

AGREEMENT AS TO CLAIMS FOR CIVIL PENALTIES

WHEREAS, this Agreement as to Claims for Civil Penalties (the "Civil Penalties Claims Agreement") is made and entered into this 20th day of June, 2012 (the "Effective Date" by which date all parties shall have signed the agreement), by and between AU Optronics Corporation and AU Optronics Corporation America (collectively "AUO Defendants") and the following states, by and through their Attorneys General: Arkansas, California, Florida, Michigan, Missouri, New York, West Virginia, and Wisconsin ("Settling States").

WHEREAS, the Settling States are prosecuting separate cases in *In re TFT-LCD (Flat Panels) Antitrust Litigation*, MDL No. 1827 (N.D. Cal.), including *State of Missouri ex rel. Koster, et al. v. AUO, et al.* (Plaintiff States of Missouri, Arkansas, Michigan, West Virginia, and Wisconsin), Case No. 3:10-cv-3619-SI; *State of Florida v. AUO, et al.*, Case No. 3:10-cv-03517-SI; *State of New York v. AUO, et al.*, Case No. 3:11-cv-711-SI; and in California state court, *State of California, et al. v. AUO et al.*, San Francisco Superior Court Case No. CGC-10-504651 (the "California State Court Action"), each of which litigations are brought against the AUO Defendants and other defendants under federal and/or state laws for damages, restitution, injunctive relief, civil penalties and other redress, either: (1) on behalf of governmental entities within each state; (2) as *parens patriae* on behalf of resident end-user purchasers ("Consumers"); or (3) on behalf of both governmental entities and Consumers (cumulatively, the "Actions").

WHEREAS, the Settling States have alleged in the Actions that the AUO Defendants participated in an unlawful conspiracy to raise, fix, maintain, or stabilize the price of TFT-LCD panels at artificially high levels in violation of Section 1 of the Sherman Act (15 U.S.C. § 1) and of various state antitrust, unfair competition, unjust enrichment, and other similar state laws.

WHEREAS, in addition to the other relief sought by the Settling States in the Actions, each of the Settling States seeks to impose fines or civil penalties upon the AUO Defendants under its respective state statute(s), specifically, Ark. Code Ann. § 4-75-315(a)(4); Cal. Bus. & Prof. Code § 17206; Florida Antitrust Act, § 542.21, Florida Statutes; Florida Deceptive and Unfair Trade Practices Act Sections 501.2075 and 501.2077, Florida Statutes; Missouri Merchandising Practices Act § 407.100.6, Mo. Rev. Stat.; Michigan Antitrust Reform Act, Mich. Comp. Laws § 445.777; N.Y. Gen. Bus. L. § 342-a; W.Va. Code § 47-18-8; and Wis. Stat. § 133.03(3).

WHEREAS, AUO Defendants have, contemporaneously with entering into this Civil Penalties Claims Agreement, entered a separate settlement agreement relating to the above Actions, to which the Settling States are parties, which agreement provides for payment of a settlement amount and injunctive relief in the ongoing litigation of the Actions (the "Settlement Agreement").

WHEREAS, the Settling States find that the relief and other provisions contained in this Civil Penalties Claims Agreement are appropriate and in the public interest.

WHEREAS, the AUO Defendants, despite their belief that they are not liable for the claims asserted in the Actions and have good defenses to the Actions and without any concession of wrongdoing, have nevertheless agreed to enter into this Civil Penalties Claims Agreement to avoid further expense, inconvenience, and distraction of burdensome and protracted litigation and to obtain the releases contemplated by this Civil Penalties Claims Agreement.

NOW THEREFORE, in consideration of the covenants, agreements and releases set forth herein and for other good and valuable consideration, it is agreed by and among the Settling States (on behalf of themselves and any persons or entities that they represent) and AUO Defendants as follows:

1. Within thirty (30) business days of the Effective Date, AUO Defendants shall pay pursuant to the written instructions of the Settling States the sum of \$8,500,000.00, (the "Civil Penalties Claims Settlement Amount"), which amount will be apportioned among the Settling States. Said amount may be paid to the Settling States through an escrow agent approved by the Settling States' Court-appointed Liaison Counsel, or through an account held in a United States federally insured bank (the "Escrow Account"). AUO Defendants shall not be liable for wire transfer fees or bank fees charged by the receiving bank, for interest, notice costs or administration costs or attorneys' fees or expenses associated with the maintenance of any account(s) holding these funds or with the allocation and distribution of these funds.
2. Provided the payment required by Paragraph 1 is made, on August 1, 2012, the following releases shall become effective:

The State of Arkansas, acting through its Attorney General, acknowledges receipt of payment in settlement of the State's claims for civil penalties paid by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under Ark. Code Ann. § 4-75-315(a)(4) for the claims asserted in

¹ All releases will reference this footnote: "AUO Releasees" shall refer to the AUO Defendants, to Acer Display Technology Inc., to Unipac Optoelectronics Corporation, to Quanta Display Inc., wherever located, and to all of their respective past and present, direct and indirect, parent companies, subsidiaries and Affiliates (any other entity that is now or was previously owned by any of the AUO Defendants, where "owned" means holding directly or indirectly 50% or greater equity or beneficial interest); and each and all of the past, present and former principals, partners, officers, directors, supervisors, employees, representatives, insurers, attorneys, agents, servants, stockholders, and the predecessors, successors, heirs, executors, administrators and assigns of any of the foregoing. AUO Releasees do not include any other defendant besides the AUO Defendants named in the Actions as of the Execution Date. Each "AUO Releasee" shall have the full benefits of this Civil Penalties Claims Agreement, including, without limitation, those benefits set forth in Paragraph 2 of this Civil Penalties Claims Agreement, even though the specific corporate name of each such AUO Releasee is not set forth herein.

the Actions and agrees to not make any claim for civil penalties based upon those claims.

The State of California, acting through its Attorney General, acknowledges receipt of payment in settlement of the State's claims for civil penalties paid by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under Cal. Bus. & Prof. Code § 17206 for the claims asserted in the Actions and agrees to not make any claim for civil penalties based upon those claims.

The State of Florida, acting through its Attorney General, acknowledges receipt of payment in settlement of the State of Florida's claims for civil penalties paid by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under the Florida Antitrust Act, § 542.21, and the Florida Deceptive and Unfair Trade Practices Act, §§ 501.2075 and 501.2077, for the claims asserted in the Actions and agrees to not make any claim for civil penalties based upon those claims.

The State of Michigan, acting through its Attorney General, acknowledges receipt of payment in settlement of the State of Michigan's claims for civil penalties paid by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under § 777, Mich. Comp. Laws 445.777, of Michigan's Antitrust Reform Act for the claims asserted in the Actions and agrees to not make any claim for civil penalties based upon those claims.

The State of Missouri, acting through its Attorney General, acknowledges receipt of payment in settlement of the State's claims for civil penalties paid by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under § 407.100.6, Mo. Rev. Stat., of Missouri's Merchandising Practices Act for the claims asserted in the Actions and agrees to not make any claim for civil penalties based upon those claims.

The State of New York, acting through its Attorney General, acknowledges receipt of payment in settlement of the State's claims for civil penalties paid by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under New York General Business Law § 342-a for the claims asserted in the Actions and agrees to not make any claim for civil penalties based upon those claims.

The State of Wisconsin, acting through its Attorney General, acknowledges receipt of payment in settlement of the State's claims for civil penalties paid

by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under Wis. Stat. §133.03, of Wisconsin's antitrust law for the claims asserted in the Actions and agrees to not make any claim for civil penalties based upon those claims.

The State of West Virginia, acting through its Attorney General, acknowledges receipt of payment in settlement of the State's claims for civil penalties paid by or on behalf of AUO Defendants, and releases and discharges the AUO Releasees¹ for any claim for additional assessment or imposition of civil penalties under West Virginia Code § 47-18-8 for the claims asserted in the Actions and agrees to not make any claim for civil penalties based upon those claims.

