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Accountability of Companies in Taiwan: Policy Agenda and Action Plan to Strengthen Corporate Governance

I. Background

1. Recital

To keep abreast of international trends, strengthen the effectiveness of corporate governance in Taiwan, promote the sound development of the capital market and the financial system, and increase overall national competitiveness, at the Fifth Meeting on Current Major Financial and Economic Affairs on November 21, 2002, Premier Yu Shyi-kun gave instructions for the establishment of a "Taskforce for Reforming Corporate Governance" charged with accelerating progress in carrying out domestic corporate governance reform.

2. Establishment and Operation of the Taskforce

- (1) In accordance with the foregoing instructions, on January 7, 2003 the Executive Yuan established a "Taskforce for Reforming Corporate Governance" (the "Taskforce") under the chairmanship of Minister without Portfolio Hu Shen-chan and the vice chairmanship of Ho Mei-yueh, Vice Chairperson of the Council for Economic Planning and Development (the "CEPD"), with its membership including the vice chiefs of the Ministry of Economic Affairs (the "MOEA"), the Ministry of Finance (the "MOF") and the Ministry of Justice (the "MOJ"), experts, scholars, and industrial representatives, and with the CEPD providing the staff work (See Appendix I). The goal of the Taskforce is to discuss each agenda related to corporate governance and to propose a "policy agenda and action plan to strengthen corporate governance" (the "Policy Agenda").
- (2) As of the end of September 2003, the Taskforce had actively engaged in all kinds of research, conducted four commissioners' meetings, seven work meetings and two industry seminars, and passed the draft of the "Policy Agenda" at the fourth commissioners' meeting on August 18, 2003. The draft will be modified by the CEPD in accordance with the resolution of that meeting and, after approval by the Executive Yuan, will serve as the basis for promoting corporate governance.

3. Government's Determination to Fulfill the Initiative

By setting up the Taskforce to promote corporate governance reform, the Executive Yuan has demonstrated its recognition of the importance of and its determination to carry out reform of corporate governance. The government is committed to comprehensively strengthening the accountability of companies in Taiwan ("ACT") so as to enhance the positive image of Taiwan enterprises in the global economy.

II. Concept and Basic Principles of Corporate Governance

1. Concept of Corporate Governance

In recent years, as a result of the widespread impact of the Asian financial crisis and the Enron and other such financial scandals in the US, the issues of corporate governance have received much heightened emphasis internationally. In 1999, the Organization for Economic Cooperation and Development ("OECD") put forward the Principles of Corporate Governance which have become the basis of corporate governance reform for every country. In general terms, corporate governance means a mechanism for managing enterprises that fulfills the management's responsibilities while protecting the legitimate rights and interests of shareholders and giving due consideration to the interests of other interested parties¹.

Good corporate governance should embody proper incentives to impel the board of directors and the management to achieve their business objectives by means that conform to the best interests of the company and all the shareholders. It should assist enterprises in reforming their management structures and should provide effective supervisory mechanisms that encourage enterprises to make the best use of resources, promote efficiency, raise competitiveness, and contribute to enhancing the social welfare of the nation.

¹ (1) According to the OECD, corporate governance broadly refers to the regulation of a set of relationships between a company's management, its board, its shareholders, and other stakeholders (e.g. labor, creditors, clients, communities and the government). It also provides the mechanisms through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance.

(2) According to the Corporate Governance Association of the ROC, corporate governance means the mechanisms and procedures for guiding, managing and implementing the duties of a company's responsible persons so as to enhance a company's results and safeguard its shareholders' rights and interests while giving due consideration to the interests of other interested parties.

2. Basic Principles of Corporate Governance

By drawing on the suggestions of the OECD² and local and foreign institutions on the reform of corporate governance, we can extract the following as included in the basic principles of corporate governance:

- protecting shareholders' rights and interests and pursuing the company's sustainable development;
- striving for corporate democracy and assuring the rights and interests of minority shareholders;
- emphasizing the balance of rights and obligations among interested parties, including shareholders, employees, clients, upstream and downstream companies, banks and creditors;
- managing in good faith and supervising effectively; and
- bolstering market functions and enhancing the transparency of information.

III. Scope of Corporate Governance

Viewed in the light of different countries' experience, the scope of corporate governance can be either narrowly or broadly defined as follows:

1. Narrow Definition:

The narrow scope of corporate governance would mean "company governance," especially the governance of companies listed on the Taiwan Stock Exchange ("TSE") and the GreTai Securities Market ("GTSM"). It would mainly cover the responsibilities of the companies' management, the rights and obligations of shareholders, the structure, power and responsibilities of directors and supervisors, measures to prevent dishonest practices in the companies' operations, and so on, as well as the application of the Company Law, Securities and Exchange Law, and accounting principles.

2. Broad Definition:

In addition to company governance as defined above, the broad scope of corporate

² The OECD's principles of corporate governance include: (1) the rights of shareholders; (2) the equitable treatment of shareholders; (3) the role of shareholders; (4) disclosure and transparency; and (5) the responsibilities of the board of directors.

governance would also include the related market functions, mergers and acquisitions of enterprises, the governance of specific organizations (such as regulatory authorities, state-owned enterprises, etc.), the functions of institutional investors, the establishment of professional institutions in the capital market, bankruptcy and reorganization mechanisms, and the enforcement and reform of financial, economic, and other relevant laws and regulations.

To ensure the optimum effectiveness of corporate governance reform, the government will take the broad definition as the basis for proceeding with its efforts on this front.

