

1 Deposit Insurance Act

- ★ Full text including all 26 articles promulgated by the President on January 9, 1985
- ★ As amended (Article 3, Article 8, Article 15, Article 16, Article 17, Article 20 & Article 23) and added (Article 15-1 & Article 15-2) and promulgated by the President on January 20, 1999
- ★ As amended (Article 7 & Article 21) and added (Article 17-1) and promulgated by the President on July 9, 2001
- ★ As added (Article 16-1) and promulgated by the President on May 17, 2006
- ★ Full text including 52 Articles amended and promulgated by the President on January 18, 2007
- ★ As amended (Article 12) and promulgated by the President on May 7, 2008
- ★ As amended (Article 12 & Article 13) and promulgated by the President on December 29, 2010
- ★ As amended (Article 2) and promulgated by the President on February 4, 2015

Chapter 1: General Principles

Article 1

This Act (the “Act”) is enacted to protect the rights and interests of depositors in financial institutions, to maintain credit order, and to enhance sound development of financial businesses.

Article 2

The term “competent authority”, as used in this Act, means the Financial Supervisory Commission.

Article 3

The Ministry of Finance in conjunction with the Central Bank shall establish the Central Deposit Insurance Corporation (hereinafter referred to as the “CDIC”) to conduct the business of deposit insurance. The total capital shall be determined by the Executive Yuan.

Shares of the aforesaid capital shall be subscribed by the Ministry of Finance, the Central Bank and the insured financial institutions. The total capital subscribed by the Ministry of Finance and the Central Bank shall exceed 50% of the said capital.

Article 4

The CDIC shall be exempt from providing security with the National Treasury.

Article 5

Any remainder of the annual gross income of the CDIC, after deducting costs, expenses and losses, shall be fully appropriated for deposit insurance payout special reserves.

Article 6

In conducting the business of deposit insurance of banks, credit cooperatives, and the postal savings and remittance institutions, the CDIC shall set up an account for the general financial deposit insurance payout special reserves.

In conducting the business of deposit insurance of agricultural financial institutions according to Article 8 of the Agricultural Finance Law, the CDIC shall set up an account for the agricultural financial deposit insurance payout special reserves.

The deposit insurance payout special reserves accounts mentioned in the preceding two Paragraphs shall be kept separately.

Article 7

The annual appropriated amount of the deposit insurance payout special reserves mentioned in Paragraph 1 and 2 of the preceding Article shall be calculated separately according to the ratios of the insurance premiums paid by general insured financial institutions and agricultural insured financial institutions.

The amount of the original deposit insurance payout special reserves, prior to the enforcement of the Amendment to this Act, shall be calculated and recorded year by year according to the ratios mentioned in the preceding Paragraph.

Article 8

The funds of the CDIC, other than expenditure for normal operation, fulfillment of insurance responsibilities according to the Act, offering of financial assistance, setting up of bridge banks and making of advance payment, shall be invested in government bonds, deposited with the Central Bank or used in other methods approved by the board of directors of the CDIC.

Article 9

The CDIC shall be liable for any damage arising from an intent or negligent act of the persons-in-charge and employees of the CDIC acting within the scope of fulfillment of insurance responsibilities or bank failure resolutions according to the Act which infringes upon the right of any other person.

Should the damage referred to in the preceding Paragraph results from an act committed with intent or gross negligence of the persons-in-charge and employees of the CDIC, the CDIC shall have the right to claim for reimbursement from the responsible person.

Chapter 2: Deposit Insurance and Insured Risk Control

Section 1: Deposit Insurance

Article 10

Financial institutions having been duly approved to accept deposits, postal savings or to be consigned to manage trust funds used for the purpose designated by the financial institutions with guaranteed principal and interest (hereinafter referred to collectively as “deposits”) shall apply to the CDIC to participate in deposit insurance and become insured institutions upon review and approval by the CDIC. However, the provision set forth in the aforesaid does not apply to the Taiwan branches of a deposit-taking foreign bank whose deposits have been insured by the deposit insurance system in their home countries.

