

金融展望月刊

Financial Outlook Monthly

Publisher Wellington L. Koo

Advisor Chang Chuang-Chang
Huang Tien-Mu
Kai-Yuan Chen

Executive Editor

Department of Planning

Publishers & Editorial Office

Financial Supervisory
Commission

Add 18F, No.7, Sec. 2, Xianmin
Blvd., Banqiao Dist., New
Taipei City 22041, Taiwan,
Republic of China

Tel 8968-0899

Fax 8969-1271

E-mail planning@fsc.gov.tw

Website <http://www.fsc.gov.tw>

G P N 2009305443

I S S N 1992-2507

*The Chinese version rules if
any contradiction in meaning
exists between the Chinese
version and English versionl.

March 2020

《Chinese version please refer to page 1》

No. 184

Ministry of Justice Anti-Corruption Hotline 0800-286-586
Anti-Corruption Hotline 0800-088-789

- FSC develops the “Financial Inclusion Indicators for Taiwan”
- Amendments to the “Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses” and the “Regulations Governing Information to be Published in Annual Reports of Public Companies”
- Amendments to the “Directions for Conduct by Life Insurance Enterprises of Interest-Sensitive Insurance Products Business”
- Bilingualization of the material information of TWSE-listed and TPEX-listed companies to commence from July 2020

Policy and Law

FSC develops the “Financial Inclusion Indicators for Taiwan”

The FSC has actively promoted financial inclusion in recent years. In its planning and implementation of policies, and in the direction of its efforts to guide the development of financial markets, the FSC has aligned itself with the financial inclusion policies of international organizations such as the World Bank, the G20, the Asia Pacific Economic Cooperation (APEC), etc. The FSC, making reference to the “G20 Financial Inclusion Indicators”, and with an eye to the state of financial market development in Taiwan, has developed a set of “Financial Inclusion Indicators for Taiwan” which focus on 3 key aspects -- accessibility, usability, and quality of financial services -- in evaluating the level of financial inclusion in Taiwan and the effectiveness of policy implementation. A list of 21 indicators has been adopted for now, and adjustments may be made in the future as circumstances merit.

1. Accessibility of financial services: 7 indicators have been adopted to afford an understanding of the convenience and user-friendliness of financial services for financial consumers (including consumers in remote areas, and persons with special needs).
2. Usability of financial services: 8 indicators focus on how much the adult population makes use of banking services (including deposit and loan services), digital financial services (mobile payments, digital deposits, and online purchase of insurance), and insurance products (life insurance and micro-insurance).
3. Quality of financial services: 6 indicators are designed to afford an understanding of whether financial literacy extends throughout the entire country and to all types of consumers, whether technology has further improved the quality of financial services, the degree to which customers are fairly treated, and the quality of dispute resolution mechanisms.

In addition, to encourage domestic banks to provide better financing services to small and medium enterprises, including small and innovative enterprises, the FSC has been promoting the “Program to Encourage Lending by Domestic Banks to Small and Medium Enterprises” since July 2005, and the results have been good. The FSC has adopted 2 metrics for ongoing monitoring of SME financing. Although investment transactions have not been suggested for inclusion among the “G20 Financial Inclusion Indicators”, in order to monitor use by people in Taiwan of digital financial investment instruments, the FSC has also adopted 2 metrics to monitor the percentage of securities and futures market trading orders from individuals that are submitted electronically. The FSC will use these metrics as reference in evaluating its SME financing and digital investment transaction policies.

Amendments to the “Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses” and the “Regulations Governing Information to be Published in Annual Reports of Public Companies”

Notification of E-journal of Financial Outlook Monthly

Thank you for reading the Financial Outlook Monthly. We will stop printing and sending the paper-form journal since January 2021 (No.194), and still provide E-journals on our website. If you would like to receive E-journal every month, please send your E-mail address to yhhsu@fsc.gov.tw. You may also download E-journal files from our website through the QR code as the following or the URL (<https://www.fsc.gov.tw/en/home.jsp?id=55&parentpath=0,4>).