IV. Problems of Corporate Governance in Taiwan and Urgency of Reform

1. Problems of Corporate Governance

As Taiwan's economy develops rapidly, local companies are increasing in number and size by the day. In the last decade or so, the domestic capital market has expanded swiftly and local enterprises have become more and more internationalized. As company shareholding has become increasingly dispersed among the general public, corporate governance has assumed much greater importance than in the past. However, owing to the traditional operational modes of family-run enterprises and the weaknesses of local corporate governance, Taiwan's business sector experienced its own financial turbulence during the Asian financial crisis, with a number of its firms beset by serious operational crises that brought to light many deficiencies in domestic corporate governance. The problems included:

- (1) The narrow control of decision-making in companies: For example, the concentration of shareholding in family-run enterprises, the failure of directors and supervisors to act as they should, and other such factors, created conditions in which decision-making could be manipulated by the chairman or a small minority of people within a company.
- (2) The lack of transparency in companies' financial affairs: For example, the state of a company's finances might be blurred by lending and other transactions between related parties (such as loans for investments in mainland China or a third territory often being extended by related parties and those investments being made in the name of related parties), by false or ambiguous financial statements, and so on.

(3) Excessive financial leveraging: For example, by cross-shareholding, inflated valuation of stock and real estate, and so on.

(4) Other problems: For example, the distribution of bonuses in the form of shares, mergers and acquisitions, protection of investors, the management of state-owned enterprises, the management of financial service enterprises and specific enterprises, and so on.

2. Urgent Need to Accelerate Reform

To strengthen corporate governance in Taiwan, the MOF, the MOEA, and other competent authorities have implemented a number of reforms in recent years. They have, for example, amended the Company Law to ban cross-holding of shares; introduced the system of independent directors and supervisors; improved the quality of information disclosure by TSE/GTSM listed companies; instituted legal proceedings against improper acts and related corruption, and assisted investors to pursue claims for damages; promulgated the “Corporate Governance Best-Practice Principles for TSE/GTSM Listed Companies”; strengthened internal audit and internal control systems; established the Market Observatory Post System for the capital market; strengthened the provision of information in foreign languages for international investors' reference; set up a reform committee to work on improving the corporate accounting system; established a financial reform taskforce; and secured the passage of the Financial Holding Company Law, the Statute for the Establishment and Management of the Financial Reconstruction Fund, the Merger and Acquisition Law, the Law for Protection of Securities and Futures Investors, and other such important new laws (see Appendix II for full details). However, considering that countries around the world are vigorously pushing ahead with corporate governance reform and that Taiwan's firms are rapidly increasing their level of internationalization, it is necessary to take even more active measures and step up the pace of our efforts on this front, in order to strengthen the competitiveness of our enterprises and improve Taiwan's position in the international rankings of corporate governance.³

V. Importance of Sound Corporate Governance in Economic

³ According to the corporate governance ranking report issued by Credit Lyonnais Securities Asia (CLSA) for the last two years, among the ten countries and territories in Asia surveyed, Singapore and Hong Kong occupied the top two places. Korea and China ranked fifth and eighth, respectively, but showed marked progress in their average scores (with the two countries' enterprise rankings coming out higher than their national rankings). Taiwan remained in fourth place in its national ranking and seventh place in its enterprise ranking, but did not show any progress in its average scores.

Development

The government's determination to act with great vigor in carrying out corporate governance reform reflects its recognition of the importance of stronger corporate governance for the long-term development of Taiwan's economy:

1. Responding to International Trends and Raising National Competitiveness

In recent years, the Asian financial storm, the Latin American financial crisis, and the Enron and other financial scandals in the US, have all served to demonstrate the vital bearing of corporate governance on a country's financial stability and sound economic development. Governments worldwide have been placing great emphasis on addressing the problems of corporate governance and drawing on all their resources to implement improvements. In view of this trend and the problems besetting corporate governance in our domestic sphere, it is essential that we move with the prevailing tide and strengthen our efforts on this front, in order to improve the soundness of our corporate sector and enhance the overall national competitiveness of Taiwan.

2. Beneficial to the Government's Policy of "Cultivating Taiwan Deeply and Positioning Globally."

In recent years, in response to the trend of globalization, Taiwan's enterprises have been strengthening their global positioning and operations, situating their research, manufacturing, distribution, and management units according to the comparative advantages offered by different locations. Meanwhile, the government has been vigorously implementing plans to develop Taiwan as an Asia-Pacific Regional Operations Center and Global Logistics Center, in pursuit of the vision to transform Taiwan into a "green silicon island". To gain the best advantage from this situation and move most effectively toward its goals, the government has adopted the core development strategy of "cultivating Taiwan deeply and positioning globally", which essentially involves inducing Taiwan's enterprises to remain based in Taiwan while extending their tentacles around the world. However, firms will only be persuaded to keep their roots in Taiwan if Taiwan possesses a top-tier capital market and a sound financial system. One of the keys to providing these is the establishment of suitably high standards of corporate governance, which will serve as a major inducement not only to keep the best of our own companies rooted in Taiwan but also to draw a heightened flow of inward foreign investment to our shores.

3. Reducing Businesses' Funding Costs and Raising Their Global Competitiveness

As Taiwan's enterprises develop their global positioning and extend their outreach into international markets, they are using increasingly diversified and internationalized channels for raising capital. Strengthening corporate governance in Taiwan will help our enterprises gain recognition in international financial markets, making it cheaper and more efficient for them to raise capital, boosting the value of their stock, and enhancing their global competitiveness.

4. Improving the Fundamental Soundness of Enterprises and Molding a Healthy Corporate Governance Culture

Strengthening corporate governance will be beneficial to improving the fundamental soundness of enterprises and achieving an efficient pattern for separating the roles of the management and owners of companies. It will help to imbue managers and directors with a more professional attitude towards taking responsibility, pursuing sustainable development, and striving for the enhancement of shareholder value. These are all important facets of molding a healthy corporate governance culture.

VI Policy Direction for Strengthening Corporate Governance

1. Order of Priority for Reforms

- (1) First priority will be given to reforming the corporate governance of TSE/GTSM listed companies, financial service enterprises, and public utilities.
- (2) The experience gained in carrying out reform of TSE/GTSM listed companies should be gradually extended to non-listed companies.
- (3) Finally, it can be applied in appropriate sequence to specific state-owned enterprises (those which are not TSE/GTSM listed and those with a non-corporate structure), regulatory authorities, foundations, administrative juridical persons, and so on.

