

**SECURITIES AND FUTURES ACT
(CAP. 289) PART VII (DISCLOSURE
OF INTERESTS)**

**COMMON MISTAKES TO AVOID BY
REPORTING PERSONS AND LISTED ISSUERS**

1 Filling up Form C (i.e. the contact details form)

For the Reporting Person

1.1 When completing Part I of the Reporting Person's Form C {Details of Person(s) giving notice}, only the details of the Reporting Person (i.e. the director, CEO, or substantial shareholder/unitholder) should be given for items 1 and 2 under Part I of the Form C. Please do not give details of the authorised representative of the Reporting Person in items 1 and 2. These details should be given in Part II {Details of contact person for clarification on information contained in the Forms}.

1.2 Another common mistake occurs when a director of a corporate substantial shareholder notifies a listed issuer with a Form 3 on the corporate substantial shareholder's behalf. Under item 1 of Form C, the substantial shareholder's director should select the third checkbox "Substantial Shareholder(s)/Unitholder(s) (Form 3)" and not the first checkbox "Director/Chief Executive Officer (Form 1)". In addition, for Item 2 of the Form C, the name and particulars of the corporate substantial shareholder should be given, and not the director filing the Form 3. Particulars of the director that is submitting the Form 3 notification on behalf of the substantial shareholder can be given in Part II {Details of contact person for clarification on information contained in the Forms}.

1.3 When a Form 3 or 5 contains notifications for more than one shareholder/unitholder, Part I of the accompanying Form C {Details of persons giving notice} should provide particulars and contact details for each and every one of the shareholders/unitholders. The particulars and contact details of the authorised person who had submitted the Form on behalf of all the shareholders/unitholders can be given in Part II {Details of contact person for clarification on information contained in the Forms}.

For the Listed Issuer

1.4 When posting Forms 1, 3 or 5 on SGXNet, the Listed Issuer should not only attach the Form C for the Forms 1, 3 or 5 but also a Form C containing the contact details of the Listed Issuer itself. Please note that when completing Part I item 1 of the Listed Issuer's Form C, the last checkbox "Corporation/Trustee-Manager/Responsible Person (SGXNet announcement template (Form 7))" should be selected. Under item 2 of Part I, only details of the Listed Issuer (or where the Listed Issuer is a business trust or real estate investment trust, the name and identification number of the trustee-manager or responsible person) should be provided, and not that of its authorised representative or contact person. These should be set out in Part II {Details of contact person for clarification on information contained in the Forms}.

2 Deemed interests in shares held by family members of substantial shareholders and directors

2.1 Substantial shareholders should note that they are not automatically deemed to have an interest in the securities held by a family member based solely on familial relationship. Whether a substantial shareholder is deemed interested in the shares held by his family member should be determined in accordance with section 4 of the SFA. For example, if the substantial shareholder is able to exercise control over the voting rights of the securities held by the family member or have authority to dispose of those securities, then the substantial shareholder will be deemed to have an interest in those securities.

2.2 However, unlike substantial shareholders, a director of a listed issuer will be deemed to have an interest in the securities held by his family member, if the family member is not also a director or CEO of the corporation. For the purpose of director's reporting obligation, "family member" refers to a spouse, or a son, adopted son, step-son, daughter, adopted daughter or step-daughter below the age of 21 years.

3 Reporting obligations for substantial shareholders and directors

Substantial shareholders' reporting obligations

3.1 Substantial shareholders need only report changes in the percentage level of their interests in the voting shares of the listed corporation. If the change results in a fraction of a percent, it should be rounded down to a whole number to determine if the percentage level has been crossed, warranting a disclosure. For example, if the interest increases from 6% to 6.75%, rounding 6.75% down to the nearest whole number yields 6%. Hence there is no change in percentage level of interest and no notification is required.

Directors' reporting obligations

3.2 Reporting by directors and CEOs of listed corporations extend beyond voting shares to include all types of securities such as employee share awards schemes, share options, preference shares, and rights and warrants over unissued shares. Moreover changes in the nature of interests, for example from deemed interests to direct interests, or from one type of security to another such as from rights entitlements to actual rights shares allotted, have to be disclosed. Any change in absolute number of shares has to be disclosed even if there is no change in the percentage level of interest.

3.3 You may refer to the FAQ on Disclosure of Interests for a complete list of common questions on the MAS website via the web link: <http://www.mas.gov.sg/regulations-and-financial-stability/regulations-guidance-and-licensing/securities-futures-and-funds-management/faqs/2012/faqs-on-disclosure-of-interests.aspx>.