caused by the Customer's personal factors or decrees and regulations, or change of decrees, the Customer shall be liable for market losses arisen from termination before maturity/premature termination as well as losses and related expenses of the Bank.
- (7) **Prohibition of pledge and assignment of rights and obligations**
- Individual Structured Product transaction contracts formulated in accordance with this Agreement are assets linked to one or many subjects and have potential market risks. The Customer shall not pledge for investment principal from the Bank or establish pledge to anyone, nor assign rights or obligations under this Agreement and individual Structured Product transaction contracts to any third party other than the Bank. However, after being approved by the Bank and relevant articles are written in product description or Transaction Confirmation (if the Customer is a member of fund subordinated to securities investment trust limited liability company, the products invested have a collection period, and articles that pledge may apply to the products are explicitly stipulated in product description provided by the Bank, then the prerequisite does not apply to the Customer, either; the same rule also applies in the event of regulations regarding prohibition or restriction of pledge pursuant to relevant decrees that restrain the Customer), the Customer shall pledge rights of Structured Product transactions to the Bank as collateral for its creditor's rights in accordance with general credit granting procedures. Related regulations regarding the pledge for the Bank's debt pursuant to general credit extension procedures are separately stipulated.

3 Other special provisions (check the box)

☑Chapter I Article 3 Item 3 Terms of electronic transmission system confirmation does not apply.

Chapter I Article 3 Item 3 Terms of electronic transmission system confirmation applies. The Customer agrees to confirm each transaction contract under this Agreement via electronic transmission system, and specifies following email accounts to receive notification of relevant information. In case of inconsistency between following email accounts and accounts of the Customer recorded on the application of corporate financial services network at the Bank, the following email accounts shall prevail to receive transaction information under this Agreement.

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The "loss deposit" referred to in Chapter I Article 6 does not apply.

☑The "loss deposit" referred to in Chapter I Article 6 applies.

The "loss limit" is in or equivalent amount in other currencies.

The "loss limit" of hedge Financial Transaction is USD 300,000 or equivalent amount in other currencies.

The "loss limit" of non-hedge Financial Transaction is in or equivalent amount in other currencies.

The Bank is entitled to adjust the amount of each "loss limit" mentioned above or valuation date at any time, and shall notify the Customer via verbal/written notice.

☑ The name and address of the process agent referred to in Chapter I Article 24 shall be: No.18, Gong 4th Rd., Linkou Dist., New Taipei City.

☑ Chapter II Article 1 Special provisions of Currency Option transaction does not apply.

☑ Chapter II Article 2 Special provisions of Structured Product transaction does not apply.

Other provisions:

The Customer hereby declares that he/she has carefully read this Agreement and terms and conditions listed in relevant documents, including but not limited to, each provision (including special provisions for the Customer's information) under "Other special provisions" in Article 3 of Chapter II and Description, Risks Disclosure Statement and Advance Notice of Financial Derivatives (Appendix 1) (sign here), the Customer fully understands the content of this Agreement and accepts its clauses, and that he/she confirms to have been fully aware of risks arisen from engaging in derivatives transactions, agrees to assume risks of related investment and be liable for losses resulted from transactions. The Customer hereby declares that he/she has already acquired a copy of this Agreement, including Description, Risks Disclosure Statement and Advance Notice of Financial Derivatives.

Kind Regards,

Taishin International Bank

The Customer:

The Representative:

Address:

If the Customer is a trust company on behalf of its raised funds/private placements, and signs this Agreement jointly with the custodian bank, then this Agreement (appendix included) constitutes an agreement between securities investment trust fund (unified number:) and the Bank on financial derivatives transactions.

Date: July 23, 2019

This column is used for review by Taishin International Bank		
Supervisor	Transactor	Guaranty verification/verification seal

Appendix 1

Description, Risks Disclosure Statement and Advance Notice of Financial Derivatives

(Taishin International Bank hereby requests the Customer to carefully read this description, risks disclosure statement and advance notice)

"Financial Transaction" or "transaction" defined in this Agreement refers to Financial Transactions made from time to time between the Bank and the Customer, including but not limited to Spot or Forward transactions of Currency, Currency exchange, Currency Options, Forward Rate Agreement, Interest Rate Swap, Cross Currency Swap, asset swap, Structured Products, Credit Derivatives, Equity Derivatives, Commodity Derivatives, and all other financial derivative transaction contracts, with individual transaction types as follows. See product description or Transaction Confirmation of individual transactions for other matters not covered. Following gains and losses situational analysis for Financial Transactions (results of gains and losses situational analysis does not guarantee future performance) assumes that:

- a. The Customer has not requested premature termination or change of conditions since the trade date, and
- b. There are no credit risks at the Bank during product investment period.

1. Forward

Transactions that specify a future Business Day as the Settlement Day on the trade date, which deal with substantive settlement or balance settlement at a specific price and specified amount.

Example 1: The Customer buys in (or sells out) agreed notional amount at an agreed price on Forward Settlement Day.

Settlement situation:

The Customer buys in (or sells out) agreed notional amount in {Currency 1}, and sells out (or buys in) agreed notional amount in [Currency 2] on Forward Settlement Day

Gains and losses analysis: [relatively poor]

In the event of Spot rate less (or greater) than Forward rate on product Settlement Day, then absolute value of the "notional amount x (Spot rate - Forward rate)" valued in [Currency 2] is Customer's potential settlement losses from the transaction. If currencies exchange is required for contract transactions calculated, then the result might be subject to exchange rate fluctuation, which will result in further gains or losses.

Gains and losses analysis: [relatively good]

In the event of Spot rate greater (or less) than Forward rate on product Settlement Day, then absolute value of the result of "notional amount x (Spot rate - Forward rate)" valued in [Currency 2] is Customer's potential settlement gains from the transaction. If currencies exchange is required for contract transactions calculated, then the result might be subject to exchange rate fluctuation, which will result in further gains or losses.

Example 2: The Customer conducts a non-deliverable Forward transaction that buys (or sells) an agreed notional amount on the Forward settlement date

Settlement situation:

The Customer receives or pays "(fixing (or Forward) rate - Forward (or fixing) rate) x agreed notional amount/fixing rate" in [Currency 1] based on the fixing rate on the Forward settlement date

Gains and losses analysis: [relatively poor]

Assuming that the fixing rate on the product Fixing Date is less (greater) than the Forward rate, the absolute value of the result of "notional amount x (fixing rate - Forward rate)/fixing rate" valued in [Currency 1] shall be the settlement losses of the Customer from the transaction.

Gains and losses analysis: [relatively good]

Assuming that the fixing rate on the product Fixing Date is greater (less) than the Forward rate, the absolute value of the result of "notional amount x (fixing rate - Forward rate)/fixing rate" valued in [Currency 1] shall be the settlement gains of the Customer from the transaction.

Potential losses and the greatest possible risks for the Customer are (Maximum potential losses):

If the market price on the settlement date is not in favor of the Customer's settlement, the Customer may suffer a settlement loss at the end of the period with an amount that has no upper limit.

2. Currency Swap

Transactions that buy (or sell) a specified amount of foreign exchange in the Spot market, and at the same time sell (or buy) equivalent amount of foreign exchanges in the Forward market.

Example: A transaction that buys (sells) and sells (buys) the same amount of a Currency at the same time, but on different settlement dates. The Customer conducts a transaction that buys/sells (or sells/buys) an agreed notional amount in [Currency 1] in exchange for [Currency 2] in the Spot market and the Forward market at the same time

Settlement situation:

The Customer buys (or sells) an agreed notional amount in [Currency 1], and sells (or buys) the amount of "agreed notional amount x exchange rate at the beginning of the period" in [Currency 2].on the Spot settlement date

Gains and losses analysis: [relatively poor]

The cost of the Customer's debit and credit in [Currency 1] and [Currency 2] is the Forward rate point of the swap rates at the end and the beginning of the period.

Without consideration of the swap rate at the beginning of the period, assuming that the Spot rate on the final swap date is less (or greater) than the final swap rate, the absolute value of the result of "notional amount x (Spot rate - final swap rate)" valued in [Currency 2] shall be the Customer's losses of market price from the transaction.

Gains and losses analysis: [relatively good]

The cost of the Customer's debit and credit in [Currency 1] and [Currency 2] is the Forward rate point of the swap rates at the end and the beginning of the period.

Without consideration of the swap rate at the beginning of the period, assuming that the Spot rate on the final swap date is greater (or less) than the final swap rate, the absolute value of the result of "notional amount x (Spot rate - final swap rate)" valued in [Currency 2] shall be the Customer's gains of market price from the transaction.

Potential losses and the greatest possible risks for the Customer are (Maximum potential losses):

©The cost of the Customer's debit and credit in [Currency 1] and [Currency 2] is the Forward rate point of the swap rates at the end and the beginning of the period. Without consideration of the swap rate at the beginning of the period, if the market price on the final swap date is not in favor of the Customer's settlement, the Customer may suffer a loss of market price at the end of the period with an amount that has no upper limit.

3. Interest Rate Swap

Transactions that use different interest rate indexes of a single Currency for purpose of swap to exchange a specified amount of interest or interest differential on a regular basis over a period of time. The types of Interest Rate Swap may be fixed-for-floating Interest Rate Swap, fixed-for-fixed Interest Rate Swap, and floating-for-floating Interest Rate Swap.

Example: The Customer conducts an Interest Rate Swap transaction in which the Customer pays a fixed (or floating) interest rate of the notional amount, and receives a floating (or fixed) interest rate on a regular basis over a certain period of time

Settlement situation:

The Customer pays (or receives) "an agreed notional amount x fixed rate x number of days based on the fixed interest rate", and receives (or pays) "the notional amount x floating rate x number of days based on floating interest rate" on the settlement date of each period; both parties swap the interest rate at regular intervals during the agreed period

Gains and losses analysis: [relatively poor]

Assuming that the Customer regularly pays a fixed (or floating) interest rate and regularly receives a floating (or fixed) interest rate from the first period (inclusive) to the last period (inclusive) of the first year, if the paid interest rate is greater than the received interest rate, then the analysis of differential gains and losses of the transaction shall be the cumulative losses (before tax) of the Customer in that year: (the paid interest rate - the received interest rate)%.

Gains and losses analysis: [relatively good]

Assuming that the Customer regularly pays a fixed (or floating) interest rate and regularly receives a floating (or fixed) interest rate from the first period (inclusive) to the last period (inclusive) of the first year, if the received interest rate is greater than the paid interest rate, then the analysis of differential gains and losses of the transaction shall be the cumulative gains (before tax) of the Customer in that year: (the received interest rate - the paid interest rate)%.

Potential losses and the greatest possible risks for the Customer are (Maximum potential losses):

If any paid interest rate of the Customer is greater than the received interest rate during the period of the contract, the Customer may suffer a settlement loss in that period with an amount that has no upper limit.

4. Cross Currency Swap

Transactions that exchange a specified amount of principal and interest between different currencies over a period of time, and may be an actual delivery or a balance settlement.

Example: The Customer conducts a Cross Currency Swap transaction in which the Customer buys/sells (or sells/buys) a specified amount of [Currency 1] in exchange for [Currency 2] over a period of time

Settlement situation:

[Notional amount 1] is the agreed notional amount of [Currency 1]

[Notional amount 2] is the [Currency 2] notional amount of [notional amount 1] x swap rate at the beginning of the period

[Notional amount 3] is the [Currency 2] notional amount of [notional amount 1] x swap rate at the end of the period

The Customer buys (or sells) [notional amount 1] and sells (or buys) [notional amount 2] on the Spot settlement date, and sells (or buys) [notional amount 1] and buys (or sells) [notional amount 3] on the Forward settlement date;

And the Customer regularly pays (or receives) a [Currency 1] interest of [notional amount 1] x [Currency 1] interest rate x number of days based on [Currency 1] interest rate, and the Customer regularly receives (or pays) a [Currency 2] interest of [notional amount 2] x [Currency 2] interest rate x number of days based on [Currency 2] interest rate

Gains and losses analysis of Interest Rate Swap

From the first period (inclusive) to the last period (inclusive) of the first year, the Customer regularly pays (or receives) [Currency 1] interest rate, and regularly receives (or pays) [Currency 2] interest rate.

Principal swap gains and losses analysis 1:

The cost of the Customer's debit and credit in [Currency 1] and [Currency 2] is the Interest Rate Swap.

Without consideration of the swap rate at the beginning of the period, assuming that the Spot rate on the final swap date is less (or greater) than the final swap rate, the absolute value of the result of "[notional amount 1] x (Spot rate - final swap rate)" valued in [Currency 2] shall be the Customer's losses of market price from the transaction.

Principal swap gains and losses analysis 2:

The cost of the Customer's debit and credit in [Currency 1] and [Currency 2] is the Interest Rate Swap.

Without consideration of the swap rate at the beginning of the period, assuming that the Spot rate on the final swap date is greater (or less) than the final swap rate, the absolute value of the result of "[notional amount 1] x (Spot rate - final swap rate)" valued in [Currency 2] shall be the Customer's gains of market price from the transaction.

Potential losses and the greatest possible risks for the Customer are (Maximum potential losses):

⊗Interest Rate Swap: If any paid interest rate of the Customer is greater than the received interest rate during the period of the contract, the Customer may suffer a settlement loss in that period with an amount that has no upper limit.

⊗Principal swap: Without consideration of the swap rate at the beginning of the period, if the Spot rate on the final swap date is not in favor of the Customer's settlement, the Customer may suffer a loss of market price in that period with an amount that has no upper limit.

5. Commodity Swap

Transactions that use commodity price as the underlying subject of a swap to exchange a specified quantity of fixed and floating prices on a regular basis during the agreed period.

Example: The Customer conducts a swap transaction in which the Customer acts as the payer of fixed (floating) prices and the payee of floating (fixed) prices

Settlement situation:

The Customer pays (or receives) "the specified quantity x fixed price", and receives (or pays) "the specified quantity x floating price" on the settlement date

Gains and losses analysis: [relatively poor]

Assuming that the fixed price is greater (or less) than the floating price, the absolute value of the result of "the specified quantity x (fixed price - floating price)" shall be the Customer's settlement losses from the transaction.

Gains and losses analysis: [relatively good]

Assuming that the fixed price is less (or greater) than the floating price, the absolute value of the result of "the specified quantity x (fixed price - floating price)" shall be the Customer's settlement gains from the transaction.

