
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 21, 2017

DIODES INCORPORATED

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

002-25577
(Commission
File Number)

95-2039518
(IRS Employer
Identification No.)

4949 Hedgcoxe Road, Suite 200,
Plano, TX
(Address of Principal Executive Offices)

75024
(Zip Code)

Registrant's Telephone Number, Including Area Code: (972) 987-3900

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Amendment to Employment Agreement with Dr. Keh-Shew Lu

On February 22, 2017, Diodes Incorporated (the “Company”) and Dr. Keh-Shew Lu, the Company’s President and Chief Executive Officer, entered into Amendment No. 1 (the “Amendment”) to the Employment Agreement between the Company and Dr. Lu dated as of July 21, 2015. The Amendment reflects the replacement of Performance Stock Units covering 700,000 shares of the Company’s common stock granted to Dr. Lu on July 21, 2015 with Performance Stock Units covering 62,905 shares, all pursuant to the Company’s 2013 Equity Incentive Plan (the “Incentive Plan”).

The foregoing summary does not purport to be a complete summary of the Amendment and is qualified in its entirety by reference to the Amendment, a copy of which is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

2017 Executive Salaries

On February 21, 2017, the Committee established the base salaries of the Company’s principal executive officer, principal financial officer and three other most highly compensated executive officers (collectively, the “NEOs”) effective March 6, 2017 as follows:

Name	Position	Base Salary
Dr. Keh-Shew Lu	President and Chief Executive Officer	\$ 660,750
Richard D. White	Chief Financial Officer and Secretary	401,200
Mark A. King	Senior Vice President – Sales and Marketing	388,300
Edmund Tang	Vice President – Corporate Administration	362,050
Francis Tang	Vice President – Worldwide Discrete Products	354,300

2016 Executive Bonuses

On February 21, 2017, the Compensation Committee of the Board of Directors of the Company (the “Committee”) approved the payment of a cash bonus to certain executive officers of the Company for their services rendered in fiscal 2016 pursuant to an executive bonus formula adopted by the Committee on February 26, 2016.

The executive bonus formula established the target bonus for each executive officer based on (1) the growth in the Company’s revenues compared to that of its serviceable area market (“SAM”) (excluding Japan) in fiscal 2016 and (2) the growth in the Company’s net income in fiscal 2016 compared to that of the prior year. Each executive officer would be entitled to receive a performance-based bonus equal to 70% of the target bonus determined by the executive bonus formula, and the remaining 30% of each target bonus would be distributed among the executive officers in the discretion of the Compensation Committee. No bonus would be paid if the Company’s actual revenue growth and net income were less than 80% of the prior year’s performance.

In December 2016, based upon (1) the unaudited results of operations of the Company for the nine months ended September 30, 2016, (2) the performance of the SAM (excluding Japan) for the ten months ended October 31, 2016 compared to 2015, (3) the projected results of operations of the Company and change in the SAM for November and December 2016, (4) the workload and area of responsibilities of each executive officer, and (5) the accomplishments and contributions of each executive officer to the achievement of the Company’s financial and strategic objectives in 2016, the Committee estimated the performance-based and discretionary bonuses to which each executive officer was entitled for fiscal 2016 and approved the payment of 80% of such bonuses on or before December 31, 2016. On February 21, 2017, the Committee, based on the actual performance of the Company and its SAM for fiscal 2017, determined the actual bonuses to which each executive officer was entitled for fiscal 2017 and approved the payment of the balance of the bonuses.

For 2016, the Committee awarded cash bonuses to the NEOs as follows:

Name	Position	Performance		Total
		Based	Discretionary	
Keh-Shew Lu	President and Chief Executive Officer	\$ 512,000	\$ 128,000	\$640,000
Richard D. White	Chief Financial Officer and Secretary	112,000	43,100	215,000
Mark A. King	Senior Vice President – Sales and Marketing	172,400	28,000	140,000
Edmund Tang	Vice President – Corporate Administration	112,000	36,000	180,000
Francis Tang	Vice President – Worldwide Discrete Products	144,000	28,000	140,000

2017 Executive Bonuses

On February 21, 2017, the Committee also established the performance targets and objectives for cash bonuses for certain executive officers for services rendered in fiscal 2017.

The cash bonus for each executive is based on a multiple of that executive's salary and consists of two components: a Company-wide performance component which accounts for 80% of the bonus; and an individual performance component which accounts for 20% of the bonus. The Company-wide performance component is based on achievement of a revenue target and a non-GAAP earnings per share target, which are weighted 70% and 30%, respectively. The performance targets were selected from a stockholder-approved list. The individual performance component is based on achievement of individual objectives.

If the Company achieves the Company-wide performance targets and the executive achieves his individual performance objectives, the executive will be entitled to receive 100% of his target bonus. Achievement of 80% of the performance targets and individual objectives would result in a bonus equal to 50% of the target bonus, and achievement of 120% of the performance targets and individual objectives would result in a bonus of 200% of the target bonus. Achievement of less than 80% of the performance targets and individual objectives would result in the payment of no bonus, and achievement of more than 120% would not result in the payment of a bonus of more than 200% of the target bonus.

The table below sets forth the target bonus award for the NEOs as a percentage of each executive's salary:

Name	Position	Performance
		Incentive Target as a Percentage of Salary
Dr. Keh-Shew Lu	President and Chief Executive Officer	125
Richard D. White	Chief Financial Officer and Secretary	70
Mark A. King	Senior Vice President – Sales and Marketing	70
Edmund Tang	Vice President – Corporate Administration	70
Francis Tang	Vice President – Worldwide Discrete Products	70

2017 Long-term Incentive (LTI)

On February 21, 2017, the Committee also granted long-term incentive ("LTI") awards for certain executive officers for services rendered in fiscal 2017.

Each LTI award consists of restricted stock units ("RSUs") which vest over four years and performance stock units ("PSUs") which contain a time vesting requirement of four years and performance vesting condition in which the PSUs will vest upon the Company achieving a cumulative 3-year non-GAAP operating income target of \$204.6 million.

If the Company achieves the performance target, the executive will be entitled to receive his target PSUs. Achievement of 80% of the performance target (the "threshold") would result in the vesting of 50% of the target PSUs, and achievement of 120% of the performance target (the "maximum") would result in the vesting of 200% of the target PSUs. Achievement of less than 80% of the performance target would result in the vesting of no PSUs, and achievement of above 120% of the performance target would not result in the vesting of more than 200% of the target PSUs. Achievement of between the threshold and the target, and between the target and the maximum, would result in the vesting of a prorated number of PSUs.

The table below sets forth the number of RSUs and the target PSUs for the NEOs:

Name	Position	Restricted Stock Units (Shares)	Performance Stock Units (Shares)
Dr. Keh-Shew Lu	President and Chief Executive Officer	62,905	62,905
Richard D. White	Chief Financial Officer and Secretary	19,861	19,861
Mark A. King	Senior Vice President – Sales and Marketing	20,332	20,332
Edmund Tang	Vice President – Corporate Administration	7,583	7,583
Francis Tang	Vice President – Worldwide Discrete Products	18,214	18,214

There is no assurance that the Company will achieve the performance incentive targets and objectives established by the Committee in any fiscal year. Forms of the Restricted Stock Unit Award and the Performance Stock Unit Award are attached as Exhibits 99.1 and 99.2.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Amendment No. 1 to Employment Agreement, between Diodes Incorporated and Dr. Keh-Shew Lu, effective as of February 22, 2017
99.2	Form of Restricted Stock Unit Award
99.3	Form of Performance Stock Unit Award

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DIODES INCORPORATED

Dated: February 27, 2017

By /s/ Richard D. White
Richard D. White,
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Amendment No. 1 to Employment Agreement, between Diodes Incorporated and Dr. Keh-Shew Lu, effective as of February 22, 2017
99.2	Form of Restricted Stock Unit Award
99.3	Form of Performance Stock Unit Award

AMENDMENT #1 TO EMPLOYMENT AGREEMENT

This Amendment #1 (this “*Amendment*”), made as of the 22th day of February 2017 (the “*Effective Date*”), is to the Employment Agreement, dated as of July 21, 2015 (the “*Agreement*”), by and between Diodes Incorporated, a Delaware corporation (the “*Company*”), and Dr. Keh-Shew Lu, an individual (the “*Employee*”).

