



TAIWAN
STOCK EXCHANGE

Cross-Border Cooperation Models & Benefits

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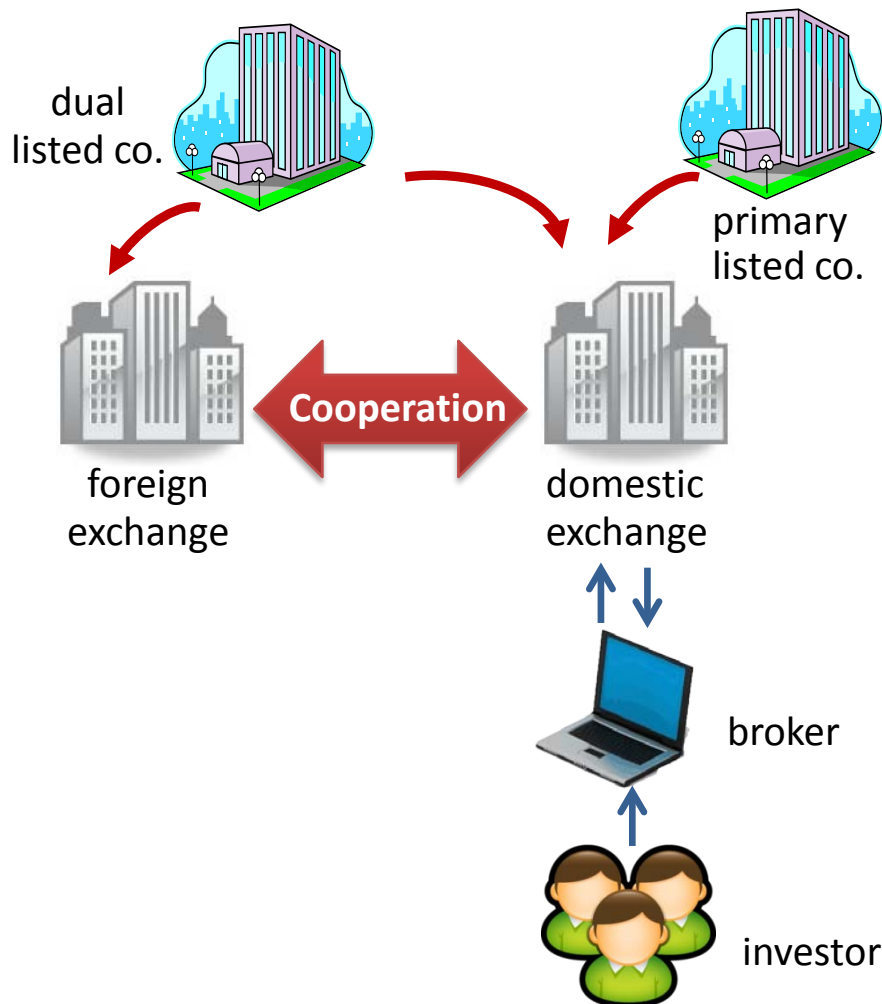
Outline

- **Dual Listing Model**
- **24-Hour Trading Model**
- **ASEAN Trading Link Model**
- **Network Linkage Model**
- **Remote Member Model**



Dual Listing Model

Dual Listing Model



Key Features

- **Type:**
Companies listed on 2 exchanges concurrently
- **Trading & Clearing:**
Same as domestic market operation
- **Benefit:**
No additional cost for domestic brokers and investors
- **Issues to consider :**
 - Listing requirements
 - Information disclosure
 - Equal treatment of foreign shareholders