Potential losses and the greatest possible risks for the Customer are (Maximum potential losses):

If the paid price of the Customer is greater than the received price during the period of the contract, the Customer may suffer a settlement loss in that period with an amount that has no upper limit.

6. Option

The agreement that the Seller of the Option promises that the Buyer of the Option has the right (but not the obligation) to buy/sell an underlying asset from/to him when exercising the Option (including American, European, Bermuda, etc.), and an actual delivery or a balance settlement may be made when the agreement is performed.

(1) FX Call Option

Example: The Customer agrees to sell (or buy) a specified amount of [Currency 1] Call Option in exchange for [Currency 2] Put Option on a specific date in the future (European), and agrees that the price of buying and selling [Currency 1] in exchange for [Currency 2] shall be the exercise rate

Settlement situation:

1. The Buyer pays the Premium to the Seller at the beginning of the period;
2. If the fixing rate on the agreed Fixing Date is less than the exercise rate, the Option shall be invalid and there shall be no settlement between the Buyer and the Seller;
3. If the fixing rate on the agreed Fixing Date is greater than or equal to the exercise rate, the Customer shall have the obligation (or the right) to sell (or buy) a specified amount of [Currency 1], and buy (or sell) [Currency 2] with an amount of "the specified amount x exercise rate" on the settlement date.

(2) FX Put Option

Example: The Customer agrees to sell (or buy) a specified amount of [Currency 1] Put Option in exchange for [Currency 2] Call Option on a specific date in the future (European), and agrees that the price of buying and selling [Currency 1] in exchange for [Currency 2] shall be the exercise rate

Settlement situation:

1. The Buyer pays the Premium to the Seller at the beginning of the period;
2. If the fixing rate on the agreed Fixing Date is greater than the exercise rate, the Option shall be invalid and there shall be no settlement between the Buyer and the Seller;
3. If the fixing rate on the agreed Fixing Date is less than or equal to the exercise rate, the Customer shall have the obligation (or the right) to buy (or sell) a specified amount of [Currency 1], and sell (or buy) [Currency 2] with an amount of "the specified amount x exercise rate" on the settlement date.

(3) Cap

Example: The Customer agrees to sell (or buy) a specified amount of Cap on a specific date in the future (European), and the agreed interest rate shall be the exercise interest rate

Settlement situation:

1. The Buyer pays the Premium to the Seller at the beginning of the period;
2. If the fixing interest rate on the agreed Fixing Date is less than the exercise interest rate, the Option shall be invalid and there shall be no settlement between the Buyer and the Seller;
3. If the fixing interest rate on the agreed Fixing Date is greater than or equal to the exercise interest rate, the Customer shall have the obligation (or the right) to pay (or receive) "a specified amount x (fixing interest rate - exercise interest rate)" on the settlement date.

(4) Floor

Example: The Customer agrees to sell (or buy) a specified amount of Floor on a specific date in the future (European), and the agreed interest rate shall be the exercise interest rate

Settlement situation:

1. The Buyer pays the Premium to the Seller at the beginning of the period;
2. If the fixing rate on the agreed Fixing Date is greater than the exercise interest rate, the Option shall be invalid and there shall be no settlement between the Buyer and the Seller;
3. If the fixing interest rate on the agreed Fixing Date is less than or equal to the exercise interest rate, the Customer shall have the obligation (or the right) to buy (or sell) "a specified amount x (exercise interest rate - fixing interest rate)" on the settlement date.

(5) Equity Call or Commodity Call

Example: The Customer agrees to sell (or buy) specified shares of call on a specific date in the future (European), and the agreed price shall be the Strike Price

Settlement situation:

1. The Buyer pays the Premium to the Seller at the beginning of the period;
2. If the fixing price on the agreed Fixing Date is less than the Strike Price, the Option shall be invalid and the Buyer and there shall be no settlement between the Buyer and the Seller;
3. If the fixing price on the agreed Fixing Date is greater than or equal to the Strike Price, the Customer shall have the obligation (or the right) to pay (or receive) "specified shares x (fixing price - Strike Price)" on the settlement date.

(6) Equity Put or Commodity Put

Example: The Customer agrees to sell (or buy) specified shares of put on a specific date in the future (European), and the agreed price shall be the Strike Price.

Settlement situation:

1. The Buyer pays the Premium to the Seller at the beginning of the period;
2. If the fixing price on the agreed Fixing Date is greater than the Strike Price, the Option shall be invalid and the Buyer and there shall be no settlement between the Buyer and the Seller;
3. If the fixing price on the agreed Fixing Date is greater than or equal to the Strike Price, the Customer shall have the obligation (or the right) to pay (or receive) "specified shares x (Strike Price - fixing price)" on the settlement date

Maximum potential losses and the greatest possible risks for the Customer are (Maximum potential losses):

© If this Agreement is terminated before maturity by the Customer, the commodity shall be calculated based on the market price, and in addition to being unable to settle on the basis of the settlement amount calculation, the Customer may also suffer losses of premature termination and even bear an unlimited loss in extreme cases.

All these derivatives above have their own corresponding commodity risk levels. The evaluation principles of commodity attribute of derivatives include these factors, such as fluctuation range, class of underlying assets, product days, financial derivatives risk index, and commodity complexity. Comprehensively evaluating and confirming the degree of commodity risk of these financial derivatives, which is divided into 1-6 levels from low to high:

Definition of product risk level:

1. The First Level is very conservative: the linked slight-volatility risk market, the market value or the profit and loss of the transaction are rarely influenced by the risk factors such as market changes and changes of policy and rule of law.
2. The Second Level is conservative: the linked low-volatility risk market, the market value or the profit and loss of the transaction are rarely influenced by the risk factors such as market changes and changes of policy and rule of law.
3. The Third Level is steady: the linked low-volatility to middle-volatility risk market, the market value or the profit and loss of the transaction are slightly influenced by the risk factors such as market changes and changes of policy and rule of law.
4. The Fourth Level is growth: the linked middle-volatility to high-volatility risk market, the market value or the profit and loss of the transaction are moderately influenced by the risk factors such as market changes and changes of policy and rule of law.
5. The Fifth Level is positive: the linked high-volatility risk market, the market value or the profit and loss of the transaction are greatly influenced by the risk factors such as market changes and changes of policy and rule of law, and product structure may be diversified.
6. The Sixth Level is very positive: the linked extremely high-volatility risk market, the market value or the profit and loss of the transaction are significantly influenced by the risk factors such as market changes and changes of policy and rule of law, and product structure may be diversified or has a leverage structure, and the commodity complexity is high.

The Customer should take the financial commodity risk into full consideration and refer to the Bank's financial commodity risk level if he deals with financial derivatives not for the purpose of hedging. If the risk level exceeds the risk rating made by the Bank, the Customer should assess the operation situation and financial operating of the company prudently and understand the relevant risk of financial commodity, and has consulted or consider there is no need to consult expert advisors other than the Bank to fully understand before makes a trade decision.

This risk discloses the risks of all exchange rates, interest rates, stock prices, credits, indexes, futures, Options, structured commodities and all other financial derivatives that can't be disclosed in declaration and disclosure statement. Because of these risks, the Customer must understand the nature of the transactions that will be made and the risk levels that will be undertaken before conducts a transaction. The Customer should also consider carefully in terms of his operating experience, purposes, financial conditions and other points, and have a clear understanding of the nature of the transaction and the legal relationship of the relevant contracts signed, and the nature and level of the risks that may arise after the transaction, to consider deliberately whether such transactions are suitable for conducting.

General Risk (This risk potentially exists regardless of the type of the Financial Transaction)

1. **Premature termination:** If the Financial Transaction is not approved by the Bank, the Customer may not, in principle, terminate it early before the agreed Maturity Date. If the Bank agrees to terminate a contract in advance, the costs, losses or service charges incurred should be borne by the Customer, and the costs or losses include the costs incurred by writing off the hedge position of the commodity. The Customer may get a lower commodity yield than its pre-determined one, and even a negative yield.
2. **The intervention of the supervision organization:** If the right of the Bank to deal with the open position is deprived or restricted due to its supervision organization or any other reasons, the Customer will be affected. Under such circumstances, the Customer may be asked to reduce the uncovered position with the Bank or unwind the position.
3. **Electronic trading:** Undertake transactions on an electronic trading system, which may be different from undertaking transactions on other electronic trading systems. If the Customer undertakes transactions on an electronic system, he will be exposed to risks associated with the system including the failure of hardware and software. Failure of the system may result in the trade demand of the Customer is not executed according to the instructions, or even not executed at all.
4. **Non-agent transactions:** The Customer and the Bank conduct a transaction with each other all on their own behalf, and the Bank and the Customer are each other's counterparty in terms of the transactions conducted.
5. **Market risk:** The Customer may suffer a loss when the market quotation is detrimental to the Customer's position. If the market quotation changes drastically, the loss of the Customer's close position may exceed the originally expected one. The Bank only conducts a transaction when the market price of the stop-loss (limit) order or reservation order breaks through the specified price. These reservation orders may result in a failure of making a deal exactly at the price specified by the Customer due to the changes of the market quotation, and further cause a large (small) loss (profit) than the originally expected one. **In extreme cases, domestic and foreign markets or institutions may stop trading so that the position of the Customer can't be closed out, thus may lead to a larger (smaller) loss (profit).**
6. **Credit risk:** The Customer must bear the credit risk of the Bank. The Customer must also bear the credit risk of the credit Reference Entity if the transaction conducted by the Customer is a credit derivative.
7. **Tax risk:** The product traded by the Customer may generate taxes. Also, Tax Act or relevant specifications, interpretations of any responsible institutions may generate risks such as adding or changing taxes.
8. **Risk of potential conflict of interest:** The Bank will conduct a transaction as a client or agent in the market where products are traded, including but not limited to buying and selling products. This may affect the price of the product at any point of time (whether it is a positive or negative impact). In addition, the Bank is the clearing institution of the product, and the interest of the Bank may conflict with the interest of the Customer within the above range.
9. **The acquisition and extraction risk of the loss margin:** If the contract document signed by the Customer with the Bank has a loss margin or Mark-to-Market Loss clause, when the market situation is detrimental to the Customer and cause the mark-to-market loss to exceed the loss limit, the Customer should provide the loss margin of the differential section between the mark-to-market and the loss limit according to the notice of the Bank, to cover all losses arising from the calculation of the transaction at the market price during the remaining period of the transaction conducted by the Customer. The mark-to-market profit or loss of the financial derivatives is affected by factors such as the market price of the underlying asset. **When the market price is detrimental to the transaction of the Customer, the mark-to-market loss of the transaction is likely to be much larger than expected. When the adverse situation of the market is aggravated and/or the remaining period of the transaction conducted by the Customer is long, the loss margin mentioned above that need to be provided may be very large or much greater than expected. The Customer should cover the large amount of loss margin in a short time, but the market value of the other financial assets of the Customer may slump at this time. The ability of the Customer to cover the loss margin now may be far below the time when the market condition is normal, and the liquidity risk of fund procurement may be generated. The Customer understands that failure to fulfill the requirement for providing the loss margin, the transaction will be handled according to the contract documents or terminated early without the consent of the Customer, and the relevant losses and expenses will be undertaken by the Customer. The Customer may take tons of losses.**
10. **Maximum risk exposure risk:** The Customer should carefully assess in advance the maximum amount of risk exposure (or calculate the maximum amount of risk exposure generated by other undue contracts of the same type), and the appropriate hedge position of the relevant Currency holdings or expected cash outflows. **If a financial derivative is not for hedging, its maximum possible loss amount may be infinite, and if it is a structured commodity that has a multiplier clause, the trade loss will enlarge due to the multiplier effect when the the market price is not favorable to the Customer. For the financial derivatives traded for the purpose of hedging, if the transaction amount is larger than the real demand, the excess part will bear the risk of no coverage by the substantial position.**
11. **Terminating the transaction early:** The Customer terminates the transaction early before the contract expires, and if the market price is not conducive to the transaction of the Customer, the Customer may bear huge transaction losses. The derivatives with a long day will take higher risks. And if the market price is not conducive to the transaction of the Customer, the Customer will bear higher transaction losses of early termination.