2. Important Policy Directions

(1) Strengthening Corporate Governance Mechanisms

- (a) Improving Internal Control Systems: Enhancing the status and increasing

the independence of the internal audit unit of companies; strengthening the methods for selecting directors and supervisors; not allowing corporate and government shareholders to appoint directors and supervisors at the same time; and so on.

- (b) Gradual Establishing a System of Independent Directors and Supervisors: Allowing the establishment of a one-tier board structure; allowing public reporting companies to form permanent functional committees to replace the board of managing directors; expanding the introduction of independent directors and supervisors; promoting the procurement of liability insurance for directors and supervisors; and so on.
- (c) Strengthening the Information Disclosure System: Strengthening the disclosure of business information; reviewing the regulations on the scope of consolidated financial reports; and further reviewing the Criteria Governing Information to be Published in Annual Reports and Prospectuses.
- (d) Promoting Corporate Governance of Specific Organizations: Formulating corporate governance guidelines for financial service enterprises; strengthening the governance of public utilities, state-owned enterprises, regulatory authorities, foundations, administrative juridical persons and other forms of juridical persons; and so on.

(2) Strengthening Relevant Measures Supporting Corporate Governance

- (a) Improving the Accounting System: Implementing an auditor rotation system; strengthening the disclosure of information affecting the independence of CPAs; and amending the Accountants Law and other relevant laws and regulations.
- (b) Integrating Laws and Regulations related to Company Management: Promoting the modernization of reorganization and bankruptcy mechanisms; and improving corporate M&A mechanisms.
- (c) Protecting the Rights and Interests of Investors: Impelling conformity with principles of neutrality in the exercise of voting rights at shareholders meetings; augmenting shareholders' rights to table motions at shareholders meetings; studying the feasibility of holding shareholders meetings via videoconference and electronic voting; promoting judicial deliberation of shareholder-initiated suits; and so on.

(3) Publicizing the Concept of Corporate Governance and Building Consensus

on Reform

- (a) Making plans to publicize ACT internationally and to participate in related international activities.
- (b) Carrying out educational, training and promotional work on the concept of corporate governance in government agencies.
- (c) Actively conducting educational and promotional work on the concept of corporate governance in the private sector.

VII Implementation Strategies

To effectively implement policies for the strengthening of corporate governance, we will adopt the following strategies:

1. Carry out reform step by step in appropriate sequence, in accordance with separate short-term, mid-term and long-term goals based on prevailing considerations at the national, sectoral, and business organizational levels.
2. Adhere to the principle of encouraging the good and preventing the bad in establishing modes of reform that conform with market mechanisms; and for measures with a broader impact, start by using encouragement rather than sanctions to foster a gradual improvement in market discipline.
3. Clearly demarcate the powers and responsibilities of the competent authorities, and establish an inter-agency mechanism to coordinate the implementation of reform measures and ensure that reform objectives are achieved on schedule.
4. Strengthen communication with all sectors of industry and all sections of society, to promote the new concept of corporate governance and build consensus on reform.
5. Strengthen exchanges and cooperation with international organizations, to share experience and publicize Taiwan's efforts and concrete actions in carrying out corporate governance reform.

VIII Execution, Coordination, Supervision and Evaluation

1. Formulation of Action Plan

The first step for implementing the policy on corporate governance is the drafting of an action plan (see following section), with the responsibilities for carrying it out clearly divided among the relevant government agencies and a clear timetable laid down for the achievement of each task, to optimize efficiency.

2. Coordination Mechanism

All concerned ministries and commissions shall act in coordination when dealing with any problem that arises in regard to implementing tasks under the action plan. The CEPD shall be responsible for coordinating any matters that involve inter-agency action.

3. Supervision and Evaluation

The CEPD shall be responsible for supervising and evaluating the implementation of the action plan from the date of approval of this Agenda until year-end 2004, the which period may be extended as necessary.

Action Plan to Strengthen Corporate Governance

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
I.	Strengthening Corporate Governance Mechanisms					
1	Improving Internal Control Systems					
(1)	Elevating the status and increasing the independence of the internal audit units of companies.	Adjusting the status of internal audit units in conformity with the establishment of the system of independent directors or audit committees.	Guidelines for Establishment of Internal Control Systems of Public Reporting Companies.	June 30, 2004 (after the amendment of the Securities and Exchange Law).	The Securities and Futures Commission, Ministry of Finance ("SFC").	
(2)	Stipulating the appropriate method of selecting directors and supervisors.	(1) Government or corporate shareholders shall not appoint directors and supervisors at the same time. (2) Studying and formulating appropriate methods for nominating directors and supervisors.	The Company Law.	December 31, 2003.	The Department of Commerce, Ministry of Economic Affairs ("DOC").	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
II	Establishing the System of Independent Directors and Supervisors					
(1)	Allowing the establishment of a one-tier board structure.	Exempt public reporting companies (TSE/GTSM listed companies) from having to select supervisors after the selection of independent directors and the formation of an audit committee.	The Securities and Exchange Law (the "SEL").	December 31, 2003.	SFC.	
(2)	Implementing the system of independent directors and supervisors.	Amend relevant laws and regulations to expressly specify powers, methods of exercising those powers, remuneration, etc., of independent directors and supervisors	SEL.	December 31, 2003.	SFC.	
(3)	Promoting the procurement of liability insurance for directors and supervisors.	Amend the SEL to expressly allow enterprises to procure liability insurance for directors and supervisors.	SEL.	December 31, 2003.	SFC.	
(4)	Allowing public		SEL.	December 31,	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	reporting companies to establish permanent functional committees to replace the board of managing directors.			2003.		
(5)	Expanding the pool of talent eligible to act as independent directors and supervisors.	Review and amend the rules restricting the faculties and staff of public universities and colleges from acting as independent directors or supervisors, to allow optimal utilization of academic resources.	SEL.	December 31, 2003.	SFC; Executive Yuan's Science and Technology Human Resource Training and Utilization Project; the Ministry of Education; the Personnel Administrative Bureau.	
(6)	Studying allowing enterprises to give stock options as remuneration for directors and supervisors.			December 31, 2003.	DOC and SFC.	
3	Strengthening the Information Disclosure System					
(1)	Improving the quality of information	(1) Suggest that the competent authorities clarify		December 31, 2003.	SFC.	At the end of 2002, the MPF announced the

