

[Form 1]

**APPLICATION FOR PARTICIPATION IN THE CBC  
INTERBANK FUNDS TRANSFER AND SETTLEMENT SYSTEM**

To:

Department of Banking

The Central Bank of the Republic of China (Taiwan)

In order to meet the demands of our business, we would like to access the "CBC Interbank Funds Transfer and Settlement System" and comply with the "Directions for the Central Bank of the Republic of China (Taiwan) to Govern Electronic Interbank Funds Transfer and Settlement" and other relevant rules to effect interbank funds transfer and settlement. With respect to each interbank fund transfer transaction, we agree that the Bank may, after deducting the amount instructed in the payment order from our current account (account number: \_\_\_\_\_) held with the Bank, transfer the fund to the account of the transferee bank designated in the payment order. Please approve our application for access.

Application Date: \_\_\_\_\_

Name of Applicant		Type of Deposit	
		Account Number	
	(1) Whether to use "Central Bank's Remote Access Application Software"  <input type="checkbox"/> Yes  1. Brand and model of work station:  2. Number of terminals intended to be connected:  3. Department using the facility (intended place of establishment):  <input type="checkbox"/> No  1. Brand and model of the		

	mainframe:  2. Name, code and edition of the main system:  3. Number of terminals intended to be connected:  4. Department using the facility (intended place of establishment):  (2) Brand and model of encryption equipment:				
<b>Name of Contact Person</b>		<b>Title</b>		<b>Tel Number</b>	
				<b>Fax Number</b>	
<b>Scheduled Online Date</b>		<b>Remarks</b>			

Signature/Seal of the Responsible Person:  
 (Please also affix the company seal)

\_\_\_\_\_

[Form 2]

**LETTER OF AUTHORIZATION FOR THE REVOCATION OF INTERBANK  
FUNDS TRANSFER TRANSACTION**

To: Department of Banking  
The Central Bank of the Republic of China (Taiwan)

The following interbank funds forward transfer transaction has been found by the transferor bank to contain an error in the payment instruction. This bank agrees to revoke the transaction specified below and ask your Department to cancel the transaction for us.

Date: \_\_\_\_\_

(Transferee Bank) Name of Delegate Institution		Account Number:  Deposits of: <input type="checkbox"/> Deposit-taking Banks <input type="checkbox"/> Other Financial Institutions
Content of Transaction	Serial Number of Transaction	
	Account Name of Transferor Bank	
	Account Number of Transferor Bank	
	Designated Transferring Date	
	Transfer Amount	New Taiwan Dollars _____
	Category of Transaction	

Signature/Seal of Authorized  
Person

(Please affix the original seal)

Handling status by Department of Banking:

	Seal Authorization
	Bookkeeper
	Deposit Section
	Payment and Settlement Section
Accountant	
Assistant Director General	

## [Appendix]

### CBC INTERNBANK FUNDS TRANSFER AND SETTLEMENT SYSTEM (RTGS) DAILY OPERATION SCHEDULE

Time	Work Item	Explanation
8:30	<ul style="list-style-type: none"> <li>•Startup Notice</li> </ul>	<ul style="list-style-type: none"> <li>*The Bank has completed the start up work.</li> <li>*Accept the startup notice from the participating institutions.</li> </ul>
9:00	<ul style="list-style-type: none"> <li>•Start business of that day</li> <li>•Accept transfer transactions and enquiries</li> <li>•Start the intraday overdrafts</li> <li>•Perform the payments of negotiable instruments</li> <li>•Pre-notice the balance receivable/payable of negotiable instruments</li> <li>•Start to execute the funds settlement of securities transactions</li> </ul>	<ul style="list-style-type: none"> <li>*Start to accept the transactions of the day.</li> <li>*The system will examine the intraday overdraft collateral accounts and start to provide intraday overdrafts.</li> <li>*Negotiable instruments without sufficient funds will be ranked as the second class of priority and be put in the line of queue for handling. The system will examine at any time and, if the available balance becomes sufficient, make the payment immediately.</li> <li>*The system pre-notices the balance receivable/payable of negotiable instruments of respective participants based on the information transmitted by the Taiwan Clearing House.</li> <li>*The Taiwan Depository &amp; Clearing Corporation employs real-time settlement for bills funds; the Taiwan Stock Exchange Corporation and the Taipei Exchange employ net settlement and transfer funds several times during the settlement period.</li> </ul>
13:30	<ul style="list-style-type: none"> <li>• Execute the funds settlement of forward transfer.</li> </ul>	<ul style="list-style-type: none"> <li>* The Bank executes the funds settlement of forward transfer on due day. Payment instructions without sufficient funds at this time will be ranked as the third class of priority and be put in the line of queue for handling. The System will, at any time, examine and, if the available balance becomes sufficient, make the payment immediately.</li> </ul>