WITNESSETH:

WHEREAS, pursuant to the Agreement and Exhibit B to the Agreement, the Company granted Employee a performance based Stock Unit award (the “Equity Award”) covering 700,000 Company common shares on July 21, 2015 under the Company’s 2013 Equity Incentive Plan (the “Plan”) and the Equity Award is entirely unvested as of the Effective Date;

WHEREAS, the Equity Award is intended to be exempt from the application of Internal Revenue Code Section 409A;

WHEREAS, on the Effective Date, the Compensation Committee of the Company’s Board of Directors approved a grant of Performance Stock Units covering 62,905 Company common shares under the Plan (the “Modified Equity Award”) to Employee conditioned upon (i) Employee contemporaneously agreeing to the modification of the Equity Award and (ii) Employee executing this Amendment and the grant agreement for the Modified Equity Award;

WHEREAS, the Company and the Employee desire to modify certain provisions in the Agreement;

WHEREAS, this Amendment satisfies the conditions for amending the Agreement provided under Section 4.5 of the Agreement; and

WHEREAS, this Amendment is intended to, among other things, reflect the modification on the Effective Date of the Equity Award.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Modification of Equity Award.** Employee understands and agrees that, as of the Effective Date, (i) the Equity Award will be modified such that Employee no longer has any rights or entitlements to the Equity Award and (ii) Employee has been granted the Modified Equity Award subject to Employee executing both this Amendment and the grant agreement for the Modified Equity Award on the Effective Date.

2. **Amendments.** As of the Effective Date, the Agreement is amended as follows:

(a) Subsection (i) of Section 2.1 shall be entirely amended and restated to read as follows: “an annual base salary of \$660,750, subject to such periodic increases, if any, as the Board of Directors may determine, less any applicable deduction therefrom for income tax or other applicable withholdings, payable in accordance with the Company’s standard practices and procedures;”

(b) Subsection (ii) of Section 2.1 shall be entirely amended and restated to read as follows: "a grant under the Company's 2013 Equity Incentive Plan on February 22, 2017 of performance based stock units with respect to 62,905 Company common shares on the terms and conditions set forth in the Stock Unit Agreement attached hereto as Exhibit B and which Employee must timely execute as a condition of grant;"

(c) As of the Effective Date, Exhibit B to the Agreement is null and void and is superseded and replaced by Exhibit A to this Amendment.

3. **Scope.** Except as otherwise provided in this Amendment, the provisions of the Agreement shall continue in full force and effect on and after the Effective Date.

4. **Defined Terms.** Except as otherwise defined in this Amendment, the capitalized terms in this Amendment shall have the same meaning as such terms have in the Agreement.

5. **Governing Law.** The validity, construction and interpretation of this Amendment shall be governed in all respects by the laws of the State of Texas applicable to contracts made and to be performed wholly within that State.

IN WITNESS WHEREOF, the parties have caused this Amendment to the Agreement to be duly executed and delivered as of the Effective Date.

COMPANY
Diodes Incorporated

By /s/ Richard D. White

Its: Chief Financial Officer and Secretary

EMPLOYEE

/s/ Dr. Keh-Shew Lu
Dr. Keh-Shew Lu

**DIODES INCORPORATED
2013 EQUITY INCENTIVE PLAN
PERFORMANCE STOCK UNIT AGREEMENT**

Diodes Incorporated, a Delaware corporation, (the "Company"), hereby awards Performance Stock Units ("PSUs") to the Participant named below. The terms and conditions of the Award are set forth in this cover sheet and in the attached Stock Unit Agreement (together, this "Agreement") and in the Diodes Incorporated 2013 Equity Incentive Plan as it may be amended from time to time (the "Plan").

Date of Award: February 21, 2017

Name of Participant: Dr. Keh-Shew Lu

Target Number of Performance Stock Units Awarded:

Fair Market Value of a Share on Date of Award: \$26.26

Vesting:

The PSUs are eligible to become vested upon the achievement of the 3-year financial performance measure of cumulative non-GAAP operating income for 2017 through 2019 of \$204.6 million (the "Target Performance"). Within ninety days after the end of the performance period, the Committee shall determine the degree to which Target Performance has been achieved (such date of determination is the "Determination Date" and that will also be the date of vesting for the Target Award).

If either a Qualifying Termination or a Change of Control occurs before the end of the three year performance period, then the performance goal and Target Award shall each be pro-rated based on the number of days within the performance period that have elapsed as of the end of the calendar month before the Qualifying Termination or Change of Control. The Committee shall determine the degree to which this pro-rated Target Performance was achieved as of the end of the calendar month before the Qualifying Termination or Change of Control and vesting (if any) of the Target Award shall be determined at that point in time.

The target number of PSUs (the "Target Award") will vest if the Target Performance is achieved. 50% of the Target Award (rounded down to nearest whole number) will vest upon 80% achievement of the Target Performance and 200% of the Target Award will vest upon 120% achievement of the Target Performance. Between 80% and 100% and between 100% and 120% achievement of Target Performance, the percentage of the Target Award that becomes vested (and rounded down to the nearest whole number) will be decreased or increased on a pro rata basis, with no vesting or payout below 80% achievement of Target Performance and vesting and payout limited to 200% of the Target Award if the Target Performance exceeds 120%.

Upon termination of your Service at any time before the earlier of a Qualifying Termination or Change of Control or the Determination Date and for any reason or no reason, all of your then unvested Performance Stock Units shall be forfeited to the Company without consideration as of your Termination Date. No partial vesting credit will be provided no matter when your Termination Date occurs.

By signing this cover sheet, you agree to all of the terms and conditions described in this Agreement and in the Plan. You are also acknowledging receipt of this Agreement and a copy of the Plan and the Plan's prospectus. Any inconsistency between this Agreement and the Plan shall be resolved by reference to the Plan.

Participant: /s/ Dr. Keh-Shew Lu
(Signature)

Company: Richard D. White
(Signature)

Title: Chief Financial Officer and Secretary

Attachment

**DIODES INCORPORATED 2013 EQUITY INCENTIVE PLAN
STOCK UNIT AGREEMENT**

1. The Plan and Other Agreements

The text of the Plan is incorporated in this Agreement by reference. You and the Company agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement. Unless otherwise defined in this Agreement, certain capitalized terms used in this Agreement are defined in the Plan.

This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award of Stock Units. Any prior agreements, commitments or negotiations concerning this Award are superseded.

This Agreement is the Stock Unit Agreement referenced in Section 2.1(ii) of the employment agreement by and between Participant and the Company, dated July 21, 2015, as amended on February 22, 2017 (the "Employment Agreement"). For purposes of this Agreement, a "Qualifying Termination" occurs on the date of termination of Participant's employment with the Company due to either (i) a termination by Participant for "good reason" (as defined in the Employment Agreement), (ii) a termination by the Company without "cause" (as defined in the Employment Agreement), (iii) Participant's death, or (iv) Participant's Disability. This Award is intended to constitute qualifying performance-based compensation under Code Section 162(m) and will be interpreted and administered in accordance with such intention.

For purposes of this Agreement, "Change of Control" shall have the same definition provided to "Change in Control" in the Plan except that in subclause (i) of such Change in Control definition, twenty-five percent (25%) shall be replaced by fifty percent (50%).

2. Award of Stock Units

The Company awards you the number of Stock Units shown on the cover sheet of this Agreement. The Award is subject to the terms and conditions of this Agreement and the Plan. The Company will not issue any Shares if the issuance of such Shares at that time would violate any law or regulation.

