
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): February 19, 2016

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.)

13115 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))
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Item 1.01 Entry into a Material Definitive Agreement.

On February 19, 2016, Applied Optoelectronics, Inc. (the “Company”) entered into two, one year revolving credit facilities totaling NT\$320 million (the “Credit Facilities”) with China Trust Commercial Bank Co., Ltd. in Taiwan (the “Bank”). The first credit facility is in the amount of NT\$200 million (the “First Credit Facility”). The second credit facility is in the amount of NT\$120 million (the “Second Credit Facility”). Borrowing under the Credit Facilities will be used for general corporate purposes.

The Company may draw upon the Credit Facilities from February 19, 2016 until February 18, 2017. The term of each draw shall be between 120 and 180 days. At the end of the draw term the Company will make payment for all principal and accrued interest.

The Company’s obligations under the First Credit Facility will be secured by the Company’s deposit accounts with the Bank. Borrowings under the First Credit Facility for New Taiwan Dollars will bear interest at a rate equal to the Bank’s monthly Corporate Interest Swap Index Rate plus 1.5%; for all foreign currency borrowing interest will bear at a rate equal to the Bank’s Cost of Fund lending rate plus 1.8%.

The Company’s obligations under the Second Credit Facility will be secured by the Company’s certificate of deposit with the Bank. All borrowings under the Second Credit Facility will be based on the Bank’s monthly Corporate Interest Swap Index Rate plus 0.93% annually.

The Bank’s current monthly Corporate Interest Swap Index Rate is 0.71% annually. The Bank’s current Cost of Fund lending rate is 0.50% annually. The Corporate Interest Swap Index Rate and Cost of Fund lending rates are subject to change from time to time.

The agreements for the Credit Facilities contain representations and warranties, and events of default applicable to the Company 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 agreement for the Credit Facility and is qualified in its entirety by reference to the full text of the Terms of Credit Line, the General Agreement for Omnibus Credit Line, the Promissory Notes, the Agreement for Individually Negotiated Terms & Conditions, and the Provisions of Collateral and Pledge Agreement copies of which are attached as Exhibit 10.1 through 10.7 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

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| 10.1 | Translation of the Terms of Credit Line, dated January 4, 2016, between Applied Optoelectronics, Inc. and China Trust Commercial Bank Co., Ltd. |
| 10.2 | General Agreement for Omnibus Credit Lines, dated February 19, 2016, between Applied Optoelectronics, Inc. and China Trust Commercial Bank Co., Ltd. |
| 10.3 | Agreement for Individually Negotiated Terms & Conditions, dated February 19, 2016, between Applied Optoelectronics, Inc. and China Trust Commercial Bank Co., Ltd. |
| 10.4 | NT\$200 Million Promissory Note, dated February 19, 2016, between Applied Optoelectronics, Inc. and China Trust Commercial Bank Co., Ltd. |
| 10.5 | NT\$120 Million Promissory Note, dated February 19, 2016, between Applied Optoelectronics, Inc. and China Trust Commercial Bank Co., Ltd. |
| 10.6 | Certificate for Provision of Collateral and Pledge Agreement, dated February 19, 2016, between Applied Optoelectronics, Inc. and China Trust Commercial Bank Co., Ltd. |
| 10.7 | NT\$120 Promissory Note (Certificate of Deposit), dated February 19, 2016, between Applied Optoelectronics, Inc. and China Trust Commercial Bank Co., Ltd. |

Exhibit 10.1



CTBC Bank

Version of September 2014

Terms of Credit Line

The next annual review will take place on November 30, 2016.

I. Credit Grantee Name and Joint Guarantor			
Credit Grantee Name	Applied Optoelectronics, Inc.	Joint guarantor	-
Business Registration Number	(AOI) Taiwan Branch	Co-drawer	-
ID Number of Person in charge	28410552	Promissory note drawer	-
	Lin Chih-Hsiang		

II. Line of Credit (excluding Financial Transaction Limit)

(I) Credit Line Approval

Type of Credit Line	Product Type	Amount of Credit Line	Period (Months)	Interest Rate/Service Charge
Comprehensive credit line	Short-term loan and importing O/A; L/C issuing and performance guarantee	TWD 200,000 thousand (TWD 50,000 thousand)	12	1. TWD: corporate interest rate swap index (month) + 1.5% 2. Foreign currency: COF + 1.8% 3. L/C issuing service charge rate: 0.125%; telegram cost: USD 10 4. performance guarantee service charge rate: 1.5% (annual interest rate)
short-term loans	Amount of short-term loans	TWD 120,000 thousand	12	TWD: bargain interest rate

(II) Terms and Conditions of Credit Granting

General Conditions	<ol style="list-style-type: none">1. Comprehensive credit line - Short-term loans can be remitted only to suppliers, and each short-term loan is available for a maximum of 120 days.2. Comprehensive credit line - The importing O/A financing is provided in 100% credit line. Each such loan is available for a maximum of 120 days and can be remitted only to suppliers. If there are new suppliers, such loans can be available only after being approved by CTBC.3. The importing O/A credit line can be used only after the transaction lists or relevant invoices are provided.4. Comprehensive credit line - The L/C issuing period cannot exceed 180days; the loan for L/C issuing foreign currency financing may be made in TWD.5. Comprehensive credit line - The total available balance for L/C issuing and performance guarantee cannot exceed TWD 50,000(per thousand unit).6. The amount of short-term loans cannot exceed the available balance, and the certificate of deposit of foreign currencies in our bank shall be provided. The loans are provided at 90% of the amount on the certificate of deposit. The period for using loans cannot exceed 6 months, and foreign currencies cannot be exchanged directly in our bank.7. Collaterals for the amount of short-term loans may be provided by a third party, provided that promissory note which is issued by the third party who provide collaterals and endorsed by your company shall be provided.8. The inward remittance must reach USD 15,000 thousand (including the related party AOI US) upon each quarterly review.9. CTBC will check Lin Chih-Hsiang 's liabilities every six months. If Lin Chih-Hsiang has stood guarantee for AOI Taiwan Branch, Lin shall be deemed as the guarantor of this case.
Special Conditions	<ol style="list-style-type: none">1. Provide a Direct Account to remit money to CTBC.2. Time for review of each quarter is March 2016, June 2016, September 2016, and November 2016.

(III) Notes:

1. After your company signs this notification, as the market changes, our bank reserves the rights to approve or reject your application for withdrawing or using the credit line based on the original interest rate/service charge. If your company indeed demands funds, your company can apply for using the fund only after both parties otherwise has agreed upon the interest rate/service charge or the line of credit and record them to relevant funding application. For matters not mentioned herein, refer to our bank's credit line contract and relevant rules.
2. For the abovementioned credit line, please provide relevant boards meeting minutes.

CTBC Bank Co., Ltd.



January 4, 105 year of the Republic of China's Era.

CTBC Bank Co., Ltd.

Page 1 of 1



中國信託銀行
CTBC BANK

中國信託法人金融
CTBC CORPORATE BANKING

銀行授信綜合額度契約

暨總約定書

General Agreement for Omnibus Credit Lines

單位 Unit:	北區二部 部 / 區域中心 Department / Regional Center
客戶名稱 Customer:	美商祥茂光電科技股份有限公司台灣分公司
訂約日期 Contract Date:	中華民國 105 年 2 月 19 日 Date: 2016-2-19

(一般授信專用 104.5 版)
(For General Credit use)



(General Agreement for Omnibus Credit Lines)

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(_____)

The undersigned (the "Customer"), hereby applies for an omnibus credit line with CTBC Bank Co., Ltd. (including its head office and branches, hereinafter referred to as the "Bank") and agrees to the terms and conditions of this General Agreement for Omnibus Credit Lines (this "Agreement") with the following total omnibus credit line (exclusive of the credit lines extended under and pursuant to any and all syndicated loans):

NT\$Three Hundred and Twenty Million Dollars Only or its equivalent amount in foreign currency

_____ Only.

(hereinafter referred to as the "Omnibus Credit Line" or the "Facility", which is applicable to the total aggregate of all individual credit lines), to be provided for the use by the Customer in its application for any loan from the Bank under this Omnibus Credit Line. Unless otherwise agreed between the Customer and the Bank in a separate agreement or otherwise set forth in any documents, certificates, instruments, or materials submitted by the Customer to the Bank for the purpose of obtaining a credit line, this Agreement is applicable to all transactions undertaken between the Customer and the Bank, with the following terms and conditions:

Common Provisions

Article 1. This Omnibus Credit Line sets forth the maximum amount of the credit line extended by the Bank to the Customer for the agreed-upon purposes under each separate extension of credit lines. Within the amount allocated under this Omnibus Credit Line, the Bank may establish individual credit lines for individual credit purposes subject to the individual maximum credit limits, as set forth in the relevant portions of this Agreement. The aggregate sum of these individual credit lines is permitted to exceed the Omnibus Credit Line; however, at each actual drawdown, if the amount that has already been drawn by the Customer previously, together with the amount being drawn at the time, exceeds the Omnibus Credit Line, then notwithstanding that the amount being drawn at the time does not exceed its individual credit line, the total amount that can be drawn by the Customer will be subject to the limitations set forth by the Omnibus Credit Line; except that within the limitations set forth by the Omnibus Credit Line and the applicable individual credit line, the Customer may use those credit lines as a line of revolving credit.

If the amounts drawn involve foreign currency, the calculation of the Omnibus Credit Line and individual credit line will be based on the prevailing exchange rates set forth by the Bank at the time of that drawdown. If a fluctuation in the exchange rate causes the amount disbursed or advanced by the Bank to exceed the Omnibus Credit Line or individual credit line set forth in this Agreement, the Customer shall be jointly and severally liable to repay the excess portion.

Article 2. In its sole discretion, if the Bank determines that the Customer's use of proceeds is improper, the Customer suffers a decline in its credit standing, the Customer fails to provide collateral as requested, or as otherwise required by any operational need of the Bank, the Bank may, from time to time, terminate the drawdown by the Customer, or decrease any of the credit lines extended hereunder. If any controversy or dispute with a third party arises as a result thereof, the Customer shall be fully liable for any and all costs, expenses, losses and damages and fully compensate and indemnify the Bank for any and all such losses and damages thereof.

Article 3. Unless otherwise required by the law, none of the repayment obligations of any indebtedness arising from any, IOUs, drafts, notes, promissory notes, bills of exchange, cheques, negotiable instruments, letters of credit, purchase orders, endorsed negotiable instruments, or other documents or instruments provided by the Customer to the Bank for the purpose of drawing on a credit line will be satisfied and discharged until all indebtedness drawn under this Agreement is satisfied and discharged.

If the Customer has any questions regarding the amount of the indebtedness, the Customer agrees that such amount shall be confirmed in accordance with the Bank's account cards, account books, account ledgers, vouchers, computer-produced information, other documents, certificates, correspondences or photocopies of the same.

Article 4. Except as otherwise set forth herein, the contents, creation, discharge, scope and any other rights over the collateral provided hereunder will be handled in accordance with the applicable laws and agreements.

Article 5. This Agreement becomes effective on the date of its execution; except that, if, prior to that date, the Bank has disbursed or advanced any funds, issued any letters of guarantee, or extended any facilities, the terms and conditions contained herein will be retroactively effective as of the date of those actions.

Notwithstanding that the Bank has approved any request for renewal of this Agreement by the Customer, prior to the execution of that new or renewed agreement, the terms and conditions of this Agreement remains in full force and effect.

Article 6. Except those that are otherwise set forth herein to take precedent, all agreements, instruments, documents, or materials by or between the Customer and the Bank are incorporated herein as an integral part hereof and has the same effect as this Agreement.

The Customer agrees to abide by all current and future laws and regulations, as well as any other current or future policies, guidelines or regulations set forth by the Bank, the relevant bankers' association, and the relevant authority of financial operations.

