

Market Activities

Major Events in 2009

January

- Jan. 17 TWSE announced partial revisions of the "Rules for Review of Securities Listing", "Operational Procedures for the Review of Foreign Securities for Listing on the Taiwan Stock Exchange Corporation", "Taiwan Stock Exchange Corporation Key Points Governing the Particulars to be Described in the Prospectus for the Initial Offering of Securities", and "Application Form for the Primary Listing of Foreign Stocks" in order to open up the primary listing of foreign technology enterprises in Taiwan.
- Jan. 19 The Financial Supervisory Commission (FSC) announced the business scope for securities firms to concurrently operate futures business, as well as the amount of foreign-currency deposits which can be held, and the business scope of operating futures introducing broker business by securities firms.

February

- Feb. 2 The T+2 DVP settlement came into effect in the stock market.
- Feb. 24 FSC promulgated the "Standards and Regulations Governing the Election of Non-shareholder Directors and Supervisors, and Non-member Directors and Supervisors of the Taiwan Stock Exchange Corporation".

March

- Mar. 5 TWSE announced a revision of Article 49 of the "Operating Rules of the Taiwan Stock Exchange Corporation" to effect an appropriate relaxation of the "observation period of improvements" for a change of the trading method for a listed company after its net worth falls below one-half of its paid-in capital.
- Mar. 11 TWSE announced a revision of the measures for handling violations in the "Directions for Handling Changes in Trading Category by Securities Companies", deleting the unified quantified standards and switching to self-discipline by securities companies.
- Mar. 19 TWSE announced a revision of the coding principles for foreign bonds and foreign strip bonds as contained in the "Principles for Assigning Stock Codes in the ROC Securities Markets".

April

- Apr. 9 FSC announced that it will permit securities companies to buy domestic futures trust funds.
- Apr. 30 FSC promulgated "Guidelines Governing Securities Investment and Futures Trading in Taiwan by mainland China investors", opening up stock and futures investment in Taiwan to investors from mainland China.



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RISEING BUSINESS



May

- May 11 TWSE announced that call or put warrants issuers may use the indexes announced by TWSE as the underlying assets for issuing warrants.
- May 22 FSC announced that Hong Kong is recognized by Taiwan as an offshore place of domicile for fund registration and a location for fund supervisory agency for offshore exchange-traded funds.

June

- Jun. 10 Article 43-5 and Article 138 of the Securities and Exchange Act were revised to amend the conditions for exceptions related to forbidding a person from suspending a public tender offer after the offer is made, and to add the date of implementation of the amended provisions.

July

- Jul. 6 FSC announced the opening of the lending of self-owned securities by securities financing enterprises via TWSE's securities lending system.
- Jul. 6 TWSE announced the listing and trading of offshore exchange-traded funds (ETFs) and feeder ETFs, and revised the related rules and regulations.
- Jul. 15 FSC announced the opening of offshore ETF listing and trading on the Taiwan stock and over-the-counter markets in accordance with the "Regulations Governing Offshore Funds", and revised the "Rules Governing Foreign Securities Market Scope and Underlying Securities for Securities Firms Engaged in the Consigned Trading of Foreign Securities" and other related regulations.

August

- Aug. 14 The first overseas ETF (Hang Seng H ETF) and the second overseas ETF (Hang Seng ETF) listed on the Taiwan Stock Exchange.
- Aug. 19 TWSE announced that the listed ETFs and offshore ETFs which may be used as underlying assets for warrants should be based on the official announcement published by TWSE.
- Aug. 21 FSC announced a revision of the "Rules Governing Foreign Securities Market Scope and Underlying Securities for Securities Firms Engaged in the Consigned Trading of Foreign Securities".
- Aug. 26 FSC announced the establishment of "Criteria of Scope and Amount for Using Funds Owned by Securities Investment Consulting Enterprises".



September

- Sep. 14 TWSE announced revisions of the "Taiwan Stock Exchange Corporation Rules for Review of Securities Listings" and "Supplementary Provisions to the Taiwan Stock Exchange Corporation Rules for Review of Securities Listings" to relax rules for the primary listing on TWSE of depository receipts issued overseas by overseas enterprises. In response to the revision of ownership dispersion standards for Taiwan enterprises, TWSE revised relevant provisions of "Taiwan Stock Exchange Corporation Rules for the Review of Stock Exchange Listing Applications by Investment Holding Companies" and "Taiwan Stock Exchange Corporation Rules for the Review of Stock Exchange Listing Applications by Financial Holding Companies" accordingly.
- Sep. 21 FSC announced a relaxation in the rules to allow investment by offshore overseas Chinese and foreigners in certificates for equity subscriptions.

October

- Oct. 12 FSC announced the loosening of restrictions to allow persons involved in the discretionary investment business to acquire the same stocks as those held in assets by entrusted investments.
- Oct. 21 FSC announced that the "Rules Concerning Cross-Selling by Financial Holding Company Subsidiaries" are henceforth replaced by the "Rules Governing Cross-Selling between Financial Holding Company Subsidiaries".
- Oct. 29 FSC announced and designated government bonds issued by the United States Treasury Department as securities tradable over the counter.

November

- Nov. 9 FSC announced that securities firms concurrently operating futures dealer business may transfer securities held by their securities departments to their futures departments, serving as actual marginable securities for the operation of futures dealer business.
- Nov. 10 FSC announced cancellation of the provision allowing offshore overseas Chinese and foreigners to save their remitted capital in time deposit accounts, and revised the investment scope in Taiwan securities for offshore overseas Chinese and foreigners.
- Nov. 12 TWSE announced a revision of the "Coding Principles for ROC Securities Market", changing the coding principle for newly listed Taiwan depository receipts (TDRs) and exchange traded funds (ETFs) from four-digit codes to six-digit codes, while the codes for already issued and existing securities remain at four digits.

December

- Dec. 2 TWSE announced a revision of Article 12 of the "TWSE Criteria Governing the Review of Call (Put) Warrant Listings" to set uniform rules for foreign institutional issuers and domestic issuers, thereby lowering their fund costs burden.
- Dec. 11 FSC announced a revision of Article 6 of the "Regulations Governing Contents and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies" to require companies to transmit electronic files of Shareholders' Meeting Agenda Handbooks and supplementary meeting information to the Market Observation Post System at least 21 days before shareholders' meetings.
- Dec. 23 FSC announced that investments in Taiwan securities from mainland China investors may, in accordance with the provisions of Paragraph 2, Article 12 of the "Guidelines Governing Securities Investment and Futures Trading in Taiwan by mainland China investors", invest in government bonds, money market instruments, and money market funds. Such investment in money market funds is limited to bills with maturity dates within 90 days, and the total investment amounts by mainland China investors in government bonds, money market instruments, and money market funds should not exceed 30% of the funds they have remitted into Taiwan.