3. Vesting and Settlement

This Award will vest according to the Vesting Schedule described in the cover sheet of this Agreement. To the extent a Stock Unit becomes vested and subject to your satisfaction of any tax withholding obligations as discussed below, each vested Stock Unit will entitle you to receive one Share which will be distributed to you on the earliest of (i) a Change of Control, or (ii)

a Qualifying Termination or (iii) the vesting date set forth in the Vesting Schedule section in the cover sheet to this Agreement. Issuance of such Shares shall be in complete satisfaction of such vested Stock Units. Such settled Stock Units shall be immediately cancelled and no longer outstanding and you shall have no further rights or entitlements related to those settled Stock Units.

4. Transfer of Award

You cannot gift, transfer, assign, alienate, pledge, hypothecate, attach, sell, or encumber this Award. If you attempt to do any of these things, this Award will immediately become invalid. You may, however, dispose of this Award in your will or it may be transferred by the laws of descent and distribution. Regardless of any marital property settlement agreement, the Company is not obligated to recognize your spouse's interest in your Award in any other way.

5. Termination of Service – General

If, while the unvested Stock Units are outstanding, your Service terminates for any reason, other than being terminated by the Company for Cause or due to a Qualifying Termination or due to your death or Disability, then the unvested portion of your Stock Units shall be forfeited without consideration and shall immediately expire on your Termination Date.

6. Termination of Service for Cause

If your Service is terminated by the Company for Cause or if you commit an act(s) of Cause while the unvested Stock Units are outstanding, as determined by the Committee in its sole discretion, then you shall immediately forfeit all rights to your unvested Stock Units without consideration, and the entire unvested Stock Units shall immediately expire, and any rights, payments and benefits with respect to the unvested Stock Units shall be subject to reduction or recoupment in accordance with applicable Company policies and the Plan. For avoidance of doubt, your Service shall also be deemed to have been terminated for Cause by the Company if, after your Service has otherwise terminated, facts and circumstances are discovered that would have justified a termination for Cause, including, without limitation, your violation of Company policies or breach of confidentiality or other restrictive covenants or conditions that may apply prior to or after your Termination Date.

7. Leaves of Absence

For purposes of this Award, your Service does not terminate when you go on a bona fide leave of absence that was approved by the Company in writing, if the terms of the leave of absence provide for Service crediting, or when Service crediting is required by applicable law. Your Service terminates in any event when the approved leave of absence ends unless you immediately return to active work.

The Company determines which leaves of absence count for this purpose (along with determining the effect of a leave of absence on vesting of the Award), and when your Service terminates for all purposes under the Plan.

8. Stockholder Rights

As a holder of Stock Units, you shall have no rights other than those of a general creditor of the Company. Subject to the terms of this Agreement, a holder of outstanding Stock Units has none of the rights and privileges of a stockholder of the Company. Without limiting the generality of the foregoing, a holder of outstanding Stock Units has no right to vote or to receive dividends (if any) on the shares represented by such Stock Units. Subject to the terms and conditions of this Agreement, Stock Units create no fiduciary duty of the Company to you and only represent an unfunded and unsecured contractual obligation of the Company. The Stock Units shall not be treated as property or as a trust fund of any kind.

You, or your estate, shall have no rights as a stockholder of the Company with regard to the Award until you have been issued the applicable Shares by the Company and have satisfied all other conditions specified in the Plan. No adjustment shall be made for cash or stock dividends or other rights for which the record date is prior to the date when such applicable Shares are issued, except as provided in the Plan.

9. Taxes and Withholding

You will be solely responsible for payment of any and all applicable taxes, including without limitation any penalties or interest based upon such tax obligations, associated with this Award.

The delivery to you of any Shares underlying vested Stock Units will not be permitted unless and until you have satisfied any withholding or other taxes that may be due. Any such tax withholding obligations may be settled in the Company's discretion by the Company withholding and retaining a portion of the Shares from the Shares that would otherwise be deliverable to you under the vesting Stock Units as provided in the next two sentences. Such withheld Shares will be applied to pay the withholding obligation by using the aggregate fair market value of the withheld Shares as of the date of settlement. You will be delivered the net amount of vested Shares after the Share withholding has been effected and you will not receive the withheld Shares. The Company will not deliver any fractional number of Shares.

10. Code Section 409A

This Award will be administered and interpreted to comply with Code Section 409A. The provisions of the Plan concerning Code Section 409A will apply to this Award to the extent needed.

11. Restrictions on Resale

By signing this Agreement, you agree not to sell, transfer, dispose of, pledge, hypothecate, make any short sale of, or otherwise effect a similar transaction of any Shares acquired under this

Award (each a “Sale Prohibition”) at a time when applicable laws, regulations or Company or underwriter trading policies prohibit the sale or disposition of Shares.

The Company shall have the right to designate one or more periods of time, each of which generally will not exceed one hundred eighty (180) days in length (provided however, that such period may be extended in connection with the Company’s release (or announcement of release) of earnings results or other material news or events), and to impose a Sale Prohibition, if the Company determines (in its sole discretion) that such limitation(s) is/are needed in connection with a public offering of Shares or to comply with an underwriter’s request or trading policy, or could in any way facilitate a lessening of any restriction on transfer pursuant to the Securities Act or any state securities laws with respect to any issuance of securities by the Company, facilitate the registration or qualification of any securities by the Company under the Securities Act or any state securities laws, or facilitate the perfection of any exemption from the registration or qualification requirements of the Securities Act or any applicable state securities laws for the issuance or transfer of any securities. The Company may issue stop/transfer instructions and/or appropriately legend any stock certificates issued pursuant to this Award in order to ensure compliance with the foregoing.

If the sale of Shares acquired under this Award is not registered under the Securities Act, but an exemption is available which requires an investment representation or other representation and warranty, you shall represent and agree that the Shares being acquired are being acquired for investment, and not with a view to the sale or distribution thereof, and shall make such other representations and warranties as are deemed necessary or appropriate by the Company and its counsel.

You may also be required, as a condition of this Award, to enter into any Company stockholder agreement or other agreements that are applicable to stockholders.

12. Clawback Policy

You expressly acknowledge and agree to be bound by Section 15(e) of the Plan, which contains provisions addressing the Company’s policy on recoupment of equity or other compensation.

13. No Retention Rights

Your Award or this Agreement does not give you the right to be retained by the Company (or any Parent or any Subsidiaries or Affiliates) in any capacity. The Company (or any Parent and any Subsidiaries or Affiliates) reserves the right to terminate your Service at any time and for any reason.

14. Extraordinary Compensation

This Award and the Shares subject to the Award are not intended to constitute or replace any pension rights or compensation and

are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

15. Adjustments

In the event of a stock split, a stock dividend or a similar change in the Company stock, the number of outstanding Stock Units covered by this Award shall be adjusted (and rounded down to the nearest whole number) pursuant to the Plan. Your Stock Units shall be subject to the terms of the agreement of merger, liquidation or reorganization in the event the Company is subject to such corporate activity.

16. Legends

All certificates or book entries representing the Common Stock issued under this Award may, where applicable, have endorsed thereon the following notations or legends and any other notation or legend the Company determines appropriate:

“THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND OPTIONS TO PURCHASE SUCH SHARES SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR HIS OR HER PREDECESSOR IN INTEREST. A COPY OF SUCH AGREEMENT IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY AND WILL BE FURNISHED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY BY THE HOLDER OF RECORD OF THE SHARES REPRESENTED BY THIS CERTIFICATE.”

“THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR QUALIFICATION UNDER APPLICABLE STATE LAWS OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION OR QUALIFICATION IS NOT REQUIRED.”

17. Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of Delaware without reference to the conflicts of law provisions thereof.

18. Regulatory Compliance

The issuance of Common Stock pursuant to this Agreement shall be subject to full compliance with all applicable requirements of law and the requirements of any stock exchange or interdealer quotation system upon which the Common Stock may be listed or traded.

