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| Title : | Regulations Governing the Preparation of Financial Reports by Insurance Enterprises Ch |
| Date : | 2020.05.11 |
| Legislative : | Amended on 11 May 2020 per Order Ref. Jin-Kuan-Bao-Tsai 10904917641 of the Financial Supervisory Commission. |
| Content : | <p>Article 6</p> <p>An insurance enterprise shall comply with the following provisions when making accounting change:</p> <p>1. Change in accounting policy:</p> <p>(1) When an insurance enterprise changes an accounting policy voluntarily in a new fiscal year in order to produce financial reports that provide reliable and more relevant information about the effects of transactions or other events or conditions on the insurance enterprise's financial position, financial performance, or cash flows, it shall request its certified public accountant (CPA) to provide an item-by-item analysis and review opinion on the reasonableness of the nature of the change in accounting policy, the reasons why applying the new accounting policy provides reliable and more relevant information, each line item affected and the estimated effect for the fiscal year preceding the earliest fiscal year affected by retrospective application of the new accounting policy, and the actual effect on the opening balance of retained earnings for the immediately preceding fiscal year. These shall be submitted as a proposal for adoption by resolution of the board of directors (council), after which they shall be submitted to the FSC for approval. Upon approval by the FSC, the insurance enterprise shall publicly announce the estimated effects arising from the application of the new accounting policy and the CPA review opinion.</p> <p>(2) If, for the voluntary change in accounting policy in the new fiscal year, it is impracticable to determine either the period-specific effects or the cumulative effect of the change, as described in paragraph 23 of IAS 8, the insurance enterprise shall calculate the effects in accordance with paragraph 24 of IAS 8 and the preceding item, and shall request a CPA to provide an item-by-item analysis and review opinion on the reasonableness of the reasons why retrospective application is impracticable and how and from when the change in accounting policy has been applied, and also provide an opinion on the impact on the audit opinion for the fiscal year preceding the change in accounting policy. The insurance enterprise shall then follow the procedure described above.</p> <p>(3) Unless it is impracticable to determine the effects as described in the preceding item, an insurance enterprise shall, within 2 months after the beginning of the fiscal year in which the new accounting policy is adopted, calculate the line items affected and the actual effect for the fiscal year preceding the earliest fiscal year affected by retrospective application of the new accounting policy and the actual effect on the opening balance of retained earnings for the immediately preceding fiscal year, and shall submit the calculations for adoption by the board of directors (council), after which they shall be publicly announced and filed and submitted to the FSC for recordation. If the difference between the actual effect of the change in accounting policy and the original estimated effect in public announcement and filing is NT\$10 million or more, and exceeds 1% of the net operating revenue for the immediately preceding fiscal year or 5% of the paid-in capital, the insurance enterprise shall analyze the reasons for the difference and request a CPA to provide an opinion on its reasonableness. The analysis and the CPA's opinion shall also be publicly announced and filed with the FSC.</p> <p>(4) Except when an insurance enterprise applies a new accounting policy to</p> |

newly purchased assets, in which case the provisions of the preceding items need not apply, if a change in accounting policy is adopted without having been duly filed for approval, the financial reports for the fiscal year in which the new accounting policy was applied shall be restated, and the new accounting policy may only be applied starting from the next fiscal year after a supplementary filing has been made and approved.

2. With respect to accounting estimates relating to a change in the useful life or depreciation (depletion) method of depreciable or depletable assets, a change in the amortization period or amortization method of intangible assets, or a change in the residual value of any such assets, in addition to complying with item (4) of the preceding subparagraph, an insurance enterprise shall request a CPA to provide an analysis and review opinion on the reasonableness of the nature of the changes in accounting estimates and the reasons why the changes in accounting estimates can provide reliable and more relevant information. The changes in accounting estimates and CPA's opinion shall be submitted as a proposal for adoption by resolution of the board of directors (council), and then publicly announced and filed after approval by the FSC.

When an insurance enterprise changes its accounting policy or accounting estimates after the start date of a fiscal year in accordance with the provisions of the preceding paragraph, it shall publicly announce and file the change period that the new accounting policy applies retroactively, line items affected and the actual effect for the immediately preceding fiscal year, and the actual effect on the opening balance of retained earnings for the immediately preceding fiscal year, and add an explanation to the reasonableness and necessity of changing the accounting policy or accounting estimates after the start date of a fiscal year. The insurance enterprise shall also request a CPA to provide an item-by-item analysis and review opinion on the reasonableness of changes and other items. These shall be submitted as a proposal for adoption by resolution of the board of directors (council) and then handled the same according to the procedure set out in Item (1), Subparagraph 1 of the preceding paragraph.

