

Content

Title : Instructions for Reporting Voting Shares in Accordance with Paragraph 2, Article 16 of Financial Holding Company Act **Ch**

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Content : 1. These Instructions are drawn up for the purposes of implementing the provisions in Paragraph 2, Article 16 of Financial Holding Company Act (referred to as "the Act" hereunder), enhance the transparency of the ownership of financial holding companies and strengthen the administration over the shareholders of financial holding companies.

2. The same person or same concerned party who singly, jointly or collectively acquires more than five percent (5%) of a financial holding company's outstanding voting shares, or such same person or same concerned party who subsequently increases or decreases their shareholding cumulatively by more than one percent (1%) shall report such fact to the competent authority within ten (10) days from the day of acquisition in accordance with these Instructions.

3. The term "acquisition of outstanding voting shares" mentioned in these Instructions is not conditional upon title transfer. The time point of acquisition is instead determined as follows:

- (1) If the shares are acquired through capitalization of earnings or capital surplus, the date of acquisition shall be the ex-right record date.
- (2) If the shares are acquired through cash capital increase, the date of acquisition shall be the deadline for subscription payment.
- (3) If the shares are acquired through public offering, the date of acquisition shall be the deadline for purchase payment.
- (4) If the shares are acquired through inheritance or gift, the date of acquisition shall be the date of receipt of inheritance or gift.
- (5) If the shares are acquired through conversion of convertible securities, the date of acquisition shall be the date the request for conversion is made with the issuer.
- (6) If the shares are acquired through other means, the date of acquisition shall be the date on which the actual transaction takes place.

4. The same person or same concerned party who singly, jointly or collectively acquires more than five percent (5%) of a financial holding company's outstanding voting shares shall report such fact to the competent authority by submitting the following documents within ten (10) days from the day of acquisition:

- (1) A declaration statement (Form 1).
- (2) A declaration form (Form 2).
- (3) An undertaking statement (Form 3).

5. The same concerned party shall jointly appoint a person among them as their representative for reporting change in shareholding ownership. If such representative is subsequently changed due to change in ownership, a

consent form signed by all parties concerned shall also be submitted when the same concerned party reports change in ownership.

6. The same person or same concerned party who subsequently increases or decreases their shareholding cumulatively by more than one percent (1%) as provided in the latter section of Paragraph 2, Article 16 of the Act shall report such fact to the competent authority by submitting the following documents within ten (10) days from the day of acquisition:

- (1) A declaration statement (Form 4).
- (2) A declaration form (Form 5).
- (3) An undertaking statement (Form 3).

7. If the same person or same concerned party who has previously filed an ownership report reports again upon cumulative decrease in shareholding by more than one percent (1%), and thereby holds less than five percent (5%) of shares, such same person or same concerned party is exempted from reporting subsequent increases in shareholding, provided their total shareholding does not exceed five percent (5%).

8. In the case where the same person or same concerned party and a third party jointly hold shares of a financial holding company under a written agreement pursuant to Paragraph 4, Article 16 of the Act, such written agreement shall also be enclosed when the same person or same concerned party files a report with the competent authority according to Point 4 or Point 6 herein.

9. If the required reporting is not filed by the forms attached, or if inadequate or erroneous information is provided, the same person or same concerned party will be notified to make correction within a prescribed period of time. Failing to comply with the notification accordingly will be deemed as nonfiling.

10. When filing the ownership report with the competent authority, the same person or same concerned party should send a copy of the same to the financial holding company concerned.

11. Where the same person or same concerned party files a report within six (6) months pursuant to Paragraph 9, Article 16 of the Act, Points 2 through 4 and Points 8 through 10 of these Instructions shall apply *mutatis mutandis*.