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	disclosed by enterprises.	<p>the definition of each item on the financial statements of TSE/GTSM listed companies and review the disclosure level and accuracy of current consolidated financial statements of financial holding companies.</p> <p>(2) In line with the development of international trends and the domestic environment of finance and accounting, review the provisions of FASB Statement No. 7 concerning</p>	FASB Statement No. 7.	In process.	SFC; the Accounting Research and Development Foundation.	<p>Rules Governing the Preparation of Financial Reports of Financial Holding Companies, and in early 2003 requested the TSE to review and amend the codes of financial statements. This measure has already been completed.</p>

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		the scope of consolidated financial statements.				
(2)	Fostering a culture of voluntary disclosure in corporate governance.	Encourage enterprises to disclose information on their own initiative.		In process.	SFC.	
(3)	Strengthening the contents and criteria of disclosure of business information on re-investments and overseas investments.	Supervise the TSE and GTSM in amending relevant rules and regulations to strengthen the level and accuracy of disclosure of information on investments in China and foreign countries made by public reporting companies, and strengthen the publicizing thereof.	The "Procedures for Verification and Disclosure of Material Information of TSE/GTSM Listed Companies," the "Procedures for Press Conferences Concerning Material Information of TSE/GTSM Listed Companies," and the "Regulations Governing Information Reporting by TSE/GTSM Listed Companies" promulgated by TSE and GTSM.	December 31, 2003.	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
(4)	Disclosure of change of control.	Complete the amendment to relevant laws and regulations to require the disclosure of change of control of enterprises.	Criteria Governing Information to be Published in Annual Reports of Public Reporting Companies and Criteria Governing Information to be Published in Public Offering and Issuance Prospectuses.	December 31, 2003.	SFC.	The amendment of laws and regulations in respect of annual reports and public prospectuses was completed in the first half of 2003.
(5)	Disclosing information on independent directors.	Complete the amendment of relevant laws and regulations to require the disclosure of information on independent directors.	Criteria Governing Information to be Published in Annual Reports of Public Reporting Companies and Criteria Governing Information to be Published in Public Offering and Issuance Prospectuses.	December 31, 2003.	SFC.	The amendment of laws and regulations in respect of annual reports and public prospectuses was completed in the first half of 2003.
(6)	Disclosing information on shareholding structure.	Complete the amendment of relevant laws and regulations to strengthen the disclosure of	Criteria Governing Information to be Published in Annual Reports of Public Reporting Companies	December 31, 2003.	SFC.	The amendment of laws and regulations in respect of annual reports

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		information on shareholding structure.	and Criteria Governing Information to be Published in Public Offering and Issuance Prospectuses.			and public prospectuses was completed in the first half of 2003.
(7)	Continuously reviewing Criteria Governing Information to be Published in Annual Reports and Public Prospectuses	In line with the progress of promoting corporate governance in Taiwan, and referring to suggestions from every field as well as foreign laws and regulations, review and amend relevant laws and regulations.	Criteria Governing Information to be Published in Annual Reports and Public Prospectuses.	December 31, 2003.	SFC.	
(8)	Reviewing and amending provisions in respect of disclosure of major news and events.	To strengthen the transparency of disclosure of information and the timeliness thereof, oversee review and amendment by the TSE and GTSM of relevant rules and regulations.		December 31, 2003.	SFC.	
(9)	Supplementing the contents of the	Strengthen the level and accuracy of		December 31, 2003.	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	website of the Market Observatory Post System.	disclosure of relevant information on corporate governance in the Market Observatory Post System and increase the accessibility of disclosure on-line.				
4	Implementation of Corporate Governance Mechanisms					
(1)	Encouraging every enterprise to draw up an operating manual for the board of directors.	In line with the establishment of the system of independent directors and supervisors, provide a model operating manual for a board of directors and encourage every enterprise to formulate its own variation thereof based on its particular needs.		December 31, 2003.	DOC and SFC.	
(2)	Implementing the "Corporate Governance Best-Practice Principles for TSE	Continue to promote the concept of corporate governance.		In process.	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	/GTSM Listed Companies".					
5	Promoting Governance for Specific Types of Organizations					
(1)	Establishing corporate governance principles for financial (including asset management) and insurance institutions.	Research and establish corporate governance principles for the financial services industry (including financial holding companies, banks, and insurance companies).		December 31, 2003.	Bureau of Monetary Affairs, Ministry of Finance ("BOMA"), and the Department of Insurance of the MOF ("DOI").	The "Corporate Governance Best-Practice Principles for Securities Firms," the "Corporate Governance Best-Practice Principles for Futures Commission Merchants," and the "Corporate Governance Best-Practice Principles for ROC Securities Investment Trust and Consulting Commercial Union and