The expression "publicly announce and file" as used in this article means entering the information into the website designated by the FSC for the submission of electronic filings.

Where an insurance enterprise has established the position of independent director, when it submits proposals for adoption by resolution of the board of directors (council) pursuant to Paragraph 1 or Paragraph 2 hereof, it shall take into full consideration each independent director's opinion; where an independent director has an objection or reservation, the objection or reservation shall be recorded in the minutes of the meeting of the board of directors.

Article 9

Assets shall be properly classified and presented in the order of relative liquidity.

For each asset line item, the total amount expected to be recovered within 12 months after the balance sheet date and the total amount expected to be recovered more than 12 months after the balance sheet date shall be separately disclosed in the notes to the financial statements (referred to as the "Notes" hereunder).

Assets presented in the balance sheet shall include at least the following line items:

1. Cash and cash equivalents:

(1) Cash on hand, demand deposits, and short-term, highly liquid time deposits or investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(2) An insurance enterprise shall disclose the components of cash and cash equivalents and the policy which it adopts in determining the composition of cash and cash equivalents.

2. Receivables: Including receivables other than claims and payments recoverable from reinsurers and due from reinsurers and ceding companies, such as notes receivable, premiums receivable and other receivables.

(1) Notes receivable:

A. These receivables include notes receivables and non-accrual receivables.

B. Notes receivable shall be measured at amortized cost using the effective

interest method. However, short-term notes receivables with no stated interest rate may be measured at the original invoice amount if the effect of discounting is immaterial.

C. With respect to discounted or transferred notes receivable, an assessment shall be made to determine whether the risks and rewards of the notes receivables, and the control retained over them will qualify them for derecognition under IFRS 9.

D. Notes receivables arising from operating activities and other notes receivable arising from non-operating activities shall be separately presented. Notes receivables from related parties in significant amounts shall also be separately presented.

E. Notes furnished as security shall be indicated in the Notes.

F. The amount of non-accrual receivables shall be disclosed in the Notes.

(2) Premiums receivable:

A. This receivable includes premiums receivable and non-accrual receivables arising from direct policy underwriting in the case of non-life insurers or premiums receivable and non-accrual receivables accrued during the insurance grace period in the case of life insurers (applicable to insurance businesses mandated by the government only).

B. Premiums from related parties in significant amounts shall be separately presented.

C. The amount of non-accrual receivables shall be disclosed in the Notes.

(3) Other receivables:

A. These receivables include receivables and non-accrual receivables other than notes receivable and premiums receivable.

B. The amount of non-accrual receivables shall be disclosed in the Notes.

3. Current tax assets: The portion of the tax amount already paid in respect of current and prior periods that exceeds the amount due for those periods.

4. Assets held for sale:

(1) "Assets held for sale" means any asset or asset included in a disposal group held for sale, that is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups), and whose sale must be highly probable.

(2) The measurement, presentation, and disclosure of assets held for sale and disposal groups held for sale shall be made in accordance with IFRS 5.

(3) When assets or disposal groups classified as held for sale no longer meet the criteria in IFRS 5, they shall cease to be classified as held for sale.

(4) When assets or disposal groups meet the definition of held for distribution to owners, they shall be reclassified from held for sale to held for distribution to owners, and shall be deemed an extension of the original disposal plan, and the classification, presentation, and measurement of the new disposal plan shall apply. When the assets or disposal groups classified as held for distribution to owners no longer meet the criteria in IFRS 5, they shall cease to be classified as held for distribution to owners.

5. Financial assets measured at fair value through profit or loss:

(1) These assets refer to financial assets other than those measured at amortized cost or those measured at fair value through other comprehensive income.

(2) Financial assets carried at amortized cost or at fair value through other comprehensive income may be designated as financial assets measured at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch.

6. Financial assets measured at fair value through other comprehensive income:

(1) Debt instrument investments that meet the following conditions simultaneously:

A. The debt instrument is held by the insurance enterprise within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

B. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(2) Equity investments not held for trading for which an irrevocable

election is made at initial recognition to recognize changes in fair value in other comprehensive income (fair value through other comprehensive income).