12. **Derivative transactions** may be related to, or based on, interest exchange rates, currencies, securities, commodities and other underlying assets. **Under certain market conditions, the Customer may suffer relevant losses or gain considerable interests; the result may be detrimental or beneficial to the Customer and will lead to huge losses or high profits in terms of the highly leveraged of the quota or the transaction. The Customer should bear the losses caused by all risks (the amount may be fairly large). And the Bank is not responsible for any risks arising from the quota or the transaction. Therefore, the Customer should consider carefully his financial conditions, experience, targets and other relevant conditions to determine whether these transactions are suitable for conducting. The Customer must also make sure that he has been fully aware of the nature of any quotas and transactions, the contractual relationship that he will get into, and the nature and degree of the risk taken by him. This instruction cannot disclose all the risks and other important notices of the derivative transaction. The Bank recommends that the Customer obtains independent legal and investment opinions before conducting any quotas or transactions.**
13. **The Customer may request the Bank to provide a description of the risks of the transaction when the transactional contract is established, and start to make a transaction request to the Bank in the way specified by the Bank after the Customer agrees to understand the risks of the transaction. Once the transaction is established, all profits and losses will be fully borne by the Customer, and the investor cannot require the Bank to assume any responsibilities for insufficient risk perception or other reasons.**

Structured Product Risk

1. **Structured Product** refers to the Structured Product transaction that combines fixed income products with financial derivatives (most of which are Options and swap contracts). It can link to a wide range of underlying, including transactional contracts derived from interest rate, exchange rate, stock price, index, commodity, credit event or other interests and their combinations. Structured Product is not a general savings, but an investment. Its profit and loss are influenced by many factors, such as the market price of the underlying asset, the condition of the product, the mechanism of exiting the market early, or the occurrence of the agreed credit event. **In the situation where certain conditions are met, the profit of Structured Product may be higher than that of the common simple deposit rate; otherwise, it may reduce and erode the investment principal. The Bank doesn't promise to return all investment principal when the agreement is terminated before maturity, and modest capital preservation at maturity is depending on the condition set up.**
2. **"Principal protected Structured Product"** refers to the condition where the Customer uses all or part of the fixed income generated by the original capital of investment for paying or exchanging financial derivatives (Options and swap contracts) when conducting a Structured Product transaction. If the trend of the underlying asset or product condition of the financial derivatives (Options and swap contracts) meets the expectation of the Customer, the remuneration of the product condition can be obtained; on the contrary, if the trend of the underlying asset or product condition of the financial derivatives (Options and swap contracts) does not meet the expectation of the Customer, the maximum probable loss is achieving nothing in the case where the Customer always owns the product prior to the date due and the credit risk has not occurred in the Bank. **"Non-principal protected Structured Product"** refers to the condition where the Customer uses all or part of the fixed income generated by the original capital of investment or the principal for paying or exchanging financial derivatives (Options and swap contracts) when conducting a Structured Product transaction. If the trend of underlying asset or product condition of the financial derivatives (Options and swap contracts) meets the expectation of the Customer, the remuneration of the product condition can be obtained; however, if the trend of underlying asset or product condition of the financial derivatives (Options and swap contracts) does not meet the expectation of the Customer, it is probably that the risk side of the financial derivative (Options and swap contracts) transaction is executed, and the Customer should transfer the matured principal to an agreed Currency or security or other agreed assets, or draw the amount of money lower than the original capital of investment (that is there is a loss of the original capital of investment) according to the agreed conversion condition of the original capital of investment and expired product condition.
3. Structured Product transaction has the characteristics of the financial derivative (Options and swap contracts) (such as exchange rate, interest rate, commodity, credit, stock price or stock price index) transaction that engages in single or multiple underlying assets, and involves many risks which will probably be great. Therefore, the Customer should take account of his financial situation and risk taking ability before conducting this transaction. The following items should be paid attention to during the transaction:
 - (1) The five main factors that affect the price of the financial derivatives (Options and swap contracts) are as follows: the volatility of single or multiple underlying assets, the market price or the Forward market price curve of the underlying asset, the product condition, the expiration time of the product, and the existence of the mechanism for the product to exit the market early. The changes of the price of the financial derivatives are not necessarily beneficial to the Customer when the changes of one or two above items are beneficial to the Customer. The investor should comprehensively assess the positive or negative effects caused by the various factors to make an appropriate trade decision.
 - (2) For financial derivatives (Options and swap contracts), it is necessary to further assess their maximum possible loss according to the individual product conditions when the market changes are detrimental to them. The probable maximum loss may include the loss of the original capital of investment if trading "non-principal protected Structured Product".

- (3) When the position of the financial derivatives (Options and swap contracts) is detrimental to the Customer, the Customer uses the Spot or Forward Option in the market or the swap contract to avoid the market risk. But the risk is not necessarily smaller than that of buying back or selling the financial derivatives directly in the market, depending on the product conditions traded.
- (4) The only way for financial derivatives (Options and swap contracts) to be liquidated in advance should be buying or selling the financial derivatives traded before directly in the market, rather than trading in the Spot or Forward Option or swap contract market.
- (5) The execution of the order of financial derivatives (Options and swap contracts) depends on the market situation, and the transaction may not be concluded at a predetermined price when the market fluctuates drastically.
4. The Customer understands the market related to the investment underlying of a "Structured Product" may be affected by laws, regulations or policies, which may cause the market to stop transactions, terminate transactions, close down or other risks.
5. **The degree of the risks faced by the Customer varies with the designs and conditions of "Structured Products". The main risks include but are not limited to the principal conversion risk, market interest rate risk, investment underlying applicability risk, principle loss risk, liquidity risk, reinvestment risk regarding acceleration of maturity, midway termination risk, credit risk, taxation risk, exchange risk, country risk, legal risk, product conditions change risk, etc. The Customer may require the Bank to provide instructions on the risks of a transaction before the establishment of the transaction contract. The Customer agrees to make a transaction request to the Bank in the manner prescribed by the Bank after understanding the transaction risks. Once the transaction is established, the Customer shall be responsible for all profits and losses, and shall not require the Bank to assume any responsibility for insufficient risk perception or other reasons.**
6. In principle, the Customer shall not terminate the contract or withdraw the money in advance before the agreed Maturity Date of the "Structured Product", unless approved by the Bank. If the Bank agrees with the Customer to terminate the contract or withdraw the money in advance, the resulting costs, losses or fees generated by the Bank shall be borne by the Customer. The costs or losses include the costs incurred by the Bank in writing off the hedge position of the product. The Customer may get a return rate lower than the preset rate of the product, or even a negative return rate (i.e. damaging investment principal).
7. For any other Financial Transactions, the Customer must clearly understand all relevant legal requirements (including investment restrictions), and the Customer shall consider the legal, taxation, and accounting influence imposed by the Financial Transaction. When appropriate, the Customer shall also consider consulting with appropriate consultants on the products to invest and the special environment to get assisted in understanding the risks involved. If the Customer is a financial adviser or agent, various risks mentioned above shall also be assessed based on the Customer or his/her relevant circumstances.
8. When the Customer and the Bank conduct a "Structured Product" transaction, the Customer shall understand that the Bank is a contractual object for the Customer, and is by no means a financial adviser or a trustee for its trust.
9. **Warnings on investing in Structured Products:**
 - (1) **This product is a complex financial product and must be explained by an expert before investing. If investors cannot fully understand this product, do not invest.**
 - (2) **This product is not a deposit but an investment which is not covered by deposit insurance.**
 - (3) **The investor shall read product descriptions and risk disclosure statements before investing, and shall understand and judge for himself/herself, and be responsible for his/her own profits and losses.**
 - (4) **This product is an investment-oriented product. The investor shall bear the market risk of this product and the credit risk of Taishin Bank by himself/herself.**
 - (5) **The investor shall not sign or seal relevant documents without clearly understanding the product descriptions, contract terms and the whole document content.**
 - (6) **The investor's midway terminating the contract may result in the recoverable money lower than the investment principal.**
 - (7) **The maximum possible loss is the entire investment principal.**
 - (8) **The degree of the risks faced by the investor varies with the designs and conditions of Structured Products. For cash settlement, there may risks of part or all interest, principal loss or other losses; for non-cash settlement, the principal may convert to underlying assets as agreed, and probably the investor must bear the credit risks of the Bank and the issuer of the underlying assets.**
 - (9) **The factors that affect the price changes of financial derivatives are extremely complex. The risks disclosed by the Bank only cover the major part of the risks. It may not be able to expatiate on the transaction risks and factors affecting market quotations. Therefore, the investor shall fully understand the nature of the Structured Product, and related financial, accounting, taxation or legal issues before transaction, and assess his/her own financial status and risk tolerance, and then decide whether to invest.**

Option Transaction Risk

- The risk of selling Options is generally higher than the risk of buying Options:** although the Customer could exclusively obtain the Premium when selling Options, he/she may bear a loss much bigger than the Premium: the obligation of the Customer's selling Options is unlimited, and with the rise and fall of the prices of underlying assets (foreign exchanges, stocks, interest rates, raw materials, etc.), **the Customer's loss may be unlimited, while the profit is only limited to the Premium.** The Customer must bear the risk that the Buyer exercises the Option when selling an Option. At that time, the Customer is obligated to settle in cash, or buy, sell or deliver relevant equities. Involved risk may be reduced if the Customer holds a corresponding relevant equity or underlying asset, or another Option "covered Option". In addition, as an Option Seller, the Customer must understand that he/she needs to bear market price fluctuations and other risks. When there are losses according to market assessment, the Customer should provide a deposit to the Bank as agreed. If the deposit provided is much larger than expected, there may be a liquidity risk with regard to fund transferring. If the Customer fails to fulfill the obligation to provide a deposit, so that the Bank terminates the transaction in advance, then the Customer may bear huge losses.

The market also has novel Options with different risk patterns. When the Customer undertakes an Option transaction, he/she shall first understand his/her rights and obligations, evaluate his/her risk tolerance, and then make the transaction. For example, for European Knock-in Options, the rights and obligations of the Option Buyer and Seller come into effect at the prices-comparing point when the market price knocks effective conditions, and then risks arise as stated above; for American Knock-out Options, there is no knock events after the transaction is undertaken and before the prices-comparing point, and the rights and obligations of this American Knock-out Option's Buyer and Seller are the same as general Options, but if the market price has knocked failure conditions at any time, the rights and the obligations will become invalid in advance; for digital Options, the risk of the Option Seller will rise and fall as the prices of underlying assets (foreign exchanges, stocks, interest rates, raw materials, etc.) change, and the loss will be a fixed amount, the profits will be only limited to the Premium. Furthermore, if the Customer undertakes a structured transaction with a complex pattern (covering multiple groups of Options with different Maturity Dates), for example: the product condition is to leave in advance when periodic profits accumulate to the target price, with the rise and fall of the prices of underlying assets (foreign exchanges, stocks, interest rates, raw materials, etc.), the rights and obligations of the Customer may terminate in advance. If the rights and obligations don't terminate in advance, the Customer's losses may be unlimited. Also please notice that the amount of money regarding the Customer's rights and the amount regarding the obligations do not necessarily have to be equal. The amount regarding the Customer's obligations may be multiple of the amount regarding the rights (leverage operation), resulting in the loss multiple of the profit. When the market is not in favor of the calculation direction of the delivery amount for the investor, the delivery amount may be amplified due to the leverage factor, and the investor will face delivery losses and suffer significant losses. **In the worst case, the Customer's loss may have no upper limit.** After the transaction day, the marked to market value will be affected by various market factors, depending on the underlying (foreign exchanges, stocks, interest rates, raw materials, etc.). For example, if the Customer undertakes a structured foreign exchange transaction with a complex pattern, he/she will be affected by market factors such as interest rates, exchange rates, credit spreads and related Currency fluctuations. When the relevant market factors are not favor of the calculation direction of the delivery amount for the investor, the transaction loss will be amplified due to the leverage factor, and the market price of the product will drop rapidly, probably causing huge transaction loss.

As the financial market changes, the Customer will be exposed to more and more single or complex structured Option transactions. The content above does not cover all kinds of Option transactions and corresponding risks, nor does it mean the Option transactions not listed here involve no risks. Therefore, the Customer must judge for himself/herself the Option to be transacted, the transaction and corresponding risks. The Bank does not forecast or guarantee any market conditions.
- Exchange and swap risk:** Profits or losses incurred in contract transactions calculated in Foreign Currency (regardless of whether the transaction is conducted in his/her own jurisdiction or elsewhere), the unit Currency to be exchanged will likely be affected by exchange rate fluctuations. If the investor conducts a transaction with a Foreign Currency, and chooses to exchange the delivery Currency for local Currency when delivery, he/she may encounter profits or losses due to exchange rate fluctuations.
- Structured policy:** It may not be effective to set certain instructions (such as "stop-loss orders" or "stop-limit orders" permitted by local laws) to control losses to a certain extent. Because the market may not allow clinching a deal at a preset price, and it may also make relevant orders fail to be exercised. In addition, when using a combination position policy (such as Spot or Forward transactions) to hedge against the risk of financial derivative transactions, the risk is not necessarily less than the risk of buying or selling the financial derivative directly in the market, and vice versa.
- Liquidity risk, transaction suspension or restriction, and price relationship:** market conditions (such as Currency cannot be circulated) and/or some market regulation (such as transactions are suspended for any Currency due to the price restriction, government intervention or interruption of the trading system) may lead to difficulties in or inability to completing/complete transactions or closing/close positions. If such a situation occurs after the Customer sells a Option, the risk of loss to the Customer may increase. The normal price relationship between related assets and futures or Options may not exist. For example, under extreme market conditions, Spot contracts related to stock Options are regulated by price restrictions, and only unilateral Buyer or Seller market remains, so the appeared transaction price is actually not a true transaction price, but the price is still used to execute the Option's rights and obligations when the Option is mature. Therefore, it's hard to judge what a "fair price" is for the Customer due to a lack of relevant reference asset prices. When the Customer undertakes a structured transaction with a complex pattern which lacks liquidity due to its combination of many financial derivatives, if he/she terminates the contract in advance, there may be a spread between the actual transaction price and the original asset value of the product. As a result, the Customer may suffer a loss with regard to midway termination when he/she sells the product before maturity. And even the Customer must hold the product until its maturity once the market completely loses liquidity. Long term structured transactions with complex patterns have high risks. When the market price is not in favor of transactions for the Customer, he/she will bear big transaction losses with regard to early termination. When the Customer applies for midway termination of the contract, the value of the product will be calculated based on the market price on the termination day, not the calculation description of the original delivery amount. **The calculation of the price regarding midway termination involves complex derivative calculations and risks. If the market price is not in favor of the transaction for the Customer, he/she will bear huge transaction losses. In the worst case, there is no upper limit to the possible loss.**

Swap Transaction Risk

1. Swap means that the Customer agrees to undertake **a single or a series of transaction(s) that swap(s) an underlying asset for another** within a certain period in the future. The swappable underlying assets include foreign exchanges, interest rates, credit defaults, and raw materials, etc. The Customer will face the price risk arising from changes in the prices of the market underlying assets after undertaking such transactions. With the passage of time, this swap transaction may result in a loss without an upper limit due to a drastically changing market.
2. **Liquidity risk, transaction suspension or restriction:** market conditions (such as Currency, credit, target bonds cannot be circulated) and/or some market regulation (such as transactions are suspended for any Currency, raw material or rate underlying due to the price restriction, government intervention or interruption of the trading system) may lead to difficulties in or inability to completing/complete transactions or closing/close positions. If such a situation occurs after the Customer undertakes a swap transaction, the risk of loss to the Customer may increase.

Other Financial Transaction risks

Spot, Forward, Forward Rate Agreement, Interest Rate Swap, Currency Swap, Cross Currency Swap, Credit Derivatives, Equity Derivatives, ECB/CB asset swap, Commodity Derivatives and other financial product transactions are also involved with or based on interest rate, exchange rate, Currency, securities, products, credit and/or other assets. Content above does not cover all kinds of Financial Transactions and their risks, and it does not mean that there are no risks for the uncovered Financial Transactions. Therefore, the Customer shall still, in its sole discretion, decide the Financial Transactions to be made and assess their risks.

