

Chronology of Important Events of the Central Bank of China in 2002

Jan. 2	The Bank issued the two-hundred New Taiwan dollar note for the first time.
Jan. 11	The Bank relaxed the qualifications of central government bond dealers who can participate in central government bond tender sales and placements.
Feb. 15	The Bank allowed banks to conduct direct remittances and trade-related business between Taiwan and Mainland China.
Mar. 30	The Bank allowed declarants to use the Internet to make foreign exchange settlement declarations.
Apr. 11	The upper limit for local banks as a whole to extend the preferential housing loans program was increased from NT\$400 billion to NT \$600 billion.
Apr. 26	The Bank allowed foreign exchange brokers to handle operations on New Taiwan dollar financial derivatives. The Bank issued the new version of the fifty New Taiwan dollar coin.
June 13	The Bank allowed the Taipei Forex Inc. and the Comos Foreign Exchange International Co., Ltd. to conduct interbank New Taiwan dollar interest rate swaps brokerage business.
June 5	The amended Articles 18-1, 18-2 and 18-3 and newly added Articles 32 and 35 of <i>the Central Bank of China Act</i> were promulgated by the President.

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June 7	The Taipei Clearing House adopted the automatic clearing house (ACH) system.
June 28	The Bank lowered the discount rate by 25 basis points to 1.875 percent. The Bank also lowered the required reserve ratio on foreign currency deposits from 2.5 percent to 0.125 percent.
July 1	The Bank issued the two-thousand New Taiwan dollar note for the first time.
July 2	The Ministry of Finance and the Bank set an additional amount of NT\$100 billion for domestic securities investment and trust companies to raise funds from the domestic market and invest in foreign securities.
Aug. 2	The Ministry of Finance and the Bank allowed local banks to conduct four additional items in direct remittances between Taiwan and Mainland China. The offshore banking units (OBUs) of local banks were also allowed to conduct loan and factoring business with Taiwanese companies in China.
Aug. 7	The Bank amended the <i>Guidelines for Auditing of Financial Institutions' Liquid Reserves</i> . Bank's funds raised via repurchase agreements should be treated as a part of reservable liabilities. The subordinated debentures held by banks can be treated as liquid reserves.
Aug. 16	The Bank raised the USD seed fund for the Taipei foreign currency call-loan market from US\$10 billion to US\$20 billion.
Sept. 16	The Bank operated the CBC Interbank Funds Transfer System (CIFS)

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	<p>through a new real-time gross settlement (RTGS) mechanism.</p> <p>The upper limit for local banks as a whole to extend the preferential loans and credit guarantees for traditional industries program was increased from NT\$750 billion to NT\$1,050 billion.</p>
Sept. 19	<p>The Ministry of Finance and the Bank allowed domestic securities investment and trust companies to extend the investment scope of discretionary accounts to include foreign securities.</p>
Oct. 1	<p>The Ministry of Finance and the Bank allowed foreign investors to invest in the domestic equities through private placement, including the equities of exchange-listed companies, OTC-listed companies, and Taiwan Emerging Stock Board listed companies. Foreign investors could also invest in the listed companies' overseas corporate bonds, global depositary receipts (GDRs), and stocks listed in foreign markets through private placement.</p>
Nov. 1	<p>The Bank assisted 16 district clearing houses to consolidate into a single juridical person, the Taiwan Clearing House Association.</p>
Nov. 12	<p>The Bank lowered the discount rate by 25 basis points to 1.625 percent.</p> <p>The Bank also lowered the remunerative rate on banks' required reserves (B account) by 25 basis points to 2.25 percent.</p>
Nov. 22	<p>The Bank allowed financial institutions to broaden the investment scope of earmarked trust funds to include foreign exchange traded funds (ETFs) and depository receipts.</p>
Dec. 16	<p>The book-entry central government securities were allowed to serve as collateral for juridical provision.</p>