19. Binding Effect; No Third Party Beneficiaries

This Agreement shall be binding upon and inure to the benefit of the Company and you and any respective heirs, representatives, successors and permitted assigns. This Agreement shall not confer any rights or remedies upon any person other than the Company and you and any respective heirs, representatives, successors and permitted assigns. The parties agree that this Agreement shall survive the settlement or termination of the Award.

20. Notice

Any notice to be given or delivered to the Company relating to this Agreement shall be in writing and addressed to the Company at its principal corporate offices. All notices shall be deemed effective upon personal delivery or upon deposit in the postal mail, postage prepaid and properly addressed to the Company. Any notice to be given or delivered to you relating to this Agreement may be delivered by electronic form including without limitation by email (including prospectuses required by the SEC) as well as all other documents that the Company is required to deliver to its security holders (including annual reports and proxy statements). The Company may also deliver these documents by posting them on a web site maintained by the Company or by a third party under contract with the Company.

21. Voluntary Participant

You acknowledge that you are voluntarily participating in the Plan.

22. No Rights to Future Awards

Your rights, if any, in respect of or in connection with this Award or any other Awards are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary future Award. By accepting this Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you or benefits in lieu of other Awards even if Awards have been granted repeatedly in the past. All decisions with respect to future Awards, if any, will be at the sole discretion of the Committee.

23. Future Value

The future value of the underlying Shares is unknown and cannot be predicted with certainty. If the underlying Shares do not maintain or increase their value after the Date of Award, the Award could have little or no value. If you obtain Shares under this Award, the value of the Shares acquired upon settlement may subsequently increase or decrease in value, and could decrease to a value less than the taxes payable upon settlement.

24. No Advice Regarding Award

The Company has not provided any tax, legal or financial advice, nor has the Company made any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

25. No Right to Damages

You will have no right to bring a claim or to receive damages if any portion of the Award is cancelled or expires. The loss of existing or potential profit in the Award will not constitute an element of damages in the event of the termination of your Service for any reason, even if the termination is in violation of an obligation of the Company or a Parent or a Subsidiary or an Affiliate to you.

26. Data Privacy

You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by the Company for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company holds certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, gender, social security or insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Awards or any other entitlement to Shares awarded, cancelled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("Data"). You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere and that the recipient country may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any Shares acquired under the Plan.

27. Other Information

You agree to receive stockholder information, including copies of any annual report, proxy statement and periodic report, from the Company's website, if the Company wishes to provide such information through its website. You acknowledge that copies of the Plan, Plan prospectus, Plan information and stockholder information are also available upon written or telephonic request to the Plan's administrator.

28. Further Assistance

You agree to provide assistance reasonably requested by the Company in connection with actions taken by you while providing services to the Company, including but not limited to assistance in connection with any lawsuits or other claims against the Company arising from events during the period in which you rendered service to the Company.

29. Legal Compliance

The Company (or any Parent or any Subsidiaries or Affiliates) is not responsible for your legal compliance requirements relating to this Award, including, but not limited to, tax reporting.

30. Additional Conditions

If the Company shall determine, in its sole discretion, that the consent or approval of any governmental authority is necessary or desirable as a condition to the payment of benefits to you pursuant to the Plan, such payment shall not occur until such registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

31. Enforcement

The Company will be entitled to enforce its rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights to which it may be entitled. You agree and acknowledge that money damages may not be an adequate remedy for breach of the provisions of this Agreement and that the Company may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief in order to enforce or prevent any violations of the provisions of this Agreement.

32. Nondisclosure of Confidential Information

You acknowledge that the businesses of the Company is highly competitive and that the Company's strategies, methods, books, records, and documents, technical information concerning their products, equipment, services, and processes, procurement procedures and pricing techniques, the names of and other information (such as credit and financial data) concerning former, present or prospective customers and business affiliates, all comprise confidential business information and trade secrets which are valuable, special, and unique assets which the Company uses in their business to obtain a competitive advantage over competitors. You further acknowledge that protection of such confidential business information and trade secrets against unauthorized disclosure and use is of critical importance to the Company in maintaining its competitive position. You acknowledge that by reason of your duties to and association with the Company, you have had and will have access to and have and will become informed of confidential business information which

is a competitive asset of the Company. You hereby agree that you will not, at any time during or after employment, make any unauthorized disclosure of any confidential business information or trade secrets of the Company, or make any use thereof, except in the carrying out of services responsibilities. You shall take all necessary and appropriate steps to safeguard confidential business information and protect it against disclosure, misappropriation, misuse, loss and theft. Confidential business information shall not include information in the public domain (but only if the same becomes part of the public domain through a means other than a disclosure prohibited hereunder). The above notwithstanding, a disclosure shall not be unauthorized if (i) it is required by law or by a court of competent jurisdiction or (ii) it is in connection with any judicial, arbitration, dispute resolution or other legal proceeding in which your legal rights and obligations as a service provider or under this Agreement are at issue; provided, however, that you shall, to the extent practicable and lawful in any such events, give prior notice to the Company of your intent to disclose any such confidential business information in such context so as to allow the Company an opportunity (which you will not oppose) to obtain such protective orders or similar relief with respect thereto as may be deemed appropriate. Any information not specifically related to the Company would not be considered confidential to the Company. In the event of any conflict in terms between this Section 30 and the terms of any Company confidentiality or proprietary information agreement you have executed, the terms of such other confidentiality or proprietary information agreement shall prevail and govern.

DIODES INCORPORATED
2013 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

Diodes Incorporated, a Delaware corporation, (the "Company"), hereby awards Restricted Stock Units to the Participant named below. The terms and conditions of the Award are set forth in this cover sheet and in the attached Stock Unit Agreement (together, this "Agreement") and in the Diodes Incorporated 2013 Equity Incentive Plan as it may be amended from time to time (the "Plan").

Date of Award:

Name of Participant:

Number of Restricted Stock Units Awarded:

Fair Market Value of a Share on Date of Award: \$ _____.

Vesting Calculation Date: _____, [YEAR]

Vesting Schedule:

Subject to all the terms of this Agreement and your continuous Service through the applicable dates of vesting, you will become incrementally vested as to 25% of the total Number of Restricted Stock Units Awarded, as shown above, on each of the first four anniversaries of the Vesting Calculation Date. In all cases, the resulting aggregate number of vested Shares will be rounded down to the nearest whole number. Upon termination of your Service at any time and for any reason or no reason (other than termination due to your death or Disability), all of the then outstanding unvested Stock Units shall be forfeited to the Company without consideration as of your Termination Date. No partial vesting credit will be provided no matter when your Termination Date occurs. Notwithstanding the foregoing, upon termination of your Service due to your death or Disability, the unvested Stock Units: (1) shall become vested on an accelerated basis as of your Termination Date and (2) become fully vested immediately before a Change in Control.

By signing this cover sheet, you agree to all of the terms and conditions described in this Agreement and in the Plan. You are also acknowledging receipt of this Agreement and a copy of the Plan and the Plan's prospectus. Any inconsistency between this Agreement and the Plan shall be resolved by reference to the Plan.

Participant: _____
(Signature)

Company: _____
(Signature)

Title: _____
Attachment

**DIODES INCORPORATED
2013 EQUITY INCENTIVE PLAN**

STOCK UNIT AGREEMENT

1. The Plan and Other Agreements

The text of the Plan is incorporated in this Agreement by reference. You and the Company agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement. Unless otherwise defined in this Agreement, certain capitalized terms used in this Agreement are defined in the Plan.

This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award of Stock Units. Any prior agreements, commitments or negotiations concerning this Award are superseded.

2. Award of Stock Units

The Company awards you the number of Stock Units shown on the cover sheet of this Agreement. The Award is subject to the terms and conditions of this Agreement and the Plan. The Company will not issue any Shares if the issuance of such Shares at that time would violate any law or regulation.