Risks of RMB financial derivatives (Structured Product included)

When making the transaction with the RMB financial derivatives involved, in addition to the underlying asset risks and the various secondary-risk portfolios from the financial derivatives, the Customer might also be at the following risks when dealing with this kind of transaction since now the RMB is still subject to the relevant regulations of the Republic of China and Mainland China:

1. The Customer shall fully understand the risk that the transaction will also be affected by other factors in addition to the market when involved with RMB financial derivatives and shall fully understand the valuation results:
 - (1) In addition to the effect of general market fluctuation factors, the transaction involved with RMB financial derivatives is also subject to the law or policy changes in Mainland China or other regions; or the supply and demand of RMB funds in the market may be affected due to the limitation of the RMB clearing service, leading to a greater fluctuation range of the exchange rate, interest rate or other related underlying asset, which will affect the profit and loss on the transaction gains, as well as the market price assessment.
 - (2) When the Customer makes the transaction involved with RMB, the attainability, liquidity and transferability of RMB might be affected due to the RMB clearing service, non-public market transactions or special circumstances, which then will further cause the greater transaction risks or the valuation of loss.
2. The Customer shall fully understand that the buy/sell or clearing and settlement of RMB will be subject to the relevant regulations:
 - (1) Different from the other foreign currencies, the buy/sell limit of RMB shall be in accordance with the relevant regulations regarding the Foreign Currency transaction. In the event that the Customer receives and pays in RMB for the financial derivatives, the buy/sell limit of RMB, time period and related procedures shall be aware of.
 - (2) The RMB assets and debts originally possessed by the Customer or his/her receipt and payment obligations arisen from the transactions might be under the influence of the supply and demand of the RMB funds in the market due to the subject to law or policy changes or the limitation of the RMB clearing service, which then will affect the clearing and settlement of the relevant transactions. Although the Bank has conducted the follow-up work to the already accepted RMB cases, it shall dedicate itself to search for other solutions and methods. However, if necessary, it is possible for the Bank to use another Currency for clearing and settlement according to the market exchange rate at that time.
3. The Customer shall fully understand that the RMB exchange rate and other price may apply to the underlying assets in different markets, which will affect the clearing and settlement of the transactions, as well as market price assessment result:

RMB exchange rate is currently categorized into the RMB exchange rate in the mainland China and the RMB exchange rate out of the mainland China, and there might also be many exchange rate indicators for the latter with their respective transaction markets. Different exchange rate indicators might derive the interest rate or other related underlying assets that applies to different circumstances. Aforementioned indicators might be more similar or dissimilar due to the market liquidity and other factors, which affects the price of the applicable underlying assets derived from them. The financial derivatives, clearing and settlement, and the market price assessment of different exchange rates or underlying assets are based on the different situation, each item is in accordance with its respective content in the agreed contract. The Customer shall fully understand the applicable exchange rate, interest rate, and the price of related underlying assets for the transaction, and shall, in its sole discretion, evaluate the derived transaction risks and losses before making the transaction.

The description and risk disclosure statement and advance notice for the above financial derivatives did not cover all the risks and related considerations for all financial product transactions, and it does not mean that there are no risks for the uncovered financial product transactions included in the Customer's transactions. Therefore, if the Customer is not fully aware of all risks of this type of transaction and has not decided the applicability in its sole discretion, they shall not make this type of transaction, and is recommended to actually complete financial planning and risk assessment before the transaction, in order to avoid unbearable losses arisen from it.

The Customer has carefully read through this "Description, Risks Disclosure Statement and Advance Notice of Financial Derivatives", and confirms to have fully understand general risks for engaging in transactions described here, and agrees to assume risks of related investment and be liable for losses resulted from transactions. The Customer hereby declares that he/her has already acquired a copy of this document.

Kind Regards
Taishin International Bank

The Customer:
The Representative:
Address:

Date: July 23, 2019

Appendix 2

Power of Attorney for Authorized Transaction Personnel and Authorized Confirmation Personnel (Confirmation Seals and Signatures)

To: Taishin International Bank (hereinafter referred to as "the Bank")

Date: July 23, 2019

With respect to each transaction and relevant stated matters involved in "General Agreement for Financial Transaction" signed between the Drafter of Power of Attorney and the Bank, the Drafter of Power of Attorney hereby authorizes the following authorized transaction personnel as his/her agents, and any of such persons are authorized to propose a transaction request to the Bank, complete a transaction or perform the relevant instructions via oral, written or other agreed forms on behalf of the Drafter; In addition, the following authorized confirmation personnel and the seals and signatures on file (i.e. confirmation seals and signatures) are authorized to confirm each Financial Transaction agreed by the Bank on behalf of the Drafter of Power of Attorney. This Power of Attorney remains valid until the Bank confirms to receive the original copy of the written amendment notice from the Drafter of Power of Attorney.

In addition, the Drafter of Power of Attorney acknowledges and promises that authorized transaction personnel and authorized confirmation personnel for a transaction may not be the same person, which shall be managed by the Drafter on their own.

Authorized transaction personnel

Authorized transaction personnel	Name	Title	Seals and signatures
Transaction personnel 1	CHOU,HUI-YING	Administrator	CHOU,HUI-YING
Transaction personnel 2	LIN,WEI-CHEN	Administrator	LIN,WEI-CHEN
Transaction personnel 3			
Transaction personnel 4			

Authorized confirmation personnel and their confirmation

- Confirmation personnel of the Bank and any confirmation personnel appointed by the Drafter of Power of Attorney may confirm a transaction in advance on the phone on the transaction day. If no confirmation personnel is appointed by the Drafter, the Bank shall not confirm the transaction on the phone, and shall perform the Transaction Confirmation only by confirming the seals and signatures instead:

Authorized confirmation personnel	Name	Title	Phone number
Confirmation personnel 1	CHENG,CHING-YING	Section Manager	(02)8227-9189 #5802
Confirmation personnel 2	LI,HSIAO-LAN	Section Manager	(02)8227-9189 #5806
Confirmation personnel 3	TSAI,JUI-LUNG	Department Manager	(02)8227-9189 #5801

- Delivery details for Power of Attorney and market value assessment report

Recipient Name	Title	Phone number	Fax number
CHOU,HUI-YING	Administrator	(02)8227-9189 #5810	(02)2601-9995
LIN,WEI-CHEN	Administrator	(02)8227-9189 #5807	(02)2601-9995
Email: Winny_Chou@aoi.com.tw Julia_Lin@aoi.com.tw	Delivery address: No.18, Gong 4th Rd., Gong'er Industrial Park, Linkou Dist., New Taipei City 24452, Taiwan		

- Official written confirmation is the Transaction Confirmation issued by the Bank in accordance with the provisions in General Agreement for Financial Transaction, stamped and sealed with following confirmation seals and signatures by the Drafter of Power of Attorney:

Confirmation Seals and Signatures

The Drafter of Power of Attorney:

The Representative:

Address:

This column is used for review by Taishin International Bank		
Supervisor	Responsible person	Guaranty verification/check seal

Appendix 3

Power of Attorney for Authorized Transaction Personnel and Confirmation Seals (Dedicated for Investment Trust Fund)

To: Taishin International Bank (hereinafter referred to as "the Bank")

Date: _____

With respect to each Financial Transaction between the Bank and " securities investment trust fund" (hereinafter referred to as "the Fund") raised/privately offered by " securities investment trust limited liability company" (the drafter of Power of Attorney, hereinafter referred to as "the Trust Company") and safekept by " bank limited liability company" (the drafter of Power of Attorney ,hereinafter referred to as "the Custodian Bank") , the Custodian Bank of drafter acknowledges and agrees that the Trust Company of the drafter authorizes following authorized transaction personnel as agents, any of whom is authorized to propose a transaction request to the Bank, complete a transaction or perform relevant instructions regarding the Fund via verbal, written or other agreed forms on behalf of the drafter. The drafter authorizes following authorized confirmation personnel respectively to confirm each Financial Transaction, on behalf of the drafter, agreed by the Bank by phone. In addition, the Custodian Bank of the drafter authorizes following recorded seals and signatures (i.e. confirmation seals and signatures) to be used in written confirmation of each Financial Transaction agreed by the Fund and the Bank on behalf of the drafter. This Power of Attorney remains valid until the Bank confirms to receive the original copy of the written amendment notice from the Drafter of Power of Attorney.

In addition, the Drafter of Power of Attorney acknowledges and promises that authorized transaction personnel and authorized confirmation personnel for a transaction may not be the same person, which shall be managed by the Drafter on their own.

Authorized transaction personnel

	Name	Title	Seals and signatures
Transaction personnel 1			
Transaction personnel 2			
Transaction personnel 3			

Authorized confirmation personnel and their confirmation methods

- Confirmation personnel of the Bank and any confirmation personnel appointed by the Trust Company may confirm a transaction in advance on the phone on the transaction day. If the Custodian Bank also appoints confirmation personnel, the Bank may also separately confirm with that confirmation personnel appointed by the Custodian Bank on the phone:

[Confirmation personnel appointed by the Trust Company]			
Authorized confirmation personnel	Name	Title	Phone number
Confirmation personnel 1			
Confirmation personnel 2			

[Confirmation personnel appointed by the Custodian Bank] (the Custodian Bank shall decide for itself whether to appoint anyone)			
Authorized confirmation personnel	Name	Title	Phone number
Confirmation personnel 1			
Confirmation personnel 2			

2. Delivery methods for Power of Attorney and market price assessment report

Recipient's name			
	Title	Phone number	Fax number
Email:			

3. Official written confirmation is the Transaction Confirmation issued by the Bank in accordance with the provisions in General Agreement for Financial Transaction, stamped and sealed with following confirmation seals and signatures by the Custodian Bank:

Confirmation seals (dedicated seals for fund special account of the Custodian Bank)

The Drafter of Power of Attorney: Securities investment trust limited liability company
The Representative:

The Drafter of Power of Attorney: Bank limited liability company
The Representative:
Address:

This column is used for review by Taishin International Bank		
Supervisor	Responsible person	Guaranty verification/check seal

Appendix 4

The Customer Information Confidentiality Measures of Taishin Financial Holding Co., Ltd. and Its Various Subsidiaries

Taishin Financial Holding Co., Ltd., which was founded on February 18th, 2002, owns the Bank, security companies and other subsidiaries and provides the customers with one-stop shopping products and services. Taishin Financial Holding Co., Ltd. and its various subsidiaries will adhere to the strictest security measures previously adopted by its various subsidiaries for the customer information, and takes the necessary confidentiality measures to safeguard the information provided by the customers. The Customer Information Confidentiality Measures of Taishin Financial Holding Co., Ltd. and Its Various Subsidiaries are hereby explained as follows:

The Customer Information Confidentiality Measures of Taishin Financial Holding Co., Ltd. and Its Various Subsidiaries shall be implemented in compliance with the Financial Holding Company Act, Financial Holding Company and Subsidiaries of Financial Holding Company Cross-selling Regulations (hereinafter referred to as "the Cross-selling Regulations"), Personal Information Protection Act (including the Personal Information Protection Act that has already been amended but yet not promulgated and implemented) and the related laws of the competent authorities. Also, each subsidiary shall abide by the regulations of other relevant laws (including but not limited to Article 48 Item 2 of the Banking Law), in order to properly implement the customer information confidentiality measures.

1. Customer Information Collection

Each subsidiary of Taishin Financial Holding Co., Ltd. has your personal information on file, because you have already been a customer of Taishin Financial Holding Co., Ltd. and its various subsidiaries, or because you have provided your information during marketing activities held by Taishin Financial Holding Co., Ltd. and its various subsidiaries.

2. Store, Safeguard the Customer Information and the Maintenance

The various subsidiaries of Taishin Financial Holding Co., Ltd. has taken the strict measures to safeguard the customer information. In addition to the information transmission by using the existing security encryption methods (such as SSL, SET, etc.) and the creation of the firewalls to prevent hacking and illegal access to the customer information, customer information databases have also been built in accordance with related operation standards, and the professional staff haven been appointed to control the access to databases pursuant to business rights and liabilities, in order to safeguard the personal information of the customers. Anyone without official authorization from any subsidiaries of Taishin Financial Holding Co., Ltd is strictly prohibited from accessing the customer information.

3. Information Classification, Application Scope and Project

Your personal information includes basic information, billing information, credit information, investment information, insurance information, and etc. The definition of all the information is to Article 10 of the Cross-selling Regulations.

According to the regulations of the competent authorities and the Cross-selling Regulations, in case of the disclosure, referral or interactive usage of the customer information between the subsidiaries of Taishin Financial Holding Co., Ltd., the information being disclosed, referred to or interactively used shall not contain the transaction information and other relevant information other than the customer's basic information, unless otherwise stipulated in laws or based on the agreed contract signed by customer or the written consent.

4. Subjects that the Information May Be Disclosed To

The subsidiaries of Taishin Financial Holding Co., Ltd. shall disclose, transfer or interactively use your basic information, billing information, credit information, investment information, insurance information, and etc. for marketing in accordance with the law, agreed contract signed by customer or the written consent; where a court or other organizations with investigation right pursuant to the law legally request Taishin Financial Holding Co., Ltd. or its subsidiaries to provide the customer information, Taishin Financial Holding Co., Ltd. or its subsidiaries are obliged to disclose or provide such relevant information.

Where the subsidiaries of Taishin Financial Holding Co., Ltd. perform the credit investigation for the purpose of the transaction management with Joint Credit Information Center, the clearing house, or organizations in the same industry, the customer information may be exchanged and disclosed according to applicable laws.

5. Intended Use of the Customer Information

According to applicable laws and in compliance with the Article III stated above, your basic information, billing information, credit information, investment information and insurance information may be disclosed, referred to or interactively used between the subsidiaries of Taishin Financial Holding Co., Ltd. for marketing, in order to provide you with more integral and convenient investment and finance products and services.

6. Customer Information Confidentiality for Outsourcing Work

Where the subsidiaries of Taishin Financial Holding Co., Ltd. entrust other organizations with the work with the customer information involved, the subsidiaries of Taishin Financial Holding Co., Ltd. must request the entrusted organizations to strictly follow the confidentiality measures of the subsidiaries of Taishin Financial Holding Co., Ltd., and must request such organizations not to disclose your information to any third party. In addition, the subsidiaries shall check and supervise the entrusted organizations at any moment for compliance.

7. Change and Modification for the Customer Information

In case of any changes in your personal information, you can notify the customer service center of the subsidiaries of Taishin Financial Holding Co., Ltd. at any moment to request for modification or supplement.