24-Hour Trading Model

24-Hour Trading Model

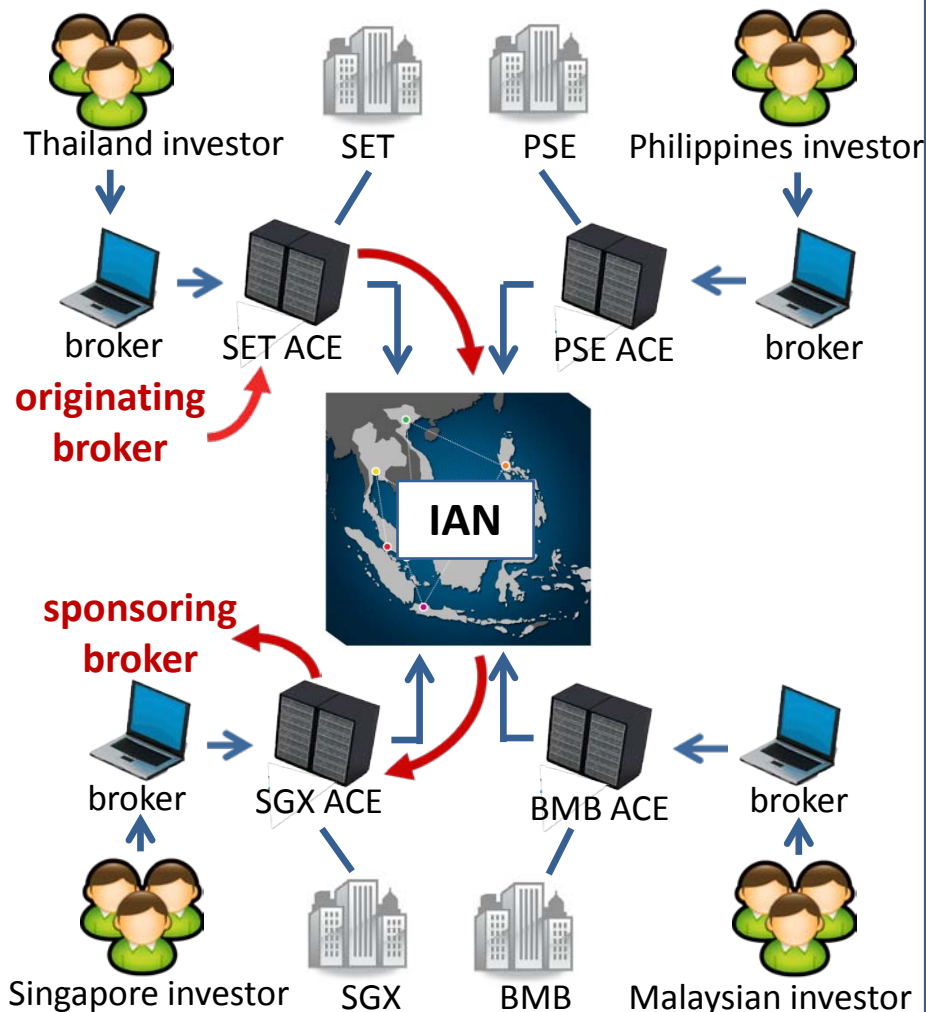


Key Features

- **Type:**
Stocks can be traded around the world on different exchanges
- **Trading & Clearing:**
Same as domestic process for each market
- **Benefit:**
No additional cost for brokers
- **Issues to consider:**
 - Each has to open CSD accounts with the others
 - Trading mechanism