Article 7. The indebtedness created hereunder, unless the parties otherwise agree to use law as the governing law with respect to, and applied to the essential of establishment, method and validity hereof, is governed by the laws of the Republic of China.

The place of performance of this Agreement is the location of the Bank. For any and all litigations concerning dispute or controversy arising from or in connection with this agreement, except for matters subject to exclusive jurisdiction being given to specific court in applicable laws, the Parties agree that the district court of law in the jurisdiction where the Bank's Head Office or its Branch is located, or the Customer's property is in existence, or Taipei District Court, Taiwan shall be the court of first instance.

Article 8. This Agreement, its application form, all documents, instruments, and materials used to obtain credit lines, and all collateral related documents and instruments are executed in both Chinese and English. If there is any conflict or discrepancy between the Chinese and English versions hereof and thereof, the Chinese version will prevail.

1. 2. 3. (1) (2) (3) (4) (5) (6)

Individualy Negotiated Clauses

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For exclusive use by the Customer (including, without limitation any and all co-makers of negotiable instrument, collateral providers, or makers of promissory notes issued to secure each drawdown):

立約人特此聲明已於合理期間審閱全部條約，尤其對甲：通用條款：第一、五、九、十條，乙：一般條款：第一、二、五、六、七、十、十二、十四、十五、十六，丙：擔保條款：第六、十二、十三條等條款經雙方個別商議後，本人完全充分瞭解其內容並同意後始蓋章。

The Customer(s) hereby represents and warrants that I have had a reasonable time and opportunity to reviewed all the provisions contained in this Agreement, and I have specifically negotiated the following provisions: (1) Articles 1, 5, 9 and 10 of the Common Provisions; (2) Articles 1, 2, 5, 6, 7, 10, 12, 14, 15 and 16 of the General Provisions, and (3) Articles 6, 12 and 13 of the Security Provisions. The Customer(s) fully understand the content of all the provisions contained herein and consent to the terms and conditions hereof. The Customer(s) hereby execute this Agreement by the following chop or signature.

(蓋章) (Chop)			

Base Interest Rate

()

() (TAIBOR) ()

FIXING RATE ()

()

()

I ()	1/13 ~ 4/12	4/13 ~ 7/12	7/13 ~ 10/12	10/13 ~ 1/12
II ()	12/1 ~ 12/31	3/1 ~ 3/31	6/1 ~ 6/30	9/1 ~ 9/30

A. 1/13 4/13 7/13 10/13

B. 3 6 9 12 TAIBOR ()

()

() 10 ()

()

One: Quarterly Base Rate Benchmark

The definition of Quarterly Base Rate Benchmark is The monthly average rate of three-month “Taipei Interbank Offered Rate” (hereinafter TAIBOR) plus the “Bank’s operation costs”.

1. The information is sourced from the FIXING RATE published daily by the Bankers Association of the Republic Of China, Taipei Interbank Money Center.

2. The adjustment will be made once every three months:

I Interest Rate Effective Date	1/13 ~ 4/12	4/13 ~ 7/12	7/13 ~ 10/12	10/13 ~ 1/12
II Sample Date	12/1 ~ 12/31	3/1 ~ 3/31	6/1 ~ 6/30	9/1 ~ 9/30

(1) “Quarterly Base Rate” is adjusted and announced by the Bank on each January 13, April 13, July 13, and October 13 of each year.

(2) The monthly average rate were sampling from the monthly average rate of three-month TAIBOR rate on March, June, September, and December of each year (which shall be the arithmetic average with the averages rounded to the nearest hundredth).

- If the “Quarterly Base Rate” adjustment date falls on a weekend or holiday, the adjustment will be postponed to the first business day immediately following the purported adjustment date and that date will be deemed the adjustment date with respect thereto.
- If an event of *Force Majeure* occurs that results in the Base Rate of the Bank to deviate from the market rate, the Bank has the right to change the composition formula of its Base Rate; on the condition that, at least 10 days prior to that change and subject to the approval from the Central Bank of China, the Bank first publishes the changed composition formula of the Base Rate at the Bank’s business locations, its website, in the newspaper, magazine or other mass media.

二、定期存款

(一) 定期存款利率 (TAIBOR) 定期存款利率

定期存款利率 (FIXING RATE) 定期存款利率

定期存款利率

定期存款利率

I 定期存款	13 ~ 12
II 定期	1 ~ 1

A. 定期存款利率 13 定期存款利率

B. 定期存款利率 TAIBOR 定期存款利率 (定期存款利率 2 定期存款利率 3 定期存款利率)

定期存款利率

定期存款利率 10 定期存款利率

Two: Monthly Base Rate Benchmark

The definition of Monthly Base Rate Benchmark is the monthly average rate of three-month “Taipei Interbank Offered Rate” (hereinafter TAIBOR) plus the “Bank’s operation costs”.

- The information is sourced from the FIXING RATE published daily by the Bankers Association of the Republic Of China, Taipei Interbank Money Center.
- The adjustment will be made once every month:

I Interest Rate Effective Date	the 13th day of current month ~ the 12th day of next month
II. Sample Date	the 1st day of the month prior to the interest rate taking effect ~ the last day of that month

(1) “Monthly Base Rate” is adjusted and announced by the Bank at the 13th day of each month.

(2) The monthly average rate shall be determined based upon the three-month TAIBOR average rate of the month prior to the instant effective month (which shall be the arithmetic average with the averages rounded to the nearest hundredth).

- If the “Monthly Base Rate” adjustment date falls on a weekend or holiday, the adjustment will be postponed to the first business day immediately following the purported adjustment date and that date will be deemed the adjustment date with respect thereto.
- If an event of *Force Majeure* occurs that results in the Base Rate of the Bank to deviate from the market rate, the Bank has the right to change the composition formula of its Base Rate; on the condition that, at least 10 days prior to that change and subject to the approval from the Central Bank of China, the Bank first publishes the changed composition formula of the Base Rate at the Bank’s business locations, its website, in the newspaper, magazine or other mass media.

三、定期存款

(一) 定期存款利率 IRS 定期存款利率

定期存款利率 TDSWO1 AVG RATE 定期存款利率

定期存款利率 定期存款利率

I 定期存款	1/13 ~ 4/12	4/13 ~ 7/12	7/13 ~ 10/12	10/13 ~ 1/12
II 定期	12/1 ~ 12/31	3/1 ~ 3/31	6/1 ~ 6/30	9/1 ~ 9/30

A. 定期存款利率 1/13 4/13 7/13 10/13 定期存款利率

B. 定期存款利率 IRS 定期存款利率 3 6 9 12 定期存款利率 (定期存款利率 2 定期存款利率 3 定期存款利率)

定期存款利率

定期存款利率 10 定期存款利率

定期存款利率

Three: Quarterly Index 1 Rate Benchmark

The “Index 1 Rate” is composed of the monthly average of the One-Year New Taiwan Dollar IRS Interest Rate. 1. The information is sourced from the TDSWO1AVG RATE published daily by the Bloomberg.

- The adjustment will be made once every three months:

I Interest Rate Effective Date	1/13 ~ 4/12	4/13 ~ 7/12	7/13 ~ 10/12	10/13 ~ 1/12
II Sample Date	12/1 ~ 12/31	3/1 ~ 3/31	6/1 ~ 6/30	9/1 ~ 9/30

(1) “Quarterly Index 1 Rate” is adjusted and announced by the Bank on each January 13, April 13, July 13, and October 13 of each year.

(2) The monthly average interest rate of the One-Year New Taiwan Dollar IRS Interest Rate is the average of the monthly rates of one-year New Taiwan Dollar IRS interest rate taken on each March, June, September, and December of each year (which shall be the arithmetic average with the averages rounded to the nearest hundredth).

Article 12. Any person who requests the Bank to return or replace the collateral by tendering records of the import documents or certificate of custody initially received by the Customer, shall be deemed as the duly authorized representative of the Customer, and the Bank shall be entitled to so return or replace the collateral. The Customer shall bear full responsibility for any controversy or dispute arising there from.

Article 13. So long as it is not attributable to the fault of the Bank, the Bank shall not be responsible for any error or delay occurred during the transmission of the letter of credit issued pursuant hereto by the transmission agency, any error in interpreting any technical terminology thereto, any delay in arriving at the place of delivery, any losses, damages, deterioration or destruction, whether in quality, volume, or value of the documents or the goods shown on the documents, any losses or damages occurred during their transportation or subsequent to their arrival at the place of delivery resulting from the insufficiency of the insured amount or the lack of insurance thereof, any hindrance, confiscation, or detention by a third party or for any other reason or reasons whatsoever. Notwithstanding the occurrence of any of the above event, the Customer shall pay the full issued amount under that letter of credit.

Article 14. The Customer acknowledges that it shall, in accordance with the repayment date set forth in Article 2, repay the Bank for any acceptance or payment undertaken following verification that the draft and all related documents issued under the letter of credit provisions in this Agreement conform to the terms and conditions set forth in the letter of credit.

Notwithstanding any controversy or dispute arising from the discovery that the aforementioned drafts or documents related thereto, were forged, changed or altered, or there exist any other reason or reasons, (including, without limitations, the instances where the product quality or quantity deviates from what is shown on the documents or instruments), the Bank shall not be responsible thereto, and the Customer shall not, for any reason, object to or refuse payment.

Article 15. If matters with respect to the operation, responsibilities, or obligations under the letter of credit are not provided herein, the Customer agrees that the Uniform Customs and Practice for Documentary Credits set forth by the International Chamber of Commerce, and the INCOTERMS shall be incorporated therein as an integral part thereof. The Customer agrees to be bound by those terms.

Agreement for Delegation to Draw Usance Letters of Credit

Article 1. Each time the Customer applies to the Bank for the issuance of a usance letter of credit, the Customer shall provide the relevant application form with the Bank. The Customer acknowledges that the amount paid by the Bank for foreign guarantee or advanced by the Bank on behalf of the Customer shall include the difference between amount shown on the foreign exchange settlement receipt or the trade certificate and the foreign exchange settlement amount (i.e., the unsettled exchange amount) within the agreed limit, as well as applicable interest, penalties, and related fees and charges. The Customer further agrees to use the foreign exchange settlement receipt or trade certificate for verification, and agrees to repay each indebtedness according to the provisions set forth herein.

Article 2. If the Customer purchases goods in a jurisdiction where the legal currency is not US dollar, the Customer may apply for issuance of usance letters of credit in other foreign currency. But the total amount in each usance letter of credit shall be converted into U.S. dollars by using an exchange rate specified by the Bank, and the revolving amount shall be within the agreed limit. If the Bank's advanced amount exceeds the agreed limit due to exchange rate fluctuation or other reasons, the Customer shall be responsible for repaying the excess portion.

Article 3. In addition to the collateral provided in accordance with the agreement with the Bank the Customer agrees to provide the transport documents and import goods in each letter of credit, as collateral for each letter of credit. This agreement constitutes the conclusive proof of the creation of that security interest. If the Bank deems that the Customer may be unable to make payment due to a decline in its financial standing after arrival of the goods, the Bank may claim the goods and execute its security interest. The Bank may further auction or, at its discretion with respect to method, time, and price, dispose of the goods. If there is any insufficiency, the Customer agrees to pay the difference thereof. The Customer further agrees to immediately repay any and all other advanced fees and charges incurred in the claiming of the goods, including taxes, warehouse rent, and transport fees.

Article 4. If a revolving usance letter of credit is issued hereunder, the maximum period may not exceed the agreed number of days, and the repayment date shall be determined according to the expiry of the draft or payment provided in the letter of credit issuance application form. If the Bank makes advances, the interest on the advance shall be calculated beginning the date of the Bank's actual advance. (If the letter of credit contains a deduction authorization provision, the date of the Bank's actual advance shall be the date of deduction. If the letter of credit does not contain a deduction authorization provision, the date of the Bank's actual advance shall be the date of the Bank's book-entry and issuance of payment notification.) The interest shall be calculated by the interest rate as agreed by the Bank and the Customer on the relevant advance date, and shall be settled and paid in lump sum with the repayment of each advance.