8. The Customer's Opt-Out Right Exercise

You can notify the customer service center of the subsidiaries of Taishin Financial Holding Co., Ltd. at any moment to have the interactive usage of your personal information for marketing or business promotion activities stopped.

The subsidiaries of Taishin Financial Holding Co., Ltd. reserve the right to amend the confidentiality measures, and will announce the related information about those measures on the Internet or other public disclosure channels approved by the competent authorities; the same procedure applies in case of amendment of those measures. If you have other questions related to confidentiality measures, you can consult with Taishin Financial Holding Co., Ltd. or its subsidiaries at any time.

The subsidiaries of Taishin Financial Holding Co., Ltd. currently include:

Taishin International Bank Co., Ltd.

Taishin Securities Co., Ltd.

Taishin Financial Insurance Broker Co., Ltd.

Taishin Securities Investment Advisory (TSIA) Co., Ltd.

Taishin Securities Investment Trust Co., Ltd.

Taishin Asset Management Co., Ltd.

Taishin Marketing Consultant Co., Ltd.

Taishin Venture Capital Investment Co., Ltd.

In case of any addition to or change of the above subsidiaries in the future, the relevant information will be announced and disclosed on the official website of Taishin Financial Holding Co., Ltd. and its various subsidiaries.



Taishin International Bank

Credit Facility Agreement



Credit Facility Agreement

The Customer of this Agreement (hereinafter referred to as "the Customer") hereby has made an agreement with Taishin International Bank (hereinafter referred to as "**the Bank**") on that, for any credit facility transactions made with the Bank now and in the future, if the total amount of credit granted is within the scope of any of the following:

1. NTD (Amount);
2. (Currency) (Amount);
3. NTD 100 million and USD 1 million, the Customer agrees to perform its duties in accordance with the contents of the credits and the following terms:

Chapter I Common Terms of Credit Facility

1. **All debts mentioned in this Agreement shall refer to the bills, loans, advances, pledges and other related debts etc., and their interests, deferred interests, liquidated damage, compensation for damages as well as all expenses needed for those liabilities. If the Customer signs several credit facility agreements successively or simultaneously, the Customer is aware of that the total amount of his/her liability shall be the sum of the amount and scope of those credit facility agreements.**
2. Calculation of interests, discount interests, guarantee and service fees, exchange rates, and deferred interests and liquidated damages:
 - (i) Interests and repayment method: shall be in accordance with the interest rate, calculation method and repayment method described in the "Loan Drawdown Application" or other relevant documents.
 - (ii) Discount interests: shall be set by the Bank based on relevant interest rate index of the money market.
 - (iii) Guarantee and service fees: shall be paid at the rate verified by the Bank in accordance with the Bank's regulations when dealing related businesses.
 - (iv) Foreign exchange rate: in the case of a foreign currency debt, it shall be converted into an amount in NTD at the Bank's board selling exchange rate on the trading day or the day when the debt occurs. When paying off the debts, the amount of repayment shall be converted into NTD at the board selling exchange rate on the date of repayment. If the amount of advances paid by the Bank under this Agreement exceeds the total amount of credit due to changes in exchange rates or other reasons, the excess shall still be paid by the Customer immediately.
 - (v) Deferred interests and liquidated damages: unless otherwise agreed, if the Customer fails to repay the principal under this Agreement, deferred interests shall be paid at the interest rate of a previously appointed time; and if the Customer has any delay in payment of the principal or interests, starting from the maturity date of the principal and from the interest paying day, liquidated damages within less than six months of the overdue time shall be paid at 10% of the above interest rate, liquidated damages that's delayed more than six months after the due time shall be paid at 20% of the above interest rate.
 - (vi) Liquidated damages for repayment in advance: When repaying in advance at the agreed interest rate of the money market loan capital cost additional fixed interest, if the money market capital cost interest rate of a period of the same days from the date of repayment to the original agreed loan maturity date appointed by the Bank is lower than the original cost interest rate of the original loan on the advance repayment day, the Customer shall agree to pay the liquidated damages which shall be calculated on the basis of the repayment principal at the interest rate differential from the date of repayment to the original maturity date of the loan.

- (vii) **The calculation and payment methods of the interests, discount interests, deferred interests, liquidated damages and others of NTD loans mentioned in this Agreement are based on an annual interest rate, and the interest calculation shall be on a basis of a 365-day cycle, which also works for a leap year.**
The calculation and payment methods of the interests, discount interests, deferred interests, liquidated damages and others of foreign currency loan mentioned in this Agreement are based on an annual interest rate, and the interest calculation shall be on a basis of a 365-day cycle, (applicable currencies are GBP/HKD/SGD/ZAR) or of a 360-day cycle (currencies other than the above-mentioned currencies), which also works for a leap year.
- (viii) For the calculation of interests, discount interests, guarantee and service fees, etc., as set out in this Agreement, if it fails to properly reflect the costs of the Bank's acquisition of related funds due to market disruption, the Bank may renegotiate with the Customer, and shall not be subject to the original loan notice or any other agreements.
The money market loan capital costs mentioned above refers to the loan pricing costs of the Bank's business unit provided by the capital movement unit of the Bank.
3. The Customer agrees that, regardless of the time limit of the claims, for all types of deposits deposited by the Customer in the head office and branches of the Bank and all claims to the Bank, the right of set-off can be exercised to offset all debts the Customer owed to the Bank after the Customer has been notified, while all the bank books and credentials issued to the Customer by the Bank shall be inefficient within the scope of offset. However, provided that there is a prohibition against the offset by law, or that the Customer has stated that those may not be offset, or that it is on the basis of voluntary service or a payment made by a third party to the Customer through the Bank for a transaction, the offset shall not be exercised.
4. When the Customer pays off the debts or amortizes the debts, the debts of the Customer shall be required to be paid off in the order of various fees, liquidated damages, interests, deferred interests and principal in accordance with the provisions of Article 323 of the Civil Code. If there is more than one debt and the Customer's payment is insufficient to cover all the debts, the debts shall be offset in accordance with the provisions of Article 321 or 322 of the Civil Code. However, when the Bank handles its internal accounting under relevant laws and regulations, the total amount of its claims shall still be calculated in the above order of compensation.
5. For any changes of the name, organization, contents of the corporation article, seal, representatives, limits of the representative's permission, notice address, etc., or other changes that may affect the Bank's rights and interests, the Customer must immediately notify the Bank of those in writing. If the Customer fails to notify the changes, the Customer shall be liable for any consequent disputes or damages caused to the Bank. If the Customer violates the above notification obligation of address change, or if **the notice of the Bank cannot be served due to causes that are imputed to the Customer, the mailing and delivery of the last notice address of the Bank shall be deemed to have arrived after a usual postal period.**
6. In the following cases, all debts of the Customer owed to the Bank (including the guarantee balance that has not yet been reimbursed by the Bank), shall lose the benefits of the time limit, the Bank may request the Customer to pay off the debts, however, in the exercise of the acceleration clause in accordance with the causes set forth in sections 6 to 11, the Bank shall notify the Customer in advance of a reasonable period of time.
- (i) The Customer fails to pay off the principal or refuses to accept or pay any debt as agreed.
- (ii) The Customer has applied for settlement, adjudication of bankruptcy, or corporation reorganization under the bankruptcy law, or has been informed by the clearing house of transaction refusal (regardless of whether the transaction relation has been resumed or not), or the Customer's business has been shut down or the debts are being settled.
- (iii) The Customer has the obligation to provide collaterals as agreed yet has failed to provide them.
- (iv) When any of his/her heirs declares to be heir in tail or abandons inheritance because of the Customer's death.
- (v) The confiscation of the main property of the Customer for criminal reasons has been declared.
- (vi) The Customer fails to pay any interests as agreed.

- (vii) When the collaterals are sealed up, or the collaterals are lost and damaged, or the value of the collateral decreases or is insufficient to pledge the claims, or the guarantor has a bad credit, and the request the Bank made to replace him/her has failed.
- (viii) The Customer is under the circumstances of compulsory execution, sequestration, provisional injunction or other property preservation actions that may put the Bank at risk of being unable to collect compensation.
- (ix) The actual use of the funds of the Customer's debts to the Bank is not in conformity with the approved use of the Bank.
- (x) Under objective circumstances where major adverse changes occur in management, operation, or financial conditions of the Customer, the Bank may be at risk of not being fully compensated for the claims.**
- (xi) For credit facility transactions, the statements made or documents (including transaction vouchers and relevant transaction documents) provided by the Customer are in violation of good faith such as being false or concealed, or has violated this Agreement or the commitment, or any objective circumstance occurs where other bad credit problems are found.**
- 7. If the Customer is under circumstances that match the causes of Article 6, the Bank may reduce or terminate the approved amount limit at any time, and if it involves any disputes or expenditures of a third party, the Customer shall be fully responsible for it; the Bank shall also have the rights to request the Customer to pay off each debt, and dispose the collaterals directly without notifying the Customer, so as to offset the debts owed to the Bank and all the expenses incurred as a result of the punishment. If any other assets and property of the Customer are store in the Bank, the bank shall have the right to retain them. And if the Bank has difficulty in obtaining funds, thus it has to adjust the date and amount of the loan, provided that the Bank has charged a commitment fee and have not made the loan, the commitment fee shall be returned to the Customer in proportion of the amount of the loan not yet transferred.**
8. Under circumstances where the credit facility deeds of the Customer's debts owed to the Bank are lost or damaged, the Customer shall be willing to make a correction in accordance with the intent of the Bank, or to carry out the debts based on the amount as described in the copies of the original documents, miniature copies, account books, bookkeeping notes and computer-generated documents that are kept by the Bank.
9. When the Customer applies for the credit facility service, **he/she must issue one or more protest waived as required by the Bank, and must authorize the Bank to fill in the maturity date of the promissory note, and submit it to the Bank for keeping, and for serving as a means to pay off the Customer's debts to the Bank with this Agreement as a proof of authorization.** If the Customer fails to perform the terms set out in this Agreement or in other deeds, the Bank may exercise the rights in the instrumental laws with this promissory note. **The Customer also acknowledges that the promissory note delivered to the Bank shall be a means of compensating the Customer's debts under this Agreement, that is, the so-called indirect payment in Civil Code and shall coexist with the Customer's debts under this Agreement.**
10. If all notes issued, endorsed, accepted or guaranteed by the Customer are not paid, accepted or are not to be prompted or accepted, upon receipt of the Bank's notice, the Customer must pay off the loan immediately regardless of the situations. For the above unpaid promissory note, the Customer agrees to waive the Bank's notification obligation set out under Article 89 of the Law of Negotiable Instruments.
11. The Customer shall be willing to accept the Bank's supervision over the use of the credit, the audit of business financial affairs, the examination and supervision of collaterals, and the inspection of relevant account books, statements (including the consolidated financial statements of related companies), receipts and documents. When the Bank deems it necessary, it may also require the Customer to fill in and submit the above credit investigation documents on time, or provide an account statement signed by an accountant that is approved by the Bank, and may request the signing accountant to provide a working paper. However, the Bank does not have the obligation to monitor, audit, examine, supervise and inspect them. The Customer shall be willing to accept the Joint Credit Information Center (hereinafter referred to as "Joint Credit Information Center") inspect relevant account books, statements and receipts and documents. When the Joint Credit Information Center deems it necessary, it may also require the Customer to fill in and submit the above credit investigation documents on time, or provide an account statement signed by an accountant that is approved by the Center, and may request the signing accountant to provide a working paper. However, the Joint Credit Information Center does not have the obligation to inspect them.

12.

- (i) The Customer agrees that within the scope of business registration special cases and specific purposes, the information of the Customer may be collected, processed and used by the Bank, or may be internationally transmitted, or may be provided to a third party authorized by the Bank for handling its affairs on its behalf, (including but not limited to agencies that are authorized to conduct market research).
- (ii) When the Bank and other subsidiaries of Taishin Financial Holding Co., Ltd. to which the Bank belongs interactively use the customer information in compliance with laws and regulations such as the Financial Holding Company Act, Financial Holding Company and Subsidiaries of Financial Holding Company Cross-selling Regulations and Personal Information Protection Act, except for the name and address, such information being interactively used must not contain other basic information (including but not limited to information such as unified ID number, date of birth, age, sex, e-mail, telephone number, occupation) and transaction information on account, credit, investment, insurance and other information related, unless otherwise stipulated in laws or based on the agreed contract signed by the Customer or the written consent.
- (iii) The Customer agrees disagrees to provide other information and transaction information on accounting, credit, investment and insurance besides name and address to the following subsidiaries of Taishin Financial Holding Co., Ltd., and use the above-mentioned information interactively in accordance with the foregoing provisions. In case of any addition to or change of the subsidiaries, the relevant information will be announced and disclosed on the official website of Taishin Financial Holding Co., Ltd. If the Customer does not tick it, it means that he/she agrees the criteria shall be subject to what indicated in the Agreement on Interactive Usage of the Customer Information that was signed most recently by the Customer.
- Taishin Financial Holding Co., Ltd.
 - Taishin International Bank Co., Ltd.
 - Taishin Securities Co., Ltd.
 - Taishin Financial Insurance Broker Co., Ltd.
 - Taishin Securities Investment Trust Co., Ltd.
 - Taishin Securities Investment Advisory (TSIA) Co., Ltd.
 - Taishin Asset Management Co., Ltd.
 - Taishin Venture Capital Investment Co., Ltd.

Stamp with the reservation seal for this Agreement

- (iv) In case of any changes in the Customer's personal information, he/she can notify the customer service center of the subsidiaries of Taishin Financial Holding Co., Ltd. at any moment to request for modification or supplement.
The Customer also can notify the customer service center of the Bank (Tel No. 0800-023-123) at any moment to stop the interactive usage of the Customer's personal information and cross-selling or business promotion activities.
- (v) The Customer agrees that the Bank can provide the Customer's information to the Joint Credit Information Center to file and use, and agrees that the Joint Credit Information Center can provide the filed information to other members for reference. And if it is the case that transfers to the credit guarantee of the middle and small-sized enterprises credit guarantee fund, the Customer also agrees that the fund queries and uses the Customer's customs declaration document at the Joint Credit Information Center within the duration of the Customer's debtor-creditor relationship and the business scope defined by the fund's donation charter due to business needs.
- (vi) The Customer agrees that the Bank, for specific purpose of the credit assignment, provides the Customer's debt-related information to the creditor's rights assignee and the person who is in charge of the price identification check for the creditor's right for filing, but the bank shall urge these information users not to leak such information to third parties in accordance with the Banking Law, the Personal Information Protection Act and the security stipulations of other relevant laws.

