

Content

---

Title :	Order of the Financial Supervisory Commission (FSC) Issue date: 22 May 2017 Issue no.: Financial-Supervisory-Securities-Firms-1060015205
Date :	2017.05.22
Legislative :	Order of the Financial Supervisory Commission (FSC) Issue date: 22 May 2017 Issue no.: Financial-Supervisory-Securities-Firms-1060015205

Content : 1. If an offshore securities branch (OSU) intends to conduct, within the scope of business set out in Article 22-4, paragraph 1, subparagraphs 1 to 6 of the Offshore Banking Act, any business for which its head office has obtained approval or recordation from the FSC and the Central Bank, and the business does not involve New Taiwan Dollars, then the OSU shall report by letter to the FSC for recordation, with a copy to the Central Bank, submitting therewith a photocopy of the letters of approval issued to the head office by the FSC and the Central Bank, and shall complete registration through the One-Stop Window for Securities Firm Filings. Once the OSU has reported to the FSC and copied the Central Bank, it may commence conducting the business.

2. An OSU that engages with customers, in connection with securities business, in spot foreign exchange transaction business between foreign currencies ("spot transaction business between foreign currencies") or foreign exchange currency derivatives business between foreign currencies under Article 22-4, paragraph 1, subparagraph 7 of the Offshore Banking Act, shall comply with the Regulations Governing Offshore Securities Branches and applicable rules adopted by the competent authority, except as provided below:

A. An OSU that engages with customers in spot transaction business between foreign currencies shall be subject mutatis mutandis to the provisions of Article 46, paragraph 1, subparagraph 1, and paragraph 2; Article 47, paragraph 1; Article 54; and Article 57 of the Regulations Governing the Conduct of Foreign Exchange Business by Securities Enterprises, and to the provisions of the preceding point.

B. An OSU that engages with customers in securities business-related foreign exchange currency derivatives business between foreign currencies shall do so in compliance with Article 12, paragraph 3 of the Regulations Governing Offshore Securities Branches, and the scope of the business and other compliance matters shall be subject mutatis mutandis to Article 54; Article 57; and Article 60, paragraphs 2 and 4 of the Regulations Governing the Conduct of Foreign Exchange Business by Securities Enterprises.

C. If the foreign exchange business conducted between an OSU and an onshore professional investor who is a natural person involves any Renminbi (RMB) denominated product or any instrument issued in the Mainland Area, the amounts of RMB purchased or sold through accounts per person per day shall be monitored and controlled by each individual securities firm, and those amounts shall be included in the calculation of all transactions conducted through all channels, whether over-the-counter or electronically, by the head office and each branch, and subject mutatis mutandis to Article 67, subparagraph 2 of the Regulations Governing the Conduct of Foreign Exchange Business by Securities Enterprises.

3. This Order is effective from this day forward; FSC Order No. Financial-Supervisory-Securities-Firms-10500297701 of 12 August 2016 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

Copies: Legal Affairs Committee, Executive Yuan; Central Bank; FSC (Department of Legal Affairs; Department of Information Management); Financial Examination Bureau of the FSC; Taiwan Stock Exchange Corporation; Taipei Exchange; Taiwan Depository & Clearing Corporation; Taiwan Securities Association; Lex Data Information Inc.; Root International Information Co., Ltd.; FSC Winkler Partners, Attorneys at Law