

Guidelines on the Taipei City Government's Selection of Investors in the Development Project of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems (August 11, 2006)

A. Project Name:

Selection of Investors in the Joint Development Project of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems _____ Line _____ Station _____ Site (hereinafter referred to as this Development Project).

The scope of work for investors solicited by this Development Project is as follows:

- ▶ Designs and constructions for mass rapid transit facilities or other relevant accessory facilities in this construction site
- ▶ Investment in land development and the construction of buildings on this construction site

B. Basis:

Regulations for the Joint Development of Land Adjacent to or Contiguous with Rapid Transit Systems (hereinafter referred to as the Land Development Regulations), Regulations for Negotiation of Preferential Trading of Land for Taipei Metropolitan Rapid Transit Systems (hereinafter referred to as the Preferential Trading Regulations) and other relevant laws and regulations.

C. Conditions:

- (a) Before making application, the applicant should read over these Guidelines and all prospectuses clearly; go to the site for field reconnaissance in order to understand the land characteristics and other conditions. If the applicant has any doubts or questions, they should be submitted in writing and sent by registered mail or personal delivery, to the Department of Rapid Transit Systems, Taipei City Government for an explanation within 45 days starting from the day this document was publicly released. The postmark of the registered mail or the agency's document receiving stamp will be used to determine the date of application for explanations by the applicant; no applications will be accepted beyond the deadline.

- (b) The applicant shall personally bear all expenses of preparatory work and field reconnaissance, any difficulty encountered or miscalculation of cost in the course of carrying out this development project.
- (c) After submitting the application documents to the Department of Rapid Transit Systems, Taipei City Government, the applicant will be considered to have already read over and understood all documents and the relevant regulations in this Guideline, as well as understood the risks and obligations that he/she will bear.

D. Prospectus:

This Guideline includes the following prospectus:

- ▶ (a) Joint Development Proposal or Land Development Content and Control Rules
- ▶ (b) Detailed Design Drawings for Integrated Structure
- ▶ (c) Structural Analysis Report of Integrated Structure (in cases where the rapid transit construction was performed by Department of Rapid Transit Systems in advance)
- ▶ (d) Geotechnical Investigation Report (in cases where the rapid transit construction was performed by Department of Rapid Transit Systems in advance)
- ▶ (e) Design Manual of the Joint Development of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems
- ▶ (f) Contract of the Joint Development of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems (hereinafter referred to as Joint Land Development Contract)
- ▶ (g) Negotiations of the Trading of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems (hereinafter referred to as Negotiations)
- ▶ (h) Draft of Investment Contract of the Joint Development of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems (hereinafter referred to as Investment Contract)
- ▶ (i) Standards for the Sub-contract Construction of Mass Rapid Transit Facilities

▶(j) List of expenses or estimates to be paid in advance by the government and to be reimbursed by the applicant

▶(k) Other related documents:

E. Qualification:

(a) General qualification:

1. Qualification of having priority to make an application to invest:

(1) The landowners (hereinafter referred to as landowners) of this development site according to Article 14 of the Land Development Regulations.

(2) The sole landowner (hereinafter referred to as sole landowner) according to Article 10 of the Preferential Trading Regulations.

2. The qualifications for an open bidders:

(1) Domestic legal organization.

(2) Foreign legal organization.

(b) Capability qualification:

1. Development Capability:

Has completed construction development of a similar or equivalent nature in the past where the total value of a single project was not less than one-third of the estimated cost of this development project, or the accumulated total value of past projects is not less than the estimated cost of this development project; the aforementioned estimated project cost will be given in New Taiwan Dollars.

2. Financial Capability

(1) General requirements

-1. For the most recent year, total current assets that have been certified by an accountant were more than total current liabilities, total liability was not more than three times net worth, and quick ratio was more than 10 percent.

- 2. For the most recent year, no record of issuing bad checks or default on loans at any financial institution.