In the event that any financial institution fails to apply for participation in deposit insurance according to the aforementioned provision, the CDIC shall report to the competent authority or the central competent authority of the agricultural finance depending on whether such institution is a general financial institution or an agricultural financial institution to request the replacement of the persons-in-charge or revoke its license.

Provisions set forth in the preceding two Paragraphs do not apply to the insured institutions that have participated in deposit insurance prior to the enforcement of the Amendment to this Act.

The standards for the documents to be submitted by the financial institutions when applying for the participation in deposit insurance and the verification of application qualification according to Paragraph 1 shall be drawn up by the CDIC and submitted to the competent authority for approval and promulgation.

Article 11

Financial institutions approved as insured institutions by the CDIC shall sign a deposit insurance agreement in writing with the CDIC.

In the event of any modification of this Act and other relevant laws and regulations, stipulations in the deposit insurance agreement relating to such laws and regulations shall also be modified accordingly.

Article 12

The term “deposit insurance” as used in this Act, shall mean an insurance whose insured subjects are the following deposits within the territory of the Republic of China:

1. Checking deposits
2. Demand deposits
3. Time deposits
4. Deposits required by law to be deposited in certain financial institutions
5. Other deposits that the competent authority has approved as eligible deposits.

The deposits mentioned in the preceding Paragraph shall not include the following deposits:

1. Negotiable Certificate of Deposits
2. Amounts due to all levels of government agencies
3. Amounts due to the Central Bank
4. Amounts due to banks, postal institutions handling postal savings and remittance businesses, credit cooperatives, farmers’ and fishermen’s associations with credit departments, and the Agricultural Bank of Taiwan.
5. Other deposits that the competent authority has approved as ineligible deposits.

The deposits within the territory of the Republic of China mentioned in Paragraph 1 shall exclude deposits of offshore banking branches established by banks.

Article 13

The maximum insurance coverage that the CDIC offers to each depositor of any insured institution shall be determined by the competent authority along with the Ministry of Finance and the Central Bank.

The aforementioned maximum insurance coverage shall mean the maximum amount of deposit principal and its accrued interest until the final business day at the same insured institution being covered by deposit insurance. The CDIC shall use New Taiwan Dollars as the payout currency in fulfilling its insurance responsibilities.

For employee pension accounts opened by organizations, business entities or groups at insured institutions, if the account records and amount of each employee's pension may be clearly distinguished and provided by insured institutions, and insurance premiums for individual pension accounts are paid by insured institutions, the pension of such individual employee and other deposits thereof at the same insured institution shall be protected within the maximum coverage respectively and shall not be limited by the stipulations in the preceding two Paragraphs.

Article 14

The assessment base shall be calculated based on the total liabilities over underlying deposits after subtracting the ineligible deposits mentioned in Paragraph 2 of Article 12 and shall be calculated once every semiannual period; the standard dates for calculating such base shall be determined by the CDIC.

Article 15

Insured institutions shall report the total amount of liabilities over the underlying deposits and assessment base to CDIC and make payment of insurance premium within one month of the standard dates mentioned in the preceding Article; the payment methods shall be decided by the CDIC.

Article 16

The ratio of the remaining amount of each account of the insurance payout special reserves of the CDIC to the insured deposits under the maximum insurance coverage shall be targeted at 2 %.

The deposit insurance premium rates may be differentiated based on the operational risks of the insured institutions, and may be adjusted according to the achievement of the target ratio mentioned in the preceding Paragraph.

The above-mentioned insurance premium rates shall be drawn up by the CDIC and submitted to the competent authority for its approval.

Article 17

Insured institutions shall indicate the fact, according to the forms and contents prescribed by the CDIC, that the deposits are insured at each of their business locations and indicate in their financial products whether such products are insured or uninsured by deposit insurance.

