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Content

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Title :	Regulations for Departmental Affairs of the Securities and Futures Bureau, Financial Supervisory Commission <b>Ch</b>
Date :	2011.12.23
Legislative :	2. Title and Articles 1, 4, 11 to 13, 15, and 17 amended and issued per 23 December 2011 Order No. Financial-Supervisory-Personnel-10000171850 of the Financial Supervisory Commission, Executive Yuan; for enforcement from 1 July 2012 (original title: Regulations for Departmental Affairs of the Securities and Futures Bureau, Financial Supervisory Commission, Executive Yuan)
Content :	<p>Article 1</p> <p>These Regulations are specially adopted by the Securities and Futures Bureau (SFB), Financial Supervisory Commission, for purposes of the division of duties among its internal units.</p> <p>Article 2</p> <p>The director general shall exercise overall administration of SFB affairs and direct and supervise the staff. The deputy directors general shall assist the director general in the administration of SFB affairs.</p> <p>Article 3</p> <p>The secretary general's primary duties shall be as follows:</p> <ol style="list-style-type: none"><li>1. Overall review and discretionary issuance of manuscripts.</li><li>2. Handling of confidential and important documents.</li><li>3. Coordination between individual units and review and deliberation of issues of authority and duty.</li><li>4. Organization of important conferences.</li><li>5. Other tasks assigned to the secretary general.</li></ol> <p>Article 4</p> <p>The SFB has the following divisions and offices:</p> <ol style="list-style-type: none"><li>1. Corporate Finance Division, divided into five sections to handle different matters.</li><li>2. Securities Firms Division, divided into five sections to handle different matters.</li><li>3. Securities Trading Division, divided into four sections to handle different matters.</li><li>4. Securities Investment Trust and Consulting Division, divided into four sections to handle different matters.</li><li>5. Accounting and Auditing Supervision Division, divided into four sections to handle different matters.</li><li>6. Futures Trading Division, divided into six sections to handle different matters.</li><li>7. Secretariat Office.</li><li>8. Personnel Office.</li><li>9. Civil Service Ethics Office.</li><li>10. Accounting Office.</li><li>11. Information Systems Office.</li></ol> <p>Article 5</p>

The Corporate Finance Division is responsible for the following matters:

1. Supervision and auditing of the finances and business of public companies. Review and regulation of securities offering and issuance.
2. Planning, proposal, and promotion of corporate governance systems.
3. Proposal of corporate information disclosure systems. Proposal of the adoption, amendment, repeal, and interpretation of the Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses, the Regulations Governing Information to be Published in Annual Reports of Public Companies, and the Regulations Governing the Acquisition and Disposal of Assets by Public Companies.
4. Proposal of the system for securities offering and issuance. Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
5. Review of the private placement system. Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
6. Proposal of systems for listing on the Taiwan Stock Exchange (TWSE) and the GreTai Securities Market (GTSM) and securities underwriting systems. Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
7. Research and consulting on securities matters in the mainland China area, Hong Kong, and Macau. Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
8. Proposal of the enactment, amendment, repeal, and interpretation of securities issuance related laws and regulations other than those mentioned in the preceding seven subparagraphs.
9. Other matters related to securities issuance.

#### Article 6

The Securities Firms Division is responsible for the following matters:

1. Proposal of the enactment, amendment, repeal, and interpretation of laws and regulations related to the administration of securities firms.
2. Approval of applications for permission for establishment, merger, business transfer, suspension, or termination of securities firms. License issuance and renewal, amendment registration, and financial and business audits of securities firms. Handling of investor petitions and complaints.
3. Supervision and regulation of securities underwriting, proprietary trading, brokerage, international business, concurrently run sideline businesses of securities firms, and other enterprises concurrently operating securities business as a sideline business.
4. Planning of the financial accounting, internal control and internal audit, corporate governance, legal compliance, and risk management systems of securities firms.
5. Planning of the system by which securities firms apply for TWSE or GTSM listing, and review of their plans to offer and issue securities.
6. Planning matters in connection with personnel administration such as the registration, training, and qualification examination of associated persons of securities firms. Supervision and regulation of the national association of securities firms.
7. Promotion and publicizing of the policy of internationalization of the securities market. Participation in conferences and events held by international organizations with a focus on securities, economics, and

trade.

8. International exchange and business liaison and cooperation with regulators and related organizations of other countries.
9. Oversight and policy planning relating to investment by overseas Chinese and foreign nationals in domestic securities.
10. Other matters related to the regulation of securities firms.

#### Article 7

The Securities Trading Division is responsible for the following matters:

1. Granting permission for the establishment of securities exchanges, processing of amendment registrations, and supervision, regulation, and auditing of the personnel management, finances, and business of securities exchanges.
2. Approval of the articles of incorporation of over-the-counter trading enterprises and the Securities and Futures Investors Protection Center (SFIPC) and amendments thereto, and supervision, regulation, and auditing of their personnel management, finances, and business.
3. Granting permission for the establishment of securities and futures holding enterprises, processing of amendment registrations, and supervision, regulation, and auditing of their personnel management, finances, and business.
4. Planning, designing, and guidance in the establishment of the securities trading and clearing and settlement systems for the centralized and over-the-counter securities markets; Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
5. Planning, designing, and guidance in the establishment of the bond trading and clearing and settlement systems for the centralized and over-the-counter securities markets; Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
6. Planning of the systems for treasury shares and public tender offers. Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
7. Regulation of shareholding by directors, supervisors, managerial officers, and major shareholders of public companies; Proposal of the enactment, amendment, repeal, and interpretation of related laws and regulations.
8. Regulation of the use of proxies for attendance at shareholder meetings of public companies; Proposal of the enactment, amendment, repeal, and interpretation of laws and regulations relating to the administration of shareholder services of public companies.
9. Supervision of securities trading markets, auditing of illegal trading, and handling of cases involving disgorgement of improper gains.
10. Other matters related to securities trading.