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
						Securities Investment Trust and Securities Investment Consulting Enterprises" were publicly announced and took effect on January 29, March 26, and April 30, 2003, respectively.
(2)	Adding provisions stipulating fiduciary duties of institutions in charge of labor retirement funds.	Suggest adding provisions expressly stipulating fiduciary duties of institutions in charge of the custody and use of labor retirement funds in the draft of the Labor Retirement Fund Statute.	The Labor Retirement Fund Statute..	December 31, 2003.	The Labor Conditions Division, Council of Labor Affairs.	
(3)	Strengthening governance among state-owned	Research methods for strengthening governance among		Mid-term goal.	State-owned Enterprise Commission,	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	enterprises and regulatory authorities.	state-owned enterprises and regulatory authorities.			MOEA; Department of Posts & Telecommunications, Ministry of Transportation and Communications; MOJ; Research, Development and Evaluation Commission, Executive Yuan (RDEC); MOF.	
(4)	Strengthening governance among foundations, administrative juridical persons and juridical persons in other forms.	Research methods for strengthening governance among foundations, administrative juridical persons and juridical persons in other forms.		Long-term goal	Ministry of the Interior; MOJ; RDEC.	
II	Supporting Measures of Corporate Governance					
1	Strengthening the Accounting System of Enterprises					
(1)	Strengthening the independence of CPAs.	(1) Implement auditor rotation system and continue to implement measures related to the independence of	TSE/GTSM "Procedures for Reviewing Financial Reports of TSE/GTSM Listed Companies".	December 31, 2003.	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		CPAs. (2) Strengthen the disclosure or reporting of information affecting the independence of CPAs—e.g., the disclosure or reporting in a proper manner of the fees of CPAs and CPAs holding important positions in enterprises.	"Criteria Governing the Preparation of Financial Reports by Securities Issuers".	December 31, 2003.	SFC.	
(2)	Bringing accounting principles into line with international practice.	Supervise the Accounting Research and Development Foundation's work of referring to and applying international standards in supplementing or modifying Taiwan's financial and accounting statements, drawing up and		December 31, 2003.	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		announcing a set of Accounting Standards for Handling the Transfer of Financial Assets and the Extinguishment of Liabilities, and formulating a draft announcement of Accounting Standards for Handling Financial Instruments.				
(3)	Accelerating the amendment of the Accountants Law.	(1) Clearly define the legal responsibilities of accounting firms. (2) Supplement juridical person as a form of accounting firms and devise supporting mechanisms. (3) Strengthen the powers and functions of the National Federation of CPA	The Accountants Law. The Accountants Law. The Accountants Law.	December 31, 2003. December 31, 2003. December 31, 2003.	SFC. SFC. SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		Associations of the ROC. (4) Strengthen the effectiveness of disciplinary sanctions of CPAs.	The Accountants Law.	December 31, 2003.	SFC.	
(4)	Strengthening the self-discipline and management of CPAs.	(1) Supervise action by the National Federation of CPA Associations of the ROC to review the professional ethics rules and peer evaluation, and step up the publicizing thereof. (2) Conduct peer evaluation among CPAs.		In process. In process.	SFC. The National Federation of CPA Associations of the ROC.	
2	Reforming Reorganization and Bankruptcy Mechanisms					
	Promoting the modernization of bankruptcy and reorganization laws.	Research the feasibility of combining the bankruptcy and reorganization laws into a single framework.	The Bankruptcy Law and the Company Law.	December 31, 2004.	CEPD; DOC; the Department of Legal Affairs of the MOJ	The competent authority of the Bankruptcy Law is the Judicial Yuan.

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
3	Strengthening the M&A Mechanism of Enterprises					
(1)	Reviewing issues related to the acquisition of Taiwan TSE/GTSM listed companies by foreign investors.	Thoroughly review the foreign investment system.	The Statute for Investment by Foreign Nationals; the Regulations Governing Investment in Securities by Overseas Chinese and Foreign Nationals.	Mid-term goal.	CEPD; the Investment Commission of the MOEA ("IC"); SFC; and the Central Bank.	
(2)	Conducting research on the management of share exchange between a foreign company and a Taiwan company.	Coordinate with relevant competent authorities to conduct research on the management of share exchange between a foreign company and a Taiwan company so as to strengthen the M&A function of enterprises and promote sound corporate governance.		June 30, 2004.	CEPD; IC; SFC; and the Central Bank.	
4	Protecting the Rights and Interests of Investors					
(1)	Inducing shareholders to exercise voting rights at shareholders meetings in a	Amend Article 17 of the Rules Governing the Use of Proxies for Attendance at Shareholders Meetings	The Rules Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Companies.	June 30, 2003.	SFC.	This item has been completed.

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	non-biased and neutral manner.	of Public Reporting Companies and raise the threshold for applying the amended Article 17.				
(2)	Researching the feasibility of holding shareholders meetings via videoconference and electronic voting.	Conduct research on amendment of the Company Law and draw up supporting measures for its implementation in stages.	The Company Law.	December 31, 2003.	DOC.	
(3)	Augmenting shareholders' rights to table motions at shareholders meetings with a view to strengthening corporate governance of TSE/GTSM listed companies.	Amend the Company Law by adding related provisions and amend related supporting measures.	The Company Law.	December 31, 2003.	DOC.	
(4)	Restricting the exercise of shareholder rights by a subsidiary where there is cross-shareholding	Amend the related laws and regulations to prohibit a subsidiary from voting at shareholders meetings of its parent company	The Company Law.	December 31, 2003.	DOC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	between the parent company and the subsidiary.	in cases where there is cross-shareholding between the parent company and the subsidiary, and draft a provision stipulating the specific enforcement date thereof.				
(5)	Promoting judicial deliberation of lawsuits initiated by shareholders.	(1) Promote the institution of mechanisms for the conduct of such proceedings in special courts or tribunals.				This item has been completed. (On August 5, 2003, the Judicial Yuan issued orders for the Taiwan High Court, its branches in Taichung, Tainan, and Kaohsiung, and District Courts in Taipei, Shilin, Panchiao, Taichung, Tainan, and

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		<p>(2) Conduct training seminars to equip judicial staff with related specialized financial knowledge.</p> <p>(3) Conduct research on the</p>		December 31, 2004.	CEPD.	<p>Kaohsiung to set up special courts or tribunals for hearing lawsuits on matters related to securities and futures. Other courts may consider setting up special tribunals for the same purpose.)</p> <p>It is suggested that the Judicial Yuan continue to attend to this matter, and that it be excluded from the scope of supervision and evaluation under this Agenda.</p>