Many thanks,

Financial Supervisory Commission, Republic of China (Taiwan)



Financial Outlook
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To promote implementation of the key measures set out in the “Corporate Governance Roadmap (2018-2020)”, the FSC made amendments to the 2 aforementioned Regulations in reference to the regulations issued by leading securities exchanges from around the world and the recommendations set out in “CG Watch 2018”. The amendments were issued on January 22, 2020, and include the following key points:

1. When the positions of chairman and CEO (or equivalent positions) of a company are concurrently taken by a same single person, a marital couple or first-degree relatives, the company must explain the reason for the situation, why it is reasonable and necessary, and the measures it has taken in response. The FSC has also amended attachments that a company is required to fill out to show the state of its corporate governance, its adherence to ethical business practices, and any resignation or dismissal of its chief corporate governance officer.
2. To bring about greater transparency in the remuneration of directors, supervisors, and senior executive officers, and to ensure that such remuneration is set in a reasonable manner, a company is required to disclose the remuneration paid to its individual directors and supervisors if: (a) the company has posted after-tax deficits in a parent-company-only financial report or an individual financial report within the three most recent fiscal years; (b) it is a TWSE-listed or TPEX-listed company that has had poor corporate governance evaluation performance; or (c) it is a TWSE-listed or TPEX-listed company where the average salary of non-managerial full-time employees has been relatively low. In addition, a company must also individually disclose the remuneration received by the five most highly compensated executive officers if: (1) it is a TWSE-listed or TPEX-listed company that has posted after-tax deficits in a parent-company-only financial report or an individual financial report within the three most recent fiscal years; or (2) it has had poor corporate governance evaluation performance.
3. To improve the quality of companies’ non-financial disclosures, the FSC, making reference to important international trends, has amended the items related to corporate social responsibility that must be disclosed, including risk assessments and risk management policies or strategies related to environmental, social, and corporate governance issues. Also, in order to strengthen disclosure of information on CPA professional fees, amended provisions will require annual reports to note any audit fee reduction of 10% or more, down from the previous threshold of 15%.

Amendments to the “Directions for Conduct by Life Insurance Enterprises of Interest-Sensitive Insurance Products Business”

Considering the fact that Taiwanese life insurers are going to gradually adopt IFRS17 and the Insurance Capital Standard (ICS), the FSC issued an amended version of the aforementioned Directions on January 16, 2020, which will enter into force from July 1, 2020. The purpose of the amendments is to strengthen post-sale regulation of interest-sensitive insurance products (including insurance products with a credited interest rate), and to ensure safe and sound operation of the business, thereby reducing the possible impact of future adoption of IFRS17 and ICS. Key points of the amendments include the following: (1) In order to urge life insurers to establish a stabilization mechanism for credited interest rates, the amended provisions require companies, when adopting credited interest rates, to consider the coupon rate on fixed-income bonds in their segregate accounts. (2) The amended provisions set out a list of items that insurers are required to examine and evaluate at their monthly credited interest rate meetings. The purpose is to improve the scope of items that are examined and evaluated at monthly credited interest rate meetings. (3) Life insurance companies that still have distributable earnings after the end of a fiscal year are required to use a nominal tax rate (20%) in setting aside a provision to special capital reserves in an amount equal to 20% of the after-tax increase in the asset value exceeds the reserve provision in each current-year segregate account.

Bilingualization of the material information of TWSE-listed and TPEX-listed companies to commence from July 2020

To afford foreign investors more timely access to the material information of companies listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEX), thereby accelerating the internationalization of Taiwan’s capital markets, the FSC has overseen efforts by the TWSE and the TPEX to amend related bylaws. Requirements for TWSE- and TPEX-listed companies to disclose material information in English will be phased in gradually. Phase one will take effect in July 2020, from which time TWSE- and TPEX-listed companies with paid-in capital of NT\$15 billion or more will be required to disclose material

information in English. Beginning from 2024, this requirement will apply to all TWSE-listed companies, and to TPEX-listed companies with paid-in capital of NT\$600 million or more.

Amendments to the “Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies”

The FSC amended Subparagraph 1, Paragraph 1, Article 5 of the aforementioned Regulations on February 27, 2020 by adding a new requirement that an individual shareholder intending to act as a proxy solicitor must hold at least 2 million shares issued by the financial institution. The rationale behind the amendments is as the following: (1) Financial holding companies subject to the provisions of the “Financial Holding Company Act”, banks governed by the “Banking Act”, and insurance companies regulated under the “Insurance Act” (hereinafter, “financial institutions”), hold massive amounts of capital and they have widely differing amounts of share capital. To facilitate shareholder activism and satisfy the principle of equal treatment of shareholders, the new provision is needed for better corporate governance. (2) When there is an election of directors or supervisors on the shareholder meeting agenda of a financial institution, regardless of its size of paid-in capital, individual shareholders who meet certain conditions all have the right to participate as proxy solicitors in such an election.

