

Wistron Corporation
Procedures for Preventing Insider Trading

- Article 1. In order to prevent any person, who has learned the information, from involving insider trading due to failure to know the relevant regulations and laws, the following Procedures are enacted pursuant to Article 8-2 of Regulations Governing Establishment of Internal Control Systems by Public Companies.
- Article 2. Making a profit is not necessarily the key component of insider trading. According to Article 157-1 of the Securities and Exchange Act, the key components of insider trading include the following:
1. Regulated subjects.
 2. Actual knowledge of any material information.
 3. After material information is precise, and prior to the public disclosure of such information or within 18 hours after its public disclosure.
 4. Purchase or sale of, in the person's own name or in the name of another, shares of the Company that are listed on an exchange or an over-the-counter market, or any other equity-type security of the Company.
- Article 3. The regulated subjects referred to in item 2 of Article 2 of the Procedures are the following persons who are subject to the restriction on insider trading:
- 1) A director, supervisor, and/or managerial officer of the Company, a shareholder that directly or indirectly holds ten (10) percent or more of the Company's total shares, and/or a natural person designated to exercise powers as representative pursuant to Article 27, paragraph 1 of the Company Act.
 - 2) Any related party of the preceding subparagraph (including spouses, minor children and nominee shareholders).
 - 3) Any person who has learned the information by reason of an occupational or controlling relationship.
 - 4) A person who, though no longer among those listed in one of the preceding three subparagraphs, has only lost such status within the last six months.
 - 5) Any person who has learned the information from any of the persons named in the preceding four subparagraphs.
- Article 4. The shares of the Company that are listed on an exchange or an over-the-counter market, or any other equity-type security of the Company referred to in item 4 of Article 2 of the Procedures are the following:
- 1) Any shares of the Company that are listed on an exchange, an over-the-counter market, an emerging stock market, or any other equity-type security of the Company.
 - 2) Any equity-type securities such as convertible corporate bonds, corporate bonds with warrants, share subscription warrants, call (put) warrants, certificates of payment of shares, stock warrant certificates, certificates of entitlement to new shares, certificates of entitlement to new shares from convertible bonds or any other equity-type security of the Company.
- Article 5. Material information referred to in item 2 of Article 2 of the Procedures shall mean:

- 1) Information relating to the finances or businesses of the Company, the specific content of which will have a material impact on the price of the securities, or will have a material impact on the investment decision of a reasonably prudent investor, including:
 - 1) Matters provided in Article 7 of Securities and Exchange Act Enforcement Rules.
 - 2) When the Company carries out any material transaction of public offering and issuance or private placement of equity-type securities, capital reduction, corporate merger, acquisition, or split, share exchange, conversion, or transfer of shares from others, direct or indirect investment project, or there is any material change in any of the above matters.
 - 3) When the Company is in proceedings for reorganization, bankruptcy, dissolution, or application for stock delisting or termination of OTC securities trading, or there is any material change in any of the above matters.
 - 4) When a member of the Board of Directors is subject to a provisional injunction ruling suspending his or her exercise of powers, making it impossible for the Board of Directors to exercise its powers, or all independent directors of the Company are removed from office.
 - 5) The occurrence of a disaster, group protest, strike, environmental pollution, or any other material event, where the Company incurs a material loss, or where a relevant authority orders suspension of work, suspension of business, or termination of business, or revokes or voids a relevant permit.
 - 6) The dishonor of a negotiable instrument, filing for bankruptcy or reorganization, or any other similar event of a material nature, with respect to a related party of the Company or to a principal debtor or a joint and several guarantor of a principal debtor; or inability by a principal obligor, in favor of whom the Company has made an endorsement or guarantee, to settle a matured negotiable instrument, loan, or other obligation.
 - 7) The occurrence of a significant event of internal control-related malpractice, non arms-length transaction, or defalcation of Company assets.
 - 8) The suspension of part or all of business transactions between the Company and a principal client or supplier.
 - 9) Upon occurrence of any of the following with respect to a financial report of the Company:
 - (1) Failure to make a public announcement or a filing in a manner consistent with the requirements of Article 36 of the Act.
 - (2) An error or omission in a financial report prepared by the Company, with respect to which Article 6 of the Enforcement Rules to the Act requires a correction to and further a restatement of the financial report.
 - (3) A certified public accountant issues an audit or review report containing an opinion other than an unqualified or modified unqualified opinion. The same does not apply, however, in cases where the certified public accountant issues a qualified audit or review report for the reason of annual amortization of losses, as permitted by law, or for the reason that an amount of long-term equity investment and profit/loss thereupon presented in the first-quarter, third-quarter, or semiannual financial report is calculated on the basis of financial statements of the investee company that have not been audited or reviewed by a certified public accountant.

