

Content

Title :	Regulations Governing Securities Trading on the Taipei Exchange <b>Ch</b>
Date :	2017.03.31
Legislative :	<ol style="list-style-type: none"><li>1. Promulgated on August 23, 1982 by the Securities &amp; Exchange Commission of the Ministry of Finance per Order Ref. No. (71) Taiwan-Finance-Securities (III)-1429</li><li>2. Articles 1, 3, 5, 7-12, 14, and 18 amended and promulgated and Article 16 deleted by the Securities &amp; Exchange Commission of the Ministry of Finance per 24 October 1994 Order Ref. No. (83) Taiwan-Finance-Securities-(III)-020831</li><li>3. Eighteen articles promulgated in full by the Securities &amp; Futures Commission of the Ministry of Finance per 28 September 2001 Order Ref. No. (90) Taiwan-Finance-Securities-(II)-160646; amended Articles 5, 9, 10 and 11 to take force on 1 January 2001; all other amended articles to take force on the date of promulgation.</li><li>4. Articles 3, 9 to 11, and 18 amended and issued per 10 July 2012 Order No. Financial-Supervisory-Securities-Firms-1010030243 of the Financial Supervisory Commission; for enforcement from the date of issuance</li><li>5. Article 10 amended and issued and Articles 13 and 17 deleted per 31 March 2017 Order No. Financial-Supervisory-Securities-Firms-1060008666 of the Financial Supervisory Commission</li></ol>
Content :	<p>Article 1 These Regulations are prescribed in accordance with paragraph 2 of Article 62 of the Securities and Exchange Act.</p> <p>Article 2 The term "trading of securities on the Taipei Exchange (TPEX)" as used in these Regulations means that the securities are not traded by competitive auction on the central stock exchange, but rather are traded over the counter specially provided by securities firms, and such trading may simply be referred to as "TPEX Trading."</p> <p>Article 3 Securities firms operating TPEX trading shall report to the Financial Supervisory Commission (FSC) for its approval pursuant to the relevant rules.</p> <p>Article 4 Securities traded on the TPEX shall be limited to stocks that are publicly issued pursuant to the Securities and Exchange Act but not traded on the central stock exchange, and other securities designated by the FSC.</p> <p>Article 5 Except for bonds issued by the government and other securities designated by the FSC for handling by the FSC on its authority, the issuers of other securities shall file an application with the Taipei Exchange for TPEX listing or registration. Where the stocks or bonds of corporations are already traded on the TPEX, and such corporations issue new shares or re-issue bonds, in addition to handling such pursuant to the related provisions and regulations, such corporations shall also report to the TPEX within 30 days of the issuance.</p> <p>Article 6 TPEX trading of securities shall be effected on a spot cash and stock basis.</p> <p>Article 7</p>

The TPEX shall prescribe Rules Governing Securities Trading on the TPEX by including the following items and report to the FSC for its approval:

1. The application for and the termination of TPEX trading of securities.
2. Trading on behalf of itself or on behalf of clients and the way of differentiating both.
3. The way to execute the brokerage trading contract.
4. The business hours and the unit of trading.
5. The way to publicly disclose trading price.
6. The unit or range of price increase or price decrease and the standard for determining price for initial TPEX trading.
7. The timing and method of clearing and settlement.
8. The transfer procedure of traded securities.
9. The arbitration and handling of the disputes of securities trading and violation of regulations.
10. Other related items of TPEX Trading.

#### Article 8

The TPEX shall prescribe Rules Governing the Review of Securities for Trading on the TPEX and report to the FSC for its approval.

#### Article 9

When the TPEX considers securities to be qualified for TPEX trading, it shall sign the contract for securities trading on the TPEX with their issuer, and report to the FSC for recordation.

#### Article 10

Except where otherwise provided by the FSC, the termination of the TPEX trading of securities shall be reported by the TPEX to the FSC for recordation pursuant to the provisions of related laws and regulations or the contract of the preceding Article.

#### Article 11

Suspension or resumption of TPEX trading of securities by the TPEX pursuant to the provisions of related laws or regulations, the TPEX trading contract, or for the protection of the public interest shall be reported to the FSC for recordation.

#### Article 12

Where the issuers of securities traded on the TPEX violate the Securities and Exchange Act or the order promulgated pursuant thereto, the FSC for the protection of public interest may order the TPEX to suspend or terminate the trading of the securities.

#### Article 13

(Deleted)

#### Article 14

Brokerage trading fee rates shall be reported to the FSC for its approval by the Securities Dealers Association after consultation with the TPEX.

#### Article 15

Securities firms handling brokerage trading of securities shall prepare and deliver a TPEX trade report to the principle when a trade is executed.

#### Article 16

Where the situations described in Article 156 of the Securities and Exchange Act occur to securities traded on the TPEX, paragraph 3 of Article 62 thereof shall be applicable by mutatis mutandis application of the provisions of Article 156 thereof by the FSC.

#### Article 17

(Deleted)

#### Article 18

These Regulations shall take force from the date of promulgation.

With the exception of Articles 5, 9, 10 and 11 as amended and issued on 28

September 2001, which take force on 1 January 2002, all other amended articles herein shall take force on the date of promulgation.

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Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System