Amendments to the “Regulations Governing the Preparation of Financial Reports by Securities Firms”, the “Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants”, and the “Regulations Governing the Preparation of Financial Reports by Insurance Enterprises”

To ensure that the remuneration of directors, supervisors, and senior executive officers at securities firms, futures commission merchants, and insurance enterprises is set in a more reasonable manner, to improve the quality of such entities’ non-financial disclosures, and to accommodate regulations to current practices and for an appropriate level of supervision, the FSC amended the “Regulations Governing the Preparation of Financial Reports by Securities Firms” and the “Regulations Governing the Preparation of Financial Reports by Futures Commission Merchants” on February 11, 2020, and also amended the “Regulations Governing Preparation of Financial and Operational Reports by Insurance Enterprises” on February 15, 2020. Key points of the amended provisions are as follows:

1. To bring about more transparent disclosure of the remuneration of directors, supervisors, and senior executive officers, and to ensure that such remuneration is set in a reasonable manner: Revised and added additional provisions about disclosing the remuneration paid to individual directors, supervisors, presidents, vice presidents, and advisors under certain conditions. In addition, securities firms, futures commission merchants, and insurance enterprises listed on the Taiwan Stock Exchange (TWSE) or the Taipei Exchange (TPEX) are required to individually disclose the remuneration received by their five most highly compensated executive officers under certain circumstances.
2. To improve the quality of companies’ non-financial disclosures: To strengthen disclosure of information on CPA professional fees, the FSC amended the reporting threshold for the reduction of CPA audit fee from 15% to 10%.
3. To coordinate with a recent amendment to the “Regulations Governing Capital Adequacy of Insurance Companies”, which includes net worth ratio among the supplementary indicators of capital adequacy, insurers are now required to disclose their net worth ratio.

Amendments to Articles 6 and 7 of the “Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises” and parts of the “Directions for Sale of Investment-linked Insurance Products”

To improve monitoring and control of the solicitation and underwriting procedures of insurance enterprises, and to ensure compliance with Article 25 of the United Nations “Convention on the Rights of Persons with Disabilities” (which sets out requirements regarding measures to ensure the right of persons with disabilities to health), the FSC amended Articles 6 and 7 of the “Regulations Governing Business Solicitation, Policy Underwriting and Claim Adjusting of Insurance Enterprises” and parts of the “Directions for Sale of Investment-linked Insurance Products” on February 13, 2020. The key points of the amended provisions are as follows:

1. When selling an insurance product that has surrender value to a customer over 70 years of age, insurance enterprises shall maintain the record of selling process by audio or video means, or retain the trail of relevant operating process

using electronic equipment. Appropriate unit or managerial personnel shall double-check such record or trail and confirm the product suitability for the customer before the insurance enterprise underwrites the policy.

2. Insurance solicitors and insurance brokers which the insurance enterprise does business with are prohibited from inducing a customer to cancel or terminate a contract or to use a loan or a policy loan to pay insurance premiums. Moreover, where a customer's source of funds is from a contract cancellation, contract termination, loan, or policy loan and the insurance product purchased meets certain conditions, the enterprise must also assign a person to contact the customer by phone to check whether the insurance solicitors and insurance brokers had carried out the process of "Knowing Your Customers," engaged in improper solicitation behavior, confirmed the suitability of the insurance product, and informed the customer of any leverage-related risks or any possible loss of the customer's right to switch insurance.
3. To ensure compliance with the United Nation's "Convention on the Rights of Persons with Disabilities," which sets out requirements regarding measures to protect the health of persons with disabilities, the amended provisions prohibit insurers from treating unfairly to particular types of insureds or applicants who have a physical or mental disability.

Amendments to the "Regulations Governing Required Qualifications for Responsible Persons of Insurance Enterprises"

To strengthen insurers' corporate governance, and to improve the professionalism and stability of boards of directors, the FSC amended the aforementioned Regulations on February 20, 2020. The key points of the amended provisions are as follows:

1. If it is found that any disqualification criterion set out in these Regulations applies to a person already serving as a responsible person of an insurance enterprise, that fact shall constitute ipso facto cause for dismissal.
2. Implementation of non-competition: When a natural person or a juristic person acts as a director (or supervisor) of an insurance enterprise, if that party or a related party thereof concurrently acts as a director (or supervisor) of another financial institution, a conflict of interest shall in principle be presumed to exist. However, this shall not apply in cases where there exists a relationship of control or subordination as set out in the "Company Act," or where the concurrent positions are held in compliance with the provisions of these Regulations.
3. Increasing the number of professional directors (supervisors) of insurance enterprises with total assets over NT\$1 trillion: Insurance enterprises with 5 or fewer directors (supervisors) are required to have 3 professional directors (supervisors). At insurance enterprises with more than 5 directors (supervisors), there must be 1 additional professional director (supervisor) for each 3 additional directors (supervisors). The required number of professional managing directors has been increased from 2 to 3.
4. Natural-person directors: An insurance enterprise with 13 or more directors may have 5 natural-person directors. However, at an insurance enterprise that is wholly owned either directly or indirectly by the government or a single juristic person, there is no need for any of its professional directors to be natural persons.
5. Where the representative of the government or a juristic person has appointed a representative or a natural person to act its agent in exercising the duties of its position, if that agent serves as a supervisor of the insurance enterprise, then that enterprise shall be subject to provisions that prohibit anyone with a specified kinship relation from concurrently acting as both a director and an executive officer of a single insurance enterprise.
6. An insurance enterprise's board of directors is required to carefully review the qualifications of executive officers, and is responsible for monitoring to ensure that executive officers have upstanding character, maintain sufficient skills and qualifications, and are suitable for their positions.
7. An insurance enterprise and its responsible person are required to promptly file a report with the competent authority when circumstances that constitute ipso facto cause for dismissal arise, and the insurance enterprise must notify the Ministry of Economic Affairs to void or revoke the firm's registration.

International Activities

Head of European Economic and Trade Office visited the FSC

Mr. Filip Grzegorzewski, the Head of the European Economic and Trade Office (EETO), was warmly received by the FSC Vice

Chairman Huang on February 12, 2020. The two sides broadly exchanged views on financial and economic issues of mutual interests.

Industry Updates

FSC directs financial industry to launch coping measures to coronavirus outbreak

To respond to the COVID-19 outbreak, the FSC directs Taiwan's financial industry to launch measures to combat this notifiable infectious disease. These measures include the following:

1. Banking sector: (1) appropriately plan on response measures to the outbreak. (2) If a bank changes its manner of conducting business at any domestic or overseas business location in response to a confirmed case of COVID-19 among employees or in response to the outbreak, the bank must immediately report the matter to the FSC by telephone. (3) Supporting policies made by the Ministry of Transportation and Communications to ease economic difficulties that the outbreak has caused to providers of travel and hotel services. For example, banks are raising the loan-to-value ratio for loans in the tourism sector, and are rescheduling principal and interest payments on current loans. (4) Standing behind the efforts by the Ministry of Economic Affairs (MOEA) to support commercial and service enterprises, banks are providing financing, rescheduling loan repayments, providing interest subsidies, and providing a grace period prior to the handling of dishonored checks. Banks are also helping the MOEA to estimate the economic impacts of the outbreak, and to assess where such impacts are likely to be felt.
2. Securities and futures markets: (1) On January 28, 2020, the FSC issued a news release calling upon TWSE- and TPEX-listed companies to disclose information promptly to help investors make informed decisions. (2) Deadlines for the reporting of financial information by public companies have been adjusted. (3) Securities and futures firms have been reminded to establish outbreak response measures.
3. Insurance sector: A number of response measures for notifiable infectious diseases have been triggered. For example, a toll-free 0800 telephone hotline has been established, a campaign has been launched to educate the public on how to protect against the outbreak, and insurers are expediting related claim adjustments. In addition, the Taiwan Centers for Disease Control have announced that COVID-19 has been placed in the "Notifiable Infectious Disease V" category, and insurers will be required to pay the corresponding insurance benefits to any policyholder whose policy covers this category of illness. For persons with a policy that does not cover a COVID-19 infection, insurers will pay out consolation benefits or otherwise provide customers with the most generous possible treatment, in keeping with principles for the handling of notifiable infectious diseases.

The First Sukuk listed on TPEX

QIB Sukuk Ltd., a special purpose vehicle (the "SPV") incorporated by Qatar Islamic Bank, issued and listed the first Sukuk ("the Sukuk") on TPEX on February 7, 2020. The Sukuk is denominated in U.S. dollars with the amount of issuance of US\$ 800 million and maturity of 5 years, rated A by Fitch and dual listed on TPEX and Euronext Dublin. The Sukuk is the first foreign currency-denominated Sukuk issued on the TPEX professional board, providing professional investors with diversified investment targets. In the wake of the issuance of the Sukuk, the FSC continues to adjust Taiwan bond market regulations and devise measures in response to the international market trend and to enhance the international competitiveness of Taiwan capital market.