Article 5. The Customer shall immediately handle the tasks of declaring and claiming the goods upon the arrival of each transport document issued under the letters of credit pursuant hereto. If the Bank incurs any loss or damage as a result of the Customer's delay or failure to handle the matter, the Customer shall compensate and indemnify the Bank for any and all losses and damages thereof. The Customer shall further handle the matters according to the Bank's instruction, and shall raise no objections.

Article 6. The Customer shall repay the principal and interest on each advance no later than the usance letter of credit repayment date. The Customer shall repay the Bank in either original currency or New Taiwan Dollars converted by using the Bank's spot exchange selling rate on the date of the repayment. If the Customer delays in repaying, the Customer shall pay default interest and penalties calculated according to the greater of the Bank's "New Taiwan Dollar Base Rate plus 4% per annum" or "Foreign Exchange Credit Line Rate of Interest", beginning on the date of the delay.

Article 7. If the Bank issues a letter of guarantee for delivery of goods or endorses a countersigned bill-of-lading at the Customer's application and request, and the product name, format, unit price, total price, or delivery terms and conditions deviates from those contained in the later arriving transport documents, the Customer shall pay any supplementary payments and handle all other tasks in accordance with the transport documents. If the Bank incurs any losses or damages as a result of the discrepancy between the contents of the document endorsed by the Bank and the transport document received, the Customer shall compensate and indemnify the Bank for any and all losses and damages therefrom. This application for letter of guarantee or endorsement of a countersigned bill-of-lading, as the case may be, is incorporated herein by reference and made a part hereof. The Customer shall abide by all terms and conditions therein.

Article 8. If the Customer applies for issuance of a usance letter of credit, it shall first convert the agreed amount or the indebtedness amount under each letter of credit into New Taiwan Dollars by using the exchange rate determined by the Bank. The Customer shall at once or in multiple instances, as the case may be, issue a promissory note in which a monetary institution is the paying agent and does not require the certificate of protest for its enforcement. The Customer shall deliver that promissory note to the Bank as a back-up for repayment. If the Customer is unable to perform the above, the Bank may independently execute its rights against the promissory note in accordance with the Law of Negotiable Instruments. In the event that the promissory note amount is insufficient to repay the indebtedness due to foreign exchange rate fluctuation, or the interest claimed by the foreign bank exceeds the interest calculated according to Article 4, the Customer agrees to pay any insufficiency thereof.

Article 9. The Customer shall obtain the Banks consent with respect to the types of the insurance and relevant insurance conditions for the insurance of the goods set forth in each letter of credit. If the goods are imported pursuant to FOB, C&F, or other similar pricing conditions, the Customer shall duly insure the goods, name the Bank as beneficiary, and provide the originals of the insurance policy and insurance premium invoice to the Bank for safekeeping. The Customer shall bear any and all related insurance costs and expenses. If the Customer delays insuring or fails to renew the policy, the Bank has the right, but not the obligation, to advance funds and insure the goods on Customer's behalf. The Customer shall repay any and all funds advanced by the Bank. If the Customer delays it repayment, the Bank may roll that amount to Customer's total indebtedness, and the Customer shall pay interest and penalties in accordance with Articles 4 and 6 of this agreement.

Article 10. If the Bank incurs any losses or damages in the goods (including goods in transit) under each letter of credit, as a result of the seller's (letter of credit beneficiary's) failure to perform its obligation, late delivery of goods, or other force majeure event, the Customer shall bear the responsibility and fully indemnify the Bank. If the letter of credit beneficiary is unable to receive the whole or a portion of the amount under each letter of credit, or the letter of credit has expired, the Bank may reclaim the funds to set it off against Bank's advanced funds under each letter of credit.

貸款協議(Loan Agreement for Import Collection on Purchased Goods)

本協議係由下列雙方訂立：

Article 1. If the Customer repays the purchase price for imported goods by way of collection, the Customer shall apply for an advance in foreign currency from the Bank and provide the related documents. The Customer shall repay each indebtedness according to the provisions set forth herein.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 2. The amount set forth herein may be drawn in a foreign currency, and its interest will be calculated according to interest rate used by the Bank in providing foreign currency advances, and subject to Articles 5 and 8 of this Agreement. If, as a result of exchange rate fluctuation or other reasons, the amount advanced by the Bank exceeds the amount set forth in this Agreement, the Customer shall repay the excess portion.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 3. The Customer authorizes the Bank to pay the amount under the bill of exchanges pursuant to a document against acceptance or document against payment method.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 4. The Customer shall deliver to the Bank each import permit (or the second slip of the specialized application for the issuance of letters of credit for permit-exempt goods). The Customer stipulates that the amount advanced by Bank includes the difference between amount shown on the foreign exchange settlement receipt or trade certificate and the foreign exchange settlement amount (i.e. the unsettled exchange amount), as well as applicable interest, penalties, and related fees and charges. The Customer further agrees to use the foreign exchange settlement receipt or trade certificate for verification, and shall raise no objections.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 5. The maximum period for foreign currency advances pursuant to this Agreement shall not exceed the agreed number of days, and interest shall be calculated by using the agreed rate of interest, beginning on the date of the advance by the Bank.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 6. The Customer shall immediately handle the tasks of declaring and claiming the goods upon the arrival of each transport document issued under the letters of credit pursuant hereto. If the Bank incurs any loss or damage as a result of the Customer's delay or failure to handle the matter, the Customer shall compensate and indemnify the Bank for any and all losses and damages thereof. The Customer shall further handle the matters according to the Bank's instruction, and shall raise no objections.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 7. The Customer agrees to provide the transport documents and import goods under each letter of credit as collateral for all of the Customer's indebtedness hereunder. This agreement constitutes the conclusive proof of the creation of that security interest. If the Customer fails to repay the advance amounts pursuant hereto, or the Bank determines that the Customer is unable to repay those amounts when due as a result of a decline in its financial standing, the Bank may declare and claim those imported goods from the Customs Administration and auction or freely dispose those goods (in its sole discretion with respect to the method, time, price thereof) as well as other collateral provided to the Bank as security, to set off the Bank's advanced amount and any and all other fees and charges incurred thereof (including taxes, warehouse rent, and transport fees disbursed in declaring and claiming of the goods). If there is any insufficiency thereof, the Customer shall jointly remain responsible thereof.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 8. If the Customer is delayed in repaying each advance and applicable interest, the Customer agrees to pay default interest and penalties calculated according to the greater of the Bank's "New Taiwan Dollar Base Rate plus 4%" or "Foreign Exchange Credit Line Rate of Interest", beginning on the date of the delay.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 9. If the Bank issues a letter of guarantee for delivery of goods or endorses a countersigned bill-of-lading at the Customer's application and request, and the product name, format, unit price, total price, or delivery terms and conditions deviates from those contained in the later arriving transport documents, the Customer shall pay any supplementary payments and handle all other tasks in accordance with the transport documents. If the Bank incurs any losses or damages as a result of the discrepancy between the contents of the document endorsed by the Bank and the transport document received, the Customer shall compensate and indemnify the Bank for any and all losses and damages therefrom. This application for letter of guarantee or endorsement of a countersigned bill-of-lading, as the case may be, is incorporated herein by reference and made a part hereof. The Customer shall abide by all terms and conditions therein.

本協議之金額及利率將由本行提供外幣匯款之利率及本行提供外幣匯款之利率所決定。

Article 10. If the Bank incurs any losses or damage as a result of seller's (foreign exporter's) failure to perform any provision, delay in delivery of goods, or other force majeure event, in any imported goods (including goods in transit), the Customer shall bear the responsibility and fully indemnify the Bank.

本行因賣方(外國出口商)未能履行任何規定、交付貨物之延誤、或任何不可抗力事件，在進口貨物(包括在途貨物)中，發生任何損失或損害，客戶應承擔責任並完全賠償本行。

Article 11. The Customer shall obtain the Banks consent with respect to the types of the insurance and relevant insurance conditions for the insurance of the goods set forth in each letter of credit. If the goods are imported pursuant to FOB, C&F, or other similar pricing conditions, the Customer shall duly insure the goods, name the Bank as beneficiary, and provide the originals of the insurance policy and insurance premium invoice to the Bank for safekeeping. The Customer shall bear any and all related insurance costs and expenses. If the Customer delays insuring or fails to renew the policy, the Bank has the right, but not the obligation, to advance funds and insure the goods on Customer's behalf. The Customer shall repay any and all funds advanced by the Bank. If the Customer delays its repayment, the Bank may add that amount to Customer's total indebtedness, and the Customer shall pay interest and penalties in accordance with Articles 5 and 8 of this agreement.

客戶應取得本行同意，就信用狀中列明之貨物保險之種類及相關保險條件。若貨物係依 FOB、C&F 或其他類似之定價條件進口，客戶應為該貨物投保，並指定本行為保險受益人，且提供保險單正本及保險費發票正本，交由本行保管。客戶應負擔任何及所有相關保險成本及費用。若客戶延遲投保或未能續保，本行有權(但無義務)墊付資金並為客戶之利益為該貨物投保。客戶應償還本行墊付之任何及所有資金。若客戶延遲償還，本行得將該金額計入客戶之總債務，且客戶應依本協議第 5 條及第 8 條之規定支付利息及罰鍰。

Article 12 Any person who requests the Bank to return or replace the collateral by tendering the import documents or certificate of custody received by the Customer, shall be deemed as the duly authorized representative of the Customer. The Bank shall be entitled to return or replace the collateral, and if any controversy or dispute arises therefrom, the Customer shall bear full responsibility.

任何請求本行退回或更換擔保物之人士，若其提供由客戶所收到之進口文件或保管證書，應被視為客戶之正式授權代表。本行得退回或更換擔保物，若因此發生任何爭議或爭端，客戶應承擔全部責任。

The Customer has previously requested the Bank to issue letters of credit or provide foreign currency facility by entering into the "Delegation to Draw Usance Letters of Credit Agreement", "Delegation to Draw Sight Letters of Credit Agreement", and related documents (hereinafter referred to, jointly or severally, as the "Original Agreements"). As a result of Bank's approval to convert any foreign currency facility undertaken in the Original Agreements, the Customer hereby enters into this Agreement, and agrees to abide by the following terms and conditions:

客戶先前曾請求本行發行信用狀或提供外幣融資，並簽署「委託開立匯票信用狀協議」、「委託開立即期信用狀協議」及相關文件(以下合稱「原始協議」)。由於本行核准轉換原始協議中任何外幣融資，客戶特此簽署本協議，並同意遵守下列條款及條件：

Article 1. The Customer shall pay the balance of any foreign currency facility undertaken in the Original Agreements by the agreed currency, converted at the mutually agreed exchange rate, in accordance with the contents of the "Application Form for Conversion of Currency in Foreign Currency Facility" presented by the Customer.

客戶應以雙方同意之匯率，將原始協議中任何外幣融資之未償餘額，以雙方同意之貨幣償還，其內容應符合客戶所提出之「外幣匯率轉換申請表」之規定。

Article 2. The collateral provided for the indebtedness under the original financing remains as the collateral provided for the indebtedness following the currency conversion. The maturity date and repayment method remain the same as set forth in the Original Agreements.

原始融資下提供之擔保物，在貨幣轉換後，仍作為該項債務之擔保物。其到期日及還款方式，均維持不變，與原始協議之規定一致。

Article 3. The Customer agrees to calculate the facility interest, before and after the conversion, by using the Bank's prevailing rate of interest and markup applicable to the relevant currencies in that facility. The Customer further agrees to pay the Bank in New Taiwan Dollars, as converted at the Bank's prevailing spot exchange selling rate on the date of the repayment. If the Customer delays in repayment, the Bank may collect penalties calculated according to the Original Agreements.

