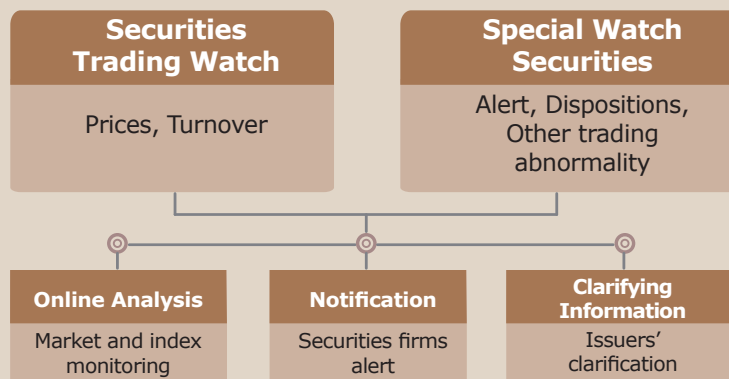


## Overview of TPEX Market Surveillance

The TPEX Surveillance department, which conducts professional and prudent monitoring processes, aims for transparency and fairness in the market. To continuously improve the effectiveness and efficiency of surveillance, we adopt a systematic program to detecting abnormal transactions and review regulations periodically. The three main operations are as follows:

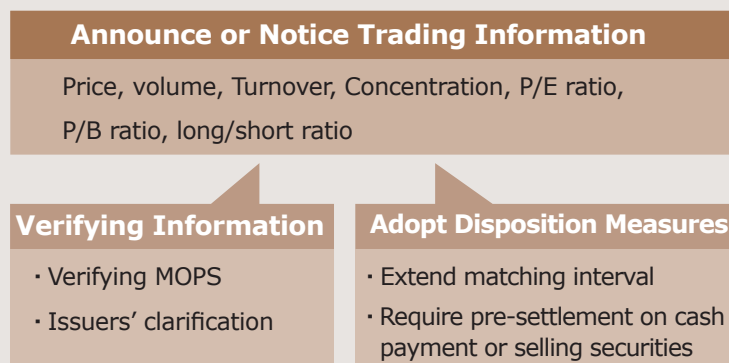
### 1. Online Surveillance (during trading hours):

When securities exhibit abnormal fluctuations during trading hours, we notify the securities firms to watch those securities and the related traders. Simultaneously, we collect and monitor various sources of information in the market, and require the issuers to clarify it, if necessary.



### 2. Offline Surveillance (after trading hours):

When a security's fluctuation triggers the alarm system, we announce the information to the public. If the stock is flagged frequently in a short period, we adopt disposition measures to remedy the abnormal situation. In some circumstances, we require the listed company to disclose material information to the market.



### 3. Analyzing Abnormal Transactions:

We analyze abnormal trading as well as investors' and insiders' transaction patterns, collect evidence and related materials, and produce analytical reports. If after completing the analysis we suspect any violation of the Securities and Exchange Act has occurred, we will submit the report to the SFB, to the prosecutor stationed at the FSC or to the Investigation Offices.

Preliminary Analysis

Produce Analytical Report

Report to the authorities



#### Contacts

15F, No.100, Sec. 2, Roosevelt  
Road, Taipei, Taiwan

TEL:886-2-2369-9555  
FAX:886-2-2369-5517

Service Hot Line:886-2-2366-6100  
E-mail:server@tpex.org.tw

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