7. Financial assets measured at amortized cost are assets that meet the following conditions simultaneously:

(1) The debt instrument is held by the insurance enterprise within a business model whose objective is achieved by collecting contractual cash flows; and

(2) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

8. Financial assets for hedging are effective hedging instruments designated as such according to hedge accounting requirements.

9. Investments accounted for using the equity method:

(1) The valuation and presentation of investments accounted for using the equity method shall be made in accordance with IAS 28.

(2) When investment gain or loss is recognized, if the financial report prepared by an associate do not conform to these Regulations, the financial report shall first be adjusted to achieve conformance before it may be used to recognize investment gain or loss. The financial report of an associate to which the equity method applies shall be prepared as of the same date as that of the investor, and if prepared as of a different date, adjustments shall be made for the effects of significant transactions or events that occur between that date and the date of the investor's financial report.

However, under no circumstances should the difference between the balance sheet date of the associate and that of the investor be longer than three months. If a CPA determines, pursuant to Statement of Auditing Standards No. 51, that an associate has a material effect on the fair presentation of the financial report of an investor, the financial report of the associate shall be audited by a CPA in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and generally accepted auditing standards.

(3) If an investment accounted for using the equity method is pledged as collateral or otherwise subject to any restriction or limitation, the fact shall be noted.

10. Other financial assets: Financial assets not attributable to any of the classes above; if the loss allowance is set aside, the financial asset shall be presented on a net basis with the loss allowance deducted.

11. Right-of-use asset:

(1) Means an asset that represents a lessee's right to use an underlying asset for the lease term.

(2) A right-of-use asset shall be accounted for in accordance with IFRS 16.

12. Investment property:

(1) Investment property shall mean property held, by the owner or by the lessee with the right of use, to earn rentals, or for capital appreciation, or both.

(2) Investment property shall be accounted for in accordance with IAS 40, and investment property that is subsequently measured using the fair value model shall be subject to the following provisions:

A. Fair value measurement shall use income approach or cost approach.

However the preceding provision does not apply to investment properties that have been subsequently measured after initial recognition using the fair value model prior to the promulgation of the amendment on May 11, 2020, in which case, valuation shall use market value as basis of fair value measurement, and may not be performed based on specific market value, specified market value or special value.

B. An investment property that is leased out with a lease term of more than one year shall be measured using the income approach and subject to the following provisions:

a. Cash flow: Cash flow shall be valued on the basis of existing lease. If there is an end-of-period value, the present value of the end-of-period value may be added.

b. Analysis period: When there is no specified period for the income, the analysis period should not be longer than the years of the property's physical durability; when there is a specified period for the income, the income shall be estimated for the remainder of the specified period.

c. Discount rate: The discount rate shall be determined using the risk premium approach only, with the calculation based on a certain interest rate, plus an estimate based on the individual characteristics of the investment property. The term "based on a certain interest rate" means the interest rate may not be lower than the floating interest rate offered by the Chunghwa Post Co., Ltd. for 2-year time deposit of a small amount, plus 1.25 percentage points.

C. An investment property without a lease term of more than one year or with a lease that has been terminated, rescinded or nullified for more than one year shall be measured using the cost approach.

D. Insurance liability shall be subsequently measured based on the fair value measurement criteria designated by the FSC every year. When the measured fair value of insurance liability is greater than its carrying amount, an improvement plan shall be proposed. Where the improvement plan includes the amount of additional reserve to be set aside, the amount of increase in reserve shall be added to the policy reserve and deducted from retained earnings.

E. An insurance enterprise shall, at the time fair value model is adopted for its investment property, engage an external joint appraisers office to assess the value of each and every investment property in accordance with relevant provisions of these Regulations, and at the balance sheet date, engage an appraiser to review the original appraisal report to determine whether to issue a new appraisal report. In addition, an insurance enterprise shall obtain an appraisal report issued by an appraiser at least once every half a year.

F. When the valuation of any single investment property held is above NT\$1 billion, an insurance enterprise shall engage at least two joint appraisers offices to conduct the appraisal.

G. Property valuation shall use market value as basis of fair value measurement, and may not be performed based on specific market value, specified market value or special value.

H. If an insurance enterprise uses the fair value model for subsequent measurement of investment property, it shall adopt the same model for all of its investment property in accordance with IAS 40. However for vacant lands, an insurance enterprise shall measure the property in accordance with paragraph 53 of IAS 40 after obtaining construction license and undertaking development, and describe the change in the Notes for the current year.

