

## **Regulations Regarding Paragraph 2, Article 3 of the Act Governing Electronic Payment Institutions**

Article 1 These Regulations are adopted pursuant to Paragraph 2, Article 3 of the Act Governing Electronic Payment Institutions (referred to as the “Act” hereunder).

Article 2 The term "total balance of funds collected/paid as an agent" referred to in the proviso of Paragraph 1, Article 3 of the Act shall mean the average daily balance of funds collected/paid and kept for users as an agent over a one-year period in connection with the business of collecting and making payments for real transactions as an agent.

Article 3 The certain amount for the total balance of funds collected/paid as an agent provided in the proviso of Paragraph 1, Article 3 of the Act shall be NT\$1 billion.

Article 4 The average daily balance over a one-year period provided in Article 2 herein shall be calculated as follows:

1. First-time calculation:

- (1) Where an institution has engaged in the business of collecting and making payments for real transactions as an agent for more than one year before the Act becomes effective, the average daily balance shall be calculated by dividing the sum of average daily balance in one year before the date the Act becomes effective by the actual number of days in the year.
- (2) Where an institution has not engaged in the business of collecting and making payments for real transactions as an agent for more than one year before the Act becomes effective, the average daily balance shall be calculated by dividing the sum of average daily balance in one year starting from the date the business commenced by the actual number of days in the year.

2. Subsequent calculations: Subsequent average daily balances shall be calculated by dividing the sum of average daily balance from January 1 to December 31 of the year by the number of days in that year.

Article 5 An institution that is in a situation as provided in the proviso of Paragraph 1, Article 3 of the Act and the total balance of funds collected/paid and kept by it as an agent exceeds a certain amount following calculation shall apply to the competent authority for approval to establish an electronic payment institution within six (6) months from the next day following the last day of the calculation

period mentioned in the preceding paragraph in accordance with Paragraph 3, Article 3 of the Act.

Article 6 These Regulations shall be in force on May 3, 2015.