Article 18

Insured institutions shall not use the deposit insurance premium rate or relevant information thereof as advertisement.

Article 19

Prior to distribution of stock dividends and bonuses, as well as remuneration to the directors of the board and supervisors, insured institutions shall complete payment of the insurance premium to the CDIC.

Article 20

Upon fulfillment of insurance responsibilities, provision of financial assistance, establishment of a bridge bank or processing of advance payments by the CDIC, if the recovered amount is less than cost expended, the difference shall be written off from the insurance payout special reserves. Any further deficiencies shall be recorded in the deferral account and written off from the insurance payout special reserves in the subsequent years.

Article 21

In the event that an insured institution stops taking deposits, it shall notify the CDIC in writing to terminate the deposit insurance agreement.

Section 2: Insured Risk Control

Article 22

In the event where there are needs for the CDIC to collect and analyze the financial information or business information relating to an insured institution for the purpose of insured risk control, the CDIC shall obtain such information through the information sharing mechanism established by the competent authority, the central competent authority of the agricultural finance, the Central Bank and the CDIC. In the event of insufficiency, the CDIC may require the insured institutions to submit additional information in an accurate manner.

The CDIC shall establish coordination mechanisms with the competent authority, the central competent authority of the agricultural finance and the Central Bank for the purpose of handling business crises of insured institutions or any major event affecting financial order.

Article 23

For the calculation of insurance premium and amount of payout in fulfilling insurance responsibilities, the insured institutions shall establish electronic data files of deposits and related items according to the file format and content stipulated by the CDIC.

The CDIC may request the insured institutions to provide the aforementioned electronic data files, if necessary.

Article 24

The CDIC may inspect the following items of an insured institution:

1. Accuracy of deposit assessment base and content of the electronic data files stipulated in Paragraph 1 of the preceding Article.
2. Any event causing the termination of the deposit insurance agreement.
3. Assets and liabilities of insured institutions prior to the fulfillment of insurance responsibilities.
4. Property information and information needed to pursue civil liabilities for illegal acts or omissions by employees of failed insured institutions and by those of problem insured institutions that receive financial assistance according to Paragraph 1 of Article 29.

When the CDIC undertakes inspection according to Subparagraph 3 or 4 of the aforesaid Paragraph, if an insured institution has made any improper funds transfers or property trades with its controlling financial holding companies, other subsidiaries thereof, or non-credit departments of farmer's or fishermen's associations with the potential to jeopardize the insurance payout special reserves, the CDIC may report to the competent authority or the central competent authority of the agricultural finance and undertake inspections, after obtaining their approval, of the said financial holding companies, the subsidiaries thereof, and the non-credit departments of farmers' and fishermen's associations.

In undertaking the inspection stipulated in Subparagraph 4 of Paragraph 1, the CDIC may obtain or review relevant property and household registration information from government authorities, financial institutions or securities' central depository agencies.

Article 25

If an insured institution violates the laws, regulations or deposit insurance agreements, or engages in unsound business operations, the CDIC may give a warning notice of terminating the deposit insurance agreement and require rectification within a stipulated timeframe.

Article 26

The CDIC shall notify the competent authority or the central competent authority of the agricultural finance and terminate its deposit insurance agreement and make announcements with respect thereof, in the event any one of the followings occurs to an insured institution:

1. Failure to take corrective actions within the stipulated timeframe after the CDIC gives a warning notice of termination of the deposit insurance agreement according to the preceding article.
2. Failure to make improvements upon being ordered by the competent authority or the central competent authority of the agricultural finance to undertake recapitalization or make improvements in financial condition and business operations within a certain timeframe; or being assessed as being unable to make improvements by the aforementioned authorities or the CDIC prior to the deadline.
3. Occurrence of a major fraud or other illegal activities with the potential to increase deposit insurance payouts.