I. The external joint appraisers office mentioned in Item (2). E. hereof and its appraisers shall perform appraisal in accordance with the relevant Statements of Valuation Standards issued by the Accounting Research and Development Foundation (ARDF), the Real Estate Appraiser Act and the Regulations Governing Real Estate Appraisals as well as appraisal methods and appraisal report contents set out in the technical bulletins issued by the real estate appraisers association, and shall meet the following requirements:

a. The joint appraisers office shall have at least five employees and at least two practicing real estate appraisers who are members of a real estate appraisers association.

b. The appraiser must have at least 5 years of practical experience in real estate appraisal.

c. The appraiser has had the experiencing of participating in the valuation of real estate owned by a domestic company listed on Taiwan Stock Exchange (TWSE) or Taipei Exchange (TPEX).

d. The appraiser has relevant appraisal experience within the past year with respect to the location and category of the investment property being appraised.

e. The appraiser has never received a fixed prison sentence or a more severe punishment from a court due to an offense involving fraud, breach of fiduciary duty, embezzlement, or forgery in connection with real estate appraisal business.

f. The appraiser does not have a related party or substantive related party relationship as defined in IAS 24 with the insurance company requesting valuation service.

g. The appraiser does not have a record of poor credit in connection with negotiable instruments or with debt in the most recent 3 years nor a record

of being subject to disciplinary action by a real estate appraiser disciplinary board in the most recent 5 years.

J. The appraiser shall issue a statement undertaking at least that he or she does not have a direct or indirect substantive relationship with the insurance enterprise requesting appraisal service and the legal consequences of failing to comply with applicable laws and regulations or failing to perform due professional care.

K. An insurance enterprise shall establish operating procedures for real estate valuation and include them in its internal control system. The procedures shall encompass the professional qualifications and conditions to be met by the outsourced joint appraisers office and appraisers, obtaining and analysis of information, checking the pertinence of appraised value and external appraisal report and preservation of relevant documents. The documentation regarding the checking of external appraisal report shall present information on which the checking is based and reasons for the conclusion reached, and shall be signed by the responsible officer. In addition, the checking shall cover at least whether the contents of the appraisal report are complete with respect to the following: basic data on the subject property, appraisal date, transactions of comparable properties located in the area of the subject property, assumptions and limitations of the appraisal, appraisal method and procedures, the pertinence of conclusions reached, and appraisal reporting date, whether there is error in the calculation of appraised value, whether assumptions made in the appraisal or reference data quoted are inappropriate or erroneous, and the reasonableness and veracity of appraisal parameters that have significant influence on the appraisal results. The checking documents shall be retained for at least 5 years for future reference of the competent authority.

L. A CPA shall review the appraisal report issued by a joint appraisers office engaged by an insurance enterprise in accordance with Statement of Auditing Standards No. 71. The review process performed by the CPA shall be double checked item-by-item by the professional evaluation team in the office the CPA works for so as to confirm the reasonableness of the methods and calculations used and made in the appraisal report.

M. The professional evaluation team at the CPA office described above should include a member meeting ROC' s qualification requirements for real estate appraiser. If not, the CPA office may engage the service of an external real estate appraiser that meets the qualification requirements set out in Item (2). I. hereof.

N. Disclosure of investment property that is subsequently measured using the fair value model, in addition to being handled in accordance with IAS 40, shall include the following information in the Notes:

- a. Description of the appropriateness and reasonableness of appraisal methods used and important assumptions and parameters used;
- b. If the above information differs substantially from that for prior periods, description of the reason for the difference and the effect on the fair value;
- c. If there is a situation provided in IAS 40 paragraph 53, description of reasons therefor and subsequent changes made; and
- d. Information on the names of the joint appraisers office and appraiser used, and appraisal date.

(3) If an investment property is pledged as collateral or otherwise subject to any restriction or limitation, the fact shall be noted.

13. Loans: It includes life insurance policy loans, premium loans and secured loans.

(1) Life insurance policy loans: Loans made pursuant to the insurance contract through application by the proposer, with the policy as collateral.

(2) Premium loans: Loans made pursuant to the insurance contract to pay a premium due.

