Lodgment for Security of Debt

To enable investors to deposit in the form of centralized custody securities, Article 7 paragraph 2 and Article 13 paragraph 2 was added to Deposit Law in 2005. If the securities are kept and registered in the form of registration or book-entry, the corresponding deposit procedures and the substituting receiving procedures of repayment of withdrawn securities, replacement securities, and interests are authorized to be defined by Judicial Yuan. Hence, Judicial Yuan then stipulated "Centralized Custody Securities Deposits and the Substituting Procedures of Withdrawing the Repayment, Replacement Securities, and Interests" on July 5, 2010, amended relevant procedures in 2017, and promulgated the regulations on July 3 of the same year. In accordance with the regulations, TDCC plans deposit operations for book-entry of centralized custody securities and lodgment for security debt to strengthen the book-entry function for centralized custody and to meet investors' needs for securities deposit.

**Procedures for lodgmwnt of centralized custodian securities**

Step 1. Preparing documents

After the depositor obtains the court's judgment authorizing the centralized custodian securities as the deposit, the depositor prepares the following documents:

1. Deposit form in duplicate
2. The original or the copy of the court's judgment and other documents

Step 2. Applying for a transfer from a securities business

1. Attach the documents and securities passbooks prepared in Step 1, fill in "Lodged Items in Custody by National Treasury Application Form," on which sign and stamp with the original seal
2. After the securities business handles the transfer, request for the certificate of deposit

Step 3. The depositor pays the fees and obtains the certificate of deposit at the agent of the national treasury where the court resides

1. Attach the documents prepared in Step 1 and the deposit certificate issued by the securities business, pay the handling fee (including the NT$ 500 processing fee of TDCC) to the agent of the national treasury, and obtain the certificate of deposit
2. Paying for lodgment for security of debt: According to Article 28, paragraph 3 of the Deposit Law, NT$ 500 is charged for each item. Please contact the court's fee collection office to issue a bill before paying to the agent of the national treasury and acquiring the payment proof of lodgment fee

Step 4. The depositor submits the following documents to the office of lodgment of the court

1. Deposit form in duplicate
2. The original or the copy of the court's judgment and other documents
3. Relevant documents such as the certificate of deposit sealed by the agent of the national treasury
4. Payment proof of the lodgment for security of debt

**Procedures for Depositors to Collect Centralized Custodian Securities**

When applying for withdrawing the deposited securities to the competent court, the depositors shall comply with Article 18 of Deposit Law and Article 30 of the Implementing Regulations of the same law and fill in the "Retrieval of Claims for Deposits." After the office of lodgment of the court permits the withdrawal, the depositor fills out the “Notice of Withdrawal / Collect / Auction Transfer of Deposit” (sealed or signed in the same style as when depositing) and attaches the following documents to the agent of the national treasury:

1. The retrieved declaration permitted by the office of lodgment of the court.
2. The certificate of deposit with the original seal of the court.

The agent of the national treasury will transfer the retrieved securities to the depositor's centralized custody account after reviewing.

**Procedures for Withdrawal Centralized Custody of Securities by Depositors**

When applying for withdrawing the deposited securities to the competent court, the depositors shall comply with Article 18 of Deposit Law and Article 30 of the Implementing Regulations of the same law and fill in the "Retrieval of Claims for Deposits." After the office of lodgment of the court permits the withdrawal, the depositor fills out the “Notice of Withdrawal/Collect/Auction Transfer of Deposit” (sealed or signed in the same style as when depositing) and attaches the following documents to the agent of the national treasury:

1. The retrieved declaration permitted by the office of lodgment of the court.
2. The certificate of deposit with the original seal of the court.
3. Tax clearance certificate.

The agent of the national treasury will transfer the collected securities to the depositor's centralized custody account after reviewing.

For detailed operation procedures, please refer to "Taiwan Depository & Clearing Corporation Directions for the Handling by Participants of Book-Entry Operations for Securities Deposit" on the official website of the Taiwan Depository & Clearing Corporation, under the Regulations-Securities category.