客戶同意計算匯率轉換前及後之融資利息，應採用該項融資之相關貨幣適用之本行現行利率及匯率。客戶進一步同意，於還款日，以本行現行即期匯率賣出之新台幣兌換之金額，向本行支付。若客戶延遲還款，本行得依原始協議之規定，收取罰鍰。

Article 1. Within the amount agreed by the Customer and the Bank, the Bank may undertake negotiation or discounts with the Customer in accordance with domestic or foreign negotiable drafts or export documents signed or endorsed by the Customer. The parties hereby agree to the following: any and all provisions set forth in this Agreement shall be effective and valid forever and applicable at any time. Any and all negotiated drafts and/or documents signed or endorsed by the Customer shall comply with the provisions set forth in this Agreement, irrespective of whether the negotiation or discount was conducted with the Bank directly or through any other person. Unless otherwise requested by the Bank, it shall be unnecessary to re-execute this Agreement for each negotiation or discount.

在客戶與本行同意之金額範圍內，本行得依客戶簽署或背書之國內或國外匯票或出口文件，與客戶進行匯兌或貼現。雙方特此同意：本協議中所有規定均應永久有效，且隨時適用。客戶簽署或背書之任何及所有匯票及/或文件，均應符合本協議之規定，無論該項匯兌或貼現是否係直接與本行或透過任何其他人進行。除非本行另有要求，否則對於每次匯兌或貼現，均無須重新簽署本協議。

Article 2. The Customer hereby agrees to provide the transport documents used to apply for negotiation/discount, and other relevant goods, as the collateral to secure any and all negotiated or discounted amount, interest, and any and all other expenses incurred by the Bank to negotiate or discount drafts and/or documents signed or endorsed by the Customer.

客戶特此同意，提供用於申請匯兌/貼現之運輸文件及其他相關貨物，作為擔保物，以確保本行在匯兌或貼現客戶簽署或背書之匯票及/或文件時所產生之任何及所有匯兌或貼現金額、利息及其他任何費用。

	(3) The institutions in relation to relevant business (such as correspondent banks, Joint Credit Information Center, National Credit Card Center of R.O.C., The Taiwan Clearing House, Financial Information Service Co., Ltd., credit guarantee institutions, credit card international organizations, credit card acquirers, engaged stores, Taiwan Depository and Clearing Corporation, Small and Medium Business Credit Guarantee Fund, The Overseas Chinese Credit Guarantee Fund, any assignee (potential assignee) of Bank's loan, participant (potential participant) of Bank's loan, or any other Bank's authorized agents (4) Legally investigation authority or financial supervisory authority (5) Parties agreed by the Customer (such as the Bank's jointly marking or Customer information sharing companies, the Bank's business cooperative units)
Ways of using the personal information	By way of automatic or non-automatic measures that is compliance with personal information protection relevant regulations.

本行蒐集、處理及利用個人資料之目的，係為提供金融服務、辦理業務、行銷推廣、改善服務、維護信譽、履行法律義務及遵守監管要求等，且本行將採取適當之技術及組織措施，以確保個人資料之安全。本行將依個人資料保護法及相關法規之規定，保障個人資料之安全。本行將依個人資料保護法及相關法規之規定，保障個人資料之安全。

2. According to Article 3 of the PIPA, the Customer may exercise the following rights with respect to the Customer's personal information collected by the Bank:

- (a) Save in the exceptional circumstances as provided in Article 10 of the PIPA, the Customer may inquire and request for a review or make duplications of the Customer's personal information. However, the Bank may charge necessary handling fee in terms of Article 14 of the PIPA.
- (b) The Customer may request to supplement or correct the Customer's personal information. However, according to Article 19 of the Enforcement Rules of the PIPA, the Customer shall give an appropriate statement of the reasons and facts for such request.
- (c) According to Article 11, paragraph 4 of the PIPA, the Customer may request the Bank to discontinue collection, processing or use of the Customer's personal information where a violation of this Act occurred during collecting, processing or using the Customer's personal information.
- (d) According to Article 11, paragraph 2 of the PIPA, the Customer may request the Bank to discontinue processing or using the Customer's personal information in the event of a dispute regarding the accuracy of personal information. However, the preceding sentence may not be applicable when it is necessary for the performance of an official duty or fulfillment of a legal obligation and has been recorded, or when it is agreed by the Customer in writing.
- (e) According to Article 11, paragraph 3 of the PIPA, the Customer may request the Bank to delete, discontinue processing or using the Customer's personal information when the specific purpose no longer exists or time period expires. However, the preceding sentence may not be applicable when it is necessary for the performance of an official duty or fulfillment of a legal obligation, or when it is agreed by the Customer in writing.

本行提供查詢、更正、刪除、停止蒐集、處理及利用等權利之行使方式，請洽本行客戶服務部(0800-024-365)。

3. If the Customer wish to exercise the various rights as provided in the aforesaid Article 3 of the PIPA, the Customer may make inquiry to the Bank's Customer Service Department (0800-024-365) about the methods to exercise such rights.

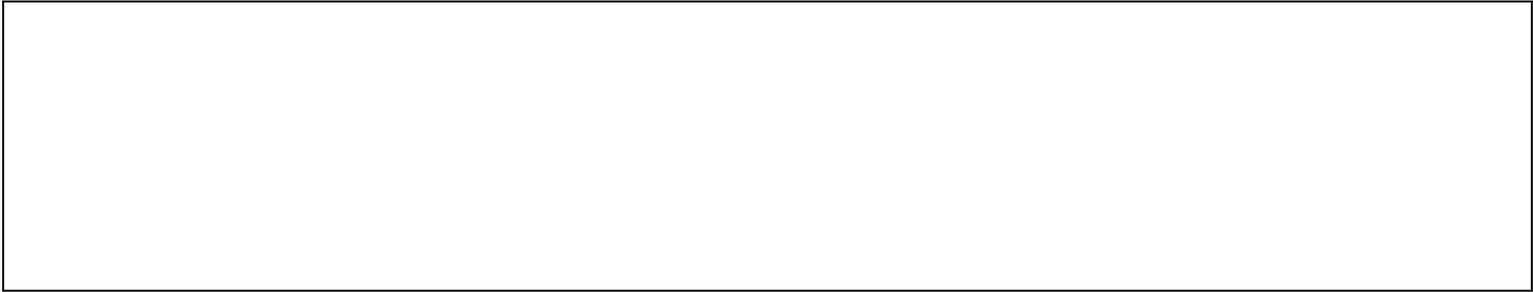
本行提供查詢、更正、刪除、停止蒐集、處理及利用等權利之行使方式，請洽本行客戶服務部(0800-024-365)。

4. The Customer may decide whether or not to provide the related classifications of Customer's personal information. However, the Bank may not be able to proceed with the necessary business review or operation for providing the relevant service (or better service) to the Customer if the Customer decide not to provide the information.

本行提供查詢、更正、刪除、停止蒐集、處理及利用等權利之行使方式，請洽本行客戶服務部(0800-024-365)。

5. In the event that the information the Customer has provided to the Bank includes the personal information of a third party, the Customer shall let the third party to know through appropriate means that his/her personal information would be provided to the Bank within the scope of this Notification.

□□□□(Other agreements)□



□ □

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To: CTBC Bank Co., Ltd.

立約定書人：美商祥茂光電科技股份有限公司台灣分公司

Name：

代表人或法定代理人：林誌祥

(Representative or Statutory Agent)

營利事業統一編號：28410552

(Uniform Invoice Number)

住址(有印鑑卡者免填)：

Address (those with a chop specimen is not required to provide the address):

對保日：民國 105 年 1 月 29 日

Bank's Verification Date：2016-1-29

(親自簽名蓋原留約定印鑑)

(Signature and Original Specimen)

立約定書人兼共同發票人：

(also act as a Co-Maker)

Name：

代表人或法定代理人：

(Representative or Statutory Agent)

營利事業統一編號：

(Uniform Invoice Number)

住址(有印鑑卡者免填)：

Address (those with a chop specimen is not required to provide the address):

對保日：民國 年 月 日

Bank's Verification Date：

(親自簽名蓋原留約定印鑑)

(Signature and Original Specimen)

(親自簽名蓋原印的定印鑑)

(Signature and Original Specimen)

立約定害人兼共同發票人：

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(Signature and Original Specimen)

主 管		經 辦		對 保	
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注意：立約人如未成年，應加請法定代理人於「立約人簽章欄」簽章。

Attention: If any of the above person has not reached the legal age, his/her statutory agent shall also sign and chop under the "Customer Signature" column.

中 華 民 國

105 年

2 月

19 日

Date 2016-2-19

(SPECIMEN AGREEMENT AND AUTHORIZATION)

*I/We hereby acknowledge the following signature and chop specimen represent this company (individual)/ the representative of this company, and acknowledge that, unless otherwise notified in writing, these specimens will effectively represent (act as agent for) this company (individual), and further represent (act as agent for) this company (individual) in the following transactions engaged with the Bank:

- 1.As signature and chop specimen for various negotiable instruments, IOU and for any and all other verification purposes.
2.The pledge or mortgage of this company's (individual's) land, factory, building, or machinery or equipment, and the transfer and delivery of various securities to the Bank.
3.Execution of agreements, letters of guarantee, invoices, receipts and any and all other documents, instruments or material necessary for transaction, as well as undertaking any guarantee or endorsement.
4.Processing of foreign exchange credit facilities with the Bank and any and all other transactional documents.
5.I/We hereby agree that, other than the numeric amounts written in traditional Chinese characters, any set of the parties' signatures and chops is effective in making any change, modification, alteration or amendment. If any losses or damages resulted therefrom, this company (individual) will bear all responsibilities.

* (For the exclusive use of the Co-Maker, Collateral Provider, Maker of Promissory Note or Guarantor Issued to Secure Each Drawdown)

Table with 2 columns for signature specimens and 3 rows for Date of Change/Cancellation, Handled by, and Officer in Charge.

		<input type="checkbox"/> (Officer in Charge)
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The undersigned hereby agrees that the following specimens are valid and effective, if:

- One set of specimen is required if only one set of specimen is provided herein.
- One set of specimen is required if two sets of specimen are provided herein.
-

(<input type="checkbox"/>)SIGNATURE SPECIMEN <input type="checkbox"/>	(<input type="checkbox"/>)SIGNATURE SPECIMEN <input type="checkbox"/>	<input type="checkbox"/> (Date of Change/Cancellation)
		<input type="checkbox"/> (Handled by)
		<input type="checkbox"/> (Officer in Charge)

The undersigned hereby agrees that the following specimens are valid and effective, if:

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-

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		<input type="checkbox"/> (Handled by)
		<input type="checkbox"/> (Officer in Charge)



中國信託法人金融
CTBC CORPORATE BANKING

個別條款約定書

Agreement for Individually Negotiated Terms and Conditions

單位 Unit:	北區二部 部 / 區域中心 Department / Regional Center
訂約日期 Contract Date:	中華民國 105 年 2 月 19 日 Date: 2016.2.19

103.12 版



(Agreement for Individually Negotiated Terms and Conditions)

The parties hereto hereby agree that within the applicable scope all transactions entered or to be entered into by and between the undersigned (the "Customer") and CTBC Bank Co., Ltd. (including its head office and branches, hereinafter the "Bank"), shall be in compliance with the Bank's relevant regulations, guidelines and rules and the following terms and conditions; the Customer further undertakes all responsibilities arising herefrom:

Chapter One: Authorization for Automatic Deductions From the Account

The Customer hereby authorizes the Bank to debit the deposit of the Customer in the following selected accounts opened with the Bank to repay all principal and interest incurred on any New Taiwan Dollar or foreign currency loans, foreign currency settlement, domestic or international transaction processing fees, default interests, penalties and any other fees, charges, costs and expenses. The Customer shall promptly deliver to the Bank any requisite certificate or account records thereto, without any objection whatsoever.