- 10) A significant discrepancy between financial forecasts already publicly disclosed and actual figures or between updated (or corrected) financial forecasts and original forecasts.
 - 11) When the Company buys back its own shares.
 - 12) When the Company makes or suspends a public tender offer to acquire securities issued by a public company.
 - 13) When the Company acquires or disposes of a major asset.
 - 14) If the Company has issued securities overseas, the occurrence of a material event that requires prompt public announcement or filing, as provided in the government laws and regulations, or securities exchange market rules and regulations, of the country where the securities are listed.
 - 15) Other matters relating to the finances or businesses of the Company that would have a material impact on its stock price or on the investment decisions of a reasonably prudent investor.
- 2) Information relating to the supply and demand of the Company's securities on the market, or tender offer of the Company's securities, the specific content of which will have a material impact on the price of the securities, or will have a material impact on the investment decision of a reasonably prudent investor, including:
- 1) When the Company's securities traded on the centralized securities exchange market or the OTC securities market are subject to a public tender offer or suspension of a public tender offer.
 - 2) Any material change in the shareholding of the Company or its controlling company.
 - 3) When the Company's securities traded on the centralized securities exchange market or the OTC securities market are subject to an event of bidding, auctioning, material default in settlement, change of the original method of trading, or suspension, limitation, or termination of trading, or there is any circumstance that may lead to any such event.
 - 4) Any other matter relating to the market supply and demand of the Company's securities that would have a material impact on the Company's stock price or on the investment decisions of a reasonably prudent investor.

Article 6. The date of existence of the material information described in item 2 of Article 2 of the Procedures shall be the date of the fact, agreement, contract signature, payment, request, execution of transaction, transfer of title, resolution of the Committee or Board of Directors, or other precise date based on concrete evidence, whichever comes first.

Article 7. 1. The Company hereby defines public disclosure pursuant to the Financial Supervisory Commission's Regulations Governing the Scope of Material Information and the Means of its Public Disclosure Under Article 157-1, Paragraphs 4 of the Securities and Exchange Act, as:

- 1) Public disclosure of material information referred to in item 1 of Article 5 of the Procedures means the Company enters such information into the Market Observation Post System.
- 2) Public disclosure of material information referred to in item 2 of Article 5 of the Procedures means the Company enters such information into the Market Observation Post System, the Market Information System website of the Taiwan Stock Exchange Corporation, or by two or more daily national newspapers on non-local news pages, national television news, or electronic newspapers issued by an the aforesaid media.

2. In the case of information publicly disclosed “by two or more daily national newspapers on non-local news pages, national television news, or electronic newspapers issued by an the aforesaid media” under subparagraph 2 of the preceding paragraph, the period of 18 hours referred to in item 3 of Article 2 of the Procedures shall begin with the later of the time of delivery of the newspaper, first broadcasting the television news, or posting of the news on electronic website, as the case may be.
3. The time of delivery of a newspaper referred to in the preceding paragraph means 6 A.M. for morning newspapers and 3 P.M. for evening newspapers.

Article 8. Upon obtaining actual knowledge of any material information that will have a impact on the price of the securities of the Company, after the information is precise, and prior to the public disclosure of such information or within 18 hours after its public disclosure, the persons referred to in Article 3 of the Procedures shall not purchase or sell, in the person's own name or in the name of another, shares of the Company that are listed on an exchange or an over-the-counter market, or any other equity-type security of the Company.

Upon obtaining actual knowledge of any material information that will have a impact on the ability of the Company to pay principal or interest, after the information is precise, and prior to the public disclosure of such information or within 18 hours after its public disclosure, the persons referred to in Article 3 of the Procedures shall not sell, in the person's own name or in the name of another, the non-equity-type corporate bonds of the Company that are listed on an exchange or an over-the-counter market.

Article 9. The Stock Affairs Specialists of the Company shall set up promptly and maintain periodically the records of the persons referred to in Article 3 of the Procedures, and provide to them the relevant laws and regulations with respect to insider trading.

Article 10. Should any Company employee violate any of the Procedures, subsequent punishment is subject to the Company’s Rules for Rewards and Sanctions for Employees, depending on the seriousness of the violation.

Article 11. Any other matters not set forth in these Procedures shall be dealt with in accordance with the applicable laws, rules, and regulations.

Article 12. These Procedures, and any amendment thereto, shall take full force and effect upon the approval of the Board of Directors.

Article 13. These Procedures were enacted on April 29, 2009.

The 1st amendment was made on August 20, 2010.