

Content

Title : Regulations of Supervision on Loans Incurred by Privately-owned Major Economic Infrastructure Enterprises Guaranteed by Government [Ch](#)

Date : 1975.10.06

Legislative : Amended and promulgated on October 6, 1975 per the Order of EY (64) Tai-tsai No. 7576.

Content : Article 1

The Regulations are established in accordance with the stipulation under Paragraph 2, Article 5 of the Act Governing Foreign Loans and Guarantee for Government to Develop Economy and Society.

Article 2

Foreign loans incurred by privately-owned major economic infrastructure enterprises (hereinafter referred to as "guarantees") that require the Treasury to act as guarantor shall be dealt with in accordance with the Act.

Article 3

When applying for government guarantee for foreign loans, the guarantor shall submit the following documents to the Ministry of Finance for verification, with a copy each distributed to the relevant competent authorities:

1. Records that the board of directors approve the loans.
2. Description of the plan and purpose of the loans.
3. Financial reports and debt-payment plan.
4. Main content of the loan contract.
5. Commitment that is willing to accept the supervision of the Ministry of Finance.
6. Documents of loan commitments by foreign lending institutions.
7. Other related documents.

Article 4

After receiving the application documents, the Ministry of Finance shall immediately review and consult with the relevant competent authorities.

After deciding to guarantee, the Ministry of Finance shall issue an opinion and report to the Executive Yuan for approval.

Upon the Executive Yuan approval of the loan guarantee, the Ministry of Finance shall deal with guarantee procedures as well as keep accounting records.

Article 5

During the loan guarantee period, the guarantee shall submit agenda of meetings of the board of directors, the executive board of directors, conclusion records of discussion, monthly accounting reports and reports on annual final accounts to the Ministry of Finance for detailed review according to the regulations listed below:

1. Agenda of meetings of the board of directors, the executive board of directors, conclusion records of discussion shall be submitted within ten days after the end of each meeting.
2. Monthly accounting reports shall be submitted before the 15th of the following month.
3. Reports on annual final accounts should be certified by accountants and submitted within three months after the end of the year.

Article 6

If the guarantee needs to increase medium- and long-term loans for more than one year during the loan guarantee period, it shall ask the Ministry of Finance to approve in advance in writing.

Article 7

When deemed necessary, the Ministry of Finance may require the guarantee to provide property, and assign security rights to the Treasury or any financial institution designated by the Ministry of Finance.

Article 8

If necessary, the Ministry of Finance may dispatch personnel or with the relevant competent authorities to audit the operation and financial status of the guaranteee, or appoint accountants to audit. The fee of accountants shall be borne by the guaranteee.

If any irregularities are found in the auditing results in accordance with the preceding paragraph, the Ministry of Finance shall immediately notify the guaranteee to make improvements or take necessary measures.

Article 9

After the loans have been fully paid off, the guarantor shall submit the repayment certificate and report to the Ministry of Finance for verification to release the guaranteee responsibility, and the Ministry of Finance shall forward it to the Executive Yuan for future reference.

Article 10

These Regulations shall come into force as of the date of promulgation.

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