(3) Secured loans:

A. All loans made in accordance with Article 146-3 of the Act or approved by the competent authority on an ad hoc basis. Secured loans include loans guaranteed by banks, loans backed by pledge or collateral of real property, movable property, or securities, and loans and non-accrual receivable approved by the competent authority on an ad hoc basis.

B. Secured loans of significant amount to related parties shall be presented separately from other loans. An insurance enterprise shall assess impairment loss or uncollectible amount of secured loans on the balance sheet date in accordance with the Regulations for Handling Assessment of Assets, Non-performing Loans, Non-accrual Receivable and Bad Debts by Insurance Enterprises and IFRS 9, with an appropriate amount of loss allowance set aside and non-accrual receivable disclosed in the Notes.

C. Secured loans shall be measured at amortized cost using the effective interest method. However, secured loans may be measured at the original loan amount if the effect of discounting is immaterial.

14. Reinsurance assets: It includes claims and payments recoverable from reinsurers, due from reinsurers and ceding company and reinsurance reserve assets.

(1) Claims and payments recoverable from reinsurers:

A. Include all claims, payments and non-accrual receivables recoverable from the assuming reinsurer on reinsurance business ceded.

B. Claims and payments recoverable from reinsurers of significant amount from related parties shall be presented in the Notes.

C. Impairment loss or uncollectible amount of claims and payments recoverable from insurers shall be assessed at balance sheet date with an appropriate amount of loss allowance set aside and non-accrual receivable disclosed in the Notes.

(2) Due from reinsurers and ceding company:

A. This is the amount arising from transactions between insurance enterprises in association with reinsurance ceded and assumed, including reinsurance receivables and non-accrual receivables estimated in a reasonable and systematic manner at balance sheet date.

B. Due from and due to reinsurers and ceding companies may not be offset against each other, unless the criterion set out in IAS 32 paragraph 42 is met.

C. Due from reinsurers and ceding company of significant amount from related parties shall be presented in the Notes.

D. Impairment loss or uncollectible amount of due from reinsurers and ceding company shall be assessed at balance sheet date with an appropriate amount of loss allowance set aside and receivable on demand disclosed in the Notes.

(3) Reinsurance reserve assets:

A. These assets are unearned premium reserve, loss reserve, policy reserve, premium deficiency reserve and liability adequacy reserve of the ceding company set aside in accordance with the Act, Regulations Governing the setting aside of various Reserves by Insurance Enterprises, Regulations Governing Financial and Business Operations of Professional Reinsurance Enterprises and related interpretations and reinsurance contract, which are rights of the ceding company over reinsurers, including ceded unearned premiums reserve, ceded loss reserve, ceded policy reserve, ceded premium deficiency reserve and ceded liability adequacy reserve.

B. Reinsurance reserve assets shall be presented on a net basis with the loss allowance deducted and the amount of loss allowance shall be disclosed in the Notes.

15. Property and equipment:

(1) "Property and equipment" means tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and that are expected to be used during more than one fiscal year.

(2) Property and equipment shall be subsequently measured using the cost model and accounted for in accordance with IAS 16.

(3) Each component of property and equipment that is significant shall be depreciated separately. The depreciation method used shall reflect the pattern in which the asset's future economic benefits are expected to be consumed. If that pattern cannot be determined reliably, the straight-line method shall be used. The depreciable amount should be allocated on a systematic basis over the asset's useful life.

(4) When items of property and equipment have different useful lives, or provide economic benefits in different ways, or are subject to different depreciation methods or depreciation rates, each class of their material components shall be presented in the Notes.

(5) If a property or equipment is provided as a guarantee, pledged or subject to a lien in accordance with Paragraph 3, Article 143 of the Act with approval of the competent authority, the fact shall be noted.

16. Intangible assets:

(1) An intangible asset is an identifiable non-monetary asset without physical substance that meets the definition of identifiability, control by an entity, and existence of future economic benefits.

(2) Intangible assets shall be subsequently measured using the cost model and accounted for in accordance with IAS 38.

(3) The disclosure of intangible assets recognized and measured in accordance with IFRS 4 shall be handled in accordance with IAS 38. The recognition, measurement and disclosure of the other intangible assets shall be handled in accordance with IAS 38.

(4) The amortization method used shall reflect the pattern in which the asset's future economic benefits are expected to be consumed by the entity. If that pattern cannot be determined reliably, the straight-line method shall be used. The amortized amount of an intangible asset shall be allocated on a systematic basis over its useful life.

