

Content

Title : Regulations Governing Non-Business Operation Offices of Financial Institutions [Ch](#)

Date : 2006.12.29

Legislative : 1. Full 8 Articles adopted and promulgated on 25 June 1993 per Order No. (82)-Tai-Tsai-Rong-82147727 of the Ministry of Finance
2. Amended per Order Jin-Kuan-Yin-(2)-Zi-No. 09520008790 dated 2006/12/29

Content : Article 1

These Regulations are adopted pursuant to Paragraph 3, Article 57 of the Banking Act and Article 37 of the Credit Cooperatives Act. (IN OTHER TRANSLATIONS, WE HAVE BEEN CONSISTENTLY APPLYING SUBPARAGRAPH, PARAGRAPH AND THEN ARTICLE IN SUCH SEQUENCE TO THE DESCRIPTION OF A PROVISION).

Article 2

A bank or a credit cooperative (referred to as "financial institution" hereunder) that establishes, relocates, or closes a non-business operation office for business reasons shall do so in accordance with the Regulations .

"Non-business operation office" in the preceding paragraph means a computer center, employee training center, guest facility, customer service center, employee dormitory, or other management unit location that does not engage in external business .

Article 3

Before establishing, relocating, or closing a non-business operation office, a financial institution shall file an application with the Financial Supervisory Commission, Executive Yuan (referred to as the "competent authority" hereunder) in accordance with the regulations.

If the competent authority has not expressed disapproval or opposition within thirty (30) days from the date the application is received, it is deemed approved, provided that during the waiting period following submission of the application, the financial institution may not conduct any matters under application.

When the application documents submitted by a financial institution are incomplete or the information recorded therein is inadequate, and the financial institution has been notified to provide supplementation in full within a specified period, the application is deemed approved if the competent authority has not expressed disapproval or opposition within thirty (30) days from the date the financial institution has submitted the supplementation in full.

Before the expiration of a period specified in the preceding two paragraphs, the competent authority may, when necessary, give a written notice of a 30-day extension, provided that the waiting period is extended only once.

Article 4

A financial institution that applies to establish, relocate or close a non-business operation office shall submit an application together with the

meeting minutes of its board of directors or board of managing directors (in the case of the branch of a foreign bank in Taiwan, the letter of authorization from its head office or regional head office) to the competent authority:

The application for establishing a non-business operation office by a financial institution shall include the following contents (see Schedule 1 for format):

1. Address of the proposed location, name and organizational structure of user unit(s), and purpose of use.
2. Reasons for establishment.
3. An explanation of whether the location to be used involves any related party transaction matters.
4. Whether the proposed location conforms to the provisions in Article 7 herein that it will not be used for conducting external business.
5. Other matters as required by the competent authority.

The application for relocating a non-business operation office by a financial institution shall include the following contents (see Schedule 2 for format):

1. Date and document number of previous approval by the competent authority for establishment or relocation.
2. The address of the originally approved location and the proposed new location, the name and organizational structure of user unit(s) and the purpose of use.
3. Reasons for relocation.
4. An explanation of whether the proposed new location involves any related party transaction matters.
5. Whether the proposed location conforms to the provisions in Article 7 herein that it will not be used for conducting external business.
6. The plan for utilizing or disposing the original location after relocation.
7. Other matters as required by the competent authority.

The application for closing a non-business operation office by a financial institution shall include the following contents (see Schedule 3 for format):

1. Date and document number of previous approval by the competent authority for establishment or relocation.
2. The address of the location to be closed and name(s) of original user unit(s), and purpose of use.
3. Reasons for closure.
4. The plan for utilizing or disposing the original location after closure.
5. Other matters as required by the competent authority.

Article 5

When a financial institution changes the user unit(s) or purpose of use at a non-business operation office approved for establishment, it shall submit an application together with the meeting minutes of its board of directors or board of managing directors (in the case of the branch of a foreign bank in Taiwan, the letter of authorization from its head office or regional head office) to the competent authority:

The application referred to in the preceding paragraph shall include the following contents (see Schedule 4 for format):

1. Date and document number of previous approval by the competent authority for establishment or relocation.
2. The name and organizational structure of original user unit(s) and the original purpose of use.
3. The name and organizational structure of user unit(s), and purpose of use after change.
4. Reasons for change.
5. Whether the proposed change conforms to the provisions in Article 7 herein that it will not be used for conducting external business.
6. Other matters as required by the competent authority.

A financial institution shall report to the competent authority for prior approval if the address of an approved non-business operation office changes as a result of area enlargement or reduction.

Article 6

Unless having legitimate reasons otherwise approved by the competent authority, a financial institution that has been approved to establish, relocate, or close a non-business operation office, or change the user unit(s) of a non-business operation office shall complete the process within six (6) months from the approval date, and within fifteen (15) days from commencing the use, relocation, closure or changing, file related information in a manner as required by the competent authority. When a financial institution has not completed the establishment, relocation, closure, or change process within the time limit prescribed in the preceding paragraph, the original approval is void.

Article 7

A non-business operation office approved for establishment may not be made available for external business use without approval, and may not have the following activities:

1. Accepting face-to-face application from customers or discussing business with customers.
2. Providing the service of collecting or making payments.
3. Posting a sign or not having gate control that gives customers the false impression that the place is a business outlet of the financial institution.
4. Other activities as barred by the competent authority.

Article 8

The Regulations shall enter into force from the date of promulgation.