3. Vesting and Settlement

This Award will vest according to the Vesting Schedule described in the cover sheet of this Agreement. To the extent a Stock Unit becomes vested and subject to your satisfaction of any tax withholding obligations as discussed below, each vested Stock Unit will entitle you to receive one Share which will be distributed to you on the earliest of (i) a Change in Control, or (ii) the vesting date set forth in the Vesting Schedule section in the cover sheet to this Agreement. Issuance of such Shares shall be in complete satisfaction of such vested Stock Units. Such settled Stock Units shall be immediately cancelled and no longer outstanding and you shall have no further rights or entitlements related to those settled Stock Units.

4. Transfer of Award

You cannot gift, transfer, assign, alienate, pledge, hypothecate, attach, sell, or encumber this Award. If you attempt to do any of these things, this Award will immediately become invalid. You may, however, dispose of this Award in your will or it may be transferred by the laws of descent and distribution. Regardless of any marital property settlement agreement, the Company is not obligated to recognize your spouse's interest in your Award in any other way.

5. Termination of Service – General

If, while the unvested Stock Units are outstanding, your Service terminates for any reason, other than being terminated by the Company for Cause or due to your death or Disability, then the unvested portion of your Stock Units shall be forfeited without consideration and shall immediately expire on your Termination Date.

6. Termination of Service for Cause

If your Service is terminated by the Company for Cause or if you commit an act(s) of Cause while the unvested Stock Units are outstanding, as determined by the Committee in its sole discretion, then you shall immediately forfeit all rights to your unvested Stock Units without consideration, and the entire unvested Stock Units shall immediately expire, and any rights, payments and benefits with respect to the unvested Stock Units shall be subject to reduction or recoupment in accordance with applicable Company policies and the Plan. For avoidance of doubt, your Service shall also be deemed to have been terminated for Cause by the Company if, after your Service has otherwise terminated, facts and circumstances are discovered that would have justified a termination for Cause, including, without limitation, your violation of Company policies or breach of confidentiality or other restrictive covenants or conditions that may apply prior to or after your Termination Date.

7. Termination of Service due to Death or Disability

If your Service terminates because of your death or Disability, then the unvested portion of your Stock Units shall become vested on an accelerated basis as of your Termination Date.

8. Leaves of Absence

For purposes of this Award, your Service does not terminate when you go on a bona fide leave of absence that was approved by the Company in writing, if the terms of the leave of absence provide for Service crediting, or when Service crediting is required by applicable law. Your Service terminates in any event when the approved leave of absence ends unless you immediately return to active work.

The Company determines which leaves of absence count for this purpose (along with determining the effect of a leave of absence on vesting of the Award), and when your Service terminates for all purposes under the Plan.

9. Stockholder Rights

As a holder of Stock Units, you shall have no rights other than those of a general creditor of the Company. Subject to the terms of this Agreement, a holder of outstanding Stock Units has none of the rights and privileges of a stockholder of the Company. Without limiting the generality of the foregoing, a holder of outstanding Stock Units has no right to vote or to receive dividends (if any) on the shares represented by such Stock Units. Subject to the terms and conditions of this Agreement, Stock Units create no fiduciary duty of the Company to you and only represent an unfunded and unsecured contractual obligation of the Company. The Stock Units shall not be treated as property or as a trust fund of any kind.

You, or your estate, shall have no rights as a stockholder of the Company with regard to the Award until you have been issued the applicable Shares by the Company and have satisfied all other conditions specified in the Plan. No adjustment shall be made for cash or stock dividends or other rights for which the record date is prior to the date when such applicable Shares are issued, except as provided in the Plan.

10. Taxes and Withholding

You will be solely responsible for payment of any and all applicable taxes, including without limitation any penalties or interest based upon such tax obligations, associated with this Award.

The delivery to you of any Shares underlying vested Stock Units will not be permitted unless and until you have satisfied any withholding or other taxes that may be due. Any such tax withholding obligations may be settled in the Company's discretion by the Company withholding and retaining a portion of the Shares from the Shares that would otherwise be deliverable to you under the vesting Stock Units as provided in the next two sentences. Such withheld Shares will be applied to pay the withholding obligation by using the aggregate fair market value of the withheld Shares as of the date of settlement. You will be delivered the net amount of vested Shares after the Share withholding has been effected and you will not receive the withheld Shares. The Company will not deliver any fractional number of Shares.

11. Code Section 409A

This Award will be administered and interpreted to comply with Code Section 409A. The provisions of the Plan concerning Code Section 409A will apply to this Award to the extent needed.

12. Restrictions on Resale

By signing this Agreement, you agree not to sell, transfer, dispose of, pledge, hypothecate, make any short sale of, or otherwise effect a similar transaction of any Shares acquired under this Award (each a "Sale Prohibition") at a time when applicable laws, regulations or Company or underwriter trading policies prohibit the sale or disposition of Shares.

The Company shall have the right to designate one or more periods of time, each of which generally will not exceed one hundred eighty (180) days in length (provided however, that such period may be extended in connection with the Company's release (or announcement of release) of earnings

results or other material news or events), and to impose a Sale Prohibition, if the Company determines (in its sole discretion) that such limitation(s) is/are needed in connection with a public offering of Shares or to comply with an underwriter's request or trading policy, or could in any way facilitate a lessening of any restriction on transfer pursuant to the Securities Act or any state securities laws with respect to any issuance of securities by the Company, facilitate the registration or qualification of any securities by the Company under the Securities Act or any state securities laws, or facilitate the perfection of any exemption from the registration or qualification requirements of the Securities Act or any applicable state securities laws for the issuance or transfer of any securities. The Company may issue stop/transfer instructions and/or appropriately legend any stock certificates issued pursuant to this Award in order to ensure compliance with the foregoing.

If the sale of Shares acquired under this Award is not registered under the Securities Act, but an exemption is available which requires an investment representation or other representation and warranty, you shall represent and agree that the Shares being acquired are being acquired for investment, and not with a view to the sale or distribution thereof, and shall make such other representations and warranties as are deemed necessary or appropriate by the Company and its counsel.

You may also be required, as a condition of this Award, to enter into any Company stockholder agreement or other agreements that are applicable to stockholders.

13. Clawback Policy

You expressly acknowledge and agree to be bound by Section 15(e) of the Plan, which contains provisions addressing the Company's policy on recoupment of equity or other compensation.

14. No Retention Rights

Your Award or this Agreement does not give you the right to be retained by the Company (or any Parent or any Subsidiaries or Affiliates) in any capacity. The Company (or any Parent and any Subsidiaries or Affiliates) reserves the right to terminate your Service at any time and for any reason.

15. Extraordinary Compensation

This Award and the Shares subject to the Award are not intended to constitute or replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

16. Adjustments

In the event of a stock split, a stock dividend or a similar change in the Company stock, the number of outstanding Stock Units covered by this Award shall be adjusted (and rounded down to the nearest whole number) pursuant to the Plan. Your Stock Units shall be subject to the terms of the agreement of merger, liquidation or reorganization in the event the Company is subject to such corporate activity.

17. Legends

All certificates or book entries representing the Common Stock issued under this Award may, where applicable, have endorsed thereon the following notations or legends and any other notation or legend the Company determines appropriate:

“THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND OPTIONS TO PURCHASE SUCH SHARES SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR HIS OR HER PREDECESSOR IN INTEREST. A COPY OF SUCH AGREEMENT IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY AND WILL BE FURNISHED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY BY THE HOLDER OF RECORD OF THE SHARES REPRESENTED BY THIS CERTIFICATE.”

“THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR QUALIFICATION UNDER APPLICABLE STATE LAWS OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION OR QUALIFICATION IS NOT REQUIRED.”

18. Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of Delaware without reference to the conflicts of law provisions thereof.

19. Regulatory Compliance

The issuance of Common Stock pursuant to this Agreement shall be subject to full compliance with all applicable requirements of law and the requirements of any stock exchange or interdealer quotation system upon which the Common Stock may be listed or traded.