V Demand Deposit XXXXXXXXXXXX

V Foreign Currency Demand Deposit XXXXXXXXXXXX

ISDA, as the case may be, the Customer hereby authorizes the Bank to deduct and pay any deposit from the Customer's following selected accounts, on each payment or repayment date. Any conversion of currency shall be converted at a rate determined by the Bank based on the fair market value principle. The Customer shall promptly deliver to the Bank any requisite certificate or account records thereto, without any objection whatsoever.

XXXXXXXXXXXX

XXXXXXXXXXXX

OBU XXXXXXXXXXXX

Article 1. In connection with the transaction by and between the Customer and the Bank, the Customer hereby authorizes the Bank to debit the deposit of the Customer in the following selected accounts opened with the Bank to repay all principal and interest incurred on any New Taiwan Dollar or foreign currency loans, foreign currency settlement, domestic or international transaction processing fees, default interests, penalties and any other fees, charges, costs and expenses. The Customer shall promptly deliver to the Bank any requisite certificate or account records thereto, without any objection whatsoever.

V Credit Extension: V Demand Deposit

Acct No. XXXXXXXXXXXX

V Foreign Exchange: V Foreign Currency Demand Deposit

Acct No. XXXXXXXXXXXX

In addition, with respect to any closing payment, fees, charges, costs, expenses, losses or damages arising from any transactions relating to any "General Agreement for Financial Transaction" or ISDA, as the case may be, the Customer hereby authorizes the Bank to deduct and pay any deposit from the Customer's following selected accounts, on each payment or repayment date. Any conversion of currency shall be converted at a rate determined by the Bank based on the fair market value principle. The Customer shall promptly deliver to the Bank any requisite certificate or account records thereto, without any objection whatsoever.

- Foreign Currency Demand Deposit Acct No. _____
- New Taiwan Dollar Demand Deposit Acct No. _____
- OBU Demand Deposit Acct No. _____

Article 2. The Bank is not required to provide the demand deposit record book or the withdrawal slip when making the foregoing authorized deduction and payment from the Customer's account. The amount of any balance in the aforementioned account shall be determined by the balance shown on the Bank's record or the balance as reflected in the computer data file.

Article 3. The Customer shall not raise any objection to the Bank's foregoing deduction and payment and shall be solely responsible for any and all disputes and controversies arising therefrom, without any costs or expenses to the Bank. The Customer hereby waives any and all claims of rights, objections or defences with respect to the aforementioned items and events.

Chapter Two: Reserve Account

Article 1. The Customer agrees to deposit into the following Reserve Account at the Bank any proceeds from its notification of any third party for payments, any payments received in connection with the acceptance or payment of any notes, and any other remittance (or deposit) in connection with any and all accounts receivable factoring agreement, endorsement or assignment of notes receivable, and other credit extension transactions entered into by and between the Customer and Bank.

(Demand Deposit Acct No. _____, Acct Name _____)

Article 2. For the convenience of accounts processing, when the proceeds from third party payments, acceptance or payment of notes, and remittance (or deposit) accrue to a certain amount, the Bank may deduct, apply and set-off the aforementioned proceeds to any and all indebtedness of the Customer. The Customer remains liable for any deficiency thereof.

Article 3. The Customer represents that all notes receivable it provides to the Bank have been, or will be, obtained from actual and genuine business transactions. If there is a misrepresentation (including the existence of any borrowed notes, exchanged notes, note collected in advance, guarantee notes or any other notes obtained not in connection with a genuine business transaction) that results in the Bank not being immediately paid upon Bank's presentation for acceptance or payment, the Customer shall promptly repay that amount to the Bank. If any third party makes any payments by notes including, but not limited to, payment by checks, the Bank may endorse those notes in the name of the Customer and deposit those notes into the aforementioned Reserve Account.

Article 4. After the aforementioned notes receivable, upon maturity, have been deposited into those accounts by the Bank, subject to the Bank's consent, if the Customer, in accordance with the foregoing procedures, provides to the Bank other notes receivable at equal or greater value than those accepted notes receivable, the Bank may transfer the proceeds collected therefrom into the Customer's checking account (or _____ account) with account No. _____ opened with the Bank. The Customer remains fully liable for any and all indebtedness it owed to the Bank in the form of notes, IOUs, etc.

- (f) The collaterals are attached by the court upon another creditor's petition for compulsory execution, and the Bank is aware of, or has been notified by the execution court of this fact. However, this restriction shall not apply to the circumstance where the attachment on the collaterals is revoked.
 - (g) The Customer (including the jointly and severally liable debtor) or the mortgagor is adjudicated bankrupt by the court. However, this restriction shall not apply to the circumstance where the court's adjudication is annulled and the annulment is confirmed.
 - (h) There is an instance as mentioned in Article 881-10 of the Civil Code.
 - (i) There are other circumstances which cause the original credit rights to be confirmed.
- The Customer or the collateral provider irrevocably agrees that, where it asserts confirmation of the credit rights secured by a maximum mortgage amount/ maximum pledge amount, such assertion shall be made in writing and posted or delivered to the Credit Risk Unit of the Corporate Banking Department of the Bank's head office, and that the assertion shall become effective only on the day after the date on which it was served on the Bank's head office.

Chapter Six: Construction Financing

Article 1. Waiver of Construction Lien

The Customer (hereinafter the "Contractor") has constructed/made major improvements to buildings owned by _____(hereinafter the "Project Applicant") located on land lot No.____located in____Hsien (City) ____Town (District)____Sec.____Sub-sec. The Project Applicant has provided or has covenanted to provide the aforementioned land lots and buildings or completed buildings after the completion of improvements as collateral to secure the Bank's extension of credit. The Contractor unconditionally agrees to waive any contractor's lien it may have in connection with the aforementioned buildings, and shall not claim the existence of contractor's lien to the Bank.

Article 2. Not to Grant Junior Lien

The Customer has mortgaged to the Bank____pieces of land lots with land lots No.____located in ____Hsien (City)____Town (District)____Sec.____Sub-sec, and certain project applicant has constructed buildings on the mortgaged land lots. To secure the Bank's rights, the Customer hereby warrants that, during the period of construction by the project applicant, it shall not grant junior liens on the collateral to any third party; if the Customer breaches this warranty, the Bank is entitled to repossess the mortgaged land lots.

Article 3. Warranty on Vacant Land

The Customer has applied to the Bank for the financing to purchase land lots No.____located in Hsien (City)____Town (District)____Sec.____Sub-sec. If the Customer fails acquired that land lot prior to year_month __date and mortgaged it to the Bank at first priority lien position, the Customer shall repay in full the original loan principal and interest before year_month_date. Any breach of the foregoing provision will result in a waiver of the term or repayment granted therewith. This provision is a part of the acceleration clauses with respect to the Bank's right to lengthen or shorten the credit line extension period as it sees fit, or declare the entire indebtedness immediately due and payable.

The list of land lots is as follows:

Article 4. Warranty by the Project Applicant

The original borrower provided land lot No. _____ (_____ping) as collateral to the loan with the Bank in the amount of NTD _____. The Customer has or will construct buildings on the mortgaged land lots. To secure the Bank's interests, the Customer hereby warrants that it shall not change the identity of the project applicant without obtaining prior written consent from the Bank.



Article 5. Warrant on Providing Collateral after Construction

To guarantee the repayment in full of the indebtedness owed by itself or any third party _____ to the Bank, the Customer has mortgaged its real property (please refer to the Mortgage Agreement for details) to the Bank at the first priority lien position with maximum mortgage amount at NTD _____, which mortgage was registered with the Land Registry Office (No. _____) on _____ year _____ month _____ day. The Customer plans to construct buildings on that collateral land lots. The Customer hereby agrees to immediately mortgage the buildings constructed on the land lots to the Bank at the first priority lien position after the completion of the construction and registration. Prior to completion of such process, in the event that the Bank enforces its mortgagee rights, the Bank may, at its discretion, dispose of the aforementioned buildings to secure repayment.

Article 6. Notification of Change of Contractor and Abandonment of Right of Detention

The Customer agrees that in case contractor of construction has changed, the Customer shall forthwith notify the Bank of the facts and procure agreement and undertaking from the succeeding contractor, in which the succeeding contractor shall warrant and agree to abandon its right of detention at law. If the Customer fails to observe provision in this (6) Article, the Bank shall have right at any time to terminate or limit the Customer's credit line, shorten the credit line period, and/or enforce the acceleration clause herein to have the principal and accrued interest, if any, become due and payable instantly.

Chapter Seven: Certificate for Provision of Collateral and Pledge Agreement

In order to secure all indebtedness to the Bank (for the purpose of this Chapter, including the head office, domestic branches and overseas branches) under Article 1 below whether present (including debts incurred in the past and currently not yet repaid) or future, owed by the Customer himself or the third party, to the extent under the maximum pledge in an amount of NTD (or its equivalent amount in foreign currency), the Customer hereby provides the collateral or the beneficiary right to the trust asset as listed in the attached collateral list to the Bank, and agrees to comply with the following terms and conditions:

Chapter Seven: Certificate for Provision of Collateral and Pledge Agreement

In order to secure all indebtedness to the Bank (for the purpose of this Chapter, including the head office, domestic branches and overseas branches) under Article 1 below whether present (including debts incurred in the past and currently not yet repaid) or future, owed by the Customer himself or the third party, to the extent under the maximum pledge in an amount of NTD (or its equivalent amount in foreign currency), the Customer hereby provides the collateral or the beneficiary right to the trust asset as listed in the attached collateral list to the Bank, and agrees to comply with the following terms and conditions:

Chapter Seven: Certificate for Provision of Collateral and Pledge Agreement

In order to secure all indebtedness to the Bank (for the purpose of this Chapter, including the head office, domestic branches and overseas branches) under Article 1 below whether present (including debts incurred in the past and currently not yet repaid) or future, owed by the Customer himself or the third party, to the extent under the maximum pledge in an amount of NTD (or its equivalent amount in foreign currency), the Customer hereby provides the collateral or the beneficiary right to the trust asset as listed in the attached collateral list to the Bank, and agrees to comply with the following terms and conditions:

In order to secure all indebtedness to the Bank (for the purpose of this Chapter, including the head office, domestic branches and overseas branches) under Article 1 below whether present (including debts incurred in the past and currently not yet repaid) or future, owed by the Customer himself or the third party, to the extent under the maximum pledge in an amount of NTD (or its equivalent amount in foreign currency), the Customer hereby provides the collateral or the beneficiary right to the trust asset as listed in the attached collateral list to the Bank, and agrees to comply with the following terms and conditions:

Chapter Seven: Certificate for Provision of Collateral and Pledge Agreement

In order to secure all indebtedness to the Bank (for the purpose of this Chapter, including the head office, domestic branches and overseas branches) under Article 1 below whether present (including debts incurred in the past and currently not yet repaid) or future, owed by the Customer himself or the third party, to the extent under the maximum pledge in an amount of NTD (or its equivalent amount in foreign currency), the Customer hereby provides the collateral or the beneficiary right to the trust asset as listed in the attached collateral list to the Bank, and agrees to comply with the following terms and conditions:

1. [Redacted]

2. [Redacted]

3. [Redacted]

Article 6: Warranty

The Customer positively represents that it has lawful ownership of all the collaterals provided, and that other persons do not have any rights therein. In the event of any dispute, the Customer shall deal with the dispute unilaterally without involving the Bank.

