

Kenda Rubber Industrial Co., Ltd. Rules for Election of Directors

- Article 1 Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
- Article 2 The election of directors of the Company is held at the shareholders' meeting.
- Article 3 In the election of the Company's Directors, each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act, and the shareholders shall elect the directors from a list of candidates. The independent directors and non-independent directors shall be elected in the same election, and the number of independent/non-independent directors elected shall be calculated separately. The qualifications and election for the independent directors of this Corporation shall comply with Securities and Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies which is stipulated by Financial Supervision Commission.
- Article 4 The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. 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 5 (This article is revoked.)
- Article 6 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. If the votes are cast through electronic methods, the ballots will not be printed out.
- Article 7 For the election of directors, the Board of Directors shall set up a ballot box, which shall be examined in public by the persons supervising the casting of ballots, before the ballots are cast.
- Article 8 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.
- Article 9 In the event that the candidate is a shareholder of the Company, the voters voting for such candidate shall fill in in the "candidate" column on the ballot such candidate's account name and shareholder account number. In the event that the candidate is not a shareholder of the Company, the voters voting for such candidate shall fill in in the "candidate" column on the ballot such candidate's name and ID number. In the event that the candidate is a government or a corporate shareholder, the voters voting for such candidate shall fill in the "candidate" column on the ballot with the name of such government or corporate shareholder, or the name of such government or corporate shareholder together with the name of such government's or corporate shareholder's representative; when there are multiple representatives, the names of all representatives shall be listed.

- Article 10 A ballot is invalid under any of the following circumstances:
1. Any ballot cast in violation of the Rules.
 2. A blank ballot is placed in the ballot box.
 3. The writing is unclear and indecipherable or has been altered.
 4. Where the candidate voted for is a shareholder of the Company, such candidate's account name and shareholder account number filled in in the ballot is inconsistent with that on the shareholder registry. Where the candidate voted for is not a shareholder of the Company, such candidate's name or ID number is verified to be incorrect.
 5. Any ballot with characters other than the candidate's account name (name) or shareholder account number (ID number) and the allocated number of voting rights.
 6. Any ballot without or has been altered the candidate's account name (name) or shareholder account number (ID number).
 7. Any ballot that is cast with the names of two or more candidates.
- Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.
- Article 12 The Board of Directors of the Company shall deliver a written notification to each of the elected directors.
- Article 13 Matters not specified in the Rules shall be governed by the Company Act, the Company's Articles of Incorporation and any other relevant laws and regulations.
- Article 14 The election shall be ineffective if it does not comply with the provisions of Paragraph 3, Paragraph 4 of Article 26-3 of the Securities and Exchange Act.
- Article 15 These Procedures take effect after having been submitted to and approved by the shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.