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- Continue to watch the effect of Brexit on the domestic financial market and adopt suitable response measures in a timely way
- Amendment of Article 167-2 and 167-3 of the Insurance Act
- Promulgation of the Regulations Governing the Interest Subsidy for Financial Institutions to Extend Debt Maturity for Disaster Victims
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Policy and Law

Continue to watch the effect of Brexit on the domestic financial market and adopt suitable response measures in a timely way

The FSC will continue to watch the possible effects of the withdrawal of the UK from the European Union and has prepared related measures. The FSC stated the credit and investment situation of Taiwan's financial industry with regards the UK is as follows:

At the end of April, 2016, the credit and investment exposure of 39 domestic banks in Taiwan to the UK is NT\$145.5 billion, with total credit of NT\$42.8 billion and investment of NT\$102.7 billion, accounting for around 0.32% of total domestic banks' assets, NT\$44.1324 trillion, showing that exposure is limited.

As of the end of May, 2016, the securities and futures industry has invested NT\$12.722 billion in UK assets, while investment trust funds has invested NT\$19.382 billion. The positions held by Taiwanese of offshore fund investing in stocks and bonds in UK totaled NT\$156.478 billion, accounting for around 5.08% of the total offshore funds held by Taiwanese people of NT\$3.08 trillion, which is a low proportion.

As for the insurance industry, at the end of April, 2016, the Taiwan insurance industry's total investment in UK is NT\$784.331 billion, mostly denominated in US Dollars. Calculated in GBP, the position is about NT\$122.952 billion, around 1.1% of the total overseas investment position, an amount within a controllable scope.

Brexit was a major international political event that has affected the financial markets. In the short term, Taiwan stocks will probably track the response of the major international stock markets to this event. The FSC will continue to watch whether the movement of international capital, and the domestic and overseas investors are affected. When necessary, related response measures will be adopted. Taiwan's listed companies have good fundamentals and the stock markets operate soundly. Therefore, we should have confidence in Taiwan's economy.

The FSC also stated that Brexit is a non-economic affecting factor. Special attention has been paid to this issue and an understanding of the response offered by other countries has been acquired. The FSC will continue to maintain the stability of financial market and assist domestic financial institutions in responding to Brexit appropriately. With respect to overseas investment of the financial industry, the FSC has already set related rules and will continue, to adopt suitable measures in a timely way with the Ministry of Finance, Central Bank and related agencies, in response to the possible effects on Brexit of Taiwan's financial market.

Amendment of Article 167-2 and 167-3 of the Insurance Act

Amendment of the Insurance Act passed the third reading by the Legislative Yuan on May 24, 2016 and was promulgated by the President on June 8, 2016. The amended articles reduces the minimum fines for violation of regulations governing insurance agents, brokers and surveyors and failure to implement internal auditing and internal control. The amendments also added the requirement that the competent authority may order insurance brokers and agents to carry out rectification within the imposed time limit when in violation of the internal control.



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Promulgation of the Regulations Governing the Interest Subsidy for Financial Institutions to Extend Debt Maturity for Disaster Victims

In order to provide legal basis for the interest subsidy for financial institutions extending debt maturity for disaster victims, the FSC promulgated the Regulations on July 8, 2016. The Regulations have the following main points: (1) the Regulations are introduced in line with the amendment to the Disaster Prevention and Protection Act as the legal basis for applications of disaster victims for debt maturity extension and for interest subsidy granted by the government to banks; (2) if disaster victims are in one of the disaster affected areas announced by the Executive Yuan, victims can apply for loan extension to the bank according to the Regulations and do not have to pay the principal and interest during the extension period as the government will provide interest subsidy to the bank.

Amendment to the Regulations Governing the Security of Electronic Stored Value Cards

In line with the regulation relating to transfer of money from a registered electronic stored value card to the electronic payment account of the cardholder as prescribed in Article 5-1 of the Act Governing Issuance of Electronic Stored Value Cards and practical needs, the aforementioned Regulation were amended on July 20, 2016. The main points of the amendments are:

1. Adoption of electronic stored value card money transfer transaction to the types of electronic stored value card transaction and related transaction security design thereof: the authorization for the transfer of money from a registered electronic stored value card to the cardholder's electronic payment account requires that the information be sent back, through online system, to the issuing institution for processing. Security design concerning information confidentiality, information completeness, source identifiability and non-repeatability has also been stipulated for such transactions.
2. Taking into account that, after the merger of electronic stored value card and credit card terminal equipment, it is necessary to set a unified sensing distance of 10 centimeters and that public transport terminal equipment actually extends the sensing distance to shorten transaction time, a provision has been added to stipulate that, if the issuing institution shares a credit card acquirer's terminal equipment or a contracted institution provides public transportation service, the sensing distance of the terminal equipment can be 10 centimeters instead of the currently stipulated 6 centimeters, to meet practical operation needs and control the risks associated with electronic stored value cards.
3. Related security design revised in response to the development of new technology and new forms of information security attack to ensure the security of electronic stored value cards:
 - (1) From January 1, 2017, newly-issued electronic stored value cards should not be encrypted with a key length of less than RSA1024bits to enhance card security.
 - (2) To meet the practical application needs of electronic stored value cards, the security design of source identifiability for online instant purchase transactions and card money transfer transactions that are under application level 1 has added the adopting of card number, expiry date or check code input by the card holder or bound device (such as the card holder's mobile phone) for issuing institution to verify the legality of electronic stored value cards.
 - (3) In line with the application of new technology, user code and biological characteristics (such as fingerprints, face, iris, voice, palm print, vein, signature etc.) have been added as applicable types of electronic stored value card for online instant purchase transactions and card money transfer transactions that are under application level 1.

Amendment to Directions for Banks Providing Information and Advisory Services on Offshore Financial Derivatives

To increase the breadth of information and advisory services on offshore financial derivatives provided by banks and take into account that high net worth juristic persons also have a need to directly interact with offshore financial institutions because of global market deployment and financial risk management, the FSC amended the above Directions on June 21, 2016 to expand the scope of customers to which banks can provide services from the professional institutional investors to high net worth juristic persons that engage in actual transactions for hedging purposes, allowing the latter and professional institutional investors to receive the same services from a bank to meet their hedging needs. Also, taking into account that high net worth juristic persons need to set up offshore subsidiaries for overall group strategy and need to have financial personnel from the parent company integrate hedging transactions, therefore, high net worth juristic persons acting as agents or authorized persons of wholly owned offshore subsidiaries have also been brought within the scope of customers to which banks can provide services.

FSC requires insurance companies to set aside a special reserve to pay for transformation of employees affected by financial technology

To spur insurance companies to attach importance to the interests of their employees in the digitization process, on July 13, 2016 the FSC issued an order requiring that insurance companies set aside a special reserve of 0.5% to 1% of after-tax earnings when allocating earnings for 2016 to 2018 to cover the cost of transformation of employees affected by Fintech.

The FSC said that financial digitization will be the future development trend of the financial industry and, to spur insurance companies to take care of the interests of their employees in the digitization process, companies have been requested to enhance and continue implementing employee education and training to increase employee Fintech skills so that they can help the industry in the development of Fintech.

Amendments to Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries

On July 5, 2016, the FSC introduced amendments to the Rules. The main points include the following: (1) The FSC plans to promote risk-based internal audit systems in financial institutions so that internal audit frequency is based on internal risk assessment results, which will in turn improve their risk identification and assessment capabilities for more effective allocation of their internal audit resources. The adoption of risk-based internal audit system will be applicable to domestic banks in the initial stage, given the fact that internal audit systems of different financial institutions are at different sophistication levels. As the audit frequency requirement specified in the first paragraph of Article 15 of the Rules does not apply to those adopting risk-based internal audit system, Article 15-1 has been added to the Rules; (2) Article 19 is also amended to place emphasis on the content of internal audit reports filed by financial institutions and cut the red tape of the reporting process.

Amendments of Some Articles of Regulations Governing the Issuance of Call (Put) Warrants by Issuers

In order to cope with the changing domestic securities market and warrants business trends, the FSC introduced amendments of the Regulations on July 8, 2016, with the following main points: (1) laying down accreditation requirements for domestic and foreign issuers applying for accreditation as qualified issuers of call (put) warrants for compliance purpose; (2) adding flexible rules that expand the scope of underlying instruments to which call/put warrants are linked in order to facilitate timely updates of such instruments in foreign securities markets and adding new underlying instruments linked to the warrants, such as physical gold traded over the counter; (3) adjusting the management approach for issuing or suspending issuance of call (put) warrants in line with the supervision measures of Taiwan Stock Exchange and Taipei Exchange for the issuers.