13. **The Customer knows and agrees that the Bank's accounts collection and payment activities, computer processing activities or other accompanying activities related to this Agreement (including but not limited to data input, processing and input of the information systems, development, monitoring and maintenance of the information systems, marketing, form printing, packaging, delivery and mailing, data storage for forms and vouchers, accounts collection and legal procedures, property valuation business and other outsourced businesses approved by the competent authority, etc.) can be handled by an appropriate third party, which is entrusted by the Bank when the Bank deems it necessary, in accordance with the provisions of the competent authority; the Customer agrees that the Bank can submit the information of the Customer to the third party to undertake the related works.**
14. If the Customer is a domestic (legal) person or a foreign (legal) person, and has various debt relationships with the Bank, the establishment conditions, methods and validity of his/her legal actions are applicable to the laws of the Republic of China. The Customer fulfills the debt and uses the location of the Bank as the place of performance, all the actions at law that occurred due to this Agreement, regardless of whether the domicile or nationality of the Bank or the Customer has changed, the Customer agrees to accept the Taiwan Taipei District Court or N/A District Court as the competent court of first instance of both parties. If the Customer is a company established outside the Republic of China or does not have a residential address in the Republic of China, they shall be agreed that the Bank and the competent court may send the relevant legal documents (including any pleadings, notifications, notice of entry of judgment or other notices) to the address of the Customer's process agent in the Republic of China by mail. The name and residential address of the process agent are detailed in "Other special provisions" in Chapter IV.
15. **The Customer agrees that the creditor's rights owned by the Bank against the Customer shall be granted to a trust institution in accordance with the Article 6 of the Financial Assets Securitization Act and the related laws, and agrees that the Bank shall make an announcement instead of a notice for such granting or transfer; the Customer also agrees that the bank shall make an announcement instead of a notification when granting the creditor's rights for the purpose of financial assets securitization. And if the assets trust or transfer involves a person responsible for the debts, the Customer shall be regarded as acknowledged if they do not object to it during the period of the Bank's announcement.**
16. **The signatures and seals on this Agreement are confirmed by the Customer, and thereafter the transactions between the Customer and the Bank shall take effect under either the signatures or seals, or seals or signatures style of the agreement transaction (or authorization) on the Transaction Agreement signed separately with the Bank.**
17. In addition to the terms of this Agreement and related credit facility deeds, if there is any unaccomplished matter, the Customer is willing to follow the agreements and various transfer applications agreed separately with the Bank, or the "Uniform Customs and Credits", "Uniform Rules for Collection" and "International Guarantee Letter Practice" awarded by the International Chamber of Commerce and the terms concluded by the international rules interpreted by the terms of trade, and agrees that they are part of this Agreement.

Chapter II

Special Terms of Individual Credit Facility

Section I (Guarantee) Overdraft

18. The Customer agrees to disburse in accordance with the conditions approved by the Bank and the method of disbursement. If the contract expires during the overdraft period and the contract facility is not approved by the Bank, the principal and interest shall be paid in full. Within the agreed period, if the actually used average balance is less than half of the limit, the Customer is willing to pay the credit facility commitment fee in accordance with the Bank regulations.

Section II General (Guarantee) Loan

19. The Customer shall pay off the loan according to the agreed repayment method.

Section III Advancing domestic fare and discount

(I) Common Terms

20. **The Customer hereby expressly declares that if the Customer provide the bills to borrow or discount from the Bank, whether or not it is defective for the bills, causing the Bank suffers damage, the Customer is willing to abandon the benefits of the time limit to pay off all debts in a timely manner and to compensate the Bank for damages. The refusal to pay off and compensate shall not be made on the pretext of the defect of the bills, or the incompleteness of the legal procedure notice, or the statute of limitations.**

(II) Special terms and conditions for domestic fare advanced

21. The Customer should issue "Loan Drawdown Application", "list of ticket receivable" and provide ticket receivable approved by the bank when reusing the fare quota approved by the bank during the specified period of time, and request the bank to appropriate funds once for all or by time within the quota range verified and approved by the bank. The exchange gain of the ticket receivable at maturity is deposited with "special account for compensation of domestic fare advanced"; and it is agreed that:

a. The bank is authorized, depending on its authorized signatory's seal, to draw money from this special account at any time to compensate all debts that the Customer owes the bank, and uses this agreement as the proof of the authorization.

b. The Customer may not break into the savings in the special account without the consent of the bank; and the account does not provide a passbook except providing a bank statement at the request of the Customer.

(III) Special terms and conditions for discount

22. The Customer agrees with the bank that the Customer can request the bank, depending on the note approved by the bank, to discount within the limit approved by the bank; and the Customer should pay off the discount funds by the deadline when the discount note expires or when the Customer receives the notice of payment.

23. For the debt arising from the discount that the Customer applies for according to this agreement, although its amortization period is after the period of the request of the discount according to the record of the discount note, the Customer should still be liable for satisfaction according to the regulation of this agreement.

Section IV Authorized acceptance

24. The Customer agrees with the bank that the Customer can issue drafts within the conditions approved by the bank and ask the bank for acceptance, and the maximum duration from the acceptance date to the due date for the drafts for which acceptance is applied is discussed separately by both parties.

Section V Authorized guarantee

25. The amount of money, time limit, content and so on of the items guaranteed by the bank on behalf of the Customer (appointer) are subject to the guarantee document issued by the bank. However, when the actual tax amount payable calculated by the Tax Collection Office exceeds the original guarantee amount, the Customer should agree to adjust the total guarantee amount at any time and bear the responsibilities of paying for all tax amount payable and late fees.

26. The duration of the quota is from the date of contract to the date when the Customer pays off all payables of the items guaranteed by the bank. **In addition, the Customer promises to pay cash immediately according to the balance that should be paid when the guaranty liability is not discharged to the bank as the provisional disbursement when any situation in the article VI happens, and if there is a balance left after discharging of the bank's guarantee liability, this balance should be returned by the bank without interest.**

27. The Customer should pay the guarantee commission to the bank and pay in full in the agreed payment method, and if the tax payable exceeds the original bonded amount because of the actual tax payable calculated by the Tax Collection Office, the Customer should pay the extra differentials of the guarantee commission. When the items guaranteed by the bank on behalf of the Customer expires and the Customer requests for facility and the bank renews the guarantee, the Customer should pay the deferred guarantee commission according to the regulation of the bank. However, if the duration of guarantee period is shortened, the Customer may not request a return of the paid fees. For postage and other charges (if any), the Customer should pay them separately.

28. When the items guaranteed by the bank on behalf of the Customer expires, the Customer should carry out these items on time and inform the bank at any time by post of the disposal situation, and at that time, if the guarantee payment is paid by the bank because of the failure of the carrying out of the items by the Customer due to the Customer's delay, the Customer should pay the interest and penalty generated from the date when the bank pays the guarantee payment to the date when the Customer pays off to the bank.

29. When the guarantee amount is counted by foreign currencies, the risk of the changes in exchange rate is borne wholly by the Customer. And if the bank suffers a loss due to the changes in exchange rate of the foreign currencies, the Customer would bear all responsibilities of compensation. Unless otherwise agreed, the foreign currency amount guaranteed in this contract is calculated by the highest exchange rate during the guarantee period or decided by the bank when converting to the NTD.

30. When the Customer fails to fulfill the items agreed with the third party creditor, the bank can perform the guarantor liabilities directly and unconditionally based on the letter of guarantee issued by this contract once the third party creditor notice the bank, in written form, fulfill the guaranty liability. The Customer neither can claim for liability exemption based on the defenses between the Customer and the third party creditor or any third party, nor can claim for liability exemption for the reason of force majeure circumstances (such as natural disaster, earthquake, war and so on) or for any other reasons.

Section VI

Issuing letter of credit and import financing

(I) Common Terms

31. For the draft issued by the domestic and foreign sight letter of credit and usance letter of credit (hereinafter referred to as letter of credit) under this agreement, the Customer should still be liable for satisfaction although the expiring date of the draft is after the duration verified and approved by the bank; and when applying to the bank for issuing letter of credit, the Customer should check and submit the transfer application and the relevant documents required by the bank, and apply to the bank for making advances. The Customer is willing to pay off every debt according to the regulations of this agreement, and will take no exception to it for the reasons of application for issuing letter of credit or for other reasons.

32. When applying to the bank for issuing letter of credit, the Customer recognizes that each sum of money listed in the transfer application and its interest and all expenses are the sum of money of the payment or advance guaranteed by the bank on behalf of the Customer (if the Customer has self-prepared margin, they are the differentials after deducting of the margin), and agrees to authorize the bank to pay the fare of the draft under each letter of credit with the relevant documents (such as the transfer application and (or) the draft under its letter of credit) as credentials. The Customer is willing to pay off every debt mentioned above according to the regulations of this agreement.
33. The Customer acknowledges and agrees that if the drafts and the relevant documents mentioned under the Letter of Credit in this Agreement, on the surface, are considered to be complied with the terms of the Letter of Credit and honored by the Bank after review, the Customer shall pay the relevant amount to the Bank on the Settlement Day. If the Customer does not pay off or deposit the fare within the time limit for repayment, according to this Agreement, the deferred interests and liquidated damages shall be calculated from the date of disbursements or the expiring date of the drafts, and shall be paid. Even though or if the drafts and relevant documents mentioned above are proved to be untrue, or counterfeit and altered, or flawed afterwards (including the situations such as the actual quality and quantity of the goods are inconsistent with the related description on the documents), the Bank shall not be liable for all of it, and the Customer shall never refuse to pay off for any reasons. The Customer shall still take the responsibility to pay off the advance payment made by the Bank, the principal and interest on the loan, as well as all expenses originated from it according to the provisions of this Agreement. If there are any benefit-related damages caused to the Bank, the Customer shall still be liable for them.
34. For the goods purchased with the advance payment or the loan, (including the goods in transit), if the Bank suffers any loss due to the default on the contract or delay in delivery by the seller, or there are any other force majeure events, the Customer shall be responsible for it. If the Letter of Credit expires, the Bank can cancel it directly, and use the refunds of the remittance to offset the balance of the advance payment and /or the loan made under this Agreement.
35. When the goods, specification, unit price, total amount and delivery condition listed on the Import Letter of Credit signed by the Bank at the request of the Customer, or on the Letter of guarantee for production of bill of lading or the Endorsement of Bill of Lading stated under Collection are inconsistent with those described in later delivered shipping document, the Customer shall be responsible for the outstanding balance repayment, acceptance of bill, payment and all other procedures based on the condition listed in the shipping document delivered to the Bank. If the Bank suffers any losses due to the inconsistency of the contents between the document signed by the Bank and the documents delivered, the Customer shall take responsibility to make compensation for all the loss. The contents in that Delivery against Bank Guarantee or that Endorsement of Bill of Lading are deemed as the appendixes of this Agreement, with which the Customer shall comply.
36. The Customer agrees to mortgage the purchased material and the collateral provided separately (such as the personal property and real property) together as the guarantee, and agrees that the Bank shall gain the pledge of rights for all the delivery roof of the procurements (such as import license and the relevant bills of lading), and the Bank shall gain the Chattel Pledge of the purchased material once it is delivered. Also, the Customer agrees to purchase the insurance for the material mentioned above, take the Bank as the primary beneficiary, and use this Agreement as the basis in writing for defining the Pledge.
37. In the event that the Customer is unable to repay the advance payment and the loan under each import according to this Agreement, or the Bank considers that the financial situation of the Customer is getting worse obviously, or the Bank suffers any loss or has the risk of suffering the loss due to the failure of performing the custom and delivery-related procedures in a timely manner after the delivery of the shipping document, the advance payment and the loan are deemed as maturity in real time, and the Bank has the right to choose to request the compensation in NTD based on the exchange rate from the date of delay, and for protecting the creditor's right, the Bank can make entry and pick up the delivery on behalf of the Customer, and auction, or dispose the imported goods and other collateral (including disposal method, prices, time and so on) to offset the balance of the principal and interest on the Bank's advance payment, as well as all expenses and losses originated from the disposal (including the taxes, warehouse rental fee, transport fee and other expenses paid to make entry and pick up the delivery). If it is still insufficient, the Customer shall be jointly and severally liable for making up the difference.
38. For the goods in each import, the Customer shall obtain the prior consent of the Bank in terms of the insurance types and insurance conditions in the event that the goods are imported based on **FOB, C&F** or similar price terms, and the original copy of the insurance policy and premium receipt shall be given to the Bank for keeping in the event that the proper insurance is purchased with the Bank being the primary beneficiary, while the expenses required for purchasing the insurance are all borne by the Customer,. If the Customer delays to arrange the insurance matter or fails to renew the insurance once it expires, the Bank has the right to handle these procedures on behalf of the Customer, but the Bank has no obligation to have it insured on behalf of the Customer. If the insurance expenses are paid in advance by the Bank, the Customer shall repay them immediately; if there is any delay, the Bank may include such fees in the amount of credit and the interest shall be counted according to the provisions of this Agreement.

(II) The Issue of Domestic Letter of Credit

39. In order to make the purchase within the Republic of China, the Customer needs to request the Bank to issue the domestic sight Letter of Credit and usance Letter of Credit in a revolving manner within the approved credit limit, and honor the draft with the Bank being as the drawee, which is signed and issued by the beneficiary (specified in the Letter of Credit) according to the provisions of the above Letters of Credit.
40. Unless otherwise agreed, if the Customer delays to repay the advance payment and the principal and interest on the loan under each Letter of Credit, he or she is willing to pay the deferred interests and liquidated damages that shall be calculated based on the prime lending rate set by the Bank on the date of disbursements plus the annual percentage rate of 2.25%, starting from the date of disbursements or the date of repayment.