(2) Special requirements

The applicant's net worth is not less than thirty percent of the estimated cost of the project; the aforementioned net worth should be calculated as such:

- 1. The total sum of financial capabilities of the applicant, co-applicants or collaborators, but the said net worth must first deduct the amount of net worth that has been presented by the applicant, co-applicants or collaborators to other joint development projects of Taipei Rapid Transit Systems for the rights of investment. In addition, before the submission deadline of capability qualification documents for this development project, for each development project that has not yet acquired an occupancy permit, the net worth of the applicant, co-applicants or collaborators shall be calculated as the percentage of the individual's investment multiplied by thirty percent of the estimated cost of project for each development project.
 - 2. The sum of the financial capabilities of the applicant, co-applicants or collaborators, outside of the amount of the applicant's, co-applicants' or collaborators' net worth that has been presented to other joint development projects of Taipei Rapid Transit Systems and in the case of the "Investment Contract of the Joint Development of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems" is signed with the Taipei City Government during the period of application, then, the applicant, co-applicants or collaborators shall prior to the signing of the contract for this development project complete the capital increment calculated at the percentage of the individual's investment multiplied by thirty percent of the estimated cost of project for each development project.
3. In the case of the landowners of this development site who have the priority to make investment application but do not qualify or whose qualifications are not adequate, the landowner at most may look for three legal organizations to cooperate with. All three legal organizations must meet the general requirements of financial capability and at least one legal organization must meet the development capability qualification. The sum of net worth for the three legal organizations must meet the special requirements of financial capability.

4. In the case of an Open Bid for Investors, one legal organization that concurrently meets the development capability and financial capability qualifications may file the application alone, or the application can be filed jointly by at most three legal organizations. All three legal organizations must meet the general requirements of financial capability and at least one legal organization must meet the development capability qualification. The sum of net worth for the three legal organizations must meet the special requirements of financial capability.

F. Application documents (Refer to Attachment 1):

(a) Documents for General Qualification:

1. Application Form: An individual shall state name, date of birth, address, personal identification number, and the legal organization shall state name, address of main office, and name of representative. The name of development project also has to be indicated.
2. Photocopy of the applicant's identification document or registration certificate.
3. Receipt of application deposit and certificate of deposit reduction.
4. Others.

(1) The applicant that will cooperate with the legal organization shall enclose:

- 1. Collaborator Data Sheet
- 2. The notarized or certified expression of interest of collaboration signed between the applicant and the collaborators.

(2) The applicant that will file an application jointly with a legal organization shall enclose:

- 1. Applicant Data Sheet
- 2. The notarized or certified joint application agreement signed between the co-applicants.

(3) An applicant that has authorized an agent to handle the matters related to this development project shall enclose the power of attorney.

(b) Documents for Capability Qualification:

1. Documents for proof of [development capability]: Summary of previous development achievement certified by accountant (real property that has been sold should be listed according to income on a profit and loss statement, remaining real property should be listed according to cost on a balance sheet) and financial statements for each year enclosed. The accountant's business practice license or the seal impression certificate for the member of accountant association should also be enclosed.

2. Documents for proof of [financial capability]:

(1) The financial report and enclosed statements of last fiscal year or 12 months before this application deadline. (the report and statements all have been certified by an accountant.) For a company that has been established for less than a fiscal year, it should submit all financial report and enclosed statements since its establishment or for 12 months before this application deadline.

-1. Last fiscal year refers to the last business fiscal year (from January 1 to December of the same year) at the time of selection.

The latest year refers to the business accounting year before last year at the time of selection. This shall be used in the occasion that the financial report for the last business fiscal year cannot be certified or approved on time.

-2. The enclosed statements refer to the relevant statements that show the figures of net worth, current assets, current liabilities and total liabilities of the applicant.

-3. The financial report and the enclosed statements shall be audited and certified by an accountant according to the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants; the audit opinion shall be stated clearly and the accountant's business practice license or the seal impression certificate for the member of an accountant association is enclosed.

(2) Confirmation issued by check clearing institution indicating that the account is not on the list of dishonored accounts and that there are no records of dishonored checks during the most recent year.

(3) Credit report issued by Joint Credit Information Center indicating that there is no record of bad credit at any financial institutions.