Taiwan Stock Exchange and Relevant Agencies Released Stewardship Principles for Institutional Investors under the FSC's Supervision

In order to encourage institutional investors to actively exert their influence on their invested companies to improve corporate governance and enhance long-term value, Taiwan Stock Exchange, Taiwan Financial Services Roundtable, Taiwan Depository and Clearing Corporation and Securities Investment Trust and Consulting Association jointly launched the Principles and introduced them on June 30, 2016. Taiwan Stock Exchange plans to hold a signatory event by the end of August, inviting institutional investors to show their support for and sign the Principles.

Official explanation about the requirements for internal automobile claim adjusting system and procedure of the non-life insurance company as stipulated in paragraph 4, Article 8 of Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises

The non-life insurance industry is expressly required to meet the following requirements in the process of adjusting automobile insurance claims. It shall find out and deduct the deductible the proposer (or the insured) should cover and acquire the photocopy of the proof for the deductible provided by the automobile repair shop to the proposer (or the insured). It shall also acquire the written estimate or cost estimate for repairs (including the repair list and all repair costs) signed in person by the proposer (or the insured) or the trustee, user, or manager delegated or permitted by the proposer (or the insured) to use and handle the vehicle. It shall also inform the insured of related claim information (at least including claim payment amount) with SMS message, email, written document or in a method mutually agreed by the proposer and the insurance company by the end of the month following the month of the claim date and create related check and control mechanism.

Announcement on the Applicable Scope and Calculation Method for Adjusted Net Capital and Risk-based Capital for Insurance Companies in the First Half of 2016

On June 28, 2016, the FSC made an announcement on the applicable scope and calculation method for adjusted net capital and risk-based capital of insurance companies for the first half of 2016. As non-life insurance enterprises are now allowed to undertake accident insurance and health insurance business

with insurance period over one year, one of the adjustments is the introduction of a calculation method for risk-based capital for such insurance business. Moreover, the FSC also chooses to maintain the risk factors temporarily adopted in 2015 for calculation of risk-based capital related to domestically listed common stock (including beneficial certificates of equity and balanced mutual funds).

Interpretative ruling for Article 2 of Regulations Governing Derivatives Transactions Conducted by Insurance Companies

The FSC issued an interpretative ruling on July 1, 2016 to strengthen the regulations governing FX basket hedge transactions of insurers. According to the ruling, FX basket hedge transactions by insurance companies for FX hedging purpose are transactions in which the underlying instruments of the hedging derivatives are different from the hedged item as stipulated in subparagraph 3, paragraph 2 of Article 2 of Regulations Governing Derivatives Transactions Conducted by Insurance Companies and thus the requirements for internal financial derivative transaction procedure shall apply. Moreover, insurance companies shall specify all underlying instruments of the hedging derivatives and hedged items in formal written documents before the transaction. Records about components of the FX basket hedging instruments and their weighting methods or models should be kept and such methods or models faithfully followed when carrying out the transactions.

Executive Yuan passed draft amendment of Article 107 of the Insurance Act, taking into account the right to be insured and the right to life of people under 15 years of age

To give consideration to both the right to insurance and the right to life of people under 15 years of age, on June 16, 2016 the Executive Yuan passed draft amendment of Article 107 of the Insurance Act proposed by the FSC and sent it to the Legislative Yuan for deliberation. The amendment clearly states that, apart from funeral expense benefit, agreement to pay other death benefits in life insurance contracts of people under 15 years of age shall be void; a limit of NT\$300,000 has also been imposed on insurance amount to ensure funeral expense benefit matches necessary funeral expenditure and avoid moral risk. This amendment will open up funeral expense protection for when people under 15 years of age are involved in fatal incidents, using limited payment method to satisfy humanitarian needs while, at the same time, controlling moral risk. The FSC will actively communicate and coordinate with the Legislative Yuan to allow the amendment process to be completed at an early date.

International Activities

FSC's vice-chairman Kuei Hsien-nung and the Lord Mayor Mountevans exchange views on financial issues

The Lord Mayor of the City of London, the Lord Mountevans accompanied by Representative Chris Wood of the British Office and exchanged views with FSC vice-chairman Kuei Hsien-nung on strengthening Taiwan-UK bilateral financial cooperation on July 11, 2016.