#### Article 8

The Securities Investment Trust and Consulting Division is responsible for the following matters:

1. Issuance and renewal of licenses to securities investment trust enterprises (SITES) and securities investment consulting enterprises (SICEs), and supervision and regulation of these enterprises.
2. Supervision and regulation of securities investment trust fund and offshore fund business.

3. Supervision and regulation of discretionary investment business.
4. Supervision and regulation of the Securities Investment Trust and Consulting Association.
5. Issuance and renewal of licenses to securities finance enterprises and centralized securities depository enterprises, and supervision and regulation of these enterprises.
6. Supervision and regulation of securities margin transactions.
7. Issuance and renewal of licenses to urban renewal investment trust enterprises, and supervision and regulation of these enterprises.
8. Supervision and regulation of the offering and issuance of real estate securitization products and financial asset securitization products.
9. Other matters related to securities investment trust and consulting.

#### Article 9

The Accounting and Auditing Supervision Division is responsible for the following matters:

1. Proposal of the enactment, amendment, repeal, and interpretation of the Certified Public Accountant Act and related laws and regulations.
2. Proposal of the adoption, amendment, repeal, and interpretation of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises, Regulations Governing the Publication of Financial Forecasts of Public Companies, Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, Regulations Governing Establishment of Internal Control Systems by Public Companies, and other applicable laws and regulations.
3. Planning and implementation of regulatory operations relating to Certified Public Accountants (CPAs), review of CPA applications for approval to audit and attest the financial reports of public companies.
4. Oversight of financial reports, financial forecasts, internal control, and other financial information of public companies.
5. Regulation of the qualification requirements for principal accounting officers and chief internal auditors and of their pursuing further professional education.
6. Proposal of regulations and relevant interpretations with respect to Taiwan's financial accounting standards and auditing standards.
7. Supervision of and liaison with the ROC Accounting Research and Development Foundation (ARDF) and CPA Associations.
8. Concurrently administer CPA Discipline Committee matters.
9. Other matters related to accounting and auditing.

#### Article 10

The Futures Trading Division is responsible for the following matters:

1. Proposal of the enactment, amendment, repeal, and interpretation of the Futures Trading Act and related secondary legislation.
2. Establishment, granting of permissions, supervision, and regulation (including of the finances, business, and personnel) of the futures exchange, futures clearing houses, futures enterprises (including futures commission merchants, leverage transaction merchants, futures advisory enterprises, managed futures enterprises, futures trust enterprises, and other futures service enterprises), and the national futures association.

Review and approval of their relevant bylaws.

3. Proposal, planning, supervision, and auditing of the systems for regulating futures enterprises including management, internal control, internal audit, and operational risk systems.
4. Planning, supervision, and regulation of the qualification examinations, certification, and training of associated persons of futures enterprises.
5. Research, planning, supervision, regulation, and study and statistical analysis of futures market trading and clearing systems.
6. Planning, review, and public announcement of domestic and foreign futures trading contracts.
7. Oversight of the futures trading market and handling cases of unlawful activity.
8. Planning and regulation of participation in the domestic futures market by domestic and foreign institutional investors.
9. Handling of complaints and petitions by futures traders, and providing education and information for securities investors and futures traders.
10. Other matters related to futures trading.

#### Article 11

The Secretariat Office is responsible for the following matters:

1. Controlling the use of official seals and managing documents and files.
2. Administration of cashier operations, finances, maintenance matters, purchases, and other general affairs.
3. Liaison with the national legislature, and policy planning, proposal, implementation, follow-up and evaluation of matters in connection with media and public relations.
4. Other matters not falling under the authority of any particular division or office.

#### Article 12

The Personnel Office is responsible for personnel matters of the SFB.

#### Article 13

The Civil Service Ethics Office is responsible for civil service ethics matters of the SFB.

#### Article 14

The Accounting Office is responsible for budgeting, accounting, and statistical matters of the SFB.

#### Article 15

The Information Systems Office is responsible for the following matters:

1. Policy planning, coordination, and promotion relating to SFB information technology applications and services.
2. Planning and management of SFB information technology applications and environment.
3. Planning and promotion of SFB information and communications security operations.
4. Other matters related to information technology.

#### Article 16

A system of hierarchical responsibility is implemented for matters within the purview of the SFB, and all matters shall be delegated to the proper authorized level for decision-making, in compliance with the detailed guidelines on hierarchical responsibility.

#### Article 17

These Regulations shall enter into force from 11 January 2008.

Amendments to these Regulations shall enter into force from 1 July 2012.

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Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System