- (4) The receipt of business tax payment for the most recent period or the receipt copy of sales and tax declaration form for profit-seeking enterprises affixed with the stamp of the competent tax levy agency. A newly established business that has not yet paid business tax for the first period may instead submit the letter of establishment registration approval by the competent business tax levying agency and uniform invoice purchase certificate.

(c) Development Proposal:

The development proposal shall include and state clearly:

1. Location of land, area and land ownership.
2. Methods of acquiring the rights to the land, plans for land use, and methods of disposal of the development results
3. Development items, development description and development purpose.
4. Architectural plan: including architectural design, structural system, equipment system, construction engineering, specifications of building materials, project budget and affidavit of project budget, and the contents of the above should include the following:
 - (1) Building drawings: floor plan, elevation, building coverage ratio, building bulk ratio, and building bulk ratio bonus review.
 - (2) Project Budget: Total price list, detail price list.
 - (3) Building materials, facilities and system descriptions:
 - 1. The specification and brands of finishing material for external walls, hallways, stairways, floors, internal walls and ceilings.
 - 2. The specification and brands of doors, windows and hardware, bathroom and sanitation facilities, kitchen facilities, water supply and drainage facilities, electric power and electrical equipment, elevators, air conditioning facilities, security and monitoring systems, fire-fighting equipment, network and communication systems and car parking facilities.
 - (4) A list of area for each floor.
 - (5) A copy of all above data in computer disks.

5. A disaster prevention plan that accords with the relevant construction laws
6. A soil and water conservation plan, environmental impact assessment plan submitted according to the relevant laws of soil and water conservation and environmental protection laws.
7. Extended plan of facilities related to mass rapid transit system.
8. Financial plan: including estimated development expenditure, capital raising plan, annual cash flow, investment benefit analysis.
9. Schedule plan for development.
10. Rules of operational management: including operator and operating plan, management and organization, rights and obligations of operation management, management rules, operation security deposit and, punishments for violating management rules.
11. Terms of cooperation, percentage of income distribution, the relevant rights and obligations between the applicant, the competent authority and landowners.
12. Other matters related to land development.

(d) Rules for the preparation of application documents:

1. The submitted photocopies of qualification documents must be affixed with the seal of applicant, and with the wording “true to the original”.
2. The application documents shall be typed or written clearly in blue (black) fountain pen or ballpoint pen.
3. The development proposal shall be written on A4 size paper (21cm x 29.7cm); diagrams should be folded into A4 size.
4. The applicant who has made a suggestion to amend the basic (concept) design of this development project shall make comparison tables of before and after the amendment and enclose it with the development proposal. Those who agree to accept the basic (concept) design of Taipei City Government are exempted from submitting this document.

G. Application Deposit:

- (a) The applicant shall pay one percent of the estimated project cost as application deposit, a total of New Taiwan Dollars _____. The applicant

who owns land in this development site or receives the letter of consent from the landowners of this development site may reduce the amount of the application deposit according to the ratio of land area owned by the applicant or the land area of landowners who have signed the letter of approval to the total land area.

(b) The applicant may pay the application deposit in any of the following forms:

1. Cash
2. Financial institution's promissory note or check
3. Financial institution's certified check
4. Bearer's government bond
5. Financial institution's certificate of deposit pledged to the procuring entity
6. Bank's written loan guarantee
7. Insurer's re-insurance policy of loan guarantee

Where an application deposit is deposited in the form of a financial institution's promissory note, check, or certified check, such instruments shall be made payable at sight and the Taipei Rapid Transit Systems Joint Land Development Special Fund Account shall be the payee. Where an application deposit is deposited in the form of a financial institution's pledged certificate of deposit, bank's written joint and several guarantee, insurer's insurance policy of joint and several guarantee, the Department of Rapid Transit Systems, Taipei City Government shall be named as the pledgee, guarantee beneficiary or the insured. The application deposit payment form is enclosed in Attachment 2.

