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Article Content

[Article 1](#)

The Council of Labor Affairs Executive Yuan ("CLA") has established the Labor Pension Fund Supervisory Committee ("the committee") in order to perform the review, supervision, and evaluation of the Labor Pension Fund ("the Fund"), and implement annuity insurance in connection with the Labor Pension Act.

[Article 2](#)

The committee is a third-level administrative agency under the supervision of the CLA.

[Article 3](#)

The committee shall bear responsibility for the following matters:

1. Planning and discussing on Fund collection, custody, and utilization.
2. Deciding on the fund management performance and annual management plan.
3. Research analysis on domestic and foreign financial markets.
4. Research and performance analysis on the domestic and foreign delegated investments.
5. Canvass and implementation of the fund asset allocation strategies.
6. Selection of and contracting with delegated investment managers.
7. Designing the fund management performance benchmarks and risk measurements.
8. Establishing fund monitoring process and auditing operations.
9. Compiling and approving annual budget and financial statement report of the Fund.
10. Calculating the risk index for the overall portfolio.
11. Designing the Fund's annual auditing plans.
12. Monitoring and examining the delegated investments.
13. Implementation and auditing of the fund management regulations.
14. Monitoring and examining the performance of the delegated investments.
15. Overall planning, system analysis, program design, and data processing of the fund information operations.
16. Implementation of annuity insurance.
17. Other affairs related to fund management and supervision.

[Article 4](#)

The committee shall consist of 21 committee members. Apart from one chairperson and one vice chairperson, who shall be engaged in accordance with law, the remaining committee members shall be appointed by the CLA. The composition of committee members shall be as follows:

1. It is recommended that six persons be from national labor groups.
2. It is recommended that one person be from a national employer group.
3. It is recommended that one person each be from the Financial Supervisory Commission, Executive Yuan and from the Ministry of Finance.
4. It is recommended that 10 persons be academics and experts, of which three persons should be recommended by the CLA, five persons be recommended by national labor groups, and two persons be recommended by national employer groups.

The chairperson shall be in charge of committee affairs, and shall be at the selected appointment rank, 13th grade; the vice chairperson shall assist with committee affairs, and shall be at the selected appointment rank, 12th grade.

[Article 5](#)

Apart from the chairperson and vice chairperson, committee members shall be appointed for three-year periods, and may be re-appointed the expiration of each period. The number of re-appointed committee members should exceed one-third, but may not exceed two-thirds, of the total number of members. Committee members representing an agency or group shall be replaced when their job changes. When a position on the committee is vacant, the original recommending group or agency shall recommend a candidate, who shall be appointed in accordance with Article 4. The period of a new member shall begin no sooner than the day that the original member's period expires.

Apart from the chairperson and vice chairperson, the remaining committee members shall receive no salaries.

[Article 6](#)

Committee members shall be chosen on the basis of their knowledge or experience in such areas as finance, economics, law, investment management, risk control, pension management, or business management.

Committee personnel shall faithfully perform their duties, uphold the principle of prevention of conflicts of interest, maintain the confidentiality of resolutions or operating plans not yet disclosed by the committee, and not attempt to obtain personal gain or benefit a spouse or related party by relying on powers, opportunities, or methods associated with their positions.

[Article 7](#)

When any one of the following circumstances has occurred, a person may not serve as a committee member, and a current committee member shall be dismissed:

1. The person is incapacitated or has limited capacity, and therefore cannot perform his or her duties.
2. The person has been convicted of committing a crime prescribed in the Organized Crime Prevention Act.
3. The person has counterfeited currency, counterfeited valuable securities, or misappropriation, fraud or offenses of breach of trust, and has received a confirmed sentence of imprisonment, but the sentence has not yet been completed, or the sentence has been completed, but less than ten years have elapsed since end of probation or pardon.
4. The person has committed offenses of forging instruments or seals, offence against privacy, usury, or injury to credit rights, or has violated the Tax Collection Act, Trademark Act, Patent Act, or other laws governing industrial or commercial activity, and has received a confirmed sentence of imprisonment, but the sentence has not yet been completed, or the sentence has been completed, but less than five years have elapsed since end of probation or pardon.
5. The person has committed embezzlement, and has received confirmed penalties.
6. The person has violated the Securities Investment Trust and Consulting Act, The Banking Act of the Republic of China, Financial Holding Company Act, Trust Enterprise Act, Act Governing Bills Finance Business, Financial Assets Securitization Act, Real Estate Securitization Act, Insurance Act, Securities Exchange Act, Futures Trading Act, Foreign Exchange Control Act, The Credit Cooperatives Act, Agricultural Finance Law, Farmers Association Act, Fishing Activities Act of the Republic of China, Money Laundering Control Act, or other financial management laws, and has received a confirmed sentence of imprisonment, but the sentence has not yet been completed, or the sentence has been completed, but less than five years have elapsed since end of probation or pardon.
7. Having been adjudicated bankrupt, and rights and privileges have not been reinstated.
8. The person has served as the statutory responsible person of a juristic person at the time that juristic person was adjudicated bankruptcy, and less than five years have elapsed since the end of bankruptcy, or coordination has not yet been implemented.
9. Having been denied service by the bills clearing house and the denial status has not yet to be removed, or there remains a record of dishonored check due to insufficient funds in three years since the denial status has been removed.
10. The person has had a major major loss of credit that is still not settled, or less than five years have elapsed since the settlement.
11. The person has violated the Securities Investment Trust and Consulting Act, Banking Act, Financial Holding Company Act, Trust Enterprise Act, Act Governing Bills Finance Business, Financial Assets Securitization Act, Real Estate Securitization Act, Insurance Law, Securities and Exchange Act, Futures Trading Act, Credit Cooperatives Act, Agricultural Finance Act, Farmers' Association Act, Fishermen's Association Act, Money Laundering Control Act, or other law regulating financial activity, and has not been replaced or dismissed for more than five years after the competent authority has ordered replacement or dismissal.
12. The person has received a confirmed ruling of disciplinary education, or has received a confirmed ruling of compulsory labor due to commission of offenses of larceny or receiving stolen property, but the ruling has not yet fully implemented, or less than five years have elapsed since completion of implementation.
13. The person is currently the statutory responsible person, departmental manager, manager, or employee of a securities investment trust enterprise or securities investment consulting enterprise, or is in another position posing a conflict of interest.
14. A resolution of the committee states that the person has violated his or her professional duties, and the circumstances are severe or preclude the person from serving on the committee.

[Article 8](#)

The committee shall appoint a chief secretary, who shall be at the selected appointment rank, 11th grade..

[Article 9](#)

The committee conferences shall be held once every month, and may also hold interim meetings when necessary. The chairperson shall convene and chair meetings. If the chairperson cannot attend a meeting, the vice chairperson shall act in the chairperson's place. Committee members must attend meetings in person, and may not assign another person to attend in their place.

More than one-third of the committee members may request that a meeting be held by submitting a written list of proposals to be discussed and their reasons. The chairperson shall convene a meeting within four days after receiving such a written request

More than two-thirds of all committee members must attend each meeting, and at least one of the committee members respectively recommended by labor groups, employer groups, and government agencies must be present at each meeting. Resolutions may be approved by a majority of the committee members present at a meeting. However, committee members recommended by employer groups must recuse themselves from voting on resolutions concerning fund management and utilization items pursuant to the Labor Pension Act. Proposals must be reviewed ahead of time, and review meetings may be held to discuss proposals.

The committee may invite experts or scholars to attend meetings in a nonvoting capacity, or may request agencies or units connected with certain proposals to send personnel to attend meetings in a nonvoting capacity, in order to explain facts or provide opinions.

Apart from matters that must be kept confidential, the minutes of committee meetings shall be made public.

[Article 10](#)

If the position of chairperson is vacant, or if the chairperson cannot exercise his or her authority for

[Article 10](#)

if the position of chairperson is vacant, or if the chairperson cannot exercise his or her authority for some reason, the vice chairperson shall act in the chairperson's place, and a new chairperson shall be appointed within 30 days as prescribed in articles 4 and 7.

[Article 11](#)

The ranks, grades, and numbers of persons corresponding to each of the committee's positions shall be specified separately in a table of organization.

[Article 12](#)

This Act herein shall take effect on the date of promulgation.