20. Binding Effect; No Third Party Beneficiaries

This Agreement shall be binding upon and inure to the benefit of the Company and you and any respective heirs, representatives, successors and permitted assigns. This Agreement shall not confer any rights or remedies upon any person other than the Company and you and any respective heirs, representatives, successors and permitted assigns. The parties agree that this Agreement shall survive the settlement or termination of the Award.

21. Notice

Any notice to be given or delivered to the Company relating to this Agreement shall be in writing and addressed to the Company at its principal corporate offices. All notices shall be deemed effective upon personal delivery or upon deposit in the postal mail, postage prepaid and properly addressed to the Company. Any notice to be given or delivered to you relating to this Agreement may be delivered by electronic form including without limitation by email (including prospectuses required by the SEC) as well as all other documents that the Company is required to deliver to its security holders (including annual reports and proxy statements). The Company may also deliver these documents by posting them on a web site maintained by the Company or by a third party under contract with the Company.

22. Voluntary Participant

You acknowledge that you are voluntarily participating in the Plan.

23. No Rights to Future Awards

Your rights, if any, in respect of or in connection with this Award or any other Awards are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary future Award. By accepting this Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you or benefits in lieu of other Awards even if Awards have been granted repeatedly in the past. All decisions with respect to future Awards, if any, will be at the sole discretion of the Committee.

24. Future Value

The future value of the underlying Shares is unknown and cannot be predicted with certainty. If the underlying Shares do not maintain or increase their value after the Date of Award, the Award could have little or no value. If you obtain Shares under this Award, the value of the Shares acquired upon settlement may subsequently increase or decrease in value, and could decrease to a value less than the taxes payable upon settlement.

25. No Advice Regarding Award

The Company has not provided any tax, legal or financial advice, nor has the Company made any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

26. No Right to Damages

You will have no right to bring a claim or to receive damages if any portion of the Award is cancelled or expires. The loss of existing or potential profit in the Award will not constitute an element of damages in the event of the termination of your Service for any reason, even if the termination is in violation of an obligation of the Company or a Parent or a Subsidiary or an Affiliate to you.

27. Data Privacy

You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by the Company for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company holds certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, gender, social security or insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Awards or any other entitlement to Shares awarded, cancelled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan ("Data"). You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere and that the recipient country may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any Shares acquired under the Plan.

28. Other Information

You agree to receive stockholder information, including copies of any annual report, proxy statement and periodic report, from the Company's website, if the Company wishes to provide such information through its website. You acknowledge that copies of the Plan, Plan prospectus, Plan information and stockholder information are also available upon written or telephonic request to the Plan's administrator.

29. Further Assistance

You agree to provide assistance reasonably requested by the Company in connection with actions taken by you while providing services to the Company, including but not limited to assistance in connection with any lawsuits or other claims against the Company arising from events during the period in which you rendered service to the Company.

30. Legal Compliance

The Company (or any Parent or any Subsidiaries or Affiliates) is not responsible for your legal compliance requirements relating to this Award, including, but not limited to, tax reporting.

31. Additional Conditions

If the Company shall determine, in its sole discretion, that the consent or approval of any governmental authority is necessary or desirable as a condition to the payment of benefits to you pursuant to the Plan, such payment shall not occur until such registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

32. Enforcement

The Company will be entitled to enforce its rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights to which it may be entitled. You agree and acknowledge that money damages may not be an adequate remedy for breach of the provisions of this Agreement and that the Company may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief in order to enforce or prevent any violations of the provisions of this Agreement.

33. Nondisclosure of Confidential Information

You acknowledge that the businesses of the Company is highly competitive and that the Company's strategies, methods, books, records, and documents, technical information concerning their products, equipment, services, and processes, procurement procedures and pricing techniques, the names of and other information (such as credit and financial data) concerning former, present or prospective customers and business affiliates, all comprise confidential business information and trade secrets which are valuable, special, and unique assets which the Company uses in their business to obtain a competitive advantage over competitors. You further acknowledge that protection of such confidential business information and trade secrets against unauthorized disclosure and use is of critical importance to the Company in maintaining its competitive

position. You acknowledge that by reason of your duties to and association with the Company, you have had and will have access to and have and will become informed of confidential business information which is a competitive asset of the Company. You hereby agree that you will not, at any time during or after employment, make any unauthorized disclosure of any confidential business information or trade secrets of the Company, or make any use thereof, except in the carrying out of services responsibilities. You shall take all necessary and appropriate steps to safeguard confidential business information and protect it against disclosure, misappropriation, misuse, loss and theft. Confidential business information shall not include information in the public domain (but only if the same becomes part of the public domain through a means other than a disclosure prohibited hereunder). The above notwithstanding, a disclosure shall not be unauthorized if (i) it is required by law or by a court of competent jurisdiction or (ii) it is in connection with any judicial, arbitration, dispute resolution or other legal proceeding in which your legal rights and obligations as a service provider or under this Agreement are at issue; provided, however, that you shall, to the extent practicable and lawful in any such events, give prior notice to the Company of your intent to disclose any such confidential business information in such context so as to allow the Company an opportunity (which you will not oppose) to obtain such protective orders or similar relief with respect thereto as may be deemed appropriate. Any information not specifically related to the Company would not be considered confidential to the Company. In the event of any conflict in terms between this Section 30 and the terms of any Company confidentiality or proprietary information agreement you have executed, the terms of such other confidentiality or proprietary information agreement shall prevail and govern.

DIODES INCORPORATED
2013 EQUITY INCENTIVE PLAN
PERFORMANCE STOCK UNIT AGREEMENT

Diodes Incorporated, a Delaware corporation, (the "Company"), hereby awards Performance Stock Units ("PSUs") to the Participant named below. The terms and conditions of the Award are set forth in this cover sheet and in the attached Stock Unit Agreement (together, this "Agreement") and in the Diodes Incorporated 2013 Equity Incentive Plan as it may be amended from time to time (the "Plan").

Date of Award:

Name of Participant:

Target Number of Performance Stock Units Awarded:

Fair Market Value of a Share on Date of Award: \$_____._____

Vesting:

The PSUs are eligible to become vested] upon the achievement of the 3-year financial performance measure of cumulative non-GAAP operating income for [YEAR OF GRANT] through [THIRD FISCAL YEAR END AFTER DATE OF GRANT] of \$[XXXX] million (the "Target Performance"). Within ninety days after the end of the performance period, the Committee shall determine the degree to which Target Performance has been achieved (such date of determination is the "Determination Date" and that will also be the date of vesting for the Target Award).

If a Change of Control occurs before the end of the three year performance period, then the performance goal and Target Award shall each be pro-rated based on the number of days within the performance period that have elapsed as of the end of the calendar month before the Change of Control. The Committee shall determine the degree to which this pro-rated Target Performance was achieved as of the end of the calendar month before the Change of Control and vesting (if any) of the Target Award shall be determined at that point in time.

The target number of PSUs (the "Target Award") will vest if the Target Performance is achieved. 50% of the Target Award (rounded down to nearest whole number) will vest upon 80% achievement of the Target Performance and 200% of the Target Award will vest upon 120% achievement of the Target Performance. Between 80% and 100% and between 100% and 120% achievement of Target Performance, the percentage of the Target Award that becomes vested (and rounded down to the nearest whole number) will be decreased or increased on a pro rata basis, with no vesting or payout below 80% achievement of Target Performance and vesting and payout limited to 200% of the Target Award if the Target Performance exceeds 120%.

Upon termination of your Service at any time before the earlier of a Change of Control or the Determination Date and for any reason or no reason, all of your then unvested Performance Stock Units shall be forfeited to the Company without consideration as of your Termination Date. No partial vesting credit will be provided no matter when your Termination Date occurs.

By signing this cover sheet, you agree to all of the terms and conditions described in this Agreement and in the Plan. You are also acknowledging receipt of this Agreement and a copy of the Plan and the Plan's prospectus. Any inconsistency between this Agreement and the Plan shall be resolved by reference to the Plan.

