

Content

Title :	Directions for Filing Reports on Acquisition of Shares in Accordance With Article 43-1, Paragraph 1 of the Securities and Exchange Act
Date :	2019.10.09
Legislative :	<ol style="list-style-type: none"><li>1. Promulgated on September 5, 1995 by the Securities and Exchange Commission of the Ministry of Finance per letter Ref. No. (84)-Taiwan-Finance-Securities-(III)-02046</li><li>2. Amended and promulgated 31 October 1998 per Letter Ref. Taiwan-Finance-Securities-(III)-02853 of the Securities and Futures Commission, Ministry of Finance</li><li>3. Full text of seven points amended and promulgated 19 May 2006 per Order Ref. Financial-Supervisory-Securities-III-0950002344 of the Financial Supervisory Commission, Executive Yuan; effective immediately Report Form format amended 19 May 2006 per Order Ref. Financial-Supervisory-Securities-III-0950002349 of the Financial Supervisory Commission, Executive Yuan; effective immediately</li><li>4. Points 5 and 6 amended and issued per 21 July 2010 Order No. Financial-Supervisory-Securities-Trading-0990038461 of the Financial Supervisory Commission, Executive Yuan</li><li>5. Repealed per 9 October 2019 Order No. Financial-Supervisory-Securities-Trading-10803603575 of the Financial Supervisory Commission, effective from 9 October 2019</li></ol>
Content :	<p>Point 1 Any person who acquires, either individually or jointly with another person(s), more than ten percent of the total issued equity shares of a public company shall, within ten (10) days after acquisition of said shares file a report in accordance with these Directions to the Competent Authority.</p> <p>Point 2 The issued and outstanding shares of a public company acquired by the person as referred to in these Directions shall any shares held by his or her spouse, minor child, and held under the name of any other person(s).</p> <p>Point 3 The term "acquiring shares jointly with another "person(s)" as referred to in these Directions means acquiring already-issued shares of a public company by contract, agreement, or other form of mutual consent. Where an acquirer acquires shares jointly with another person(s), if there is written mutual consent, the written mutual consent shall be submitted to the Competent Authority together with the report.</p> <p>Point 4 The registration of transfer of ownership is not a prerequisite for acquisition of shares as referred to in these Directions.</p> <p>Point 5 Matters which shall be reported to the Competent Authority in accordance with Paragraph 1 of Article 43-1 of the Securities and Exchange Act within ten days of the acquisition are as follows, and the report shall be accompanied with one copy of the newspaper which carries a public announcement about the reported matters: <ol style="list-style-type: none"><li>1. The identity, name or corporate name, National Identify Card number, or company uniform number, domicile address or business place of the acquirer and the joint acquirer(s); if the possessor is a company, the name or corporate name, National Identify Card number or company uniform number, domicile address or business place of the shareholder who holds five (5)</li></ol></p>

- percent or more of the outstanding shares of the company, or a person who directly or indirectly controls the shareholder who holds more than five (5) percent of the outstanding shares of the acquired company;
2. Total number of shares held at the time of filing the report and its percentage on total issued shares. If the acquirer is a financial holding company, and the company whose shares are acquired is a financial institution, information on the total shares held in the acquiree by subsidiaries and affiliated enterprises of the acquirer.
  3. Method and date of acquisition.
  4. Purpose of acquisition.
  5. Breakdowns of sources of capital.
  6. Itemized trades during the six months prior to obtaining the more than 10 percent of shares.
  7. Total number of shares expected to be acquired within one year.
  8. Plan of exercising any of the following rights pertaining to shares, if yes, specify the contents of the plan:
    - A. a plan to convene a special shareholders meeting individually or jointly with others;
    - B. a plan to run for election of directors or supervisor(s) for himself or for others;
    - C. a plan to dispose of assets or change financial or business plan of the company in which shares are acquired.
  9. Other matters which are required to be reported to the Competent Authority.

If an acquirer is a public company, it shall enter the matters required to be reported under the preceding paragraph into the Market Observation Post System (MOPS), and after completion of its transmission to the MOPS, such acquirer will be deemed to have publicly announced the matters in accordance with regulation.

#### Point 6

If there is any change in the following matters which are to be reported pursuant to the latter part of Paragraph 1 of Article 43-1 of the Securities and Exchange Act, it shall be publicly announced within two days of the occurrence of the event and a copy of newspaper containing the announcement shall be sent to the Competent Authority:

1. An increase or decrease amounting to one (1) percent of the total issued shares of the company, where the increase or decrease in the shareholding ratio also reaches one (1) percent, shall be reported to the Competent Authority; the aforesaid reporting and public announcement obligations shall be continued until the shares individually or jointly possessed are less than ten (10) percent of the total issued and outstanding shares of such company;
2. Where the acquirer is a juristic person, the shareholders holding more than five (5) percent of its shares, or those with direct or indirect control over the those holding more than five (5) percent of its shares.
3. Purpose of the acquisition.
4. Source of funds.
5. The amount of shareholdings expected to be acquired within the next year.
6. Plan of exercise of share holding rights.

The acquirer under the preceding paragraph shall also at the same time report any change in total shareholding that has occurred from the previous to the current report.

If an acquirer is a public company, it shall enter the matters required to be reported under the preceding two paragraphs into the MOPS, and after completion of its transmission to the MOPS, such acquirer will be deemed to have publicly announced the matters in accordance with regulation.

Where any person independently acquires more than ten (10) percent of the shares of a publicly issued company, in addition to the report required under Paragraph 1, such person shall file reports in accordance with Article 22-2 and Article 25 of the Securities and Exchange Act.

#### Point 7

On reporting to the Competent Authority, copies of the report shall be served concurrently to the company whose shares are being acquired, the

Taiwan Stock Exchange Corporation (for listed shares), and the GreTai Securities Market (for OTC shares).

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Data Source : Financial Supervisory Commission Laws and Regulations Retrieving System