


Content

Title :	Jin-Guan-Yin-Wai-Zi-10200293011 
Date :	2013.12.27
Legislative :	Date: December 27, 2013
Content :	<p>1. For banks that are qualified under this order, their offshore banking branch (hereinafter referred to as the "OBU") may conduct other financial related foreign currency businesses that do not involve New Taiwan Dollars in addition to businesses set out in Subparagraphs 1 to 10, Article 4 of the Offshore Banking Act to individuals, juristic persons, and government agencies outside the territory of the Republic of China as well as onshore and offshore financial institutions without prior approval from the competent authority. However, when offering the aforesaid business to onshore financial institutions and such business pertains to foreign currency business, trust, bills, securities, futures, securities investment trust, securities investment consulting, insurance, or financial derivatives business, or involves financial business in Mainland Area that is not yet approved by the Central Bank for authorized banks to conduct, the OBUs shall comply with relevant laws and regulations in conducting the business.</p> <p>2. Banks that meet the following criteria are qualified under this order:</p> <ol style="list-style-type: none"><li>(1) Its non-performing loan (NPL) ratio did not exceed 1% at the end of each month for the last six months;</li><li>(2) Its loan loss provision coverage ratio at the end of the most recent month was 150% or higher;</li><li>(3) The ratio of its regulatory capital to risk-weighted assets at the end of the most recent quarter reached the statutory minimum requirement plus 1 percentage point;</li><li>(4) Not having been subject to major sanction/penalty or cumulative fines of NTD 1 million or more by the competent authority in the past year; the preceding provision does not apply if concrete improvement actions have been taken to remedy the violation and recognized by the competent authority; and</li><li>(5) For branches of foreign banks in Taiwan, the aforementioned NPL ratio, loan loss provision coverage ratio and the subjection of major sanction/penalty or cumulative fines shall be calculated and measured on the basis of branches within territory of Republic of China; the ratio of regulatory capital to risk-weighted assets shall be calculated and measured on the basis on its head office as the most recent period audited by a certified public accountant.</li></ol> <p>3. When an OBU engages in other financial related foreign currency business mentioned in Point 1 herein, it shall submit its business plan, a statement of regulatory compliance and a Self-Assessment Form of Qualification under the Order (as attached) to the competent authority for reference with a carbon copy to the Central Bank of Republic of China, within 15 days after commencement of business, if the submitted documents are deemed incomplete and the competent authority orders the submission of additional documents within a given time period, the competent authority may also order the bank to suspend its business to taking on new cases before rectifying the situation. However, the bank may continue the cases that have already been accepted prior to the suspension.</p> <p>4. The business plan shall contain the following particulars:</p> <ol style="list-style-type: none"><li>(1) Legal basis for conducting the business and evaluation/analysis of relevant regulations;</li><li>(2) Description of business;</li><li>(3) Customer protection measures and internal rules for related sales activities;</li><li>(4) Descriptions of department in charge, internal division of labor,</li></ol>

management, and qualifications, experience and competence of sales personnel;

(5) Operational guidelines, processes, risk and limit controls;

(6) Accounting treatment and method for accounting statement disclosure;

(7) Important clauses of contracts signed with customers; and

(8) Internal control and audit systems.

5. OBUs conducts the business which its head office (or the branch of a foreign bank that was established when the foreign bank applied for recognition) has been approved by or has filed with the competent authority, are not required to submit documents to the competent authority for reference according to Point 3 herein. An OBU shall, within 15 days after commencement of business, report to the competent authority and the Central Bank of Republic of China the date of the OBU commences into such business with a copy of the approval or acknowledgment letter granted from the competent authority.

6. This order takes effect immediately; the order of Financial Supervisory Commission, Executive Yuan dated August 25, 2005 (Doc. No. Gin-Guan-Yin (V)-Zi-0940023077) is voided immediately.

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Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System