NPL ratio for domestic banks as of the end of January 2020

The total outstanding loans extended by the current 36 domestic banks increased by NT\$217.1 billion (US\$7.18 billion) as compared to the figure of previous month and amounted to NT\$29.9 trillion (US\$988.43 billion) at the end of January 2020. Meanwhile, the NPLs of these banks totaled at NT\$69.5 billion (US\$2.30 billion) which increased by NT\$5.9 billion (US\$195.04 million) from NT\$63.6 billion (US\$2.10 billion) as of the end of the previous month. The average NPL ratio of the 36 banks increased by 0.02 percentage points and therefore rose to a figure of 0.23% from 0.21% of the previous month, but was down by 0.01 percentage points compared to the same month last year.

The coverage ratio of allowances for NPLs stood at 596.73%. While the ratio decreased by 55.05 percentage points from 651.78% of the previous month, it still remained stable at a higher level.

NPL situation of credit cooperatives at the end of January 2020

Total NPLs at Taiwan's 23 credit cooperatives stood at approximately NT\$0.54 billion as of the end of January 2020, generating an NPL ratio of 0.11%, up by 0.03 percentage points from 0.08% at the end of December 2019. The NPL coverage ratio was 1,897.5%, down by 784.45 percentage points from 2,681.95% at the end of December 2019.

Net foreign and mainland China investment in listed shares

As of the end of January 2020, foreign investors had bought around NT\$600.1 billion and sold around NT\$643.1 billion worth of shares listed on the Taiwan Stock Exchange, amounting to a net-sell of around NT\$43 billion. In addition, foreign investors had bought around NT\$69.3 billion and sold around NT\$62.8 billion worth of shares listed on the Taipei Exchange, amounting to a net-buy of around NT\$6.5 billion. Meanwhile, mainland China investors had bought around NT\$1.1 billion and sold around NT\$700 million worth of shares listed on the Taiwan Stock Exchange, amounting to a net-buy of NT\$400 million; mainland China investors had bought around NT\$200 million and sold around NT\$600 million worth of shares listed on the Taipei Exchange, amounting to a net-sell of around NT\$400 million. As for inward remittances by foreign and mainland China investors, the figure for cumulative net inward remittances by offshore foreign institutional investors, offshore overseas Chinese and foreign nationals at the end of January 2020 stood at approximately US\$214.7 billion, up by around US\$1.3 billion from US\$213.4 billion at the end of December 2019. The figure for cumulative net inward remittances by mainland China investors was US\$187.5 million, down by around US\$1.4 million from US\$188.9 million at the end of December 2019.

Profit/loss, net value and exchange gains/losses of the insurance industry in December 2019

The pre-tax profit of insurance enterprises at the end of December 2019 was NT\$170.6 billion; the pre-tax profit of life insurance enterprises was NT\$154.6 billion, an increase of NT\$72.4 billion, or 88.1%, compared with the same period in 2018; the pre-tax profit of non-life insurance enterprises was NT\$16 billion, up by NT\$1.2 billion or 8.1% compared with the same period in 2018.

Owners' equity of insurance enterprises at the end of December 2019 was NT\$2,650 billion; owners' equity of life insurance enterprises was NT\$1,929.7 billion, an increase of NT\$840.8 billion, or 77.2%, compared with the same period in 2018; owners' equity of non-life insurance enterprises was NT\$135.3 billion, up by NT\$17.6 billion or 15% compared with the same period in 2018.

During the month of December 2019, the NT Dollar appreciated by 1.3% versus the US Dollar from the previous month, and the balance of foreign exchange valuation reserves of life insurance enterprises at the end of December in 2019 was NT\$54.6 billion, down by NT\$3.9 billion from the previous month. The pre-tax profit of life insurance enterprises at the end of December 2019—which includes exchange gains/losses, hedging gains/losses, and the net effect of volatility on the foreign exchange valuation reserve—was NT\$154.6 billion.

Sales performance of insurance with spillover effect and in-kind benefits provided by life insurance companies as of the fourth quarter of 2019

As of the fourth quarter of 2019, the sales performance of insurance products with spillover effect and in-kind benefits provided by life insurance companies was as follows:

1. The FSC has approved or accepted registrations of 28 insurance products with a spillover effect from 8 life insurance companies. In total, 60,117 new contracts for such products have been sold as of the fourth quarter of 2019, up by 464% from 10,645 compared to the fourth quarter of 2018. The first-year premium income was NT\$816.46 million, up by 823% from NT\$88.39 million compared to the fourth quarter of 2018.
2. The FSC has approved or accepted registrations of 16 in-kind payment insurance products from 6 life insurance companies. In total, 181,775 new contracts for such products have been sold as of the fourth quarter of 2019, up by 19% from 151,860 compared to the fourth quarter of 2018. The first-year premium income was NT\$38.46 million, down by 3% from NT\$39.61 million in the fourth quarter of 2018.