Article 27

In the event of termination of a deposit insurance agreement by the CDIC according to Article 21 or the preceding Article, the insured institution shall notify its depositors within one month of the date of termination and return the deposit insurance sign issued by the CDIC.

The total deposit balance of each of the abovementioned depositors on the date of termination of the deposit insurance agreement subtracting subsequent withdrawals shall, within the maximum insurance coverage, continue to be insured by the CDIC for one-half year after the termination date. The insured institution with a terminated deposit insurance agreement shall continue to make payment equivalent to the insurance premium to the CDIC.



Chapter 3: Fulfillment of Insurance Responsibilities

Article 28

When an insured institution is closed by the competent authority or the central competent authority of the agricultural finance, the CDIC shall fulfill its insurance responsibilities by any of the following methods:

1. Make payout by cash, remittance, transfer or other payment methods according to the books and records of the closed insured institution and the certificate of outstanding amount of deposits provided by depositors.
2. Consult with other insured institutions to make the same amount of deposits as the amount of payout for the depositors of the closed insured institution and make payment on behalf of the CDIC.
3. Provide other insured institutions or financial holding companies with funds, loans, deposits and guarantees, or purchase the subordinated debts issued by the said insured institutions or financial holding companies, in order to facilitate the acquisition or assumption of all or part of businesses, assets and liabilities of the closed insured institutions.

The estimated cost to the CDIC when it adopts the methods in the Subparagraph 2 and 3 of the previous Paragraph shall be less than the estimated loss arising from the payout subject to Subparagraph 1. However, in the event that there is any potential that will significantly endanger credit order and financial stability, the aforementioned requirement shall not apply if the CDIC obtains consent of the competent authority in consultation with the Ministry of Finance and the Central Bank, and with the final approval of the Executive Yuan.

In the case of insufficiency of the deposit insurance special reserves account for the general financial sector or that for the agricultural financial sector as a result of the CDIC's processing of matters under the proviso to the preceding Paragraph, the CDIC can charge special insurance premium from general financial insured institutions and agricultural financial insured institutions respectively. The special insurance premium rates and the collection period shall be drawn up by the CDIC and submitted to the competent authority for its approval.

The operating procedures of the fulfillment of the insurance responsibilities according to the stipulations in Paragraph 1 shall be drawn up by the CDIC and submitted to the competent authority for approval.

Article 29

In the event that the competent authority or the central competent authority of the agricultural finance appoints any person to act as the conservator or to take over the authorities of the board of directors and supervisors of an insured institution by law, the CDIC may apply the provisions in Subparagraph 3 of Paragraph 1 and Paragraph 2 of the previous Article against other insured institutions or financial holding companies.

The CDIC may provide an insured institution with loans, deposits or other financial assistance, when all the following conditions are met: when the said institution is critically under-capitalized, and the competent authorities deem it non-viable and shall be closed; the aforesaid institution is put under conservatorship or the authorities of its board of directors and supervisors are taken over by the competent authorities; the resolution will cause the situations as stipulated under the proviso to Paragraph 2 of the preceding Article. Its operating procedure shall be drawn up by the CDIC and submitted to the competent authority for approval.

When the CDIC provides the aforesaid loans, deposits or other financial assistance to the insured institution under conservatorship or the credit department of farmers' or fishermen's association whose board of directors and supervisors authorities are taken over, it should request for the full amount of collateral from the financial holding company of the said institution, or any other insured institution that such financial holding company has dominant shares, or from any farmers' or fishermen's association possessing the said credit department.

Article 30

In situations as stipulated under the proviso to Paragraph 2 of Article 28 if the CDIC is unable to consult with other insured institutions or financial holding companies to acquire or assume the closed insured institution according to Subparagraph 3 of Paragraph 1 of the same Article, it may set up a bridge bank to assume all or part of the business, assets and liabilities of the closed insured institution. However, if the value of the assets of the closed insured institution is greater than that of its liabilities, the receiver shall distribute the remaining assets to its original shareholders according to liquidation procedures.

