

## **Lingsen Precision Industries, Limited.**

### **Rules for Election of Directors**

- Article 1 Unless otherwise provided in the Company Law or the Articles of Incorporation of this Company, the directors of this Company shall be elected in accordance with the rules specified herein.
- Article 2 Election of directors of this Company shall be held at the shareholders' meeting.
- Article 3 This Company's directors shall be elected by adopting the candidate nomination system specified in Article 192-1 of the Company Act and the Articles of Incorporation. Shareholders shall elect the directors from the List of Director (including Independent Director) Candidates.
- Article 4 In the election of directors of this Company, the names of voters may be represented by shareholders' numbers.
- In the election of directors of this Company, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons.
- Article 5 The election of independent directors and non-independent directors shall be held together; provided, however, that the number of independent directors and non-independent directors elected shall be calculated separately.
- In the election of directors of this Company, candidates who acquire more votes should win the seats of directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.
- Article 6 The shareholders shall exercise their voting rights in writing or by electronic means. At the beginning of the election, the Chairman shall appoint several persons each to check and record the ballots. The persons to check the ballots may be appointed from among the shareholders present.
- Article 7 The ballot box used for voting shall be prepared by the Board of Directors and checked in public by the person to check the ballots before voting.
- Article 8 The Board of Directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 9 Deleted.
- Article 10 Ballots shall be deemed void under the following conditions
1. Ballots not prepared by the convening authority.
  2. Blank ballots has been cast in the ballot box.
  3. Writing is illegible or has been altered by the voter;
  4. The candidate whose name is entered in the ballots does not match the List of Director Candidates .
  5. Other words or marks are entered in addition to the number of voting rights allotted.
- Article 11 The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting. Including the list of persons elected as directors and the numbers of votes with which they were elected.
- If one does not meet the Article 26-3, Paragraph 3 of the Securities and Exchange Act, the election shall be deemed invalid.

- Article 12           The items that are not specified in these Rules shall be exercised in accordance with the Articles of Incorporation, the Company Act, and other laws and regulations.
- Article 13           These Rules and any revision thereof shall become effective after approval at the shareholders' meeting.