Sales statistics of foreign-currency denominated products by life insurance industry as of the end of November 2019

The sales statistics of foreign-currency denominated products by life insurance industry as of the end of November 2019

(accumulated) were as follows: Premium revenues from new foreign-currency denominated policies amounted to around NT\$466.73 billion, down by 19% from NT\$578.227 billion year-on-year. Among them, investment-linked insurance products accounted for NT\$148.814 billion (around 32% of the total), down by 34% from NT\$226.307 billion year-on-year, and the sales of traditional insurance products totaled NT\$317.916 billion (around 68% of the total), down by 10% from NT\$351.92 billion year-on-year.

Investor and Consumer Protection

FSC reminds public that "Compulsory Automobile Liability Insurance Drunk Driving Surcharge Mechanism" has been implemented, and calls on people not to drink and drive

To protect lives and property, the FSC has called upon the public to refrain from drinking and driving, and has reminded drivers that, as of March 1, 2014, a "Compulsory Automobile Liability Insurance Drunk Driving Surcharge Mechanism" has been implemented. After the police charge a driver with driving under the influence of alcohol, that fact shall be noted in their driving record. Anyone with drunk driving offenses placed on their driving record in the preceding year shall be charged higher compulsory auto liability premiums, with a premium hike of NT\$3,600 levied for each offense. The cumulative amount of such premium hikes is unlimited, without regard to the number of vehicles driven or the number of offenses committed.

FSC reminds policyholders: Get that receipt!

The FSC recently called on consumers to be sure and get a receipt from insurance solicitors when they make premium payments, and reminded consumers that they can best protect themselves by paying by credit card, a direct debit arrangement, or a check that has been designated as non-endorseable and non-transferrable and is made payable to the insurance company. Regulations require the head office or a branch office of an insurer to issue a formal receipt after the company collects an initial insurance premium, and further require that when an insurance enterprise receives an initial premium paid for by cash or check, it must give the policyholder either a binding receipt or a renewal receipt and state the time of payment thereon. Even when the solicitor is a friend or relative, the FSC advises consumers to get a receipt from the insurance solicitor and check whether the payment amount has been accurately recorded.

2020 School and Community Financial Literacy Campaign

As part of the 2020 School and Community Financial Literacy Campaign, the FSC held 7 financial literacy events in February 2020 at schools and organizations, including the Hsinchu District Prosecutors Office, attracting a total attendance of 335 participants. The events are free of charge, and have struck a chord with many people since their inception in 2006. As of January 2020, a total of 6,319 events had been held and over 1.01 million people had attended. The target participants include students at all levels, communities, women's groups, indigenous people, immigrants, military service personnel, correctional institutions and social welfare groups.

The Banking Bureau of the FSC will continue the financial literacy campaign in 2020. Schools or community groups interested in the campaign are invited to register on the website of the Banking Bureau. For more information, please call (02)8968-9709.

Major Enforcement Actions

FSC imposed sanctions on E.SUN Commercial Bank and Bank SinoPac

The FSC imposed administrative fines of NT\$12 million on E.SUN Commercial Bank and Bank SinoPac after discovering that former wealth managers at each bank had misappropriated customers' funds, and that the former wealth manager at Bank SinoPac had also engaged in abnormal fund transactions with customers. Each bank was found to be in violation of Paragraph 1 of Article 45-1 of the Banking Act and the fines were imposed in accordance with Subparagraph 7 of Article 129 of the same Act.

FSC imposed sanctions on Eco Global Asset Management Co., Ltd.

The FSC, acting in accordance with Subparagraph 5, Article 103 of the Securities Investment Trust and Consulting Act, revoked the business permit of Eco Global Asset Management Co., Ltd. after discovering misappropriation of business capital and falsehoods or concealments in the content of account books, forms/statements, vouchers, and financial reports. In addition, acting in accordance with Article 104 of the same Act, the FSC also ordered the company to dismiss 2 employees surnamed Chang and Li, who were a board member and the board chairperson, respectively, at the time of the violations.