Article 31

In any action which the CDIC takes pursuant to the preceding three Articles or Paragraph 2 of Article 41, the CDIC may request the competent authority to negotiate with the Central Bank to receive its approval obtaining special financial accommodation within the range of collateralization.



If the aforesaid financial accommodation exceeds the value of the collateral provided by the CDIC, the competent authority may together with Ministry of Finance and the Central Bank submit to the Executive Yuan for its approval that the excess part shall be guaranteed by the National Treasury.

If the CDIC deems it necessary in case of emergency, and before applying to the Central Bank for special financial accommodation pursuant to the preceding Paragraph, the CDIC may borrow the funds from the other financial institutions. Bankruptcy-related rules of the Company Act and Bankruptcy Act shall not apply when the CDIC processes matters stipulated in the preceding three Articles and Paragraph 2 of Article 41.

Article 32

A bridge bank is a legal entity and shall be set up upon approval by the competent authority and proceed with business registration. If the process of registration could not be done in a timely manner, it may be completed within fifteen days after the establishment.

The duration of a bridge bank shall not last for more than two years. However, the duration can be extended for one more year upon approval by the competent authority.

A bridge bank is an insured institution with no founding capital required. If necessary, the CDIC may provide working capital.

Article 33

A bridge bank shall establish a board of directors to decide and execute business matters. The board shall be composed of five to nine directors with one being the chairman.

The chairman of the board shall carry out duties in accordance with board resolutions and represent the bridge bank publicly.

A bridge bank shall have one supervisor responsible for the supervision of the assets and business thereof.

The appointment of the chairman and the directors of the board and the supervisor shall be assigned by the CDIC.

Article 34

A bridge bank may be exempted from Article 23, Paragraph 2 of Article 28, Article 32 to Article 33-5, Paragraph 2 of Article 36, Article 38 to Article 40, Article 44, Article 60, Article 72 to Article 76 of the Banking Act, when it continues operation within the scope of assumption on business, assets and liabilities of a closed insured institution. If necessary, it may also be exempted from Article 43 of the Banking Act and Article 25 of the Central Bank of Republic of China (Taiwan) Act after the competent authority consults with the Central Bank and grants their approval.

Regulations regarding the establishment of a bridge bank and its business management and operation shall be drawn up by the CDIC and shall be submitted to the competent authority for approval and promulgation.

Article 35

The Bankruptcy Act shall not apply to a bridge bank.

Article 36

In the event of any loss results from the categorical assignment of the business, major assets and liabilities to other insured institutions or liquidation of a bridge bank, it shall be set off from the general financial deposit insurance payout special reserves of the CDIC. If there is any insufficiency, it shall be recorded in the deferred account and shall be set off with the same reserves set aside in subsequent years on an annual basis. Earnings, if any, shall be recorded in the said reserves account.

Article 37

Where a bridge bank assumes the businesses, assets and liabilities of a close insured institution according to Article 30, it may, when applying for registration of changes of the real estate owned by the closed institution, and the movable properties that require registration and all encumbrances of the said institutions, directly process the registration by the certificate issued by the competent authority without paying registration fees. The land value increment tax borne by the original land owner is allowed to be deferred under the name of the land acquirer; the same applies when another insured institution categorically assumes the business, assets and liabilities of the bridge bank according to the stipulation in the preceding Article. However, at the time when the land with the said deferred tax is being transferred from the bridge bank or from the insured institution assuming the bridge bank, the land value increment tax allowed to be deferred at each transfer shall be paid on a priority over all other creditors' rights and mortgage right in the price received from disposition of the said land.

Article 38

The CDIC shall subrogate all rights of depositors and creditors against the insured institution to the extent of insurance payment in its own name, after taking any action as set forth in Article 28 to Article 30 and Paragraph 2 of Article 41.

