

Far Eastone Telecommunications Co., Ltd.

Guidance of Certified Public Accountant Performance Assessment

Article 1	According to Article 30 of the Company's "Corporate Governance Best Practices Principle", in order to sustain the work quality of Certified Public Accountant, the guidance of Certified Public Accountant Performance Assessment (hereinafter to as the "guidance") is reference Audit Quality Indexes(AQIs) and stipulated accordance with Standard of Ethics of Certified Public Accountant of Republic of China.
Article 2	The guidance includes the assessments of expertise, eligibility and independence of Certified Public Accountant the Company engaged.
Article 3	The Company's Board of Directors shall reference AQIs and regularly (at least once a year) assess the expertise and eligibility (please refer to annex 1) of Certified Public Accountant the Company engaged to ensure the quality of the audit service they provide.
Article 4	The Company's Board of Directors shall request of a confirmation of independence from Certified Public Accountant, and reference AQIs and regularly (at least once a year) assess the independence (please refer to annex 2) of Certified Public Accountant the Company engaged to ensure the quality of the audit service they provide.
Article 5	If there is any reservation about the expertise, eligibility and independence of Certified Public Accountant after the above mentioned assessments, the Company shall request of changing Certified Public Accountant or consider changing audit firm.
Article 6	When a Certified Public Accountant assumes the Company's external auditor for 7 consecutive years, even there is no any circumstance mentioned in Article 5, the Company shall consider and discuss with the audit firm about the necessity of replacing the Certified Public Accountant.
Article 7	The guidance and amendment hereof shall come into enforcement after being resolved in the board of directors.

Annex 1. Assessment table of expertise and eligibility of Certified Public Accountant

Expertise and Eligibility of Certified Public Accountant			
Item	Description	Yes (Normal)	No (Abnormal)
1	Whether certificated with the license of Certified Public Accountant to perform auditing.		
2	Whether to receive sufficient education and training every year to continuously acquire professional knowledge and skills		
3	Whether CPA has no workload overload.		
4	Whether never reprimanded by authority and Certified Public Accountant organization nor penalized accordance with article 37-3 of Securities and Exchange Act.		
5	Whether equipped with industry knowledge.		
6	Whether perform auditing of financial statements accordance with Generally Accepted Auditing Principles and Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants.		
7	Whether never presume the position of Certified Public Accountant to conduct malignant commercial competition.		

Annex 2. Assessment table of independence of Certified Public Accountant

Independence			
Item	Description	Result	Independence? Y/N
1	Whether the proportion of non-audit services fee exceeds 40% of all service fee.		
2	Whether the company engages the same CPA without replacement for 7 years consecutively.		
3	Whether Certified Public Accountant has direct or significant indirect financial interests with the Company.		
4	Whether or not Certified Public Accountant has any financing or guarantees of conduct with the Company or the directors of the Company.		
5	Whether Certified Public Accountant has a close business relationship and potential employment relationship with the Company.		
6	Whether Certified Public Accountant or members of their audit team had any positions in the Company as directors, managers or significant influence on the audit during the audit period.		
7	Whether Certified Public Accountant has any non-audit services to the Company which may directly affect the audit work.		
8	Whether Certified Public Accountant has an intermediary to issue shares or other securities of the Company.		
9	Whether Certified Public Accountant has acted as the Company's defender or on behalf of the Company to coordinate conflicts with other third parties.		
10	Whether Certified Public Accountant has a kinship with the directors, managers of the Company or persons who have a significant influence on the audit work		