17. Deferred tax assets: It refers to the amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carryforward of unused tax losses, and the carryforward of unused tax credits.

18. Other assets: It refers to assets not attributable to any of the classes above, including prepayments, deferred acquisition costs, non-operating assets, miscellaneous assets, guarantee deposits paid (including the classes of assets above that are used as deposits), temporary payments and suspense accounts, reinsurance liability reserve contributed, deferred expenses, special-purpose funds and other miscellaneous assets.

(1) Prepayments include prepaid expenses, office supplies and other prepayments.

(2) Deferred acquisition costs (DAC) are incremental sales costs attributed to the provision of investment management services associated with an insurance enterprise's investment-linked insurance business that is financial products with no discretionary participation features. DAC shall be recognized in accordance with IFRS 15. Considerations for DAC recognition method and the end of reporting period should be consistent with those for deferred fee income.

(3) Reinsurance liability reserve contributed are performance bonds deposited to various ceding company pursuant to reinsurance contracts.

(4) Impairment or unrecoverable amount of guarantee deposits paid and reinsurance liability reserve contributed shall be assessed at balance sheet date with an appropriate amount of loss allowance set aside and non-accrual receivable disclosed in the Notes.

(5) Collaterals and residuals taken over are collaterals or articles originally or additionally provided by borrowers according to law or as agreed to repay the money borrowed. Collateral and residuals taken over shall be stated at the price of possession, and assessed at balance sheet date based on its carrying value or fair value less cost of sale, whichever is lower.

(6) Special-purpose funds are assets set aside for special purposes. The proposal and measure that the appropriation of funds is based on should be noted. Welfare fund set aside in accordance with the Employee Welfare Fund Act shall be recorded as expense.

19. Assets on insurance products - separate account: This is the sum total of assets on insurance product in separate accounts.

The accounting treatment and recognition and measurement of loss allowance for financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, financial assets measured at amortized cost, financial assets for hedging, other financial assets, loans and receivables, and reinsurance assets described in the preceding paragraph shall be carried out in accordance with IFRS 4, IFRS 9 and IAS 32. However an insurance enterprise may choose to apply the overlay approach when adopting IFRS 4.

The loss allowance mentioned in the preceding paragraph shall be respectively stated as a deduction from financial assets measured at amortized cost and receivables. If those items are further classified, the

loss allowance shall be stated accordingly.

An insurance enterprise shall assess at each balance sheet date whether there is any objective evidence of impairment for the items described in Paragraph 3 hereof in relation to investments accounted for using the equity method, property and equipment, right-of-use assets, investment property measured using the cost model, and intangible assets. If any such evidence exists, the insurance enterprise shall recognize the amount of impairment loss in accordance with IAS 36. If the recoverable amount of non-financial assets is determined on the basis of fair value less costs of disposal, disclose additional information on the fair value measurement, including the level of fair value hierarchy, valuation techniques, and key assumptions. If the recoverable amount is determined on the basis of value in use, disclose the discount rate for fair value measurement.

The fair value measurement and disclosure of financial assets measured at fair value through profit or loss, financial assets measured at fair value through other comprehensive income, financial assets measured at amortized cost, financial assets for hedging, notes receivable, other receivables, assets held for sale and investment property mentioned in Paragraph 3 hereof shall be carried out in accordance with IFRS 13.

Article 39

These Regulations shall come into force from the date of promulgation, with the exception of Article 2, Article 4, Article 6, Paragraph 1 of Article 7, Articles 8 ~ 11, Item (4)-G of Subparagraph 1, Subparagraphs 10, 13 and 14 of Paragraph 4 of Article 12, Article 13, Article 15, Subparagraph 2, Paragraph 1 of Article 17, Article 19, Article 26, Article 27, Article 30, and Article 34 amended and promulgated on October 21, 2014, which shall come into force from fiscal year 2015 on, articles amended and promulgated on January 24, 2017, which shall come into force from fiscal year 2017 on, articles amended and promulgated on August 23, 2017, which shall come into force from fiscal year 2018 on, subparagraphs 11 and 12 of Paragraph 3, and Paragraph 6 of Article 9, Article 10, Article 15, Article 29, and Form 1 of Article 19 amended and promulgated on July 30, 2018, which shall come into force from fiscal year 2019 on, and articles amended and promulgated on March 24 and May 11, 2020, which shall come into force from fiscal year 2020 on.