The Customer warrants that:

- (a) The chattels provided as collateral and their place of storage are the same as specified on the Detailed Chart of Collaterals.
- (b) Where the collaterals are instruments of title such as bills of lading, warehouse receipts, etc., the name, type, quality, quantity, specifications and condition of the goods represented by the said instruments are consistent with the description of same on the said instruments.
- (c) Where the collaterals are instruments of title such as bills of lading, warehouse receipts, etc., and the quality or quantity of the goods as specified on the documents is found to be inconsistent with the actual quality or quantity of the goods, or where there are other false representations, the Customer shall, regardless of whether the said goods are stored in a warehouse operated by the Bank itself or in another warehouse, immediately replace or supplement the goods to make them consistent with or equivalent to the collaterals as specified on the said documents, or repay all the indebtedness, unless the Customer can prove that such inconsistencies are attributable to the Bank's willfulness or gross negligence.

[Redacted]

[Redacted]

Article 7: Storage of Chattels and Pledgee's Safekeeping Liability

Where the collaterals are chattels, the Bank has the right to determine their storage location and safekeeping method, and to inspect them at any time. If the Customer's place of storage and method of management with respect to the collaterals are inappropriate, the Bank may notify the Customer to move the collaterals to another place or rectify the situation, and the Customer shall immediately act accordingly. When the Bank takes possession of the collaterals according to the law, the Bank shall not be held liable for any mistake in connection with the decision to move the collaterals, or any damages sustained from the non-movement of the collaterals, unless there is an event the liability for which is attributable to the Bank.

Where the collaterals are possessed and safekept by the Bank, the Bank does not bear any liability for the same unless there is willfulness or gross negligence on the part of the Bank. Where there is an event the cause of which is attributable to the Bank according to this Agreement, the Bank's duty of care shall be limited to willfulness or gross negligence before the Bank may be held liable.

[Redacted]

[Redacted]

Article 8: Restrictions on Disposal of Collaterals and Duty of Care for Their Use and Safekeeping

Prior to the repayment of the secured indebtedness, the Customer shall not transfer, mortgage, pledge, lease, pawn, move, or otherwise dispose of the collaterals on its own accord without the Bank's written consent.

If the Customer intends to change, improve, increase or abandon the collaterals, the Customer may do so only after obtaining the Bank's written consent. If it is necessary to attend to an amendment of the registration particulars, the Customer agrees to attend immediately to all procedures necessary for the application for amending the registration particulars at his expense.

The Customer agrees to exercise the care due of a good administrator and use the collaterals properly and safekeep them carefully, and not to neglect any acts to repair or maintain the collaterals which are necessary for safekeeping them. All taxes, repair costs, etc. relating to the collaterals shall be borne and paid by the Customer accordingly.

Article 18: Disposal of Non-Listed Securities

When there is a fall in the spot price of a stock provided by the Customer or when there is a deterioration of the business, finances or credit of the stock issuing company which, from the Bank's point of view, may impair the Bank's rights and interests, the Customer agrees to provide supplemental collaterals, or repay the loan in installments, or replace the collaterals within the deadline as notified by the Bank, regardless of whether the loan has matured or not. Otherwise, the Customer's time limitation benefit with respect to the indebtedness owed to the Bank will extinguish, and all the indebtedness owed to the Bank will be considered as having matured, and the Customer shall agree that the Bank may unilaterally dispose of or sell the collaterals to set off the principal and interest owed to the Bank. As for the manner and price of disposal of the collaterals, the Customer agrees to commission the Bank with full authority to deal with the same. Furthermore, the Customer agrees that this Agreement may be used to prove such authorization, and that it will not revoke the commission before the indebtedness is repaid in full.

本行與客戶(即/本公司)

當客戶提供之股票之市價下跌或當客戶之業務、財務或信譽之惡化，可能損害本行之權利及利益時，客戶同意提供補充擔保品，或按本行通知之期限償還貸款，或更換擔保品，不論貸款是否到期。

否則，客戶對本行之債務之時間限制利益將告終止，且所有對本行之債務將被視為已到期，且客戶應同意本行可單方面處置或出售擔保品以抵償本行之主權及應付利息。

就擔保品之處置方式及價格，客戶同意委託本行全權處理。

此外，客戶同意本行得以此項協議證明上述授權，且該項授權在客戶之債務完全清償前不得撤回。

當客戶提供之股票之市價下跌或當客戶之業務、財務或信譽之惡化，可能損害本行之權利及利益時，客戶同意提供補充擔保品，或按本行通知之期限償還貸款，或更換擔保品，不論貸款是否到期。

否則，客戶對本行之債務之時間限制利益將告終止，且所有對本行之債務將被視為已到期，且客戶應同意本行可單方面處置或出售擔保品以抵償本行之主權及應付利息。

就擔保品之處置方式及價格，客戶同意委託本行全權處理。此外，客戶同意本行得以此項協議證明上述授權，且該項授權在客戶之債務完全清償前不得撤回。

此外，客戶同意本行得以此項協議證明上述授權，且該項授權在客戶之債務完全清償前不得撤回。

當客戶提供之股票之市價下跌或當客戶之業務、財務或信譽之惡化，可能損害本行之權利及利益時，客戶同意提供補充擔保品，或按本行通知之期限償還貸款，或更換擔保品，不論貸款是否到期。

否則，客戶對本行之債務之時間限制利益將告終止，且所有對本行之債務將被視為已到期，且客戶應同意本行可單方面處置或出售擔保品以抵償本行之主權及應付利息。

此外，客戶同意本行得以此項協議證明上述授權，且該項授權在客戶之債務完全清償前不得撤回。

當客戶提供之股票之市價下跌或當客戶之業務、財務或信譽之惡化，可能損害本行之權利及利益時，客戶同意提供補充擔保品，或按本行通知之期限償還貸款，或更換擔保品，不論貸款是否到期。

否則，客戶對本行之債務之時間限制利益將告終止，且所有對本行之債務將被視為已到期，且客戶應同意本行可單方面處置或出售擔保品以抵償本行之主權及應付利息。

此外，客戶同意本行得以此項協議證明上述授權，且該項授權在客戶之債務完全清償前不得撤回。

當客戶提供之股票之市價下跌或當客戶之業務、財務或信譽之惡化，可能損害本行之權利及利益時，客戶同意提供補充擔保品，或按本行通知之期限償還貸款，或更換擔保品，不論貸款是否到期。

Article 19: Collateral Maintenance Rate (TSE/GreTai Listed Securities)

To meet the Bank's requirement to safeguard its credit rights as a result of its credit extension dealings with the Customer, the Customer agrees to exert its best effort to maintain the value of the collaterals in case of a fluctuation of the value of the collaterals during the credit extension term, and the Customer further agrees to deal with such an event according to the following agreed terms:

- (a) The collateral maintenance rate in connection with the credit extended to the Customer shall be the collateral maintenance rate of the whole account calculated on the basis of the total balance of the Customer's credit line. The maintenance rate is: Current market price of TSE listed securities provided as collateral/Total balance of credit line x 100%.
- (b) When the collateral maintenance rate is lower than ___% due to a fluctuation of the market price of the collaterals, the Bank shall notify the Customer to make payment to make up the difference.
- (c) If the collateral maintenance rate of the whole account still fails to reach the maintenance rate as stipulated in item (b) within two business days after the Bank has notified the Customer, and the Customer does not attend to payment to make up the difference, the Customer's time limitation benefit with respect to the indebtedness owed to the Bank will extinguish, and all the indebtedness shall be considered as having matured. Commencing from the said business day, the Bank may auction or sell the collaterals on the open market to set off the principal and interest owed to the Bank. As for the manner and price of disposal of the collaterals, the Customer agrees to commission the Bank with full authority to deal with the same and to apply this provision to prove such authorization.
- (d) If the collateral maintenance rate of the whole account shall rise back to the maintenance rate as stipulated in item (b) or above within two business days after the Bank has notified the Customer, the Bank may not dispose of the collaterals for the time being although the Customer has not attended to payment to make up the difference. However, on any business day thereafter when the collateral maintenance rate of the whole account is lower than the maintenance rate as stipulated in item (b), the Customer shall automatically attend to the supplemental payment on the current day. Otherwise, the Bank shall have the right to dispose of the collaterals commencing from that day.

or there are other causes attributable to the recipient or its representative thereby making it impossible to effect service at its last-notified address, and the recipient or its representative did not give any prior notice to the Bank, then the aforesaid demand or notice shall be deemed to have been served on the recipient after the Bank has posted it to the address which was last notified by the recipient or its representative and the passage of the normal postal delivery time.

The Customer irrevocably agrees that, where it asserts confirmation of the credit rights secured by a maximum pledge amount according to Article 4, such assertion shall be made in writing and posted or delivered to the Credit Risk Unit of the Corporate Banking Department of the Bank's head office, and the assertion shall become effective only on the day after the date on which it was served on the Bank's head office.

Article 23: Governing Law and Jurisdiction

With respect to the Customer's obligations arising from this Agreement, the laws of the Republic of China shall govern the requisites, manner and effect in connection with the establishment of the legal acts of the Customer, unless there is another agreement which stipulates that law shall apply.

The place of performance of this Agreement is the place where the Bank is located. The Customer agrees with the Bank that, in the event he is involved in any litigation by reason of this Agreement, the district court at the place where the Bank's head office or its Branch is located, or the Taiwan Taipei District Court, shall have jurisdiction over such litigation as the court of first instance; provided, however, where the law has special provisions relating to special jurisdiction, such provisions shall apply.

Article 24: This Agreement are executed in both Chinese and English. If there is any conflict or discrepancy between the Chinese and English versions

hereof and thereof, the Chinese version will prevail.

Article 25: Matters Not Dealt with by this Agreement

Matters which are not dealt with by this Agreement shall be dealt with in accordance with the provisions of the Bank's General Agreement For Omnibus Credit Lines, the Guarantee Agreement, the Trust Agreement, or other agreements.

(Chapter Eight: Provisions for Information Sharing between a Financial Holding Company and its Subsidiaries)

Article 1. The Customer understands and agrees that the Bank, the financial holding company that the Bank is a part of, and the subsidiaries controlled by that financial holding company, as determined by the provisions of the Financial Holding Company Act, may, in accordance with their business objectives and as permitted by the law, collect, process, transmit internationally, and use (including for the purposes of administrative research, promotion, or distribution of consumer reports, etc.) the Customer's personal information.

Article 2. The Customer also agrees that the Bank, the financial holding company that the Bank is a part of, or the subsidiaries controlled by that financial holding company, as determined by the provisions of the Financial Holding Company Act, may designate a third party to process that information. The Customer further consents and agrees to any and all disclosure of the information set forth in the foregoing Article 1 of this Chapter to that third party designated by the Bank, the financial holding company that the Bank is a part of, or the subsidiaries controlled by that financial holding company, as determined by the provisions of the Financial Holding Company Act.

Article 3. The contents and scope of the information sharing between a financial holding company and its subsidiaries are as follows:

1. Basic Information: including name and address.
2. Other Basic Information: including, without limitation, date of birth, identification number, and contact telephone number.
3. Account Information: including, without limitation, account numbers or other numbers of comparable function, credit card numbers, savings account numbers, trading account numbers, savings and loan amounts, and other trading information, and financial statements.
4. Credit Information: including, without limitation, records of dishonored checks, cancellation records, rejection records, and other operational information.
5. Investment Information: including, without limitation, objectives, amounts, timing, of investments and sales of investments information.
6. Insurance Information: including, without limitation, insurance types, periods, insured amounts, premium payment methods, claims processing, records of refusals to insure, and other information.

Chapter Nine: Penalties for Early Repayments

With respect to the credit facility by and between the Customer and the Bank in the amount of NTD (or foreign currency) _____, the Customer hereby undertakes that, except for the loan to be repaid in installments, within _____ years from the drawdown date in accordance with the Agreement, if the Customer intends to make early repayment in full or in part, it shall notify the Bank by a two-month prior written notice, and make additional payment to the Bank at % of the outstanding balance before repayment or the amount of the partial repayment as penalty for early repayment.