Industry Updates

List of successful applications for addition of domestic branches by financial institutions for 2016

Taking into account the financial situation, the state of the economy and the operating structure of applicants, the addition of the following branches by domestic banks and credit cooperatives has been approved for 2016 by the FSC:

1. Domestic banks
 - (1) Addition of one branch each by KGI Bank, Taishin International Bank and CTBC Bank approved.
 - (2) Addition by Taichung Commercial Bank of one branch in an area lacking financial services (Xingang Township, Chiayi County) approved.
2. Credit cooperatives
 - (1) Addition of one branch by Keelung Second Credit Cooperative (Xinyi District, Keelung City), Tamshui First Credit Cooperative Bank (Beitun District, Taipei City), The Tamsui Credit Cooperative (Taishan District, New Taipei City), The First Credit Cooperative of Hsinchu (Pingzhen District, Taoyuan City), The Second Credit Cooperative of Taichung (Beitun District, Taichung City), The Sixth Credit Cooperative of Changhua (South District, Taichung City), The Credit Cooperative of Lu Kang, (Yuanlin City, Changhua County,) and The Second Credit Cooperative of Hualien (Luodong Township, Yilan County) approved.
 - (2) Addition by The Credit Cooperative of Yi-Lan of one branch in an area lacking financial services (Zhuangyuan Township, Yilan County) approved.

To avoid having an impact of market competition, the FSC controls the addition of new branches based on the total quantity of financial institutions. The number of additional branches allowed to be established by domestic banks must be equal to or less than the branches closed in the previous year. This year, the density of credit cooperatives in the area of the intended branch and overall

balanced development of credit cooperatives has been taken into account. Credit cooperatives are encouraged to apply to establish branches with the spirit of mutual cooperation and help and idea of serving local people to bring into play the ordinary citizen finance function, fulfill the social responsibility, operate soundly and achieve sustainable development.

NPL ratio for domestic banks at 0.27% as of the end of June 2016

The total outstanding loans of domestic banks stood at NT\$25,429.9 billion as of the end of June 2016, down by NT\$18.8 billion from the previous month, while their total NPLs were NT\$69 billion, down by NT\$2 billion from the previous month's figure of NT\$71 billion, generating an average NPL ratio of 0.27%, down by 0.01 percentage points from the figure of 0.28% at the end of May 2016. Each and all 39 Taiwan's domestic banks had an NPL ratio under 2.0%. Also, their NPL coverage ratio stood at 486.46% at the end of June 2016, up by 13.67 percentage points from the figure of 472.79% at the end of the previous month.

NPL ratio for credit cooperatives at 0.10% as of the end of June 2016

Total NPLs at Taiwan's 23 credit cooperatives stood at approximately NT\$420 million as of the end of June 2016, generating an NPL ratio of 0.10%, up by 0.01 percentage points from the figure for the end of May 2016. The NPL coverage ratio, in the meantime, was 1,874.37%, down by 175.08 percentage points from 2,049.45%, at the end of May.

Net foreign investments in listed shares

As of the end of June 2016, foreign and mainland Chinese investors had bought around NT\$ 3,015.6 billion and sold around NT\$ 2,840.5 billion worth of shares on the Taiwan Stock Exchange, making for a cumulative net inward investment of around NT\$175.1 billion. Meanwhile, for the Taipei Exchange (Gre Tai Securities Market), foreign and mainland Chinese investors bought around NT\$308.1 billion and sold around NT\$ 280.8 billion, making for a net inward investment of around NT\$27.3 billion. The figure for cumulative net inward remittances by offshore foreign institutional investors, Mainland China investors, offshore overseas Chinese, and offshore foreign nationals as of the end of June 2016 stood at approximately US\$ 203.3 billion, up by around US\$4.0 billion from the US\$199.3 billion as of the end of May 2016.

Investor and Consumer Protection

FSC reminds consumers that the Compulsory Automobile Liability Insurance premium discount of no record of violating traffic rules and accidents does not yet apply to motorcycles

To encourage and to reduce of the burden of drivers who obey traffic rules, the Premium Table of Compulsory Automobile Liability Insurance for Cars clearly states that a car owner of no record of violating traffic rules and accidents in the previous year can enjoy a premium discount when they renew their compulsory automobile liability insurance policy the next year. However, this "premium" discount policy does not yet apply to motorcycles. The main reason is to avoid increasing the burden of motorcycle riders as a whole. Because "Motorcycle" basic premiums are low and turnover rates are high, after calculation, if motorcycles are also subject to this premium policy, the cost of implementation would increase greatly and motorcycle premiums would be forced to increase.

