Content

Title：	Act Governing the Issuance of the Central Government Development Bond for the First Phase National Freeway Construction Project in Taiwan Ch
Date：	1974.01.25
Legislative：	Full text of 12 articles enacted and promulgated by the President on January 25, 1971. Article 2 amended and promulgated by the President on December 27, 1971. Article 4 amended and promulgated by the President on January 25, 1974.
Content：	Article 1 This Act is enacted to govern the issuance of a central government development bond (hereinafter referred to as the Bond) to raise private funds for the construction of the national freeway in Taiwan area in coordination with national economic development. Article 2 The Bond shall be issued for a total amount of NT$ 1.9 billion under the special budget for the first phase of the Taiwan area national freeway construction project. The number of issues of the Bond and the amount and date of each issue shall be submitted, in accordance with the schedule and requirements of the construction project, by the Ministry of Finance (hereinafter referred to as the MOF) to the Executive Yuan for approval. Article 3 The face value of the certificates of each issue of the Bond shall be respectively determined at the discretion of the MOF. Article 4 The interest rate on the certificates of each issue of the Bond shall be determined by the Executive Yuan. However, when an adjustment is made to the interest rate, the adjusted interest rate may not be lower than the one set at the time of issuance. Interest shall be paid once every six months from the date of issuance. Article 5 The term for redemption of each issue of the Bond is seven years. Starting from the sixth periodic interest payment, principal repayments shall be made in equal installments once every year, until the Bond has been redeemed in full over a period of five years. Article 6 The certificates of each issue of the Bond shall be in bearer form. However, a purchaser at the time of purchase may apply for certificates in registered form.

Article 7
If a certificate of any issue of the Bond is lost, stolen, or destroyed, the payment cannot be stopped for such reasons, nor shall Paragraph 1 (proviso), Article 720; Article 725 and Article 727 of the Civil Code apply. However, if a lost, stolen, or destroyed certificate is in registered form, the holder may follow the loss reporting procedures of the original selling institution and apply for reissuance of the certificate.

Article 8
The principal and interest payments of the certificates of each issue of the Bond shall be included in the national budget, and shall be appropriated to the managing bank in advance to be held on deposit in preparation for payment.

Article 9
The issuance, sale, redemption and interest payments of the certificates of each issue of the Bond shall be managed by the Central Bank.

Article 10
The certificates of any issue of the Bond may be freely traded, pledged, or used as guarantees in official dealings. However, in the case of a registered bond certificate, title transfer procedures must be carried out with the original selling agency before the foresaid dealings.

Article 11
Interest on the certificates of each issue of the Bond is exempt from income tax.

Article 12
This Act shall come into force from the date of promulgation.

Data Source：Ministry of Finance, R.O.C. Laws and Regulations Retrieving System