Chapter Ten: Anti-Money Laundering and Countering Terrorism Financing

For the purpose of anti-money laundering and countering terrorism financing, the Customer agrees that the Bank may take the following actions by following the “Money Laundering Control Act”, “Directions Governing Anti-Money Laundering and Countering Terrorism Financing of Banking Sector” and “Template for the Directions Governing Anti-Money Laundering and Countering Terrorism Financing of Banking Sector”:

(a) **In the event that the Customer is under economic sanctions, or recognized as terrorist by foreign government or anti-money laundering organizations, the Bank may unilaterally suspend any or all of the transactions or businesses covered in this Agreement without any prior notice being given to the Customer; or the Bank may terminate any or all of the provisions regarding to the services covered in this Agreement by giving a 60 days prior written notice to the Customer.**

(b) **The Customer is required to supply to the Bank personal or corporate data, the nature or purpose of the transaction or the funding source within 60 days after receiving the Bank’s notice when the Bank is on the process of periodic review or if the Bank deems necessary (including, without limitation, that the Customer is suspected to infringe any applicable laws, do money laundering, involve terrorist financing, or involve in illegal cases reported by the media). Failure to supply such data and/or information may result in the Bank to terminate any or all of the provisions regarding to the services covered in this Agreement by giving a written notice to the Customer. The notice to terminate this Agreement shall take effect upon arrival.**

Chapter Eleven: Receipts

Article 1. Among the documents executed by and between the Customer and the Bank for the relevant transactions, the Customer has received one copy of the following selected documents:

- | | |
|--|---|
| 1. <input type="checkbox"/> Credit Extension Specimen Card | 2. <input checked="" type="checkbox"/> Promissory Notes |
| 3. <input checked="" type="checkbox"/> General Agreement for Omnibus Credit Lines | 4. <input checked="" type="checkbox"/> Agreement for Individually Negotiated Terms and Conditions |
| 5. <input type="checkbox"/> Supplementary Agreement for General Agreement for Omnibus Credit Lines | 6. <input type="checkbox"/> Drawdown Application |
| 7. <input type="checkbox"/> | 8. <input type="checkbox"/> |
| 9. <input type="checkbox"/> | 10. <input type="checkbox"/> |
| 11. <input type="checkbox"/> | 12. <input type="checkbox"/> |
| 13. <input type="checkbox"/> | 14. <input type="checkbox"/> |
| 15. <input type="checkbox"/> | 16. <input type="checkbox"/> |

Article 2. In addition to complying with the preceding general terms and conditions, the Customer shall comply with other financing agreements or documents executed pursuant to different terms and conditions by the Customer or its related parties (for example, joint and several guarantors). The Customer shall have no objections even if copies of such agreements or documents have not been obtained. In witness thereof, the parties hereby represent herein.

Chapter Twelve: Other Special Terms and Conditions

To: CTBC Bank Co., Ltd.

□□□□□□(List of Collateral)□□□□□□(Collateral Provider)□

□ □(Name)	□□□□□□(Type)	□ □(Quantity)	□ □(Remark)

□□□□□□(List of Collateral)□□□□□□(Collateral Provider)□

□ □(Name)	□□□□□□(Type)	□ □(Quantity)	□ □(Remark)

□□□□□□(List of Collateral)□□□□□□(Collateral Provider)□

□ □(Name)	□□□□□□(Type)	□ □(Quantity)	□ □(Remark)

□□□□□□(List of Collateral)□□□□□□(Collateral Provider)□

□ □(Name)	□□□□□□(Type)	□ □(Quantity)	□ □(Remark)

____(Customer) _____ | ____ (Date): 105 2 19

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Attention :If the Customer has not reached the legal age, the Customer’s statutory agent shall also sign and chop under the “Customer’s Signature” column.
____ 105 2 19
Date: 2016-2-19

PROMISSORY NOTE

Blank space for stamp or signature.

The Undersigned hereby undertakes to unconditionally pay to the order of [CTBC Bank Co., Ltd.], on _____ (month/day/year) in the amount of

Two Hundred Million Dollars Only _____ NT\$ _____

Blank space for stamp or signature.

The interest payable under this Promissory Note shall accrue from the date of its issuance at:

- The fixed interest rate of % per annum and shall be due and payable monthly.
The interest rate of [%] per annum (being the sum of Chinatrust Commercial Bank's prevailing prime rate of [%] per annum plus the margin of [%] per annum) and shall be due and payable monthly; the Undersigned hereby agrees that the interest rate shall be concurrently adjusted from time to time according to any change in Chinatrust Commercial Bank's prevailing prime rate.
The interest rate as determined in accordance with the terms and conditions under of the respective facility agreement signed with Chinatrust Commercial Bank.
Other:

Blank space for mathematical formulas.

Calculation of Default Penalties with Respect to Overdue Installment Repayments :

In the case where an installment repayment is overdue for 180 days or less, the default penalty shall be calculated as follows: The due and payable installment (including the principal to be amortized in the installment + the interest due) x the agreed interest rate x the number of days overdue ÷ 365 days x 1.1.

In the case where an installment repayment is overdue for more than 180 days, the default penalty shall be calculated as follows: The due and payable installment repayment (including the principal to be amortized in the installment + the interest due) x the agreed interest rate x the number of days overdue ÷ 365 days x 1.2.

Calculation of Default Penalties with Respect to Overdue Principal Repayment :

In the case where the principal repayment is overdue for 180 days or less, the default penalty shall be calculated as follows: The total outstanding unpaid principal as of the scheduled maturity date x the agreed interest rate x the number of days overdue ÷ 365 days x 0.1.

In the case where the principal repayment is overdue for more than 180 days, the default penalty shall be calculated as follows: The total outstanding unpaid principal as of the scheduled maturity date x agreed interest rate x the number of days overdue ÷ 365 days x 0.2.

The undersigned hereby expressly waive any protest when dishonor and waive notice of any kind set forth in Article 89 of Law of Negotiable Instruments.

Place of Payment : Taipei, Taiwan.

In the event that this Promissory Note is issued in foreign currency, the amount payable under this Promissory Note shall be converted into New Taiwan Dollars at the exchange rate on the date of redemption at the Branch of Bank.

This Promissory Note is governed by the laws of the Republic of China. The English translation is for reference only. Any discrepancy between the Chinese text and the English translation, the Chinese text shall prevail.

(Maker): (chop and signature)

(Address) :

(Date) 2016 2 19

(Maker): (chop and signature)

(Address):

(Date):

(Maker): (chop and signature)

(Address):

(Date):

PROMISSORY NOTE

Blank space for stamp or reference number.

The Undersigned hereby undertakes to unconditionally pay to the order of [CTBC Bank Co., Ltd.], on _____ (month/day/year) in the amount of

One Hundred and Twenty Million Dollars Only _____ NT\$

Blank space for stamp or reference number.

The interest payable under this Promissory Note shall accrue from the date of its issuance at:
- The fixed interest rate of % per annum and shall be due and payable monthly.
- The interest rate of [%] per annum (being the sum of Chinatrust Commercial Bank's prevailing prime rate of [%] per annum plus the margin of [%] per annum) and shall be due and payable monthly; the Undersigned hereby agrees that the interest rate shall be concurrently adjusted from time to time according to any change in Chinatrust Commercial Bank's prevailing prime rate.
- The interest rate as determined in accordance with the terms and conditions under of the respective facility agreement signed with Chinatrust Commercial Bank.
- Other:

Mathematical formulas for interest and penalty calculations.

Calculation of Default Penalties with Respect to Overdue Installment Repayments :

In the case where an installment repayment is overdue for 180 days or less, the default penalty shall be calculated as follows: The due and payable installment (including the principal to be amortized in the installment + the interest due) x the agreed interest rate x the number of days overdue ÷ 365 days x 1.1.

In the case where an installment repayment is overdue for more than 180 days, the default penalty shall be calculated as follows: The due and payable installment repayment (including the principal to be amortized in the installment + the interest due) x the agreed interest rate x the number of days overdue ÷ 365 days x 1.2.

Calculation of Default Penalties with Respect to Overdue Principal Repayment :

In the case where the principal repayment is overdue for 180 days or less, the default penalty shall be calculated as follows: The total outstanding unpaid principal as of the scheduled maturity date x the agreed interest rate x the number of days overdue ÷ 365 days x 0.1.

In the case where the principal repayment is overdue for more than 180 days, the default penalty shall be calculated as follows: The total outstanding unpaid principal as of the scheduled maturity date x agreed interest rate x the number of days overdue ÷ 365 days x 0.2.

The undersigned hereby expressly waive any protest when dishonor and waive notice of any kind set forth in Article 89 of Law of Negotiable Instruments.

Place of Payment : Taipei, Taiwan.

In the event that this Promissory Note is issued in foreign currency, the amount payable under this Promissory Note shall be converted into New Taiwan Dollars at the exchange rate on the date of redemption at the Branch of Bank.

This Promissory Note is governed by the laws of the Republic of China. The English translation is for reference only. Any discrepancy between the Chinese text and the English translation, the Chinese text shall prevail.

(Maker): (chop and signature)

(Address) :

(Date) 2016 2 19

(Maker): (chop and signature)

(Address):

(Date):

(Maker): (chop and signature)

(Address):

(Date):



中國信託法人金融
CTBC CORPORATE BANKING

擔保物提供證暨 質權設定契約書

CERTIFICATE FOR PROVISION
OF COLLATERAL AND PLEDGE
AGREEMENT

單位 Unit:	[北區二部] 部 / 區域中心 [] Department / Regional Center
客戶名稱 Customer:	[Applied Optoelectronics, Inc., Taiwan Branch]
訂約日期 Contract Date:	中華民國 []年 []月 []日 Date:

(103.12 版)



CERTIFICATE FOR PROVISION OF COLLATERAL
AND PLEDGE AGREEMENT

CTBC Bank Co., Ltd. (for the purpose of this Agreement, including the head office, domestic branches and overseas branches, hereinafter the "Bank") under Article 1 below whether presently (including debts incurred in the past and currently not yet repaid) or in the future, owed by the Customer himself or third party, Applied Optoelectronics, Inc., Taiwan Branch (the "Borrower"), to the extent under the maximum pledge in an amount of NTD (or its equivalent amount in foreign currency) One Hundred and Twenty Million Dollars Only, the undersigned (the "Customer") hereby provides the collateral or the beneficiary right to the trust asset as listed in attached collateral list to the Bank, and agrees to comply with the following terms and conditions:

Article 1: Scope of Debts to be Secured
The indebtedness, to the extent of the maximum amount secured by the pledge, owed by the debtor, the jointly and severally liable debtor and the pledgor to the pledgee at present (including debts incurred in the past and currently not yet repaid) and in future, including loans, advances, acceptance, bills, guarantee, bank guarantee, overdraft, discount, purchase of clean bills, issuance of letters of credit, import and export negotiation, import and export foreign exchange business, accounts receivable financing agreement, financial derivatives trading agreement, credit card agreement, merchant agreement and indebtedness arising from the basic legal relationship in respect of the businesses which may be conducted by a bank (including principal, interest, default interest, penalties, processing fees), and expenses for obtaining the subject of execution, expenses for safeguarding the pledge rights, insurance premium for the collaterals advanced by the pledgee, and indemnity for damages in connection with the non-performance of obligations arising from the aforesaid legal relationship.

Article 2: Joint Indebtedness
If the Customer and other debtors jointly issue an agreement, a receipt or bill to the Bank for the purpose of obtaining a loan, notwithstanding that the Bank has appropriated payment only to the other debtors who have jointly issued the agreement, receipt or bill, it shall be deemed that the Bank has appropriated payment to the Customer, and the Customer shall acknowledge the indebtedness as its own and agree to bear the liability for repayment of the indebtedness jointly and severally. An appropriation of payment to one or several of the Customer s shall also be deemed to be an appropriation of payment to all of the jointly and severally liable borrowers, and the Customer shall acknowledge the indebtedness as its own and agree to bear the liability for repayment of the indebtedness jointly and severally.