(c) Ways to pay application deposit:

1. Cash, financial institution's promissory note or check, certified check, and bearer's government bond:
 - (1) The applicant who pays the application deposit with cash shall make payment directly at Taipei Fubon Bank Co., Ltd. (hereinafter referred to as Taipei Fubon Bank) and its branches, or telegraphic transfer to the account of the Department of Rapid Transit Systems, Taipei City

Government at Taipei Fubon Bank, business branch, account number 20033175508-6, from other financial institution. The applicant shall enclose the receipt copy issued by the Bank in the application documents and mail or deliver to the procuring entity.

- (2) In addition to cash, the applicant may directly enclose a financial institution's promissory note or check, certified check, and bearer's government bond in the application documents and mail or deliver to the procuring entity; the Department of Rapid Transit Systems, Taipei City Government shall produce a proof of receipt after receiving the documents and deliver the proof to the applicant. Alternatively, the applicant may submit the aforementioned instrument directly to the cashier of the Department of Rapid Transit Systems, Taipei City Government and obtain the proof of receipt from the Department of Rapid Transit Systems, Taipei City Government. Then proof of receipt must then be enclosed in the application document and mailed or delivered to the procuring entity.

2. Financial institution's certificate of deposit pledged to the procuring entity:

The applicant, five working days prior to the deadline of document submission, shall bring the blank application form for pledge of certificate of deposit to the procuring entity that is attached with certificate of deposit issued by a financial institution registered with and approved by the Ministry of Finance to the Department of Rapid Transit Systems, Taipei City Government for an application of the Department to affix its stamp on the blank form. After having it stamped by the Department, the applicant shall take the said application form to the financial institution that is to issue the certificate of deposit to carry out the pledging transaction. After completing the pledging transaction, the applicant shall enclose the certificates of deposit, reply, notice of the exercise of pledge rights form, and the notice of the extinction of pledge rights form directly with the application document and mail or deliver to the procuring entity. The Department of Rapid Transit Systems, Taipei City Government shall produce a proof of receipt after receiving the documents and deliver the proof to the applicant. Alternatively, the applicant may submit the aforementioned documents directly to the cashier of the Department of Rapid Transit Systems, Taipei City Government and obtain the proof of receipt from the Department of Rapid Transit Systems, Taipei City Government. Then proof of receipt must then be enclosed in the application document and mailed or delivered to the procuring entity.

3. Bank's written joint and several guarantee

The applicant shall personally apply for the letter of joint and several guarantee for application deposit with the Bank. The said letter of joint and several guarantee shall be signed by the responsible person or representative of the bank and affixed with the bank's official seal. The applicant shall directly enclose the said letter of guarantee in the application document and mail or deliver it to the procuring entity. The Department of Rapid Transit Systems, Taipei City Government shall produce a proof of receipt after receiving the documents and deliver the proof to the applicant. Alternatively, the applicant may submit the aforementioned documents directly to the cashier of the Department of Rapid Transit Systems, Taipei City Government and obtain the proof of receipt from the Department that is then enclosed in the application document and mailed or delivered to the procuring entity.

4. Insurer's insurance policy of joint and several guarantee

The applicant after signing the insurance policy of joint and several guarantee with the insurer may directly enclose the said insurance policy in the application document and mail or deliver it to the procuring entity. The Department of Rapid Transit Systems, Taipei City Government shall produce a proof of receipt after receiving the documents and deliver the proof to the applicant. Alternatively, the applicant may submit the aforementioned documents directly to the cashier of the Department of Rapid Transit Systems, Taipei City Government and obtain the proof of receipt from the Department that is then enclosed in the application document and mailed or delivered to the procuring entity.

- (d) The application deposit shall be deposited in the name of the applicant or the collaborators. The collaborators shall provide letter of collateral provision in the case that the application deposit is deposited in the name of the collaborators (refer to the form in Attachment 2).
- (e) When the application deposit shall be returned according to this Guideline, the procuring entity shall notify and return the application deposit to the nominated payer of the application deposit. The nominated payer of the application deposit shall take back the application deposit without interest within the deadline notified by the Department of Rapid Transit Systems, Taipei City Government.

H. Application Procedure:

- (a) This development project will solicit for investors in the following sequence, the landowners referred to in article E, (a), 1. (1) or the sole

landowner referred to in article E, (a), 1. (2) shall have priority, and open bid investors will come second.

