

Everlight Electronics Co., Ltd.

Rules for Election of Directors and Supervisors

- Article 1 Unless otherwise provided in the Company Act or the Articles of Incorporation of the Company, the directors and supervisors of the Company shall be elected in accordance with the rules specified herein.
- Article 2 Election of directors and supervisor of the Company shall be held at the shareholders' meeting.
- Article 3 The directors and supervisors of the Company shall be persons of legal ability elected in the general meeting.
- Article 4 Numbers of the Company's directors and supervisors shall be in line with numbers prescribed in the Company's Articles of Incorporation.
- Article 5 The cumulative voting method shall be used for election of the directors and supervisors at the Company. Each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 6 The number of directors and supervisors will be as specified in the Company's articles of incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 7 The Board of Directors shall be responsible for preparing director and supervisor ballots, and shall put the Board's chop on the ballots, fill in voter's shareholder attendance card number as well as number of votes.
- Article 8 Before the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel.
- Article 9 The ballot boxes shall be prepared by the board of directors and publicly

checked by the vote monitoring personnel before voting commences

Article 10 If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered. The names of voters may be represented by shareholders' numbers.

Article 11 A ballot is invalid under any of the following circumstances:

1. Ballots not placed in the ballot box;
2. Ballots which are not prepared by the Company's Board of Directors, or ballots without the chop of the Company's Board, or ballots without voter's shareholder attendance card number or number of votes;
3. Blank ballots not completed by the voter;
4. The writing is unclear and indecipherable or has been altered;
5. If the candidate is a shareholder of the Company, the name or shareholder's number of the candidate filled in the ballot inconsistent with the shareholders' register. If the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is incorrect;
6. Ballots with other written characters or symbols in addition to candidate's name, shareholder's number or ID number;
7. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
8. Two or more candidates entered on the same ballot.

Article 12 The ballots should be calculated during the meeting right after the vote

casting under the supervision of monitoring personnel, and the results of the election should be announced by the Chairman at the meeting.

Article 13 The board of directors of the Company shall issue notifications to the persons elected as directors or supervisors.

Article 14 Where Everlight has established an audit committee, the provisions regarding supervisors shall be no longer applicable within the tenure of the audit committee.

These Rules, and any amendments hereto, shall be implemented after approval by a shareholders meeting.