


Content

Title :	Order of the Financial Supervisory Commission Issue date: 14 June 2019 Issue no.: Financial-Supervisory-Securities-Corporate-1080314118 
Date :	2019.06.14
Legislative :	Order of the Financial Supervisory Commission Issue date: 14 June 2019 Issue no.: Financial-Supervisory-Securities-Corporate-1080314118
Content :	<p>1. The "other securities" approved by the competent authority under Article 22, paragraph 1 of the Securities and Exchange Act include foreign currency denominated Sukuk publicly offered and issued within the Republic of China (ROC) by foreign issuers and sold only to professional investors. Such securities are subject to the following provisions:</p> <p>A. The terms "foreign issuer," "professional investor," "Sukuk," and "obligor" are defined with the Taipei Exchange (TPEX) Rules Governing Management of Foreign Currency Denominated International Bonds and related provisions.</p> <p>B. 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:</p> <p>a. The requirement to file for 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.</p> <p>b. 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.</p> <p>c. 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.</p> <p>C. A foreign issuer issuing an aforesaid Sukuk shall comply with the following requirements:</p> <p>a. The periodic income distribution 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.</p> <p>b. The prospectus shall be prepared in accordance with established conventions in international financial markets.</p> <p>c. The issuer shall file for recordation in advance with the Foreign Exchange Department of the Central Bank, with a copy to the TPEX, attaching information including the predetermined issuance terms, basic information of the issuer and the obligor, and the intended use of the proceeds. If the obligor is a government, the issuer shall additionally submit the credit rating report or evidentiary documents. 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.</p> <p>d. After the Sukuk have been issued, the issuer shall perform information disclosure as follows:</p> <p>I. Within 15 days after the issuance, the issuer shall report information relating to the issue on the Market Observation Post System. (If a credit rating has been assigned to the Sukuk, the credit rating shall be disclosed.)</p> <p>II. Unless the obligor is a government agency, the foreign issuer shall, by the 10th day of each month after the issuance, update the information relating to the outstanding balance of the Sukuk on the Market Observation Post System.</p> <p>III. If the obligor is a Taiwan Stock Exchange Corporation (TWSE) primary listed company or a TPEX primary listed company, the foreign issuer on a</p>

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, and within 10 days after the end of each quarter, shall enter the quarterly statement of use of proceeds into the Market Observation Post System; it shall do the same whenever there is any change to the plan of use of proceeds.

e. The issuer shall apply and register with the TPEX for the trading of the Sukuk on the TPEX.

D. The offerees of the aforesaid Sukuk, and the trading counterparties to whom any buyers resell the Sukuk, shall be limited to professional investors, and this restriction shall be specified both in the issuance terms and on the cover of the prospectus.

2. This Order is effective from this day forward.

Originals: To be posted on the public notice boards of the Financial Supervisory Commission (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; Taiwan Securities Association; Taiwan Depository & Clearing Corporation; Lex Data Information Inc.; Root International Information Co., Ltd.