**Appendix 2**

**Comparison of the Regular and Expanded Repo Facilities of the CBC**

|  |  |  |
| --- | --- | --- |
|  | **Regular Repo Facility** | **Expanded Repo Facility** |
| **Application** | As announced by the CBC | 1. As announced by the CBC
2. Financial institutions may also participate by applying to the CBC. (Applicable in case of emergency needs for funding)
 |
| **Eligible counterparties** | 1. banks
2. bills finance companies
3. Chunghwa Post
4. securities firms (that are designated dealers for the CBC's open market operations)

(The above-listed are all eligible to conduct repo transactions with the CBC directly.) | 1. banks
2. bill finance companies
3. Chunghwa Post
4. securities firms
5. insurance companies

(For securities firms that are not designated OMO dealers, and for insurance companies, they may conduct repo transactions with the CBC through a designated dealer; the rest of the above-listed may conduct repo transactions with the CBC directly.) |
| **Tenor** | Within 30 days | Within 180 days |
| **Rate** | Variable rates based on market rates and the issuing rates of the CBC's CDs | Variable rates based on market rates and the issuing rates of the CBC's CDs |
| **Eligible collateral** | As stipulated in Articles 26 and 27 of *The Central Bank Act*, but mainly the CBC-issued CDs and NCDs and government bonds | As stipulated in Articles 26 and 27 of *The Central Bank Act*, but mainly the CBC-issued CDs and NCDs and government bonds |

Note: In response to the impact of the global financial crisis, the CBC announced on September 26, 2008, that it would broaden the scope of the repo facility to provide sufficient liquidity for financial institutions.