When the CDIC takes any action as set forth in Article 28 to Article 30 and Paragraph 2 of Article 41, in case a financial holding company directly or indirectly causes its subsidiary insured institution to conduct any business which is contrary to normal business practices or not profitable, and thus causing the subsidiary insured institution to suffer damages, the CDIC may make compensation claims against such financial holding company on behalf of the said insured institution. The responsible people of the financial holding company shall be liable jointly and severally, with the financial holding company for such damages.

If the farmers' or fishermen's association transfers the properties owned by its credit department to other departments gratuitously or at an unreasonable price, or directly or indirectly causes its credit department to undertake unprofitable businesses, the CDIC may make compensation claims against the farmers' and fishermen's associations to the extent of its insurance payment. The responsible people of the farmers' or fishermen's association shall be liable jointly and severally, with the farmers' or fishermen's association for such damages.

Article 39

Any action brought by the CDIC under this Act arising out of the transaction in Article 28 to Article 30 and Paragraph 2 of Article 41, may be exempted from the Government Procurement Act and Article 25 to Article 27 of the Budget Act.

Article 40

Any insured institution publicly traded according to the Securities and Exchange Act that is disposed by the CDIC in accordance with Subparagraph 2 and 3 of Paragraph 1 of Article 28, or Paragraph 1 of Article 29, shall make a public announcement and declaration as stipulated by Paragraph 2 of Article 36 of the Securities and Exchange Act and shall use the date of signing the contract as the date of the fact occurrence.

Article 41

Upon the issue of an order of the competent authority or the central competent authority of the agricultural finance to close an insured institution, the CDIC shall be appointed as the receiver to commence the winding-up procedure, and the winding-up procedure shall apply to the related winding-up articles stipulated by the Banking Act.

To meet the liquidity needs of the creditors of the closed insured institution, the CDIC may, without increasing the costs incurred by the CDIC in taking any action under Paragraph 1 of Article 28, make advance payment against claims filed by the depositors beyond the maximum insurance coverage and by non-deposit creditors based on the anticipated reimbursement ratio derived from an evaluation of the values of assets of the closed insured institution. The aforesaid sums of the advance payment shall be counted item-by-item on the basis of the recovery order of the advance payment claims, and deducted first from the amount finally realized from the liquidation and repaid to the CDIC.

The regulation for calculating and operating the aforesaid advance payment in respect of the depositors beyond the maximum insurance coverage and non-deposit creditors based on the anticipated reimbursement ratio shall be drawn up by the CDIC and be submitted to the competent authority for approval.

Article 42

When an insured institution is disposed of by the CDIC with the stipulations of this Act by the competent authority or the central competent authority of the agricultural finance for the exit or liquidation upon clearing off the debt, its deposit liabilities shall take precedence over non-deposit liabilities.

The aforementioned deposit liabilities shall mean the deposits stated in Article 12 of this Act; non-deposit liabilities shall mean liabilities other than the deposit liabilities of the insured institution.

Article 43

Before handling any payout, the CDIC may offset the claims of depositors of a closed insured institution according to the following order of liabilities:

1. Liabilities created by deposits pledged as collateral of the closed insured institution.
2. Liabilities reaching due or deemed to be due according to the applicable agreements, or liabilities fit to be offset in accordance with other laws and regulations.

When the CDIC handling the offset according to Subparagraph 2 of the preceding Paragraph, the offset shall be handled according to the applicable agreements or laws and regulations. However, in the event that there is lack of such agreements or laws and regulations, the depositor's claim other than that insured by the CDIC shall be the offset against the debt first; where there is insufficiency, the insured deposit shall then be used for offset.

Article 44

The amount of payout the CDIC liable for each depositor shall be the outstanding of deposits after the offset in accordance with the preceding Article up to the limit of the maximum insurance coverage.