Points for attention when using e-banking (online banking and mobile payment)

As the Internet and financial technology has developed, more and more people choose to use convenient online banking and mobile banking transactions. The FSC reminds the public of lowering risk of theft of personal information and ensuring account security when using online banking and mobile payment. The following matters must be paid attention to:

1. Check if web addresses and APP are genuine: It is best to key in a web address yourself or enter from a link on the official website and then add to "Favorites"; for mobile banking and mobile payment, please download the APP from banks' official website.
2. Password setting and safekeeping: Choose a password that can't be easily guessed (best to mix more than 8 English letters and numbers,) and change regularly. Don't write in a notebook or other place preferably.
3. Don't click on unknown web addresses or download unknown programs: Don't casually click on links that appear on webpages or in emails; don't casually open attached files sent by email or instant messaging; don't arbitrarily install third party and shared software.
4. Regularly update anti-virus software and application programs: install anti-virus software in PC or mobile phone and regularly update virus scan.
5. Don't use online banking/mobile payment on a public computer or wi-fi; when leaving seat or not using, immediately log out or close.
6. Frequently check bank statement, confirm with bank if in doubt.

Also, to enhance bank information security, the FSC has spurred banks to ensure the security of transaction data transmission, strengthen protection of

personal information and regularly evaluate information security in accordance with the provisions of the "Standards Governing the Security Management of E-banking by Financial Institutions," the "Guidelines for Provision of Mobile Device Application Programs by Financial Institutions," the "Standards Governing the Security Management of Mobile Credit Cards by Institutions Engaging in Credit Card Business," the "Security Control by and the "Rules Governing Computer System Information Security Evaluation by Financial Institutions" set by the Banker's Association, to provide the public with safer online banking and mobile payment services.

FSC continues to urge financial institutions to provide friendly financial services

To provide the mentally and physically disadvantaged with various friendly financial services to ensure that mentally and physically disadvantaged people fully enjoy basic, equal and reasonably convenient financial services, the FSC has communicated on many occasions with mentally and physically disadvantaged groups, the Banker's Association and financial institutions. The friendly financial services provided by financial institutions at present are as follows:

1. Formulation of friendly financial service principles: The FSC held meetings with mentally and physically disadvantaged groups and various financial industry association and requested that each association formulate "friendly financial service principles," the barrier-free measures encompassing environment, communication, service, information, auditing and statistics and public announcements.
2. Provision of business premises barrier-free service:
 - (1) Establishment of a barrier-free environment (such as barrier-free service counters, guide brick for the blind, barrier-free ramps)
 - (2) Installation of service bells and dedicated service staff to help mentally and physically disadvantaged people
 - (3) Installation of exchange rate boards/fee standard announcements in business halls, providing instant information
3. Barrier free ATM service:
 - (1) There are currently 18,662 ATMs suitable for use by wheelchair users: When ATMs are newly-installed or replaced, priority is given to models suitable for use by wheelchair users. At present, barrier-free ATM models account for 75% of the total.
 - (2) There are 236 voice ATMs suitable for use by visually impaired people: It was decided at a meeting attended by representatives from banks and related groups and held by the Banker's Association on May 19, 2016 to give priority to installing at least one voice ATM at 117 Taipei MRT stations, 37 Kaohsiung MRT stations and at 27 places recommended by visually impaired groups, with a total of at least 181 ATMs to be installed within one year.
4. Barrier-free Internet service
 - (1) The websites of all domestic banks provide barrier free webpages for interest rates, exchange rates and other open information and have received barrier-free labels.
 - (2) Banks have been requested to plan barrier-free webpages for online banking and web ATM and obtain barrier-free certification mark.
 - (3) The Banker's Association has established a "Barrier-free special zone" on its website and provided public information barrier-free webpage, barrier-free online banking, and barrier-free web ATM links and barrier-free ATM location enquiry service.
5. Telephone service
 - (1) Each bank now provides a 24-hour voice service.
 - (2) Each card-issuing institution provides voice card activation and loss-reporting services.
 - (3) To provide the hearing impaired with more convenient services, the Banker's Association has been requested to establish a dedicated consulting channel for hearing-impaired people and requested banks to provide online credit card activation and loss-reporting and loan approval notification by text message or email.
6. Account opening and loan application services: To allow the visually-impaired to understand contract contents when opening an account or applying for a loan at a bank and to protect their interests, in addition to being accompanied by a relative or friend, they can choose to carry out notarization in accordance with the Notary Act or be assisted by a bank clerk who does not open their accounts.