- (b) The landowners or the sole landowner must come to the Department of Rapid Transit Systems, Taipei City Government to purchase this Guideline and prospectus within two months upon receiving the written solicitation from the Department of Rapid Transit Systems, Taipei City Government regarding their intention to invest, and, by registered mail or personal delivery, give the Department a written reply of their intent to make priority investment. The postmark of the registered mail or the agency's document receiving stamp is used to determine the date of reply, any reply beyond the deadline is considered as a disclaimer of priority investment.

In cases where the land for development is owned by several persons, the landowners must also enclose in the aforementioned reply, a letter of consent from the landowners. The area of land owned by the landowners that give their consent must be not less than two-thirds of the total, or more than half of all landowners owning more than half of the total area must give their consent. An applicant that does not enclose the said letter of consent or if there is any incompleteness in the enclosure is considered as having disclaimed priority investment.

- (c) The landowner, within one month after receiving the written notice of qualification for priority investment must pay the application deposit and submit the application documents listed in Clause F(a) and F(b) of this Guideline, within four months after receiving the written notice must submit the application documents listed in Clause F(c) of this Guideline, within eight months after receiving the written notice must submit the application documents listed in Clause F(d) of this Guideline, within ten months after receiving the written notice must submit the application documents listed in Clause F(e) of this Guideline. The application documents may be sent, by registered mail or personally delivery, to the Department of Rapid Transit Systems, Taipei City Government. The postmark of the registered mail or the agency's document receiving stamp is used to determine the date of documents submission.
- (d) When the development project fails to find landowners or a sole landowner who has priority for investment, a solicitation for investors will be publicly announced. Potential investors interested in making an application shall come to the Department of Rapid Transit Systems, Taipei City Government to purchase this Guidelines and Prospectus during the period announced. The interested investor, shall within two months, starting from the next day of the expiration of the Department's public announcement of soliciting for

investors, must pay the application deposit and submit the application documents listed in the Clause F (a) and F (b) of this Guidelines. In addition, within four months starting from the next day of the expiration of the Department's public announcement the applicant must submit the application documents listed in Clause F (c) of this Guideline; within eight months starting from the next day of the expiration of the Department's public announcement must submit the application documents listed in Clause F (d) of this Guideline; and within ten months starting from the next day of the expiration of the Department's public announcement must submit application documents listed in the Clause F (e) of this Guidelines. The application documents may be sent, by registered mail or personally delivery, to the Department of Rapid Transit Systems, Taipei City Government. The postmark of the registered mail or the agency's document receiving stamp is used to determine the date of documents' submission.

- (e) In the case of the application documents that have been submitted by the applicant having omissions or being incomplete, corrections and supplementation shall be handled according to the following regulations:
 1. After receiving the Department's notification of document correction or supplementation, the applicant must send, by registered mail or personal delivery, the corrected or supplemented documents to the Department within the prescribed deadline. The postmark of the registered mail or the agency's document receiving stamp is used to determine the date of submission of the corrected or supplemented documents by the applicant; no documentation will be accepted beyond the deadline. Every application is allowed to make correction or supplementation once.
 2. With regard to documents that are not subject to being notified for correction and supplementation, the applicant may not make any correction and supplementation or request for an exchange of documents. The Department shall continue to use the documents originally submitted for review. Any correction and supplementation documentation submitted at the applicant's own will is not reviewed. The applicant also may not make any request of taking back or exchanging the documentation of correction and supplementation that has been received by the Department.

I. Selection Procedure:

- (a) The Department of Rapid Transit Systems, Taipei City Government shall review and select the investment application according to "Directions for Reviewing and Selecting Investment Application of Joint Development of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems" (refer to Attachment 3 for detail).

- (b) During the application procedure, the Department of Rapid Transit Systems, Taipei City Government may at anytime notify the applicant in writing that the application procedure is terminated due to the applicant's disqualification.
- (c) Upon the completion of investment application review, the Department of Rapid Transit Systems, Taipei City Government shall report the review opinion to Taipei City Government for approval according to the listed legal conditions for authorizing investors. The Department of Rapid Transit Systems, Taipei City Government shall notify in writing the applicant who has won the rights of investment to sign the investment contract according to the legal conditions for authorizing investors.

