

## Appendix 12: Directions of Application for Start-Up Loan Interest Subsidy

Applicant	Laborers with Republic of China (Taiwan) citizenship defined in Subparagraph 2 to 4 of Paragraph 1 of Article 3 of the Regulations
Application Conditions	<ol style="list-style-type: none"> <li>1. Laborers with citizenship of the Republic of China (Taiwan) aged between twenty to sixty-five years old.</li> <li>2. The applicant has applied and obtained approval from the Phoenix Micro Start-up Loan or the Ministry of Economic Affairs Start-up and Initiation Loan for Youth (hereinafter referred as “the borrower”)</li> </ol>
Handling Facilities	The Workforce Development Agency of the Ministry of Labor
Required Documents	<p>The lending financial institution shall provide the following documents:</p> <ol style="list-style-type: none"> <li>1. The proof of loan approval.</li> <li>2. The application and appropriation sheet of start-up loan interest subsidies.</li> <li>3. The receipts.</li> <li>4. Related documentary evidence of the laborers defined in Subparagraph 2 to 4 of Paragraph 1 of Article 3 of the Regulations. (information that can be cross-check in administrative systems is exempt)</li> </ol>
Application Procedure	After the loan has been approved, the lending financial institution shall apply for the subsidy for the borrower and submit the required documents to the Workforce Development Agency of the Ministry of Labor on a monthly basis, the subsidy on interest will be distributed after examination.
Payment	The Workforce Development Agency of the Ministry of Labor will distribute the interest subsidy to the lending financial institution on a monthly basis.

Subsidization	<p>The subsidy on interest shall be limited according to the loan amount of up to one million (1,000,000) New Taiwanese Dollars. The borrower has the privilege of an interest-free period of three (3) years, and begins interest payments in the fourth year at a preferred fixed rate of 1.5 percent per annum, and any difference in interest expenses will be subsidized by the Ministry of Labor; the maximum subsidy period is seven (7) years.</p>
Additional Directions	<ol style="list-style-type: none"> <li>1. In any of the following circumstances the borrower has while receiving subsidy on interest, the lending financial institution shall suspend the distribution of the subsidy from the date of the facts incurred; the subsidy already distributed shall be refunded by the borrower. <ol style="list-style-type: none"> <li>(1) The responsible person of the start-up business has been altered.</li> <li>(2) The start-up business has been in suspension or dissolution.</li> </ol> </li> <li>2. If the borrower has arrear interest of Phoenix Micro Start-up Loan or the Ministry of Economic Affairs Start-up and Initiation Loan for Youth for six (6) successive months, the lending financial institution shall immediately cease applying for the distribution of the subsidy. The subsidy already distributed shall be claimed by the lending financial institution to the borrower for reimbursement and to pay back to the Ministry of Labor.</li> <li>3. Once the owed principal and interest has been paid off and the following due payment has been made on time by the borrower, the distribution of the subsidy shall be resumed. For the borrower paying off the owed payments without exceeding six (6) months overdue and making the following due payment on time, the subsidy shall be distributed and the borrower shall be deemed as normal.</li> <li>4. Laborers concurrently receiving training allowance, in-service education and re-adaptation allowance, living allowance</li> </ol>

	<p>between-jobs, temporary job allowance, job allowance of the multi-employment promotion program or any other subsidy on employment promotion shall not apply for this subsidy on interest.</p>
R e m a r k s	<ol style="list-style-type: none"> <li>1. In preparation of the summary reports of the subsidization budget, the attached expenditure voucher shall be prepared in accordance with the Management Guidelines for The Disposal of Expenditure Voucher and shall provide the detailed objects of expenditure and the total amount of actual expenditure.</li> <li>2. The subsidization budget involving procurement matters shall be conducted in accordance with the Government Procurement Act. Any balance, interest or other derivative income from the subsidization budget shall be returned at the ratio of subsidization.</li> </ol>