The amount of deposits in joint accounts owned by two or more individuals shall be calculated according to the deposit agreement executed by the joint individuals and the closed insured institution. For any individual without such an agreement, the deposits should share equally among joint depositors. The amount of payout should be calculated by aggregating the deposits of the said joint individuals and those in the accounts opened by each of them in his or her own name.

Article 45

In the event the amount of payout mentioned in Paragraph 1 of the preceding Article is under any of the following situations, it shall be temporarily withheld until the elimination of the causes for the withholding:

1. Deposits being seized by court order.
2. Deposits being mortgaged to a third party.
3. Depositors having already been served notice of bankruptcy with a bankruptcy trustee not yet being selected or in the event of depositor's death with the inheritance registration not yet being completed.
4. Other instances where payments may be withheld in accordance with related laws.

Chapter 4: Penal Provisions

Article 46

Should any of the following events occur in an insured institution, the CDIC shall report it to the competent authority to penalize the insured institution with a fine of not less than 1,000,000 NT dollars and not more than 5,000,000 NT dollars.

1. Failure to comply with Article 19 but distribute remuneration, stock dividends or bonuses before completing payment of insurance premium.
2. Failure to establish electronic data files or provide the electronic data or files to the CDIC according to Paragraph 1 of Article 22 or Article 23, or provide data or files with serious counterfeit.
3. Evading, hindering or refusing an inspection conducted by the CDIC stipulated in Paragraph 1 or Paragraph 2 of Article 24.

Upon the imposition of a penalty in the form of a fine under the preceding Paragraph, the competent authority may issue a corrective order within the stipulated timeframe and may further impose an additional fine of one to five times of the original penalty for the same facts or actions if the said insured institution fails to comply with such order.

Article 47

Should any of the following events occur in an insured institution, the CDIC shall report it to the competent authority to punish the insured institution with a fine of not less than 500,000 NT dollars and not more than 2,500,000 NT dollars.

1. Failure to provide the total amount of liabilities over the underlying deposits and assessment base set forth in Article 15.
2. Failure to indicate the fact of being insured by deposit insurance or in the financial products whether the products are insured or uninsured by deposit insurance set forth in Article 17.
3. Failure to avoid using the deposit insurance premium rate or relevant information thereof as advertisement set forth in Article 18.
4. Failure to fulfill the notice obligation for the termination of deposit insurance agreement set forth in Article 21 or Paragraph 1 of Article 27.

Upon the imposition of a penalty in the form of a fine under the preceding Paragraph, the competent authority may issue a corrective order within the stipulated timeframe and may further impose an additional fine of one to five times of the original penalty for the same facts or actions if the said insured institution fails to comply with such order.

Chapter 5: Supplementary Provisions

Article 48

For business needs, the CDIC may be allowed to hire lawyers, accountants, financial analysts, appraisers and senior staff specialized in financial credit reference, extending credit, financial legal affairs, information technology, financial merger and acquisition, disposition of non-performing loans, real estate appraisal, evaluation of assets and liabilities, corporate restructuring and international affairs. The number of such staff cannot exceed 25% of the total budgetary number of staff.

Article 49

After the termination for the Executive Yuan's Financial Restructuring Fund (hereinafter referred to as the Fund) disposing failed financial institutions since July 10, 2005, the Fund may continuously entrust the CDIC with handling the following matters:

1. The payout, assumption and sale by tender of financial institutions already under disposal by the fund.
2. Collection of the taxes and insurance premium income set forth in Article 4 of the Statute for the Establishment and Management of the Executive Yuan's Financial Restructuring Fund.
3. Disposal of outstanding assets and liabilities of the Fund.
4. Lawsuit cases and matters in relation to the Fund.

Article 50

The CDIC shall stipulate its Articles of Incorporation in accordance with this Act and other relevant laws and regulations and shall submit it to the competent authority for implementation after its approval.

Article 51

The Enforcement Regulations of this Act shall be prescribed by the competent authority.

Article 52

This Act shall become effective on the date of promulgation.