J. Signing Contract:

- (a) The applicant, in the case of disagreement with the legal conditions for authorizing investors, shall within ten days after receiving the written notification of the Department of Rapid Transit Systems express the reasons of disagreement and present opinions of corrections. Otherwise, the applicant, within thirty days after receiving the written notification of the Department, shall sign the investment contract according to the legal conditions for authorizing investors. The applicant is considered as disclaiming the rights of investment if the contract is not signed before deadline. The Department shall solicit for investors again or fill the vacancy with another applicant according to sequence in the ranking list of applications and the application deposit will not be refunded.
- (b) In the case that the opinions of corrections for legal conditions for authorizing investors given by the applicant are rejected by Taipei City Government, the applicant must accept the legal conditions for authorizing investors and sign the investment contract according to the legal conditions for authorizing investor within thirty days after receiving the written notification of the Department. The applicant is considered as disclaiming the rights of investment if the contract is not signed before deadline. The Taipei City Government shall not bear any responsibility for the applicant's not signing the contract. The Department shall solicit for investors again or fill the vacancy with another applicant according to the sequence in the ranking list of application and the application deposit will be refunded without interest.
- (c) At the time of contract signing, the applicant shall sign the original copies of the contract prepared by the Department of Rapid Transit Systems, Taipei City Government, and affix seals on each page. At the same time,

the applicant also has to deposit three percent of the estimated total investment as a performance bond. Except for substituting the application deposit for performance bond, the applicant may deposit the deficiency according to any forms of application deposit payment listed in the Clause G (c) at the time signing contract. The applicant, who does not deposit the performance bond or the deposited performance bond is not sufficient, is considered as disclaiming of rights of investment. The Department shall solicit for investors again or fill the vacancy with another applicant according to sequence in the ranking list of application and the application deposit will not be refunded.

- (d) The applicant who is awarded with the rights of investment shall bear the expenses of producing and binding the original and duplicate copies of investment contracts. The original of investment contract is made in duplicate, with one copy to be retained by each party; copies of the duplicate copy are distributed for the use of both parties.
- K. The rights and obligations of Taipei City Government and the applicants are listed clearly in the investment contract.
- L. Mass rapid transit facilities within the development site (this clause is applicable in the case that the scope of work for the selected investment project includes a transfer of mass rapid transit facilities to the investor for construction)
 - (a) The applicant shall according to the demands of the mass rapid transit facilities (reports on the design and interface of joint development) include a chapter in the development proposal to state clearly the design idea as well as present the design and construction plan (including drawings, budget and construction cost analysis) for mass rapid transit facilities in the development site, the __ entrance __ vent of the integrated structure of mass rapid transit facilities of the joint development building and other relevant accessory facilities.
 - (b) After the applicant has won the rights of investment and signed the investment contract, the Department of Rapid Transit Systems, Taipei City Government or its designated project office will conduct price negotiations with the applicant regarding the mass rapid transit facilities on the development land. Upon the completion of price negotiation, the investor shall be responsible for the design and construction of the aforementioned facilities and sign the “Agreement of Design and Construction Commission for Mass Rapid Transit Facilities in the Joint Development Site”. In line with the planned service demand for the Mass Rapid Transit route, the investor shall complete the relevant mass rapid transit facilities and hand

them over for use as scheduled. The investor shall cooperate in the case of there is a change of the schedule for mass rapid transit facilities.

