

Summary of common violations of Internal Control of Listed Companies

	Common missing	Violated Regulations
Designing and Operating of the internal control systems	1. The company did not let the board of directors pass the amendment of its internal control systems.	Paragraph 1, Article 4 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	2. The company did not revise its internal control systems with changes in its internal and external environment to ensure sustained design and operating effectiveness of the systems.	Paragraph 2, Article 5 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	3. The company did not clearly differentiating the functions and duties.	Paragraph 2, Article 5 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	4. The company did not follow its internal control systems.	Paragraph 2, Article 5 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
Formulation and implementation of audit plan	1. The company did not let the board of directors pass the annual audit plan before the company report to the FSC.	Paragraph 5, Article 13 of the Regulations Governing Establishment of Internal Control Systems by Public Companies

	2. The company did not formulate its annual audit plans in accordance with Paragraph 2, Article 13 of the Regulations Governing Establishment of Internal Control Systems by Public Companies.	Paragraph 2, Article 13 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	3. The company did not implement the annual audit plans faithfully.	Paragraph 1, Article 13 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	4. The company did not submit the audit and follow-up reports to supervisors or independent directors for review by the end of the month next following the completion of the audit items.	Paragraph 1, Article 15 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	5. The internal auditors of the company did not attend and deliver a report to a board of directors meeting.	Paragraph 1, Article 16 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
Reporting of internal control operations	1. The company did not report to the FSC on time.	Article 18 to Article 20 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	2. The company did not report to the FSC within 2 days if there is a change in the chief internal auditor.	Paragraph 4, Article 11 of the Regulations Governing Establishment of Internal Control Systems by Public Companies

	1. The company did not appoint qualified persons in an appropriate number as full-time internal auditors.	Paragraph 1, Article 11 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	2. The appointment or dismissal of chief internal auditor of the company did not approved by the board of directors.	Paragraph 2, Article 11 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
Supervision on the subsidiaries	1. The subsidiaries of the company did not establish its internal control systems, or did not conduct self-assessments at least once each year.	Article 22 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	2. The company did not review the self-inspection reports prepared by subsidiaries..	Article 22 of the Regulations Governing Establishment of Internal Control Systems by Public Companies
	3. The company did not obtain, and analyze and review, at least on a quarterly basis, each subsidiary's monthly management reports.	Paragraph 1, Article 40 of the Regulations Governing Establishment of Internal Control Systems by Public Companies