

**Acer Incorporated**  
**Regulations of Foreign Exchange**  
**Risk Management and Structured Deposit**

1. Purpose

According to the Company's "Procedures of Asset Acquisition and Disposal", these Procedures are hereby specified to manage foreign currency receivable, payable, asset & liability; to hedge the risk due to FX and interest rate fluctuation.

2. Scope

2-1 Acer Inc.

2-2 Subsidiary (as defined by relevant regulations)

3. Principal and Guideline

3-1 Products

3-1-1 Forex Financial Instruments :

The products limit to Spot, Forward, Option and FX Swap. Any exception needs the approval from BOD.

3-1-2 Structured Deposit:

When investing in structured deposit, the products are limited to the ones which offer principal protection or with similar feature, namely the principal will be repaid in full at maturity even if the underlying financial asset, product or benchmark underperforms. Board approval is required when engaging in other structured products.

3-2 Strategy :

For hedge purpose and the use of short-term idle funds which is not yet reached the payment period only, no speculation is allowed.

3-3 Responsibility :

3-3-1 Business : Exposure forecast.

3-3-2 Finance : Market update 、 judgment for FX trend & risk, FX product knowledge, regulations, exposure, confirmation, reports, and information providing.

3-4 Amount :

Forex Financial Instruments: The hedge amount cannot exceed the net exposure of outstanding asset & liability plus the exposure for coming twelve months forecast. Any hedge amount exceeds six months forecast shall be approved by President and CFO. Any hedge amount exceeds twelve months forecast for special requirement shall be approved by President and CFO, and report to Chairman.

3-4-2 Structured Deposit:

The total transactin amount cannot exceed US\$ 240 million, the duration of each transaction cannot exceed 90 days.

3-5 Loss Limit :

The losses limit authorization table of FX deals and structured deposit on aggregate and individual contract was set up according to the exposure.

Authorization	Losses limit % on aggregate or individual contract	
	Forex Financial Instruments	Structured Deposit
Chairman	20%	15%
President	15%	10%
CFO	10%	5%
Head of Treasury Dept.	5%	3%

If the loss amount reach the above limit , should report to the person with authority promptly and the authorized manager should give competent instruction; if the loss amount reach 25% and company should publicly announce by regulations and submit the relevant information to audit committee and Board of Director.

#### 4 Procedure

##### 4-1 Authorization :

The authorization table was set up and approved by President and CFO, according to the turnover growth and the exposure changes as Attachment One to manage the FX hedge, handled set forth in Article 3-7 and so shall any revisions made.

##### 4-2 Execution :

The trading and risk management require professional knowledge so it should be responsible by Treasury Department - Risk Management Team.

#### 5 Declaration Procedure (Taiwan Stock Exchange Commission)

5-1 For declaration, each subsidiary should submit previous month end all FX contract details to HQ by the third business day of each month.

5-2 For declaration, HQ should collect, verify and submit the details of all to Shareholders Service Office.

5-3 Competent authority for Shareholders Service should disclose those details by the tenth day of each month.

6 Accounting Policy

The accounting policy is based on the current financial accounting standard and regulation. The Company also provides necessary reports periodically and calculates realized and unrealized profit or loss for management's review.

7 Internal Control

7-1 Risk Management

Dealing counterparties are limited to those banks that are selected after risk evaluation. The approval of CFO is required for amendment.

7-2 Internal Control

7-2-1 The persons in charge of dealing 、 settlement and confirmation should be different.

7-2-2 The dealing person (Treasury – Risk Management team) should submit the FX slip and contract to the person in charge of confirmation (Accounting Dept.) for record.

7-2-3 The person in charge of confirmation should check the details with counterparty banks periodically.

7-3 Evaluation

CFO should review the strategy and performance with relevant persons periodically. The hedge status and performance should be submitted to Head of Treasury Department weekly, and to CFO monthly and to President quarterly.

8 Audit

Internal auditors should understand the appropriateness of the internal control, investigate whether the dealing procedure follow the "Procedures of acquiring or disposing of assets" or not and generate the auditing report. The report in writing should be submitted to audit committee if any violation.

9 The Policy and amendments shall be approved by more than half of all audit committee members and submitted to the Board of Directors for further approval, and reported to shareholders meeting for approval. If a director holds dissenting opinions of Company's matters and there were records for it or in written stating, the Company shall submit materials of the director's dissenting opinions to audit committee.

If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the Policy may be implemented if approved by more than two-thirds of all directors, provided that the resolution of the audit committee is recorded in the minutes of the board of directors meeting.

The terms "all audit committee members" in the preceding two paragraphs and "all directors" in the preceding paragraph shall be calculated as the actual number of persons currently holding those

positions.

- 10 The Policy was enacted on March 26, 2003.  
The first amendment was made on June 13, 2008.  
The second amendment was made on June 18, 2014.  
The third amendment was made on June 23, 2015.

**Acer Inc.**  
**The Authorization Table**  
**(Attachment One)**

This authorization table was set up according to Article 3-2-1 of “Regulations of Foreign Exchange Risk Management and Structured Deposit”.

1. FX Authorization :	<u>Daily Amount</u>
Chairman	above USD400,000,000
President	USD400,000,000
CFO	USD250,000,000
Head of Treasury Dept.	USD150,000,000

2. Structured Deposit Authorization

**Each Deposit:**

Chairman: Over USD 60 Million

President: USD 40 million to 60 Million

CFO: USD 20 million to 40 Million

Head of Treasury Dept.: Below USD 20 Million

**Total Amount of Deposit Before Maturity**

Chairman: USD 160 Million to 240 Million

President: USD 100 Million to 160 Million

CFO USD 60 Million to 100 Million

Head of Treasury Dept.: Below 60 Million

The daily transaction amount should be approved by the person with authority. The transaction in the currency other than USD should be converted to USD and still follow the above table.

3. Others

The products limit to Spot 、 Forward 、 Option & FX Swap. Any exception needs the approval from BOD.