

Attachment 5

Instructions for Calculating Eligible Assets of Foreign Bank Branches

1. The eligible assets mentioned in Article 19-1 of the Regulations Governing Foreign Bank Branches And Representative Offices (the “Regulations”) and their respective weights for calculation purpose are as follows:

- (1) NTD cash on hand is calculated at 85% of the amount.
- (2) Time deposits in the Central Bank of the Republic of China as well as NTD deposits deposited and re-deposited in the Central Bank of the Republic of China combined are calculated at 85% of the amount.
- (3) NTD bonds and bills issued by the ROC government combined are calculated at 85% of the value.
- (4) NTD bonds, bills, beneficial securities and asset-backed securities issued by state-run enterprises and private enterprises in the ROC are calculated at 75% of value for investment grade securities and 70% of value for non-investment grade securities.
- (5) Outstanding NTD mortgage loans extended to ROC nationals (excluding non-accrual loans) are calculated at 85%.
- (6) Outstanding loans extended to state-run and private enterprises, government agencies and individuals in the ROC (excluding outstanding NTD mortgage loans in the previous subparagraph) are calculated at 70% for secured loans and 60% for unsecured loans.

- (7) Total investment in real estate for own use in the ROC is calculated at 60%.
2. The total amount of eligible assets mentioned in Article 19-1 of the Regulations is the sum of the amounts derived in the subparagraphs of the preceding point.
 3. Investment-grade bonds and securities referred to in Point 1 are securities that meet the criteria set forth in Article 4 of the Directions Governing Limitations on Types and Amounts of the Securities in which a Commercial Bank May Invest.
 4. The term “secured” mentioned in Point 1 refer to secured credit provided in Article 12 of the Banking Act.