3. The release, discharge, and covenant not to sue set forth herein shall not be construed as any waiver or compromise of any claims made by any Settling State beyond the express scope stated in Paragraph 2 above. The release, discharge, and covenant not to sue set forth in this Civil Penalties Claims Agreement is separate from and cumulative to the releases, discharges, and covenants not to sue provided for in the Settlement Agreement. Provided that the terms of this Civil Penalties Claims Agreement are satisfied by the AUO Defendants, the release, discharge, and covenant not to sue set forth herein shall be immediately effective notwithstanding any delay in the Settlement Agreement becoming final or any failure to receive judicial approval thereof.
4. The Civil Penalties Claims Agreement stands alone and is not part of the Settlement Agreement. Nothing herein shall prevent a Settling State from seeking to enforce, as allowed by law, the terms of the separate Settlement Agreement or any Judgment subsequently entered in any of the Actions, including by the State of California in the California State Court and by the State of New York in the United States District Court for the Southern District of New York.
5. Nothing herein shall prevent any Settling State from making any application to enforce or interpret the provisions of this Civil Penalties Claims Agreement or, in connection therewith, seeking further relief as any Settling State may determine in its sole discretion is proper and necessary for the enforcement of this Civil Penalties Claims Agreement.
6. Neither this Civil Penalties Claims Agreement nor any and all negotiations, documents and discussions associated with them, shall be deemed or construed to be an admission by AUO Defendants (or the AUO Defendants Releasees) or evidence of any violation of any statute or law or of any liability or wrongdoing whatsoever by AUO Defendants (or the AUO Defendants Releasees), or of the truth of any of the claims or allegations contained in any complaint or any other pleading filed by Settling States in the Actions and evidence of the negotiations, documents and discussions associated with them shall not be discoverable or used directly or indirectly, in any way, in the Actions or in any action or proceeding undertaken by the Settling States, the AUO Defendants or the AUO Defendant Releasees. Neither this Civil Penalties Claims Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, nor any other action taken to carry out

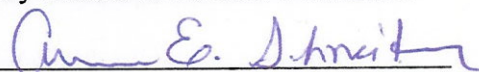
this Civil Penalties Claims Agreement by any of the settling parties shall be referred to, offered as evidence or received in evidence in any pending or future civil, criminal or administrative action or proceedings, except in a proceeding to enforce this Civil Penalties Claims Agreement, or defend against the assertion of Released Claims, or as otherwise required by law.

7. The United States District Court for the Northern District of California shall retain jurisdiction over the implementation, enforcement and performance of this Civil Penalties Claims Agreement, and shall have jurisdiction over any suit, action, proceeding or dispute arising out of or relating to this Civil Penalties Claims Agreement or the applicability of this Civil Penalties Claims Agreement that cannot be resolved by negotiation and agreement by Settling States and the AUO Defendants.
8. This Civil Penalties Claims Agreement is entered into in San Francisco, California and shall be governed by and interpreted according to the substantive laws of the state of California without regard to its choice of law or conflict of laws principles.
9. This Civil Penalties Claims Agreement may not be modified or amended except in writing executed by the Settling States and the AUO Defendants.
10. This Civil Penalties Claims Agreement may be executed in counterparts by the Settling States and the AUO Defendants, and a facsimile signature or PDF signature shall be deemed an original signature for purposes of executing this Civil Penalties Claims Agreement.
11. Each of the below signators for AUO Defendants represents and warrants that he/she is authorized to execute this Civil Penalties Claims Agreement on behalf of all of the AUO Defendants.
12. Each of the undersigned attorneys represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Civil Penalties Claims Agreement on behalf of the respective State.

Agreed by:

Dated: June 20, 2012


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Dated: June 20, 2012

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Dated: June _____, 2012

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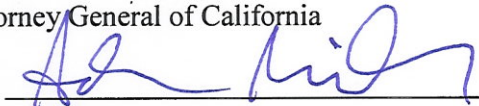
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Dated: June 20, 2012

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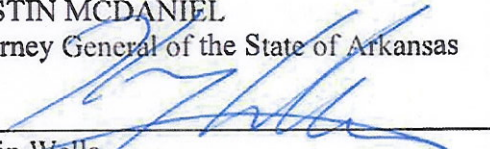
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Dated: June __, 2012

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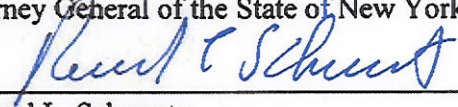
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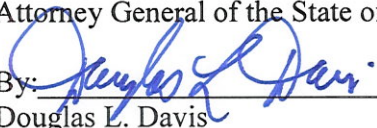
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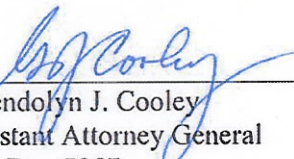
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Dated: June 10, 2012

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Dated: June __, 2012

AU OPTRONICS CORPORATION

By: _____
Name: Linh Ha
Position: General Counsel Americas

Dated: June __, 2012

AU OPTRONICS CORPORATION AMERICA

By: _____
Name: Linh Ha
Position: General Counsel Americas

Dated: June __, 2012

By: _____
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*Counsel for AU Optronics Corp. and
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Dated: June 14, 2012

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By: _____
Name: Linh Ha
Position: General Counsel Americas

Dated: June 14, 2012

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By: _____
Name: Linh Ha
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Dated: June 11, 2012

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