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		establishment of a mechanism for exclusive jurisdiction.				The result thereof will be forwarded to the Judicial Yuan for its reference.
III	Publicity and Promotion					
1	Planning and Internationally Promoting the movement of the ACT and Participating in Relevant International Activities					
(1)	Encouraging the preparation of high-quality English annual reports.	Encourage and assist enterprises to prepare English annual reports so as to enhance the understanding of Taiwan enterprises by international organizations and international institutional investors.		In process.	SFC.	
(2)	Vying for opportunities to host relevant international seminars.	Strengthen communication with all relevant international organizations to vie for opportunities to host international seminars.		In process.	Each relevant authority.	
(3)	Publishing theses	Encourage the publication of theses related to corporate governance.		In process.	Each relevant authority.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
2	Conducting Education, Training, and Promotion in Government Agencies on the Concept of Corporate Governance					
(1)	Planning training courses on corporate governance for all ministries and commissions.	Have seminars on corporate governance arranged by the Public Service Training Center in appropriate order of priority for each ministry and commission. Such seminars may be held by professional training institutions, such as the Taiwan Academy of Banking and Finance. (Suggest that the Premier himself participate in the promotional work, and that the decision-makers of all ministries and commission are core participants in such seminars.)		December 31, 2003	CEPD; Central Personnel Administration; MOF.	
(2)	Establishing a rating mechanism for the corporate governance	(1) Establish a mechanism for evaluating		In process.	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
	of domestic enterprises.	information. (2) Request the TSE and the GTSM to invite professional evaluation institutions to evaluate the corporate governance of TSE/GTSM listed companies.			SFC.	
3	Conducting Education and Promotion in the Private Sector on the Concept of Corporate Governance					
(1)	Holding seminars.	Encourage major commercial enterprises and organizations to hold seminars.		In process.	SFC, DOC, CEPD.	
(2)	Encouraging private institutions to strengthen promotional work.	Assist relevant private organizations to strengthen the promotion of corporate governance.		In process.	CEPD, SFC, DOC.	
(3)	Invoking the influence of institutional investors.	Strengthen the influence of domestic institutional investors on the corporate governance of listed		In process.	SFC.	

	Concrete Measures	Implementation Items	Modification of Laws & Regulations and Other Matters	Projected Completion	Authorities in Charge	Note
		companies through the assistance of the Securities Investment Trust & Consulting Association of the ROC.				
(4)	Drawing support from securities underwriters and securities analysts.	Suggest securities underwriters and securities analysts include corporate governance mechanisms as a factor in evaluating enterprises, and implement a firewall between their respective operations.		In process.	SFC.	

Appendix I

Members of Taskforce for Reforming Corporate Governance

Chairman: Mr. Sheng-cheng Hu, the Minister without Portfolio, the Executive Yuan

Vice-chairman: Ms. Mei-yueh Ho, the Vice Commissioner of the CEPD

Members of the Project Group:

1. Government Sector: Mr. Sheng-cheng Hu, the Minister without Portfolio, the Executive Yuan, Ms. Mei-yueh Ho, the Vice Commissioner of the CEPD, Ms. Felice Chen, the Counsel of the Executive Yuan, Mr. Gordon S. Chen, the Vice Minister of the MOF, Mr. Yen-shiang Shih, the Vice Minister of MOEA, and Mr. Da-ho Yen, the Vice Minister of MOJ.
2. Scholars and Professionals: Mr. Chen-en Ko (The Dean of National Taiwan University School of Management and the Chairman of Corporate Governance Association), Mr. Lawrence S. Liu (Lee and Li, Attorneys-at -Law), and Professor Yin-hua Yeh (Fu-Jen Catholic University, Graduate Institute of Finance).
3. Representatives of Industries: Mr. Kung-chung Lin (the ex-Chairman of CNFI), Mr. Earle J. S. Ho (the Chairman of CNFI), Mr. Gary L. Wang (the Chairman of the General Chamber of Commerce), Mr. Sheng-tong Day (the Chairman of the National Association of Small & Medium Enterprises), and Mr. Theodore M. H. Huang (the Chairman of the Chinese National Association of Industry and Commerce).

Appendix II
Measures Taken to Strengthen Corporate Governance in Taiwan over Recent Years

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
I	Strengthen Corporate Governance	Improve Internal Control Systems	1. Promulgated the Corporate Governance Best-Practice Principles for TSE/GTSM Listed Companies.	TSE, GTSM (Letter Ref. No.: Tai-Cheng-91-Shun-Tze -025298)	4 October 2002	To comprehensively enhance business enterprises' operational quality and competitiveness.
			2. Promulgated the Guidelines for Establishment of Internal Control Systems of Public Reporting Companies.	SFC (Letter Ref. No.: Tai-Tsai-Cheng-Ge-Tze -0910005800)	18 November 2002	To improve the internal leverage mechanism and provide warning signals.
			3. Amended the Company Law and promulgated the Merger and Acquisition Law to impose fiduciary duty on responsible persons, and amended the Securities and Exchange Law regarding the prevention of illegal transfers.	MOEA MOF	12 November 2001 (Company Law) 6 February 2002 (Merger and Acquisition Law and Securities and Exchange Law)	To incorporate the concept of honesty into legislation and prevent improper transactions between affiliated persons.
			4. Amended the Company Law to prohibit cross-shareholding.	MOEA	12 November 2001	To prevent improper interference with and inflation of company stock price, and to enhance transparency.

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
			5. Amended the Prospectus for Fund Raising of General Companies and Financial Enterprises, and added the requirement to disclose "substantial responsible persons" in the Criteria Governing Information Required to be Published in Annual Reports of Public Reporting Companies and the TSE and GTSM Criteria for Review of Securities Listings.	SFC	13 March 2003	To trace hidden stockholders and board chairman so as to improve the governance of corporations and banks, and to promote financial reform.

