

## Content

Title : Laws and Regulations Applicable to Offshore Securities Branches Conducting Business for Onshore Customers (Financial-Supervisory-Securities-Firms-10400483981) **Ch**

Date : 2015.11.27

Legislative : Laws and Regulations Applicable to Offshore Securities Branches Conducting Business for Onshore Customers (Financial-Supervisory-Securities-Firms-10400483981)

Content : Order of the Financial Supervisory Commission (FSC)

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I. An offshore securities branch of a securities firm conducting business with onshore natural persons, juristic persons, government agencies, or financial institutions shall comply with all laws and regulations relating to the conduct of business by securities firms, and comply with the following matters, pursuant to Article 3, paragraph 1 of the Regulations Governing Offshore Securities Branches:

1. When an offshore securities branch of a securities firm conducts the commission agency business under Article 22-4, paragraph 1, subparagraph 2 of the Offshore Banking Act ("the Act") with an onshore natural person, juristic person, government agency, or financial institution, it shall conduct such business pursuant to the Regulations Governing Securities Firms Accepting Orders to Trade Foreign Securities and relevant regulations. However, custody of customer accounts with respect to the above-mentioned business shall be separately governed by the applicable regulations.

2. When, under Article 22-4, paragraph 1, subparagraph 6 of the Act, an offshore securities branch of a securities firm conducts wealth management business for which its head office has received approval from the competent authority with an onshore natural person, juristic person, government agency, or financial institution, it shall do so pursuant to the Directions for the Conduct of Wealth Management Business by Securities Firms and relevant regulations.

II. An offshore securities branch of a securities firm engaged in trading the foreign currency denominated securities under Article 22-4, paragraph 1, subparagraph 3 of the Act, or other foreign currency denominated financial products approved by the competent authority, shall do so pursuant to the Regulations Governing Securities Firms and relevant regulations. An offshore securities branch trading securities denominated in a foreign currency for its own account with its own funds, when conducting payment of settlement funds and fees by remittance of funds from Taiwan to the overseas settlement account, or when having funds remitted back into Taiwan from abroad, pursuant to Article 19-2, paragraph 3 of the Regulations Governing Securities Firms, may do so through a foreign exchange deposit account opened at an offshore banking branch.

III. Matters governed by this Order shall be incorporated into the internal control and internal audit systems for implementation.

IV. This Order is effective from this day forward. FSC Order No. Financial-Supervisory-Securities-Firms-10300286541 of 25 August 2014 is repealed from this day forward.

Originals: To be posted on the public notice boards of the FSC and the Securities and Futures Bureau of the FSC

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