(III) The Issue of Foreign Letter of Credit

41. In order to apply for the exchange settlement in the Bank for the overseas purchase now or in the future, hereby based on the proportion of the approved limit by the Bank, the Customer prepares the security deposit by themselves according to the contract and requests the Bank to issue the Letter of Credit and pay the foreign currency loan in advance in a revolving manner (hereinafter referred to as the advance payment) within the approved credit limit, or accept the Delivery against Bank Guarantee/Endorsement of Bill of Lading, while the Bank agrees to use foreign currency to make the advance payment or include this payment converted as NTD into the Customer's loan account and have it transferred to repay the advance payment mentioned above when the relevant documents received.
42. The Customer agrees that, the Bank shall advance or (and) accept the Letter of Credit issued for his/her application in accordance with relevant laws and regulations and conventional practices, by this time, the Customer shall submit the documents required and the agreed import license (if any) to the Bank as stipulated in the transfer application, and the Customer shall also be willing to use the shipping documents and goods under each Letter of Credit as the guarantee for the Bank's advances and/or loans under that Letter of Credit, and this Agreement shall be used as a proof of collaterals provided and the advances or loans of the Bank.
43. Upon arrival of the shipping documents under each Letter of Credit and after a notice (written or verbal) has been given by the Bank, the Customer shall pay or accept the fare of the draft under each Letter of Credit within the reasonable liquidation period stipulated in the "Uniform Customs and Credits"; however, if the Bank has advanced the fare first, the Customer shall pay off each advance within ten days after the Bank has issued a notice (written or verbal) and pay the interests and related expenses, and shall conduct the exchange settlement based on the spot foreign exchange selling rate set by the Bank on the day of repayment, or repay them with its own foreign exchange funds.

Under any one of the following circumstances, the method of paying off shall be as follows:

- (i) If the goods are delivered under the Letter of Credit at sight, and the shipping documents have not been delivered up to the point where shipping guarantee needs to be applied, the Customer shall be willing to pay off immediately, and the same shall apply in case that the Customer applies for an endorsement of sub-bill of lading.
 - (ii) In the event of partial shipments of the goods, the amounts of the partial shipments shall be repaid in advance on the basis of the proportion of the amount of the Letter of Credit and/or the advances.
 - (iii) If the shipping documents are delivered only after the expiry of the validity period of the Letter of Credit, and meet the requirements at the time of handling documentary bills, the Customer shall be willing to pay off immediately.
 - (iv) With the Bank's approval to change the loan to other foreign currency loan or NTD loan, the relevant regulations of the Bank regarding foreign currency loans or NTD loans must be followed.
44. The period of advance or acceptance under each Letter of Credit must not exceed the maximum number of days approved by the Bank, and the date of repayment of each debt shall be determined on the maturity date of each draft or on the maturity date notified by the Bank.

45. For each advance and loan under this credit facility, if they are repaid within the time limit of liquidation set out in the preceding article, interests for the portion of NTD and foreign currency advances shall be calculated at the loan interest rate agreed by the Bank from the actual date of disbursements (that is the debit date of the Bank's deposit counterpart for a Letter of Credit with an authorized debit clause; and the date when the Bank makes the account and sends the payment message for a Letter of Credit without an authorized debit clause) of the Bank to the date of repayment set forth in the preceding article.
46. When the Customer defers repayment of the advances or the principal and interest of the loan under each Letter of Credit, he or she shall be willing to pay deferred interests and liquidated damages as agreed at the foreign currency lending rate shown on the Bank's bulletin board at that time, starting from the date of disbursements or the date of repayment.
47. If the Customer fails to repay this loan within the agreed time limit, the Bank may directly convert the debt to a NTD loan, and the Customer shall have no objection to the preceding exchange date, exchange rate amount, interest rate, etc. However, the Bank has no obligation to do the conversion.
48. Relevant clauses in this Agreement shall also apply to the letter of credit financing issued by the Bank that is entrusted by the Customer.
49. Due to causes and factors that are not imputable to the Bank, errors or delays occur when a communication agency is delivering the Letter of Credit of this Agreement, or technical terminological interpretation errors occur, and all or part of the documents, or goods or the quality, quantity or value of the goods written in the documents are lost, damaged or delayed, or have not arrived at the place of delivery, and the goods are lost or damaged whether in transit or after the delivery as a result of not purchasing insurance, insufficient insurance coverage, or any third party's blockage or detention and other factors, the Bank shall not be liable for any of those. Under any of the above circumstances, the amount of the Letter of Credit shall still be paid in full by the Customer.

(VI) Import Collection Financing

50. The Customer acknowledges that the amount stated in each transfer application and its interests and all expenses incurred are the amount of the payment or advance guaranteed by the Bank on behalf of the Customer, and agrees to authorize the Bank to pay the fare of the draft or O/A under each D/A or D/P with the transfer application and/or relevant documents as credentials. The Customer shall be willing to pay off every debt arising from the above application for import collection financing in accordance with the provisions of this Agreement.
51. If the Customer applies import collection D/A or D/P, or shipping guarantee or endorsement of sub-bill of lading under the import collection, or O/A for convenience of present or future exchange settlement transactions at the Bank to purchase goods from abroad, the Bank may approve foreign currency advances, or direct accounting of the NTD loan and repayment of the above advances through transfer upon arrival of the documents.
52. The Customer agrees that the Bank shall advance or (and) accept the foreign import collection payment for goods in accordance with relevant laws and regulations and conventional practices, and the Customer must submit the documents required and the agreed import license (if any) to the Bank as stipulated in the transfer application, and the Customer shall also be willing to use the shipping documents and goods under each import collection as the guarantee for the Bank's advances and/or loans under that import collection, and this Agreement shall be used as a proof of the collaterals provided and the advances or loans.
53. When the Customer imports goods and materials by way of import collection, with the consent of the Bank, the Customer may apply for shipping guarantee or endorsement of sub-bill of lading to the Bank within the agreed amount limit, and when transferring each time, the Customer must provide the shipping guarantee or endorsement of sub-bill of lading applications and the relevant documents required by the Bank. The Customer acknowledges that, according to the contents of each application and the amount and terms agreed in relevant deeds and documents, he/she shall be liable for the damages to the Bank until the Customer completes the bill acceptance or payment when the foreign documents are delivered to the Bank.

Section VII Outward Bill and Export Finance

(I) Outward Bill

54. Since the date of this Agreement is signed, any terms stipulated in this section shall apply to the documentary draft(s) and/or receipt(s) issued or endorsed by the Customer, whether the negotiation or discount to the Bank is made directly by the Customer or through other people, it should be the same, unless required by the Bank, there is no need to re-enter this Agreement for each negotiation or discount.

55. The Customer is willing to provide the shipping documents (they are used to apply to the Bank for negotiation or discount) and the relevant goods to the Bank as collateral, in order to guarantee the amount of money, interest and any related charges in the documentary draft(s) and/or receipt(s) issued or endorsed by the Customer of the Bank.
56. The Customer acknowledges that the negotiation or discount made by the Bank against the Customer is an advance rather than a buyout, and the Bank reserves the right to claim to a restitution at any time. After the documentary draft(s) and/or receipt(s) are negotiated or discounted by the Bank, if the draft and/or subsidiary documents were not in conformity with the conditions set out in the letter of credit, or due to any other reason, the discount or correspondent bank of the Bank refused to deal with the documentary draft(s) and/or receipt(s), or the bank issued the letter of credit refused payment, or the other party rejected the goods due to the quality and quantity of the goods are found to be different on delivery or other occasions, or any other reason, the Customer shall take full responsibility, upon the Bank's notice, the Customer shall immediately reimburse the Bank the amount of money, interest (The interest rate is subject to the foreign currency borrowing rate of the Bank on the date of negotiation) and any other accompanying fees of the draft. And the Customer still authorizes the Bank, if the Bank or the Bank's correspondent bank deems it necessary, the Bank may present a guarantee to the bank issued or accepted the letter of credit without noticing the Customer, and the Customer shall take full responsibility for the guarantee.
57. If any bank (the bank issued, accepted, conformed the letter of credit, drawee bank and so on) related to the letter of credit is declared bankruptcy, seizure, provisional attachment, provisional injunction and auction due to insolvency, or when it is filling for bankruptcy or settlement, the Customer shall immediately reimburse the Bank the amount of money, interest and any other accompanying fees of the negotiation or discount.
58. The Customer authorizes the Bank or the Bank's correspondent bank to send documentary bill(s) and/or receipt(s) by any means that the Bank or the Bank's correspondent bank deems appropriate.
59. If documentary bill(s) and/or receipt(s) is damaged or lost in delivery, or is deemed damaged or lost, or is wrongly delivered, etc., causing delay in delivery to the place of payment. Upon the Bank's notice, the Customer shall provide the Bank the documentary bill(s) and/or receipt(s) again according to the records retained by the Bank, or immediately reimburse the Bank the amount of money, interest and any other accompanying fees of the negotiation or discount according to the Bank's instructions.
60. If the documentary bill cannot be accepted by the payer, or cannot be paid by the payer or the acceptor due to foreign intervention, or the draft is unable to pay, or the remittance cannot be remitted to the Bank, because of the local laws and regulations or any other reason, whether the draft and/or subsidiary documents are returned or not, the Customer agrees to provide the collateral upon the Bank's notice that it must increase the collateral. Otherwise, the Customer is willing to immediately reimburse the amount of money, interest and any other accompanying fees of the draft without objection.
61. If the creditor's rights of the draft is not established due to the documentary bill lacks of essential items that it should have, or the creditor's rights of the draft is eliminated due to aging or lack of formalities, the Customer is still willing to reimburse the Bank the face amount of the draft, together with the interest accrued before or after the expiry of the draft, and all accompanying fees.
62. In the event of any damage to the Bank due to defects in draft and/or subsidiary documents, the Customer is willing to reimburse for any damages the Bank suffers for any reason.
63. The Bank does not have the responsibility to identify the authenticity of the seal, signature and text written by the Customer on the draft or any other documents. If the seal, signature or text is forged, altered or stolen, the Customer is still willing to reimburse for any damages the Bank suffers.
64. The Customer authorizes the Bank, or any of the Bank's managers, or agents, or draft and/or receipts holders to (but not necessarily) insure all insurance against the collateral of the draft and/or receipts, including robbery, shore fires, etc. All insurance premiums and related expenses can be added to the draft amount, which will be borne by the Customer. In addition, the Bank has the priority of compensation for the draft and/or receipts, the collateral, together with the above fees, and may directly dispose of the collateral to cover the Bank's creditor's rights, other related expenses, or the fees related to insurance which are paid by other third parties, without affect the Bank's right to request other draft debtors. Also, the bank may sell some of the collateral to cover the necessary freight, premiums and other expenses. At the same time, the Bank may represent the Customer to handle all necessary incidents and charge for this service. If the Bank does not object to the specified wharf or warehouse, the Customer shall transfer the goods to a public or private wharf or warehouse in accordance with the instructions of the payer or the acceptor.

65. The Customer authorizes the Bank, or any of the Bank's managers, or agents, or draft and/or receipts holders to accept the conditional acceptance of the payer, and after payment of the draft on the maturity date, he/she may hand over the subsidiary documents that are accompanied by the draft as guarantees to the payer or the acceptor. Such authorization may also apply to participation in acceptance.
66. The Customer authorizes the Bank to deliver the goods to anyone in batches at any time before the maturity of the draft if it is deemed appropriate by the Bank, acceptor, or its representative (but it's not mandatory). When all or part of the goods are delivered, an appropriate amount of money shall be charged, which shall be in a reasonable proportion to the value of the goods listed on the invoice or to the amount of money written in the guaranteed draft. The interpretation of the corresponding amount of money above shall be determined by the Bank.
67. The Customer authorizes the Bank, or any manager or agent of the Bank, or the draft and /or documents holder, and when the draft is presented for acceptance but rejected by the acceptor, or when the draft is mature but the payer refuses to pay, the Customer waives the requirement for a certificate of protest. For the above-mentioned refusal to accept or pay, or the payer's or acceptor's stopping to pay, declaring bankruptcy, or carrying out liquidation before the maturity of the bill, the Bank may sell all or part of the collateral of the draft and/or documents in such a way as is deemed appropriate by the Bank or the holder of the draft and/or documents (whether or not the draft has been conditionally or absolutely accepted by the acceptor), and use the proceeds to pay the bill and its remittance fee after deducting the service fee and commission. And if there is a balance, the Bank or the holder of the draft and/or documents may use it to pay off the Customer's other bills (whether or not they are guaranteed), the Customer's borrowings from the Bank, or other debts that Customer is obligated to pay to the Bank. For the damage or loss of insured goods, the Customer authorizes the Bank to obtain compensation in accordance with the insurance policy, deduct the service fee, and handle the remaining net amount of money using the above method, the same as the case of disposing and selling other goods.
68. Unless otherwise agreed, the holder of the draft issued by the Customer may exempt from making a certificate of protest when exercising the right of recourse. Although the Customer waives the requirement for a certificate of protest, the Customer has no objection if the Bank or the Bank's correspondent bank considers it necessary to have a certificate of protest. Wherever a protest for nonpayment or nonacceptance is made, it is legal and valid for the Customer and does not require any proof.
69. If the net proceeds from selling the goods are insufficient to pay the amount written on the draft and /documents (including the exchange difference under the exchange currency rate at that time), the Bank, any manager or agent of the Bank, or the draft and/or documents holder are hereby authorized to issue a draft to the Customer to obtain compensation for the insufficient amount, without affecting the right to press for the insufficient amount from other endorsers. And the Customer agrees that the bill presented by the Bank or the holder of the draft and/or documents is the evidence of the sale of the goods and the evidence of the loss. The Customer shall promptly pay when the draft presented.
70. Regardless of the occurrence of the sale of goods, the Bank, any manager or agent of the Bank, or the draft and/or documents holder are hereby authorized to accept payment from the payer or acceptor before the maturity of the draft, and deliver the bill of lading and other shipping documents to the payer or the acceptor after the bill is paid off. If the Bank or the draft and /or documents holder allows paying in advance, the rebate can be calculated in accordance with the current interest rates at the place where the bill is paid.
71. If the shipping documents will be delivered after the draft is accepted, the Customer authorizes the bank to deliver the shipping documents which are collateral of the draft to the acceptor after the draft is accepted by the acceptor. In this case, if the draft is mature and the acceptor does not pay or only partially pay, the Customer shall be responsible for any resulting occurrence. The Customer shall reimburse the Bank for the entire amount or part of the amount owed by the draft, and the resulting remittance fee and service fee, and guarantee that the Bank will not suffer any damage as a result, or that the Bank or the draft holder has the priority to be paid with money of selling the collateral.
72. If the draft payer refuses acceptance or payment, or the collateral has arrived at the destination port prior to the maturity of the draft, the Customer authorizes the Bank or correspondent bank of the Bank to take any measures that the Bank or correspondent bank of the Bank deem necessary to maintain such goods, such as the unloading, customs declaration, storage, insurance of the draft collateral. The expenses incurred in taking the above-mentioned measures, as well as any damage caused by the negligence of the practitioners participating in the unloading, customs declaration, storage, insurance, and wars, natural disasters, or other force majeure factors shall be borne by the Customer.