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
			6. Supplemented the Guidelines for Handling Acquisition and Disposal of Assets by Public Reporting Companies.	SFC (Letter Ref. No.: Tai-Tsai-Cheng-I-Tze-0920001151)	21 March 2003	<ol style="list-style-type: none"> 1. To allow independent directors to attend a board of directors meeting at which discussion or amendment of the internal control system is on the agenda. 2. To ensure that subsidiaries comply with related regulations and conduct self-examinations upon acquiring or disposing of assets. 3. To require the independence of professional appraisers. 4. To require that companies follow their public announcement and reporting of investment in mainland China by disclosing information to the Market Observatory Post System ("MOPS") on such matters as the dates of the announcement and reporting, the name of the invested enterprise in China, the estimated amount of the investment, the business counterparts, the date of the competent authority's rejection or approval, and so on.

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
			7. Supplemented the Guidelines for Lending and Providing Guarantees by Public Reporting Companies.	SFC (Letter Ref. No.: Tai-Tsai-Cheng-I-Tze-0920001151)	21 March 2003	To ensure that subsidiaries comply with related regulations and conduct self-examination upon lending and providing guarantees to others.
			8. Amended Article 4 of the Rules Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Reporting Companies to provide that any proposal to proceed with private placement of securities and related matters must be included in the agenda of the shareholders' meeting and cannot be presented by extempore motion.	SFC (Letter Ref. No.: Tai-Tsai-Cheng-III-Tze-0920001124)	19 March 2003	To protect shareholders' right to obtain information.
		Promote Independence of	1. Required each new applicant applying for listing on TSE/GTSM to have two independent directors and one independent supervisor.	SFC (Letter Ref. No.: Tai-Tsai-Cheng-I-Tze-0910003948) TSE (Letter Ref. No.: Tai-Cheng-91-Shun-Tze-102276)	9 August 2003	To enhance the independence of directors' and supervisors' performance of their functions.

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
		Directors and Supervisors	2. Amended the rules governing the preparation of and the information to be published in annual reports and prospectuses, to require the disclosure of whether independent directors have been selected.	SFC	13 March 2003	To better enable investors in TSE/GTSM listed companies to assess the risk of such investment.
			3. Amended the Rules Governing and for Monitoring the Number of Shares Held by Directors and Supervisors in Public Reporting Companies.	SFC (Letter Ref. No.: Tai-Tsai-Cheng-III-Tze -005773)	15 November 2002	To ensure that independent directors and supervisors are not impeded from performing their functions by a minimum-shareholding requirement.
		Strengthen Information Disclosure System	1. Promulgated the Criteria for Handling the Public Announcement of Financial Projections by Public Reporting Companies.	SFC (Letter Ref. No.: Tai-Tsai-Cheng-VI-Tze e-0910005675)	14 November 2002	<ol style="list-style-type: none"> 1. To establish a complete written budget system for reference in the preparation of financial projections. 2. To provide for disclosure of related information by making reasonable and appropriate assumptions based on good faith. 3. To provide for careful and reasonable planning of annual cash and capital budgets to serve as the basis for preparing financial projections.
			2. Amended the Criteria for Information Required to be Published in Annual	SFC (Letter Ref. No.:	13 March 2003	1. To strengthen the disclosure of insider information by including information

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
			Reports of Public Reporting Companies.	Tai-Tsai-Cheng-I-Tze-0920001031)		<p>on such matters as shareholder structure, dispersal of shareholding, and listing of major shareholders.</p> <p>2. To strengthen the disclosure of information related to corporate governance.</p> <p>3. To enhance information on financial and business matters and risk management.</p> <p>4. To strengthen the disclosure of information on employee bonuses and directors' and supervisors' remuneration.</p> <p>5. To require the provision of an Internet address for referring to the annual report, the provision of information on the trading of a company's securities listed abroad, and the disclosure of the top ten clients in terms of sales volume.</p>
			3. Required public reporting companies to disclose information regarding employee bonuses, directors' and	SFC (Letter Ref. No.: Tai-Tsai-Cheng-VI-Tz	30 January 2003	1. To require disclosure of information on employee bonuses and directors' and supervisors' remuneration in financial

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
			supervisors' remuneration, and other related information.	e-0920000457)		reports starting from FY 2002. 2. To require disclosure on MOPS of any proposal on the distribution of retained earnings and the awarding of employee bonuses and directors' and supervisors' remuneration that is to be presented to a shareholders' meeting.
			4. Expanded the definition of "managers".	SFC (Letter Ref. No.: Tai-Tsai-Cheng-III-Tze -0910001031)	27 March 2003	To impose additional reporting and disclosure obligations by expanding the definition of "managers".
			5. Set up the Information Disclosure Rating System (which is still being tested).	SFI	15 March 2003	To retain an independent, impartial and professional third party to systematically evaluate the transparency of the information disclosed by all TSE/GTSM listed companies.
			1. Amended the Banking Law	MOF	1 November 2000	1. To prevent improper credit extension and diversify credit risks by strengthening the related regulations governing credit extensions to interested parties. 2. To strengthen banking operations and secure assets by requiring banks to

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes	
		Promote Corporate Governance among Specific Organizations				<p>establish an internal control and audit system.</p> <p>3. To establish an internal system and procedure for evaluation of quality of assets, setting aside reserves for making up losses, writing off non-performing loans, etc.</p> <p>4. To strengthen the quality of banking operations by increasing the accuracy and disclosure of financial reports.</p>	
			2.	Promulgated the Rules Governing the Granting of Credit Lines to the Same Person, Affiliated Persons, and Affiliated Enterprises.	BOMA (Letter Ref. No.: Tai-Tsai-Jeng-I-Tze-90 903480)	10 April 2001	To strengthen regulations governing the extension of credit to interested parties.
			3.	Promulgated the Notes on Application for Holding Over 15% of the Outstanding Shares of a Bank.	BOMA (Letter Ref. No.: Tai-Tsai-Jeng-I-Tze-90 707141)	28 June 2001	To strengthen the management of shareholdings of banks.
			4.	Announced and amended the Criteria for Qualifications of Responsible Persons of Banks.	BOMA (Letter Ref. No.: Tai-Tsai-Jeng-I-Tze-90 708153)	29 June 2001	To elevate the qualifications of the responsible persons of banks.
			5.	Promulgated the Rules Governing	BOMA	16 October 2001	To strengthen the financial condition of