ASEAN Trading Link Model

ASEAN Trading Link Model

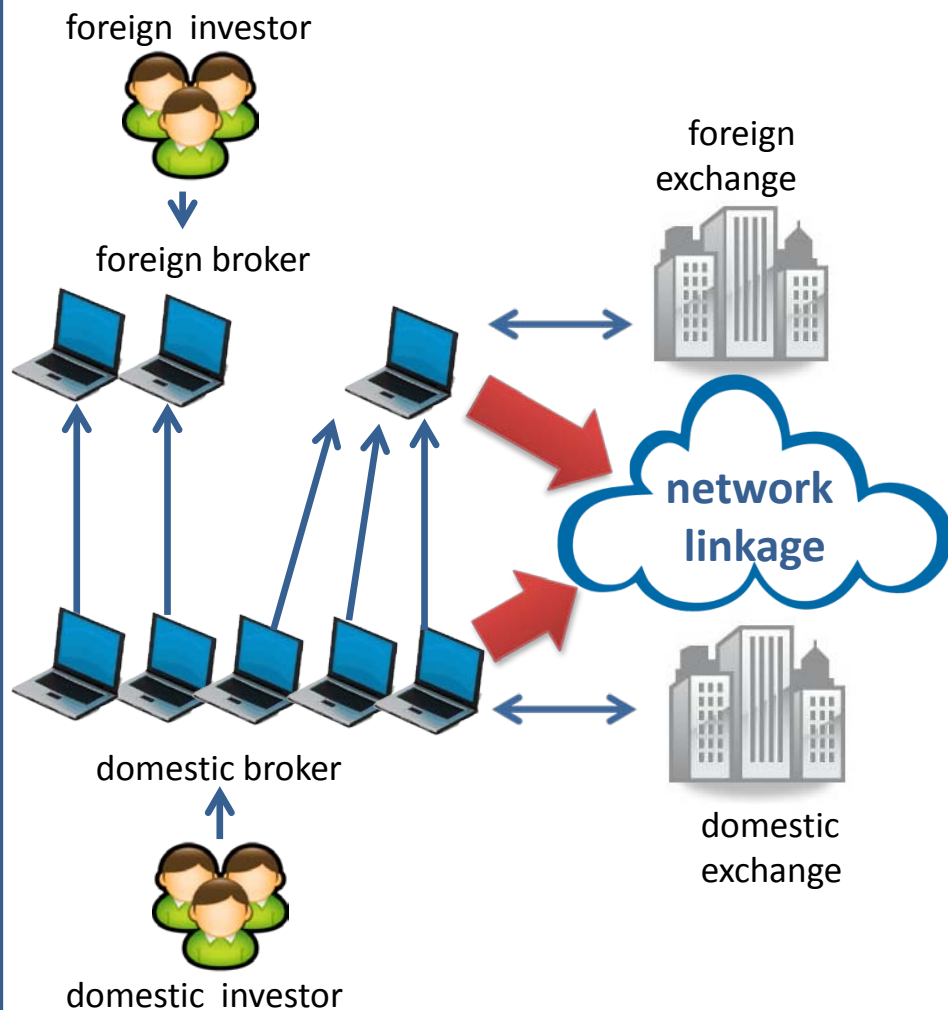


Key Features

- **Type :**
Order routing across the ASEAN exchanges
- **Trading :**
The originating broker places an order at its local exchange via the ACE gateway. The order can be sent to another ASEAN exchange via the IAN.
- **Clearing and Settlement:**
Inter-broker model
Sponsoring broker required
- **Cost:**
Brokers need to connect to the ACE, and pay a higher clearing fee
- **Benefits :**
Facilitates cross-border trading for investors

Network Linkage Model

Network Linkage

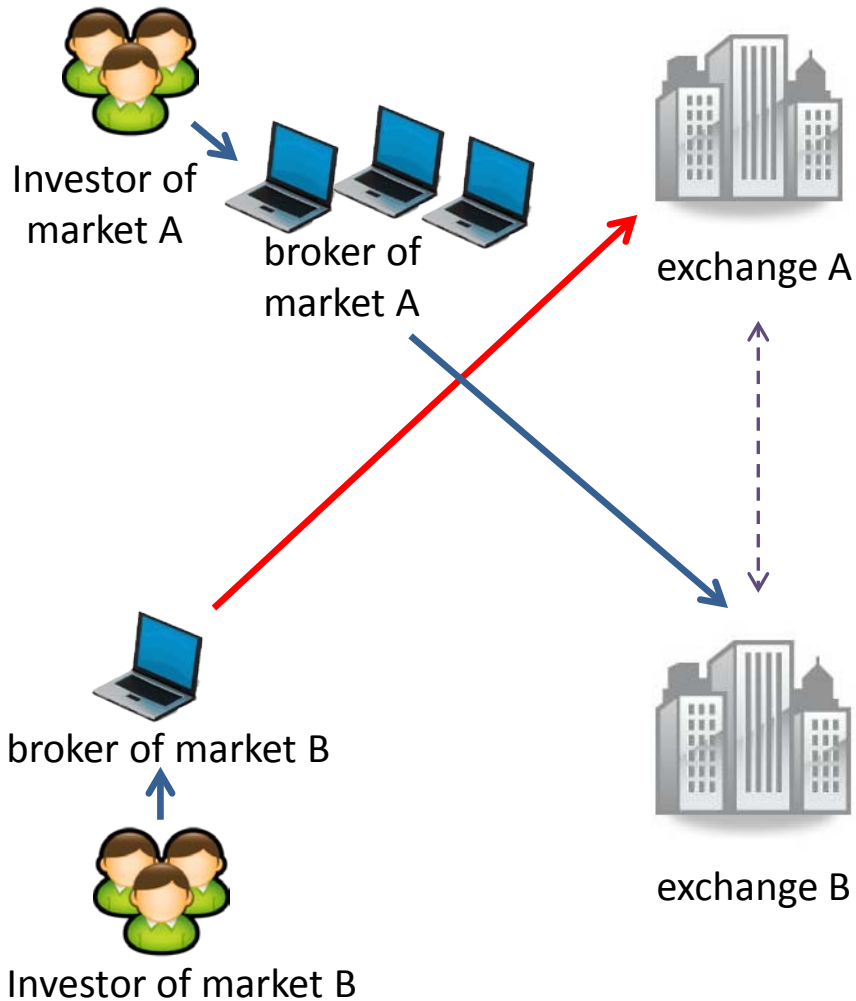


Key Features

- **Type:**
Network linkage established by 2 exchanges
- **Trading :**
Sub-brokerage
- **Clearing:**
Inter-broker model
- **Benefit :**
Lower cost and faster deployment for brokers

Remote Member Model

Remote Member Model



Key Features

- **Type:**
Qualified brokers of market A are admitted as brokers of market B
- **Trading & Clearing:**
Follow the practice of the foreign market
- **Benefit:**
Cost saving of sub-brokerage
- **Issues to consider:**
Harmonization of regulation and market access practice