<p>14:30</p>	<ul style="list-style-type: none"> <li>• Start to execute the clearing and settlement of negotiable instruments</li> <li>• Execute the first settlement of enhanced Automated Clearing House (eACH)</li> </ul>	<ul style="list-style-type: none"> <li>* The Taiwan Clearing House starts to execute the deduction of the balance payable of negotiable instruments. At this time, the instruction without sufficient funds to meet its balance payable will be ranked as the second class of priority and be put in the line of queue for handling. The system will examine at any time and, if the available balance becomes sufficient, make the payment immediately.</li> <li>* The Taiwan Clearing House should monitor whether a participant has sufficient funds to meet its balance payable and, if not, notify the participant to make up the funds.</li> <li>* After executing the clearing and settlement of negotiable instruments, the Taiwan Clearing House will continue to execute the first settlement of ring-fenced amounts in accounts via eACH. The operation of credit and debit of accounts is the same as above.</li> </ul>
<p>15:30</p>	<ul style="list-style-type: none"> <li>• Complete the payments of negotiable instruments</li> <li>• Complete the settlements of negotiable instruments</li> <li>• The Taiwan Stock Exchange Corporation and the Taipei Exchange close off the ledgers.</li> </ul>	<ul style="list-style-type: none"> <li>* Any negotiable instruments without sufficient funds at this time will be dishonored in accordance with relevant rules. A statement with respect to the dishonored negotiable instruments is printed out.</li> <li>* At this time for participants that have not made up funds for the clearing of negotiable instruments and for the first clearing of ring-fenced amounts in accounts via eACH, but have pending receivable funds as verified by the Taiwan Clearing House, the Taiwan Clearing House should apply for an extension of settlement time according to the Bank's operating procedure. If the Taiwan Clearing House has verified that a participant does not have pending receivable funds, the Taiwan Clearing House should initiate the default handling process to complete the operations of clearing and settlement of negotiable instruments and first settlement of ring-fenced amounts in accounts via eACH for the day.</li> <li>* If the Taiwan Stock Exchange Corporation and the Taipei Exchange need to extend the funds settlement time, they shall apply for an extension according to the Bank's operating procedure.</li> </ul>

16:00	<ul style="list-style-type: none"> <li>•The National Credit Card Center closes off the ledger.</li> </ul>	<ul style="list-style-type: none"> <li>*If the National Credit Card Center needs to extend the funds settlement time, it shall apply for an extension according to the Bank's operating procedure.</li> </ul>
16:30	<ul style="list-style-type: none"> <li>•The Taiwan Depository &amp; Clearing corporation closes off the ledger.</li> </ul>	<ul style="list-style-type: none"> <li>*If the Taiwan Depository &amp; Clearing Corporation needs to extend the funds settlement time, it shall apply for an extension according to the Bank's operating procedure.</li> </ul>
16:50	<ul style="list-style-type: none"> <li>•The Financial Information Service Co. closes off the ledger.</li> </ul>	<ul style="list-style-type: none"> <li>*If the Financial Information Service Co. needs to extend the closing time of the interbank remittance system, it needs to apply for an extension according to the Bank's operating procedure.</li> </ul>
<u>17:00</u>	<ul style="list-style-type: none"> <li>• Start to execute the settlement of dishonored negotiable instruments</li> <li>• Execute the second settlement of enhanced Automated Clearing House (eACH)</li> </ul>	<ul style="list-style-type: none"> <li>* The Taiwan Clearing House starts the operation of debit and credit of accounts for the balance receivable/payable of dishonored negotiable instruments.</li> <li>*The Taiwan Clearing House executes the settlement of ACH batch and the second settlement of ring-fenced amounts in accounts via eACH together with the aforementioned settlement of the balance receivable/payable of dishonored negotiable instruments.</li> </ul>
17:10	<ul style="list-style-type: none"> <li>• Notice to cut off intraday overdrafts</li> <li>• Notice to cut off the queuing</li> </ul>	<ul style="list-style-type: none"> <li>*Intraday overdrafts are no longer provided at this time. The following messages should be sent to the participating institutions: <ol style="list-style-type: none"> <li>1. Stop providing intraday overdrafts</li> <li>2. Those institutions which have not yet repaid the intraday overdrafts need to complete the repayment before 17:40. Intraday overdrafts not repaid as of the specified deadline will be charged penalty interest.</li> </ol> </li> <li>*The system will automatically cancel unprocessed queuing instructions and notify the original issuing entities. The transfer transactions in the first class, and the negotiable instruments and balances payable in the second class thereof should be handled in accordance with the Bank's relevant rules.</li> </ul>
17:30	<ul style="list-style-type: none"> <li>•Complete the settlement of dishonored negotiable instruments</li> </ul>	<ul style="list-style-type: none"> <li>* At this time for participants that have not made up funds for the balance payable, but have pending receivable funds as verified by the Taiwan Clearing House, the Taiwan Clearing House should apply for an extension of settlement time according to the Bank's operating procedure. If the Taiwan Clearing House</li> </ul>

		has verified that a participant does not have pending receivable funds, the Taiwan Clearing House should initiate the default handling process to complete the operation of settlement of dishonored negotiable instruments for the day.
17:40	<ul style="list-style-type: none"> <li>• Deadline to repay the intraday overdrafts</li> <li>• External operations closed for the day</li> </ul>	<ul style="list-style-type: none"> <li>* Financial institutions that have not yet repaid intraday overdrafts at this time will be charged penalty interest.</li> <li>* _If any participating institution is unable to complete relevant operations at this time due to the malfunction of its own system or other material events, the participating institution should apply for an extension of settlement time according to the Bank's operating procedure.</li> </ul>
18:20	<ul style="list-style-type: none"> <li>• Switch off.</li> </ul>	<ul style="list-style-type: none"> <li>* The Bank will print out all relevant statements of transaction details, balance sheets, aggregate statements and overdraft lists for that day.</li> <li>* Close down the CBC Interbank Funds Transfer System.</li> </ul>