Participant: _____
(Signature)

Company: _____
(Signature)

Title: _____

Attachment

**DIODES INCORPORATED
2013 EQUITY INCENTIVE PLAN**

STOCK UNIT AGREEMENT

1. The Plan and Other Agreements

The text of the Plan is incorporated in this Agreement by reference. You and the Company agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement. Unless otherwise defined in this Agreement, certain capitalized terms used in this Agreement are defined in the Plan.

This Agreement and the Plan constitute the entire understanding between you and the Company regarding this Award of Stock Units. Any prior agreements, commitments or negotiations concerning this Award are superseded.

For purposes of this Agreement, "Change of Control" shall have the same definition provided to "Change in Control" in the Plan except that in subclause (i) of such Change in Control definition, twenty-five percent (25%) shall be replaced by fifty percent (50%).

2. Award of Stock Units

The Company awards you the number of Stock Units shown on the cover sheet of this Agreement. The Award is subject to the terms and conditions of this Agreement and the Plan. The Company will not issue any Shares if the issuance of such Shares at that time would violate any law or regulation.

3. Vesting and Settlement

This Award will vest according to the Vesting Schedule described in the cover sheet of this Agreement. To the extent a Stock Unit becomes vested and subject to your satisfaction of any tax withholding obligations as discussed below, each vested Stock Unit will entitle you to receive one Share which will be distributed to you on the earliest of (i) a Change of Control, or (ii) the vesting date set forth in the Vesting Schedule section in the cover sheet to this Agreement. Issuance of such Shares shall be in complete satisfaction of such vested Stock Units. Such settled Stock Units shall be immediately cancelled and no longer outstanding and you shall have no further rights or entitlements related to those settled Stock Units.

4. Transfer of Award

You cannot gift, transfer, assign, alienate, pledge, hypothecate, attach, sell, or encumber this Award. If you attempt to do any of these things, this Award will immediately become invalid. You may, however, dispose of this Award in your will or it may be transferred by the laws of descent and distribution. Regardless of any marital property settlement agreement, the Company is not obligated to recognize your spouse's interest in your Award in any other way.

5. Termination of Service – General

If, while the unvested Stock Units are outstanding, your Service terminates for any reason, other than being terminated by the Company for Cause or due to your death or Disability, then the unvested portion of your Stock Units shall be forfeited without consideration and shall immediately expire on your Termination Date.

6. Termination of Service for Cause

If your Service is terminated by the Company for Cause or if you commit an act(s) of Cause while the unvested Stock Units are outstanding, as determined by the Committee in its sole discretion, then you shall immediately forfeit all rights to your unvested Stock Units without consideration, and the entire unvested Stock Units shall immediately expire, and any rights, payments and benefits with respect to the unvested Stock Units shall be subject to reduction or recoupment in accordance with applicable Company policies and the Plan. For avoidance of doubt, your Service shall also be deemed to have been terminated for Cause by the Company if, after your Service has otherwise terminated, facts and circumstances are discovered that would have justified a termination for Cause, including, without limitation, your violation of Company policies or breach of confidentiality or other restrictive covenants or conditions that may apply prior to or after your Termination Date.

7. Termination of Service due to Death or Disability

In the event of your death or Disability before the end of the three year performance period, then the performance goal and Target Award shall each be pro-rated based on the number of days within the performance period that have elapsed as of the end of the calendar month before the date of death or Disability. The Committee shall determine the degree to which this pro-rated Target Performance was achieved as of the end of the calendar month before the Change of Control and vesting (if any) of the Target Award shall be determined at that point in time.

8. Leaves of Absence

For purposes of this Award, your Service does not terminate when you go on a bona fide leave of absence that was approved by the Company in writing, if the terms of the leave of absence provide for Service crediting, or when Service crediting is required by applicable law. Your Service terminates in any event when the approved leave of absence ends unless you immediately return to active work.

The Company determines which leaves of absence count for this purpose (along with determining the effect of a leave of absence on vesting of the Award), and when your Service terminates for all purposes under the Plan.

9. Stockholder Rights

As a holder of Stock Units, you shall have no rights other than those of a general creditor of the Company. Subject to the terms

of this Agreement, a holder of outstanding Stock Units has none of the rights and privileges of a stockholder of the Company. Without limiting the generality of the foregoing, a holder of outstanding Stock Units has no right to vote or to receive dividends (if any) on the shares represented by such Stock Units. Subject to the terms and conditions of this Agreement, Stock Units create no fiduciary duty of the Company to you and only represent an unfunded and unsecured contractual obligation of the Company. The Stock Units shall not be treated as property or as a trust fund of any kind.

You, or your estate, shall have no rights as a stockholder of the Company with regard to the Award until you have been issued the applicable Shares by the Company and have satisfied all other conditions specified in the Plan. No adjustment shall be made for cash or stock dividends or other rights for which the record date is prior to the date when such applicable Shares are issued, except as provided in the Plan.

10. Taxes and Withholding

You will be solely responsible for payment of any and all applicable taxes, including without limitation any penalties or interest based upon such tax obligations, associated with this Award.

The delivery to you of any Shares underlying vested Stock Units will not be permitted unless and until you have satisfied any withholding or other taxes that may be due. Any such tax withholding obligations may be settled in the Company's discretion by the Company withholding and retaining a portion of the Shares from the Shares that would otherwise be deliverable to you under the vesting Stock Units as provided in the next two sentences. Such withheld Shares will be applied to pay the withholding obligation by using the aggregate fair market value of the withheld Shares as of the date of settlement. You will be delivered the net amount of vested Shares after the Share withholding has been effected and you will not receive the withheld Shares. The Company will not deliver any fractional number of Shares.

11. Code Section 409A

This Award will be administered and interpreted to comply with Code Section 409A. The provisions of the Plan concerning Code Section 409A will apply to this Award to the extent needed.

12. Restrictions on Resale

By signing this Agreement, you agree not to sell, transfer, dispose of, pledge, hypothecate, make any short sale of, or otherwise effect a similar transaction of any Shares acquired under this Award (each a "Sale Prohibition") at a time when applicable laws, regulations or Company or underwriter trading policies prohibit the sale or disposition of Shares.

The Company shall have the right to designate one or more

periods of time, each of which generally will not exceed one hundred eighty (180) days in length (provided however, that such period may be extended in connection with the Company's release (or announcement of release) of earnings results or other material news or events), and to impose a Sale Prohibition, if the Company determines (in its sole discretion) that such limitation(s) is/are needed in connection with a public offering of Shares or to comply with an underwriter's request or trading policy, or could in any way facilitate a lessening of any restriction on transfer pursuant to the Securities Act or any state securities laws with respect to any issuance of securities by the Company, facilitate the registration or qualification of any securities by the Company under the Securities Act or any state securities laws, or facilitate the perfection of any exemption from the registration or qualification requirements of the Securities Act or any applicable state securities laws for the issuance or transfer of any securities. The Company may issue stop/transfer instructions and/or appropriately legend any stock certificates issued pursuant to this Award in order to ensure compliance with the foregoing.

If the sale of Shares acquired under this Award is not registered under the Securities Act, but an exemption is available which requires an investment representation or other representation and warranty, you shall represent and agree that the Shares being acquired are being acquired for investment, and not with a view to the sale or distribution thereof, and shall make such other representations and warranties as are deemed necessary or appropriate by the Company and its counsel.

You may also be required, as a condition of this Award, to enter into any Company stockholder agreement or other agreements that are applicable to stockholders.

13. Clawback Policy

You expressly acknowledge and agree to be bound by Section 15(e) of the Plan, which contains provisions addressing the Company's policy on recoupment of equity or other compensation.

14. No Retention Rights

Your Award or this Agreement does not give you the right to be retained by the Company (or any Parent or any Subsidiaries or Affiliates) in any capacity. The Company (or any Parent and any Subsidiaries or Affiliates) reserves the right to terminate your Service at any time and for any reason.

