
Content

Title : Scope, Methods, and Procedures for Applications for Subsidies by Financial Institutions Assuming Disaster-Area Resident Homes and Land **Ch**

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Legislative : 1. Prescribed on February 29, 2000; Effective from February 5, 2000
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Content : Financial institutions agreeing to assume the homes, or homes and appurtenant land, of victims whose homes were damaged, as verified by the government, in the "921 Earthquake" [of September 21, 1999] under the provisions of Article 53, paragraph 1 of the Temporary Statute for 921 Earthquake Post-Disaster Reconstruction, may, when settling those original loans or a portion thereof not exceeding NT\$3.5 million, apply for subsidization within the scope of interest subsidies set forth in relevant regulations under Point 2 of the Emergency Decree. The scope, methods, and procedures of subsidization are as follows:

1. Scope of subsidization

(1) For loans with an outstanding balance of NT\$2 million of less, interest rate subsidies shall be calculated based upon the Postal Remittance and Savings Banks' floating interest rate on one-year postal time deposits (currently 5.35 percent per annum) minus three percentage points; for an amount of more than NT\$2 million but not exceeding NT\$3.5 million, calculation of interest rate subsidies shall be based upon the Postal Remittance and Savings Banks' floating interest rate on one-year postal time deposits.

(2) The term of subsidization shall be the time remaining on the original loan term plus five years, but shall not exceed 20 years at maximum.

Where victims have already applied for a loan from the emergency financing funds pursuant to regulations under Direction 2 of the Emergency Decree and have already created and registered mortgage rights, the provisions of the preceding paragraph do not apply.

2. Methods of subsidization

The Central Bank of China shall remit interest subsidy payments on a monthly basis into the reserve account opened by the financial institution with the Central Bank's Banking Department or another designated account.

3. Subsidization procedures

A financial institution, after assuming the balance of a disaster victim's original loan, shall fill out a "Checklist for Assumption of Earthquake Victim Homes and Appurtenant Land Damaged in the 921 Earthquake" (Attachment) and submit it to the Central Bank of China via mail with the application for subsidization.