The FSC will continue to listen to the opinions of mentally and physically disadvantaged people and these opinions will be used as the basis for promoting friendly financial service measures. Building a friendly financial environment depends on a consensus among and the support of all financial institutions. The FSC calls on financial institutions to actively care for mentally and physically disadvantaged persons by providing related friendly measures and thus fulfill their corporate social responsibility.

2016 School and Community Financial Literacy Campaign

In July, 2016, the FSC held 7 financial literacy promotion sessions at schools and groups around Taiwan (including at Yingxi Education Foundation in Changhua County) as part of its 2016 School and Community Financial Literacy Campaign. A total of 410 participants attended the events, which are

free of charge and have been very well received since their inception. As of the end of 2015, 4,312 sessions have been held, attended by over 780,000 people. Target participants include elementary school, junior high school, high school (including vocational high school) and university students, community and women's groups, indigenous people, immigrants, and military service personnel.

The FSC's Banking Bureau will continue its financial literacy campaign in 2016. Schools or community groups interested in the campaign are invited to register on the website of the Banking Bureau; for more information, please call Mr. Jian on (02)89689709.

Major Enforcement Actions

The First non-life Insurance Co. Ltd fined NT\$6.9 million and given two reprimands

During business inspection by the FSC, the non-life insurance company was found to be in violation of related regulations and was, as a result, fined NT\$6.9 million and given two reprimands under Paragraph 1 of Article 49, Article 169, Paragraph 1, Article 170-1, Paragraph 1, Article 171, and paragraphs 4 and 5 of Article 171-1 of the Insurance Act, and Paragraph 3, Article 48 of the Compulsory Automobile Liability Insurance Act.

Mega International Commercial Bank fined NT\$3 million

The Incident that Mega International Commercial Bank accepted a large amount of counterfeit US dollars from a customer revealed that the bank failed to have in place internal control system and effectively implement the system, in violation of Paragraph 1, Article 45-1 of the Banking Act. As a result, Mega International Commercial Bank was fined NT\$3 million.

Concord Securities' responsible person surnamed Ye fined NT\$1.2 million, given a warning and staff disciplined

Concord Securities avoided and obstructed FSC examination and supervision and management of the internal control of subsidiaries was insufficient, dispatch of staff to examine overseas subsidiaries did not meet the requirements of regulations, and positions concurrently held by staff were in conflict; Concord Securities' deputy general manager surnamed Zhuang evaded and obstructed FSC examination and was not a proprietary trader but conducted proprietary trading, deputy general manager surnamed Lai did not fulfill the duty of an internal auditor, Assistant General Manager surnamed Huang lent money to a client, sales person surnamed Zhuang was not a proprietary trader but conducted proprietary trading, sales person surnamed Li and employee surnamed Wang used the company network to trade securities online on behalf of others; Concord Futures' chairman surnamed Huang used another person's name to take part in book building, and sales person surnamed Chen lent money to a client, all in breach of securities management laws. Concord Securities responsible person surnamed Ye was, as a result, fined NT\$1.2 million and the company issued with a warning. Deputy general managers Zhuang and Lai were suspended from their positions for six and two months respectively; assistant general manager Huang, sales persons Zhuang and Li and employee Wang were suspended for one month; Concord Futures was ordered to relieve chairman Huang from his position and also the Chinese National Futures Association was also requested to cancel his chairman's and futures trader registration; sales person Chen was suspended for three months.

Golden City Insurance Broker Company fined NT\$100,000 and ordered to carry out three rectifications. The license and permit of insurance broker surnamed Chang cancelled; insurance broker surnamed Tsai ordered to rectify within one month

In a special inspection in 2015, the FSC found that Golden City Insurance Broker Company and two of its insurance brokers, surnamed Chang and Tsai, had breached related Insurance Act regulations when conducting insurance broker business. As a result, the company was fined NT\$100,000 and ordered to carry out three rectifications, insurance broker Chang's practice permit and practice license were cancelled and insurance broker Tsai was ordered to rectify within one month.

Personnel Changes

Personnel change at the FSC Securities and Futures Bureau

Acting Director-General of the FSC Securities and Futures Bureau, Chang Li-chen, honorably retired on June 30, 2016. Deputy Director-General of the Securities and Futures Bureau Wang Yung-hsin was promoted to the position of Director-General of the bureau on the same day. Chief Secretary Chou Hui-mei and Chang Chen-shan, Director of the Corporate Finance Division, were promoted to fill the two vacant deputy Director-General positions, with the vacant Chief Secretary position filled by Director Tsai Lin-Ling from the Securities Investment Trust and Investment Consulting Division.