15. Extraordinary Compensation

This Award and the Shares subject to the Award are not intended to constitute or replace any pension rights or compensation and are not to be considered compensation of a continuing or recurring nature, or part of your normal or expected compensation, and in no way represent any portion of your salary, compensation or other remuneration for any purpose, including

but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

16. Adjustments

In the event of a stock split, a stock dividend or a similar change in the Company stock, the number of outstanding Stock Units covered by this Award shall be adjusted (and rounded down to the nearest whole number) pursuant to the Plan. Your Stock Units shall be subject to the terms of the agreement of merger, liquidation or reorganization in the event the Company is subject to such corporate activity.

17. Legends

All certificates or book entries representing the Common Stock issued under this Award may, where applicable, have endorsed thereon the following notations or legends and any other notation or legend the Company determines appropriate:

“THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND OPTIONS TO PURCHASE SUCH SHARES SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR HIS OR HER PREDECESSOR IN INTEREST. A COPY OF SUCH AGREEMENT IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY AND WILL BE FURNISHED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY BY THE HOLDER OF RECORD OF THE SHARES REPRESENTED BY THIS CERTIFICATE.”

“THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR QUALIFICATION UNDER APPLICABLE STATE LAWS OR AN OPINION OF COUNSEL, SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION OR QUALIFICATION IS NOT REQUIRED.”

18. Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of Delaware without reference to the conflicts of law provisions thereof.

19. Regulatory Compliance

The issuance of Common Stock pursuant to this Agreement shall be subject to full compliance with all applicable requirements of

law and the requirements of any stock exchange or interdealer quotation system upon which the Common Stock may be listed or traded.

20. Binding Effect; No Third Party Beneficiaries

This Agreement shall be binding upon and inure to the benefit of the Company and you and any respective heirs, representatives, successors and permitted assigns. This Agreement shall not confer any rights or remedies upon any person other than the Company and you and any respective heirs, representatives, successors and permitted assigns. The parties agree that this Agreement shall survive the settlement or termination of the Award.

21. Notice

Any notice to be given or delivered to the Company relating to this Agreement shall be in writing and addressed to the Company at its principal corporate offices. All notices shall be deemed effective upon personal delivery or upon deposit in the postal mail, postage prepaid and properly addressed to the Company. Any notice to be given or delivered to you relating to this Agreement may be delivered by electronic form including without limitation by email (including prospectuses required by the SEC) as well as all other documents that the Company is required to deliver to its security holders (including annual reports and proxy statements). The Company may also deliver these documents by posting them on a web site maintained by the Company or by a third party under contract with the Company.

22. Voluntary Participant

You acknowledge that you are voluntarily participating in the Plan.

23. No Rights to Future Awards

Your rights, if any, in respect of or in connection with this Award or any other Awards are derived solely from the discretionary decision of the Company to permit you to participate in the Plan and to benefit from a discretionary future Award. By accepting this Award, you expressly acknowledge that there is no obligation on the part of the Company to continue the Plan and/or grant any additional Awards to you or benefits in lieu of other Awards even if Awards have been granted repeatedly in the past. All decisions with respect to future Awards, if any, will be at the sole discretion of the Committee.

24. Future Value

The future value of the underlying Shares is unknown and cannot be predicted with certainty. If the underlying Shares do not maintain or increase their value after the Date of Award, the Award could have little or no value. If you obtain Shares under this Award, the value of the Shares acquired upon settlement may subsequently increase or decrease in value, and could decrease to a value less than the taxes payable upon settlement.

25. No Advice Regarding Award

The Company has not provided any tax, legal or financial advice, nor has the Company made any recommendations regarding your

participation in the Plan, or your acquisition or sale of the underlying Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

26. No Right to Damages

You will have no right to bring a claim or to receive damages if any portion of the Award is cancelled or expires. The loss of existing or potential profit in the Award will not constitute an element of damages in the event of the termination of your Service for any reason, even if the termination is in violation of an obligation of the Company or a Parent or a Subsidiary or an Affiliate to you.

27. Data Privacy

You hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this document by the Company for the exclusive purpose of implementing, administering and managing your participation in the Plan. You understand that the Company holds certain personal information about you, including, but not limited to, name, home address and telephone number, date of birth, gender, social security or insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Awards or any other entitlement to Shares awarded, cancelled, purchased, exercised, vested, unvested or outstanding in your favor for the purpose of implementing, managing and administering the Plan (“Data”). You understand that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in your country or elsewhere and that the recipient country may have different data privacy laws and protections than your country. You authorize the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing your participation in the Plan, including any requisite transfer of such Data, as may be required to a broker or other third party with whom you may elect to deposit any Shares acquired under the Plan.

28. Other Information

You agree to receive stockholder information, including copies of any annual report, proxy statement and periodic report, from the Company’s website, if the Company wishes to provide such information through its website. You acknowledge that copies of the Plan, Plan prospectus, Plan information and stockholder information are also available upon written or telephonic request to the Plan’s administrator.

29. Further Assistance

You agree to provide assistance reasonably requested by the Company in connection with actions taken by you while

providing services to the Company, including but not limited to assistance in connection with any lawsuits or other claims against the Company arising from events during the period in which you rendered service to the Company.

30. Legal Compliance

The Company (or any Parent or any Subsidiaries or Affiliates) is not responsible for your legal compliance requirements relating to this Award, including, but not limited to, tax reporting.

31. Additional Conditions

If the Company shall determine, in its sole discretion, that the consent or approval of any governmental authority is necessary or desirable as a condition to the payment of benefits to you pursuant to the Plan, such payment shall not occur until such registration, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Company.

32. Enforcement

The Company will be entitled to enforce its rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights to which it may be entitled. You agree and acknowledge that money damages may not be an adequate remedy for breach of the provisions of this Agreement and that the Company may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief in order to enforce or prevent any violations of the provisions of this Agreement.

33. Nondisclosure of Confidential Information

You acknowledge that the businesses of the Company is highly competitive and that the Company's strategies, methods, books, records, and documents, technical information concerning their products, equipment, services, and processes, procurement procedures and pricing techniques, the names of and other information (such as credit and financial data) concerning former, present or prospective customers and business affiliates, all comprise confidential business information and trade secrets which are valuable, special, and unique assets which the Company uses in their business to obtain a competitive advantage over competitors. You further acknowledge that protection of such confidential business information and trade secrets against unauthorized disclosure and use is of critical importance to the Company in maintaining its competitive position. You acknowledge that by reason of your duties to and association with the Company, you have had and will have access to and have and will become informed of confidential business information which is a competitive asset of the Company. You hereby agree that you will not, at any time during or after employment, make any unauthorized disclosure of any confidential business information or trade secrets of the Company, or make any use thereof, except in the carrying out of services responsibilities. You shall take all

necessary and appropriate steps to safeguard confidential business information and protect it against disclosure, misappropriation, misuse, loss and theft. Confidential business information shall not include information in the public domain (but only if the same becomes part of the public domain through a means other than a disclosure prohibited hereunder). The above notwithstanding, a disclosure shall not be unauthorized if (i) it is required by law or by a court of competent jurisdiction or (ii) it is in connection with any judicial, arbitration, dispute resolution or other legal proceeding in which your legal rights and obligations as a service provider or under this Agreement are at issue; provided, however, that you shall, to the extent practicable and lawful in any such events, give prior notice to the Company of your intent to disclose any such confidential business information in such context so as to allow the Company an opportunity (which you will not oppose) to obtain such protective orders or similar relief with respect thereto as may be deemed appropriate. Any information not specifically related to the Company would not be considered confidential to the Company. In the event of any conflict in terms between this Section 30 and the terms of any Company confidentiality or proprietary information agreement you have executed, the terms of such other confidentiality or proprietary information agreement shall prevail and govern.