(II) Export Finance

73. The export financing is limited to support the necessary capital turnover before or after the Customer's export, and the Customer shall export in accordance with the terms and periods in the letter of credit issued by a foreign bank, signed export contract, export order, or other export documents. If it is time to repay, and the Customer cannot repay with the foreign exchange from selling the exports, but repays with other income, the originally agreed loan interest rate shall be applied since the date of the appropriation, except as otherwise agreed between the Customer and the Bank.
74. The letter of credit provided by the Customer must meet the following:
- (I) An irrevocable letter of credit that determines the Customer as the beneficiary or an irrevocable letter of credit that transfers to the Customer by the beneficiary.
 - (II) The bank that issued the letter of credit is recognized by the Bank.
75. The Customer agrees to deposit the aforementioned letter of credit, export contract, or export order (all including amendments) in the Bank and to undertake the transaction of outward documentary bills or collection in the Bank. The Customer also authorizes the Bank to directly compensate for the loan principal and interest as well as all the debts of the Customer at the Bank with the payments received at the documentary bill date of outward documentary bills and at the notification dates of the entry of the export collection, inward remittance, and clean collection. This Agreement is used as a proof of authorization.
76. For the bills, orders, and letters of credit provided by the Customer under this contract, if the payment is received before the expiration date of the corresponding loan, the Customer agrees that the Bank can directly offset the loan in advance.
77. If the Customer undertakes the transaction of outward bills in the Bank but the payment is refused abroad, or if payment isn't received when the export collection expires, or if there are other foreign buyers failing to pay as agreed, the Customer is willing to pay off immediately without any conditions.

Section VIII

Buy Foreign Currency Bills (Or Buy Clean Bills)

78. In accordance with the provisions of the "Acquisition and Exchange of Foreign Currency Bills Agreement" and other agreements, the Customer will request the Bank to buy the foreign currency bills (or buy clean bills) under the conditions approved by the Bank.

Section IX Currency Conversion of Foreign Currency Loans

79. The Customer applies to convert foreign currency loans in according with the "Application for Currency Conversion in Foreign Exchange Service", and agrees to abide by the following terms. If any subsequent dispute or loss is caused by changes in the exchange rate, it is the sole responsibility of the Customer.
80. The Customer agrees to convert the balance of foreign currency loans into the agreed new currency based on the exchange rate negotiated with the Bank. In addition, the collateral of the original loan is still the collateral of the converted loan, and the interest rate calculation method, due date and method of repayment shall be determined according to the original agreement.
81. The loan interest before the conversion shall be paid off before the conversion, and the Customer may convert it into NTD for delivery, according to the spot selling exchange rate shown by the Bank on the clearing day. The Customer agrees to calculate the converted principal and interest based on the interest rate applicable to the new currency loan negotiated with the bank, and deliver it to the Bank on the date of payment as originally agreed. If the Customer's payment is delayed, the Bank may collect the liquidated damages according to the original agreement.

Section X Miscellaneous

82. In the case of other financial products that are not specified in this Agreement, the Customer agrees to enter into related credit contracts with the Bank.

Chapter III Entrusted Debiting and Withdrawing

The Customer hereby authorizes the Bank to directly debit his/her account and transfer all the money he/she owes the Bank listed below to the Bank, with the deposit account , at branch/department of the Bank:

- (i) Loans, advances, bank acceptances, guaranteed principals and interests, liquidated damages, service charges, registered fees and other related expenses.
- (ii) Payments, commissions, service charges, telegram charges and other related expenses for inward/outward documentary bills.
- (iii): The others:

The Bank will not be required to make subsequent collection of the withdrawal slips for the Customer regarding the aforementioned behavior of the Bank's directly debiting and transferring. The Customer fully acknowledges such withdrawals without any objection, and the deposit balance of the aforementioned account shall be subject to the balance recorded in the Bank. In the event of any future entanglements, it is understood that the Customer is solely responsible for such matters, and it has nothing to do with the Bank, and the Customer is willing to abandon all claims.

Chapter IV Other Special Provisions

: The name and address of the process agent referred to in Chapter I Article 14 are:

Kind Regards

Taishin International Bank

The Customer:

Seal checked by:

(Original reservation seal)

Legal representative

Unified number:

The original (copy) of this Agreement has been received

is not required from the Bank

The Customer:

Seal checked by:

(Original reservation seal)

Legal representative

Unified number:

The original (copy) of this Agreement has been received

is not required from the Bank

The Customer:

Seal checked by:

(Original reservation seal)

Legal representative

Unified number:

The original (copy) of this Agreement has been received

is not required from the Bank

Responsible Person	Reviewer	Supervisor

The Customer:

Seal checked by:

(Original reservation seal)

Legal representative

Unified number:

The original (copy) of this Agreement has been received

is not required from the Bank

The Customer:

Seal checked by:

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Legal representative

Unified number:

The original (copy) of this Agreement has been received

is not required from the Bank

Responsible Person	Reviewer	Supervisor

July 23, 2019

Power of Attorney

I. The drafter of this Power of Attorney _____ (hereinafter referred to as "the Authorizer") hereby expressly and irrevocably authorizes Taishin International Bank Co., Ltd. (that is Taishin Bank, hereinafter referred to as "the Bank") that, where the Authorizer, on the basis of an import permit and/or other relevant documents approved by the Bureau of Foreign Trade or its designated institutions, upon the delivery of all or part of the goods under the Letter of Credit that is entrusted to be issued by the Bank, if the Authorizer fails to make payments to retire the documents in respect of each Letter of Credit issued by the Bank, or the Authorizer entrusted the Bank to issue Letters of Credit and all of them are deemed to have expired in accordance with the agreed claims of the relevant credit facility deeds, the Bank may apply for approval from the Bureau of Foreign Trade to make custom declaration and take delivery of goods on behalf of the Authorizer, and may auction or dispose the imported goods freely.

II. The Authorizer also earnestly declares that the acts such as custom declaration and taking delivery of goods conducted by the Bank in accordance with this Power of Attorney can be seen as the acts of the Authorizer, which shall have the binding effectiveness on the Authorizer.

Kind Regards

Taishin International Bank

The Drafter of Power of Attorney: _____

(Please stamp with the original reservation seals of the company and the person in charge)

Address:

Authorization Date of Power of Attorney:

Responsible Person	Reviewer	Supervisor

Power of Attorney

I. The drafter of this Power of Attorney _____ (hereinafter referred to as "the Authorizer") hereby expressly and irrevocably authorizes Taishin International Bank Co., Ltd. (that is Taishin Bank, hereinafter referred to as "the Bank") that, where the Authorizer, on the basis of an import permit and/or other relevant documents approved by the Bureau of Foreign Trade or its designated institutions, upon the delivery of all or part of the goods under the Letter of Credit that is entrusted to be issued by the Bank, if the Authorizer fails to make payments to retire the documents in respect of each Letter of Credit issued by the Bank, or the Authorizer entrusted the Bank to issue Letters of Credit and all of them are deemed to have expired in accordance with the agreed claims of the relevant credit facility deeds, the Bank may apply for approval from the Bureau of Foreign Trade to make custom declaration and take delivery of goods on behalf of the Authorizer, and may auction or dispose the imported goods freely.

II. The Authorizer also earnestly declares that the acts such as custom declaration and taking delivery of goods conducted by the Bank in accordance with this Power of Attorney can be seen as the acts of the Authorizer, which shall have the binding effectiveness on the Authorizer.

Kind Regards

Taishin International Bank

The Drafter of Power of Attorney: _____
(Please stamp with the original reservation seals of the company and the person in charge)

Address:
Authorization Date of Power of Attorney:

Responsible Person	Reviewer	Supervisor

Power of Attorney

I. The drafter of this Power of Attorney _____ (hereinafter referred to as "the Authorizer") hereby expressly and irrevocably authorizes Taishin International Bank Co., Ltd. (that is Taishin Bank, hereinafter referred to as "the Bank") that, where the Authorizer, on the basis of an import permit and/or other relevant documents approved by the Bureau of Foreign Trade or its designated institutions, upon the delivery of all or part of the goods under the Letter of Credit that is entrusted to be issued by the Bank, if the Authorizer fails to make payments to retire the documents in respect of each Letter of Credit issued by the Bank, or the Authorizer entrusted the Bank to issue Letters of Credit and all of them are deemed to have expired in accordance with the agreed claims of the relevant credit facility deeds, the Bank may apply for approval from the Bureau of Foreign Trade to make custom declaration and take delivery of goods on behalf of the Authorizer, and may auction or dispose the imported goods freely.

II. The Authorizer also earnestly declares that the acts such as custom declaration and taking delivery of goods conducted by the Bank in accordance with this Power of Attorney can be seen as the acts of the Authorizer, which shall have the binding effectiveness on the Authorizer.

Kind Regards

Taishin International Bank

The Drafter of Power of Attorney: _____

(Please stamp with the original reservation seals of the company and the person in charge)

Address:

Authorization Date of Power of Attorney:

Responsible Person	Reviewer	Supervisor

Taishin Financial Holdings and Its Various Subsidiaries Confidentiality Measures for Customer Information

Taishin Financial Holding Co., Ltd., which was founded on February 18th, 2002, owns the bank, security companies, investment trust companies and other subsidiaries and provides the customers with one-stop shopping products and services. Taishin Financial Holding Co., Ltd. and its various subsidiaries will adhere to the strict security measures previously adopted by its various subsidiaries for the customer information, and takes the necessary confidentiality measures to safeguard the information provided by the customers. Taishin Financial Holdings Co., Ltd and its various subsidiaries confidentiality measures for customer information are explained as follows:

The Customer Information Confidentiality Measures of Taishin Financial Holding Co., Ltd. and Its Various Subsidiaries shall be implemented in compliance with the Financial Holding Company Act, Financial Holding Company and Subsidiaries of Financial Holding Company Cross-selling Regulations (hereinafter referred to as "the Cross-selling Regulations"), Personal Information Protection Act and the related laws of the competent authorities. Also, each subsidiary shall abide by the regulations of other relevant laws (including but not limited to Article 48 Item 2 of the Banking Law), in order to properly implement the customer information confidentiality measures.

I. Change and Modification for the Customer Information

In case of any change in personal information of customers, they may notify the customer service center of subsidiaries of Taishin Financial Holdings Co., Ltd at any moment to request for modification or supplement.

II. The Customer's Opt-Out Right Exercise

You can notify the customer service center of the subsidiaries of Taishin Financial Holding Co., Ltd. at any moment to have the interactive usage of your personal information for marketing or business promotion activities stopped.

The Taishin Financial Holding Co., Ltd. and its subsidiaries reserve the right to amend the confidentiality measures, and will announce and disclose the related information about those measures on the Internet or other public disclosure channels approved by the competent authorities; the same procedure applies in case of amendment. If you have other questions related to confidentiality measures, you can consult with Taishin Financial Holding Co., Ltd. or its subsidiaries at any time.

The subsidiaries of Taishin Financial Holding Co., Ltd. currently include:

Taishin International Bank Co., Ltd.

Taishin Securities Co., Ltd.

Taishin Financial Insurance Broker Co., Ltd.

Taishin Securities Investment Advisory (TSIA) Co., Ltd.

Taishin Securities Investment Trust Co., Ltd.

Taishin Asset Management Co., Ltd.

Taishin Venture Capital Investment Co., Ltd.

In case of any addition to or change of the above subsidiaries in the future, the relevant information will be announced and disclosed on the official website of Taishin Financial Holding Co., Ltd. and its various subsidiaries.

Promissory Note

With this note, a total of NTD 100 million

shall be paid unconditionally to _____ or his/her designated person on _____ (Date)

And the related covenants are as follows:

Drawer:

1. This promissory note authorizes Taishin Bank to fill the maturity date, and exempts it from the obligations of issuing a Certificate of Protest and the notification obligation set out under Article 89 of the Law of Negotiable Instruments Address:

2. The interest rate of this promissory note shall be calculated as follows from the issuing date of this note: Drawer

The basic lending rate of Taishin Bank and the additional annual percentage rate of Interests are counted flexibly. Address:

(If there are any changes or adjustments in the above-mentioned basic lending rate or the additional rate, the interests shall be counted based on the changed or adjusted rate.)

Others: Drawer

If the payment for the principal and interests mentioned above is delayed, Address:

for those delayed part with the overdue time less than six months, liquidated damages Drawer

shall also be paid with, at 10% of the previously agreed interest rate; for those delayed

part with the overdue time more than six months, the liquidated damages shall be paid

with, at 20% of the previously agreed interest rate.

3. Place of payment: Address:

Date: July 23, 2019

Endorsee	
Endorser	
Endorser's address	
Endorsement date	
Note:	

The endorser agrees that this promissory note authorizes Taishin Bank to fill the maturity date and exempts it from the obligations of issuing a Certificate of Protest and the notification obligation set out under Article 89 of the Law of Negotiable Instruments

Promissory Note

With this note, a total of USD 1 million

shall be paid unconditionally to _____ or his/her designated person on _____ (Date)

And the related covenants are as follows:

Drawer:

1. This promissory note authorizes Taishin Bank to fill the maturity date, and exempts it from the obligations of issuing a Certificate of Protest and the notification obligation set out under Article 89 of the Law of Negotiable Instruments Address:

2. The interest rate of this promissory note shall be calculated as follows from the issuing date of this note: Drawer

The basic lending rate of Taishin Bank and the additional annual percentage rate of Interests are counted flexibly. Address:

(If there are any changes or adjustments in the above-mentioned basic lending rate or the additional rate, the interests shall be counted based on the changed or adjusted rate.)

Others: Drawer

If the payment for the principal and interests mentioned above is delayed, Address:

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