

## Content

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Content : 1. The “other securities” approved by the competent authority under Article 22, paragraph 1 of the Securities and Exchange Act include foreign currency denominated government bonds or straight corporate bonds publicly offered and issued within the Republic of China (ROC) by foreign issuers and sold only to professional investors and Renminbi denominated straight corporate bonds offered and issued within the ROC by Mainland Area registered juristic persons and sold only to professional investors. Such securities are subject to the following provisions:

A. For foreign currency denominated government bonds or straight corporate bonds offered and issued within the ROC by a foreign issuer and sold only to professional investors:

a. The foreign issuer is exempted from the requirements listed below, provided that the foreign issuer shall still be required to comply with the laws and regulations of the country where it is registered:

I. The requirement to carry out effective registration of the public offering and issuance of the securities with the competent authority under Article 22, paragraph 1 of the Securities and Exchange Act.

II. The information disclosure requirements relating to public announcement and filing for registration of the annual and quarterly financial reports under Article 36 of the Securities and Exchange Act.

III. The requirements of the Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses or the Regulations Governing Information to be Published in Financial Institution Prospectuses for Offering and Issuance of Securities.

b. A foreign issuer issuing an aforesaid government bond or straight corporate bond shall comply with the following requirements:

I. The interest shall be calculated by a fixed rate or a positive floating rate. The proceeds raised shall be retained in foreign currency, and may not be converted into New Taiwan dollars for use.

II. The prospectus shall be prepared in accordance with established conventions in international financial markets.

III. The issuer shall file for recordation in advance with the Foreign Exchange Department of the Central Bank, with a copy to the Taipei Exchange (TPEx), attaching information including the predetermined issuance terms, basic information of the issuer, and the intended use of the proceeds. If there is any change in the plan of use of proceeds, it shall also be filed for recordation in advance with the Foreign Exchange Department of the Central Bank.

IV. Within 15 days after the issuance, the issuer shall report information relating to the issue on the Financial Supervisory Commission (FSC)-designated information reporting website (e.g. if a credit rating has been assigned to the bond, the credit rating shall be disclosed). Unless the foreign issuer is a government agency, it shall, by the 10th day of each month after the issuance, update the information relating to the outstanding balance of the bond on the FSC-designated information reporting website. If the foreign issuer is a Taiwan Stock Exchange Corporation (TWSE) primary listed company or a TPEx primary listed company, it shall additionally, within 10 days after the end of each quarter, enter the quarterly statement of use of proceeds into the FSC-designated information

reporting website, and on a quarterly basis shall contact the original lead underwriter or the attesting certified public accountant to issue an opinion on the reasonableness of the progress made in the use of proceeds and the handling of unused proceeds and on whether any change to the plan is required; it shall do the same whenever there is any change to the plan of use of proceeds.

V. The issuer shall apply and register with the TPEx for the trading of the bond on the TPEx.

c. The offerees of the aforesaid government bonds or straight corporate bonds, and the trading counterparties to whom any buyers resell the bonds, shall be limited to professional investors, and this restriction shall be specified both in the issuance terms and on the cover of the prospectus.

B. For Renminbi denominated straight corporate bonds offered and issued within the ROC by a Mainland Area registered juristic person and sold only to professional investors:

a. The issuer shall first obtain an approval letter from the TPEx for the trading of the bonds on the TPEx, and then shall file for recordation in advance with the Foreign Exchange Department of the Central Bank, submitting the approval letter together with the predetermined issuance terms, the basic information of the issuer, and the intended use of the proceeds, with copies to the Securities and Futures Bureau of the FSC and the TPEx.

b. Within 1 month from the date it obtains the approval letter for the trading of the bonds on the TPEx, the issuer shall apply and register with the TPEx for the trading of the bonds on the TPEx.

c. All remaining matters shall be handled in accordance with the provisions of the preceding subparagraph.

2. The terms "foreign issuer," "Mainland Area registered juristic person," and "professional investor" are defined in accordance with the Taipei Exchange Rules Governing Management of Foreign Currency Denominated International Bonds and related provisions.

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 and Department of Information Management); FSC Financial Examination Bureau; FSC Banking Bureau; FSC Insurance Bureau; Taiwan Stock Exchange Corporation; Taipei Exchange; Securities & Futures Institute; Taiwan Securities Association; Taiwan Depository & Clearing Corporation; Lex Data Information Inc.; Root International Information Co., Ltd.; Winkler Partners, Attorneys at Law

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Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System