

- c. Unused letters of credit of NT\$321 million.
- d. Contract to print billing, envelopes and marketing gifts of NT\$57 million.
- e. LED has already contracted to advance sale of lands and buildings for NT\$2,593 million, and collected NT\$507 million in advance according to the contracts.
- f. For the purpose of completing the construction, acquisition of the building construction license and registration ownerships of all buildings for Wan-Xi Project and LightEra Covent Garden Project, LED signed the trust deeds with Hua Nan Bank, China Real Estate Management Co., Ltd. and Land Bank for the fund management, property rights and related development to the extent of authority they are given.

Trust assets are as follow:

	December 31, 2010
	NT\$
	(In Millions)
Restricted assets bank deposits	\$ 169
Land held under development	1,085
	<u>\$ 1,254</u>

- g. The Company also has non-cancelable operating leases covering certain buildings, computers, computer peripheral equipment and operation system software under contracts that expire in various years. Future lease payments are as follows:

<u>Year</u>	<u>Amount</u> <u>NT\$</u> <u>(In Millions)</u>
2011	\$ 1,629
2012	1,292
2013	977
2014	748
2015 and thereafter	608

- h. A commitment to contribute NT\$2,000 million to a Piping Fund administered by the Taipei City Government, of which NT\$1,000 million was contributed by Chunghwa on August 15, 1996 (classified as long-term investment—other monetary assets). If the fund is not sufficient, Chunghwa will contribute the remaining NT\$1,000 million upon notification from the Taipei City Government. Based on Chunghwa's understanding of the Piping Fund terms, if the project is considered to be no longer necessary by the ROC government, Chunghwa will receive back its proportionate share of the net equity of the Piping Fund upon its dissolution. The Company does not know when its contribution to the Piping Fund will be returned; therefore, the Company did not discount the face amount of its contribution to the Piping Fund.