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
		Promote Corporate Governance among Specific Organizations	Capital Adequacy of Banks.	(Letter Ref. No.: Tai-Tsai-Jeng-I-Tze-0090345106)		banks by regulating the proprietary capital and risk asset ratios.
	6.		Promulgated the Criteria for Information Required to be Published in Annual Reports of Banks.	BOMA (Letter Ref. No.: Tai-Tsai-Jeng-IV-Tze-0904000124)	25 October 2001	To strengthen the disclosure of banks' financial and business information.
	7.		Promulgated the Enforcement Rules for Internal Control and Audit Systems of Banks.	BOMA (Letter Ref. No.: Tai-Tsai-Jeng-VI-Tze-0090719948)	31 October 2001	To strengthen banking operations by requiring banks to establish internal control and audit systems.
	8.		Promulgated the Rules for Handling the Evaluation of Assets, Allocation of Loss Reserves, and Writing-off of Non-performing Loans by Banks.	BOMA	22 January 2002	To ensure the adequacy of bank assets.
	9.		Promulgated the Rules Governing the Financial and Business Information Published Quarterly by Banks.	BOMA (Letter Ref. No.: Tai-Tsai-Jeng-VI-Tze-0916000072)	29 May 2002	To enhance the transparency of bank information by requiring banks to announce related important financial and business information such as balance sheets, income statements, capital adequacy, asset quality (including information on non-performing loans, payment collection, loans under observation, etc.), management information,

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes	
		Promote Corporate Governance among Specific Organizations				profitability, liquidity, market-risk sensitivity, and so on, on a quarterly basis.	
			10.	Promulgated the Enforcement Rules for Internal Control and Audit Systems of the Insurance Industry.	Department of Insurance, Ministry of Finance ("DOI") (Letter Ref. No.: Tai-Tsai-Bou-Tze-090 0751422)	20 December 2001	To enhance the internal controls of insurance companies.
			11.	Promulgated the Criteria for Information Required to be Published in Financial Reports of Property Insurance Companies and the Criteria for Information Required to be Published in Financial Reports of Personal Insurance Companies.	DOI (Letter Ref. No.: Tai-Tsai-Bou-Tze-090 0751404)	20 December 2001	To improve the accounting system of insurance companies.
			12.	Promulgated the Regulations Governing Information Disclosure of Property Insurance Companies and the Regulations Governing Information Disclosure of Personal Insurance Companies.	DOI (Letter Ref. No.: Tai-Tsai-Bou-Tze-090 0751388)	20 December 2001	To improve the information disclosure of the insurance industry.
			13.	Promulgated the Regulations Governing Credit to Interested Parties	DOI (Letter Ref. No.:	20 December 2001	To enhance the monitoring of transactions between interested parties of insurance

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
		Promote Corporate Governance among Specific Organizations	of Insurance Companies.	Tai-Tsai-Bou-Tze-090 0751416)		companies
			14. Promulgated the Corporate Governance Best-Practice Principles for Securities Houses.	TSE (Letter Ref. No.: Tai-Cheng-Chou-Tze-0 920001937)	29 January 2003	<ol style="list-style-type: none"> 1. To require securities houses to establish corporate governance systems to protect shareholders' interests, strengthen the functions of the board of directors meeting and supervisors, respect investors' and interested parties' interests, and enhance informational transparency. 2. To require securities houses to establish effective internal control systems and monitor the compliance therewith; require the board of directors and the management to review the compliance results and the audit department's report on at least as annual basis; and require the supervisors to monitor the above matters. 3. To require the management of securities houses to grant sufficient authority to the audit department and its staff to ensure the thorough

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
						examination and evaluation of weaknesses of their internal control system and operational efficiency.
			15. Promulgated the Corporate Governance Best-Practice Principles for Futures Houses.	Taiwan Futures Exchange (Letter Ref. No.: Tai-Che-Ge-Tze-09200019030)	26 March 2003	To strengthen corporate governance of futures houses.
			16. Promulgated the Corporate Governance Best-Practice Principles for Securities Investment Trust and Investment Consulting Enterprises.	Securities Investment Trust and Consulting Association of R.O.C. (Letter Ref. No.: Chung-Shin-Gu-Tze-0920002694)	9 May 2003	To strengthen corporate governance of investment trust and investment consulting enterprises.
II	Corresponding Measures	Strengthen M&A Mechanism	1. Amended the provisions of the Company Law, the Fair Trade Law, and the Securities and Exchange Law related to reorganization, capital contribution in kind, and mergers and acquisitions.	MOEA Fair Trade Commission MOF	12 November 2001 (Company Law) 6 February 2002 (Fair Trade Law, Securities and Exchange Law)	To establish a regulatory environment beneficial to the merger and acquisition of enterprises, and to promote corporate governance through merger and acquisition activities.
			2. Promulgated the Merger and	MOEA	6 February 2002	To establish a regulatory environment

No	Subject	Detail	Measures Taken	Competent Authorities	Implementation Date	Purposes
			Acquisition Law.			beneficial to the merger and acquisition of enterprises, and to promote corporate governance through merger and acquisition activities.

(For concrete measures taken by each ministry and commission, please log on to the website of each ministry and commission: the SFC: <http://www.sfc.gov.tw/>; the DOI: <http://www.insurance.gov.tw/>; the BOMA: <http://www.boma.gov.tw/>; Securities and Futures Institute: <http://www.sfi.org.tw/newsfi/>; the GTSM: <http://www.otc.org.tw/>; and the TSE: <http://www.tse.com.tw/>)