- (b) Where the collaterals are instruments of title such as bills of lading, warehouse receipts, etc., the name, type, quality, quantity, specifications and condition of the goods represented by the said instruments are consistent with the description of same on the said instruments.
- (c) Where the collaterals are instruments of title such as bills of lading, warehouse receipts, etc., and the quality or quantity of the goods as specified on the documents is found to be inconsistent with the actual quality or quantity of the goods, or where there are other false representations, the Customer shall, regardless of whether the said goods are stored in a warehouse operated by the Bank itself or in another warehouse, immediately replace or supplement the goods to make them consistent with or equivalent to the collaterals as specified on the said documents, or repay all the indebtedness, unless the Customer can prove that such inconsistencies are attributable to the Bank's willfulness or gross negligence.

Article 7: Storage of Chattels and Pledgee's Safekeeping Liability

Where the collaterals are chattels, the Bank has the right to determine their storage location and safekeeping method, and to inspect them at any time. If the Customer's place of storage and method of management with respect to the collaterals are inappropriate, the Bank may notify the Customer to move the collaterals to another place or rectify the situation, and the Customer shall immediately act accordingly. When the Bank takes possession of the collaterals according to the law, the Bank shall not be held liable for any mistake in connection with the decision to move the collaterals, or any damages sustained from the non-movement of the collaterals, unless there is an event the liability for which is attributable to the Bank.

Where the collaterals are possessed and safe kept by the Bank, the Bank does not bear any liability for the same unless there is willfulness or gross negligence on the part of the Bank. Where there is an event the cause of which is attributable to the Bank according to this Agreement, the Bank's duty of care shall be limited to willfulness or gross negligence before the Bank may be held liable.

Article 8: Restrictions on Disposal of Collaterals and Duty of Care for Their Use and Safekeeping

Prior to the repayment of the secured indebtedness, the Customer shall not transfer, mortgage, pledge, lease, pawn, move, or otherwise dispose of the collaterals on its own accord without the Bank's written consent.

If the Customer intends to change, improve, increase or abandon the collaterals, the Customer may do so only after obtaining the Bank's written consent. If it is necessary to attend to an amendment of the registration particulars, the Customer agrees to attend immediately to all procedures necessary for the application for amending the registration particulars at his expense.

The Customer agrees to exercise the care due of a good administrator and use the collaterals properly and safekeep them carefully, and not to neglect any acts to repair or maintain the collaterals which are necessary for safekeeping them. All taxes, repair costs, etc. relating to the collaterals shall be borne and paid by the Customer accordingly.

Article 9: Replacement or Supplement of Collaterals

If the collaterals provided by the Customer are damaged, have extinguished, have turned bad, have depreciated in value, or are likely to be in the aforesaid circumstances for causes not attributable to the Bank, the Customer agrees to immediately replace them with collaterals approved by the Bank, or provide supplemental or additional collaterals approved by the Bank, or repay all the indebtedness owed to the Bank.

Article 10: Notice of Change in Collaterals and Collection of Interest or Compensatory Fees

In the event of any change in the collaterals provided by the Customer such as damage, extinguishment, depreciation in value, or interest arising therefrom, or requisition for public use, or other causes which shall be compensated by a third party, the Customer shall immediately notify the Bank. Although the Bank has no obligation to collect such interest or compensation, it may nevertheless do so unilaterally and apply the same to set off the indebtedness owed by the Customer or the debtor, the jointly and severally liable debtor, or the Customer, but the Customer shall not collect such interest or compensation on his own accord without the Bank's consent. If the Bank shall suffer any damage as a result of the Customer's negligence in giving the aforesaid notice to the Bank, the liability for indemnity shall be borne by the Customer.

Article 11: Return or Replacement of Collaterals and Certificates

Any person holding a receipt, or certificate of custody, or account passbook issued by the Bank to the Customer, or a document of receipt signed by the Customer, or the Customer's seal, may go the Bank to request for the return or replacement of the collaterals, or amendment of the certificate of rights, or other relevant documents. Such person shall be deemed to be the Customer's agent, and the Bank may permit the return or replacement of the same.

Article 12: Method of Repayment, Partial Repayment

The Customer shall repay the indebtedness in accordance with the original term, amount, and interest rate as agreed with respect to the various debts.

Where the Customer repays a part of the secured indebtedness and requests the Bank to return a part of the collateral proportionately, the return of collateral shall be made only after the Bank has given its consent thereto and, if it is necessary to amend the registration particulars, the expenses therefor shall be borne by the Customer.

Article 13: Procedures and Insurance

The Customer agrees to attend to the warehousing, tax payment, fine payment, insurance (including renewal of insurance cover and procuring additional cover), delivery, management, movement or other procedures with respect to the collaterals which are necessary according to the law or agreement, and the relevant expenses and taxes shall be borne by the Customer.

Article 17: Stocks Pending Listing on Taiwan Securities Exchange

With respect to a stock which the Customer has provided to the Bank to secure all the indebtedness owed to the Bank, the Customer agrees that if the listing of the said stock on the Taiwan Securities Exchange is delayed and the stock cannot be traded publicly, or if the listing of the said stock is cancelled by the regulatory agency for other reasons, the Customer shall, regardless of whether its indebtedness has matured, make up the difference resulting from the fall in the price of the stock by providing additional collaterals which are approved by the Bank, or repay the indebtedness within one month from the date of receipt of the Bank's notice. Otherwise, the Customer shall waive its time limitation benefit and unconditionally agree to the disposal or sale of the collaterals by the Bank. Furthermore, the Customer also agrees to commission the Bank with full authority to dispose of, or sell the collaterals at the time, in the manner, and at the price as determined by the Bank to set off the indebtedness.

Article 17: Stocks Pending Listing on Taiwan Securities Exchange

With respect to a stock which the Customer has provided to the Bank to secure all the indebtedness owed to the Bank, the Customer agrees that if the listing of the said stock on the Taiwan Securities Exchange is delayed and the stock cannot be traded publicly, or if the listing of the said stock is cancelled by the regulatory agency for other reasons, the Customer shall, regardless of whether its indebtedness has matured, make up the difference resulting from the fall in the price of the stock by providing additional collaterals which are approved by the Bank, or repay the indebtedness within one month from the date of receipt of the Bank's notice. Otherwise, the Customer shall waive its time limitation benefit and unconditionally agree to the disposal or sale of the collaterals by the Bank. Furthermore, the Customer also agrees to commission the Bank with full authority to dispose of, or sell the collaterals at the time, in the manner, and at the price as determined by the Bank to set off the indebtedness.

Article 18: Disposal of Non-Listed Securities

When there is a fall in the spot price of a stock provided by the Customer or when there is a deterioration of the business, finances or credit of the stock issuing company which, from the Bank's point of view, may impair the Bank's rights and interests, the Customer agrees to provide supplemental collaterals, or repay the loan in installments, or replace the collaterals within the deadline as notified by the Bank, regardless of whether the loan has matured or not. Otherwise, the Customer's time limitation benefit with respect to the indebtedness owed to the Bank will extinguish, and all the indebtedness owed to the Bank will be considered as having matured, and the Customer shall agree that the Bank may unilaterally dispose of or sell the collaterals to set off the principal and interest owed to the Bank. As for the manner and price of disposal of the collaterals, the Customer agrees to commission the Bank with full authority to deal with the same. Furthermore, the Customer agrees that this Agreement may be used to prove such authorization, and that it will not revoke the commission before the indebtedness is repaid in full.

Article 18: Disposal of Non-Listed Securities

When there is a fall in the spot price of a stock provided by the Customer or when there is a deterioration of the business, finances or credit of the stock issuing company which, from the Bank's point of view, may impair the Bank's rights and interests, the Customer agrees to provide supplemental collaterals, or repay the loan in installments, or replace the collaterals within the deadline as notified by the Bank, regardless of whether the loan has matured or not. Otherwise, the Customer's time limitation benefit with respect to the indebtedness owed to the Bank will extinguish, and all the indebtedness owed to the Bank will be considered as having matured, and the Customer shall agree that the Bank may unilaterally dispose of or sell the collaterals to set off the principal and interest owed to the Bank. As for the manner and price of disposal of the collaterals, the Customer agrees to commission the Bank with full authority to deal with the same. Furthermore, the Customer agrees that this Agreement may be used to prove such authorization, and that it will not revoke the commission before the indebtedness is repaid in full.

The place of performance of this Agreement is the place where the Bank is located. The Customer agrees with the Bank that, in the event he is involved in any litigation by reason of this Agreement, the district court at the place where the Bank's head office or its _____ Branch is located, or the Taiwan Taipei District Court, shall have jurisdiction over such litigation as the court of first instance; provided, however, where the law has special provisions relating to special jurisdiction, such provisions shall apply.

Article 24: This Agreement are executed in both Chinese and English. If there is any conflict or discrepancy between the Chinese and English versions hereof and thereof, the Chinese version will prevail.

Article 25: Matters Not Dealt with by this Agreement
Matters which are not dealt with by this Agreement shall be dealt with in accordance with the provisions of the Bank's General Agreement For Omnibus Credit Lines, the Guarantee Agreement, the Trust Agreement, or other agreements.

Supplemental Clauses

(To)

(To)

(CTBC Bank Co., Ltd.)

(Customer) Applied Optoelectronics, Inc.

Debtor with Joint and Several Liability

(Address)

Date:

PROMISSORY NOTE

Blank space for stamp or identification number.

The Undersigned hereby undertakes to unconditionally pay to the order of [CTBC Bank Co., Ltd.], on _____ (month/day/year) in the amount of

One Hundred and Twenty Million Dollars Only _____ NT\$

Blank space for stamp or identification number.

The interest payable under this Promissory Note shall accrue from the date of its issuance at:

- Options for interest rate: fixed rate, floating rate based on Chinatrust Commercial Bank's prime rate, or as determined in the facility agreement.

Blank space for stamp or identification number.

Calculation of Default Penalties with Respect to Overdue Installment Repayment:

In the case where an installment repayment is overdue for 180 days or less, the default penalty shall be calculated as follows: The due and payable installment (including the principal to be amortized in the installment + the interest due) x agreed interest rate x the number of days overdue ÷ 365 days x 1.1.

In the case where an installment repayment is overdue for more than 180 days, the default penalty shall be calculated as follows: The due and payable installment (including the principal to be amortized in the installment + the interest due) x agreed interest rate x the number of days overdue ÷ 365 days x 1.2.

Calculation of Default Penalties with Respect to Overdue Principal Repayment:

In the case where the principle repayment is overdue for 180 days or less, the default penalty shall be calculated as follows: The total outstanding unpaid principal as of the scheduled maturity date x the agreed interest rate x the number of days overdue ÷ 365 days x 0.1.

In the case where the principal repayment is overdue for more than 180 days, the default penalty shall be calculated as follows: The total outstanding unpaid principal as of the scheduled maturity date x the agreed interest rate x the number of days overdue ÷ 365 days x 0.2.

The undersigned hereby expressly waive any protest when dishonor and waive notice of any kind set forth in Article 89 of Law of Negotiable Instruments.

Place of Payment : Taipei, Taiwan.

This promissory note is governed by the laws of the Republic of China. The English translation is for reference only. Any discrepancy between the Chinese text and the English translation, the Chinese text shall prevail.

(Maker): APPLIED OPTOELECTRONICS, INC. (chop and signature)

(Address) :

(Date) 2016 1 29

(chop and signature)

(Maker): (Address): (Date): (Maker): (Address): (Date):

(chop and signature)