- (c) In the event that after the mass rapid transit authorities' demand and completion schedule in the development proposal of the applicant was reviewed, but the applicant cannot accept the legal conditions for authorizing an investor approved by Taipei City Government, another solicitation for investor shall be carried out, or the price negotiation, as stated in the preceding paragraph (b), has failed; the applicant shall be personally liable for the relevant expenses incurred and may not request any compensation from Taipei City Government, Department of Rapid Transit Systems or its designated project office. The Department of Rapid Transit Systems or its designated project office shall separately look for other enterprises to undertake the project of mass rapid transit facilities construction.
- (d) In the case that the Department of Rapid Transit Systems or its designated project office has found another enterprise to undertake the design and construction of mass rapid transit facilities and integrated structure construction of the joint development project, the site of integrated structure construction shall be handed over to the investor for continuing the next stage of work for the completion of integrated structure construction. In the case that, as a result, the overall development schedule for the land development has to be adjusted accordingly, the investor shall coordinate without condition, and also may not request any compensation from Taipei City Government, the Department of Rapid Transit Systems or the designated project office for relevant expenses incurred.

M. Other Provisions:

- (a) The investor shall commission a practicing architect that has registered with the Ministry of Interior and also a member of an architects' association to be in charge of the design and construction supervision of the development project. In addition, the architect must have no prior record of legal punishment such as business suspension or had a rights suspension imposed by the competent authorities at any level of government. The qualification documents for the entrusted architect shall be submitted to the Department of Rapid Transit Systems for review within thirty days or any regulated deadline on the investment contract after signing the investment contract; Attachment 3 lists the review guidelines.
- (b) The investor must select a construction enterprise that has met the following requirements as the contractor of this development project:

1. A local Grade A and above construction enterprise that has met the provisions of “Regulations on Management of the Construction Industry”, and registered project contracting as one of its business categories.
2. A foreign construction enterprise must meet the “Standards of Foreign Construction Enterprises’ Registration, Grade and Achievements in Contractual Constructions” as promulgated by the Ministry of Interior, and that has applied for the construction enterprise registration according to the provisions of “Regulations on Management of the Construction Industry”.
3. Has completed a contracted construction of similar or equivalent nature, and the total amount for a single project is not less than one-third of the estimated cost of this development project, or the accumulated total is not less than the estimated cost of this development project.
4. Has neither any record of business suspension punishment by the competent authority of the construction industry at any level of government nor any record of an announcement of a suspension of the rights to participate in bidding imposed by any government agency.

The investor must select a water-pipe contractor, an electricity contractor, and a refrigeration and air conditioning contractor that meet the regulations of each respective industry and also must have registered Project Contracting as one their business categories.

The investor shall submit the qualification documents for the construction enterprise, and water-pipe contractor, electricity contractor, refrigeration and air conditioning contractor to the Department of Rapid Transit Systems for review within thirty days before applying the construction permit; Attachment 3 lists the review guidelines.

- (c) The investor that will uniformly manage the completed construction shall bring in an operator that has the same or similar operating experience in the business item of developed construction. The qualification document of the operator shall be submitted to the Department of Rapid Transit Systems for review prior to the application for occupancy permits for the development; Attachment 3 lists the review guidelines.
- (d) After signing the investment contract, in the case that the landowners have not concluded any agreement with regard to rights and interests allocation, they may file an application with the Department of Rapid Transit Systems, Taipei City Government requesting the Department to become the coordinator. If both parties cannot reach an agreement after two

coordinating meetings, the investor shall present the consensus of landowners with regard to the allocation of rights and obligations for arbitration within thirty days after the coordinating meetings. The decisions of the arbitration committee shall be used to handle the matter. If the landowners disagree with presenting the case for arbitration, then the investor may file an application for the Department to handle the matter according to the Contract of the Joint Development of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems signed by the landowners.

- (e) An applicant that fails to win the award of rights of investment, may not request any compensation for expenses incurred. The applicant who wins the award of right of investment may include the expenses that were incurred in the course of application into the cost of joint development after consulting with the landowners and the competent authority.
- (f) This Guideline, with regard to the relevant regulations for the applicant, is considered to be a part of the investment contract and after being signed by the applicant is as effective and valid as the said contract.

N. Special Article: This article is set when it is necessary during the selection of investors for this joint development project.

O. Attachments:

- (a) Attachment 1: Application Form
- (b) Attachment 2: Application Deposit Payment Form
- (c) Attachment 3: Directions for Reviewing and Selecting Investment Applications for Joint Development of Land Adjacent to or Contiguous with Taipei Rapid Transit Systems