CONSULTATIVE PAPER ON THE SECURITIES MARKET

CORPORATE FINANCE COMMITTEE

Tuesday, 26 May 1998

The Corporate Finance Committee seeks comments on its views expressed in this consultative paper. The Committee is of the view that it is necessary to adopt a predominantly disclosure based philosophy of regulation to promote Singapore's growth as an international capital centre, and to foster a market driven environment, with greater efficiency, innovation and entrepreneurship. The shift to a disclosure based philosophy of regulation would require fundamental changes in the policies and framework of regulation. Therefore, the Committee seeks comments on these principles before it proceeds to make detailed recommendations.

All participants in the securities market, that is, listed companies, investors, intermediaries, professionals, and academics, are invited to comment Comments should be in writing and are to be submitted as follows:-

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All submissions should be made by Friday, 26 June 1998 and should include the name, address and phone number of the sender. Comments received through electronic mail may be posted on the Stock Exchange of Singapore web site (http://www.ses.com.sg).

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Summary

- A predominantly disclosure based philosophy of regulation should be adopted to promote Singapore's growth as an international capital centre, and to foster a market driven environment, with greater efficiency, innovation and entrepreneurship. A disclosure based environment backed by an appropriate regulatory framework, strong market discipline and regulatory enforcement, would provide a high level of investor protection and market integrity while allowing listed companies and market intermediaries the freedom to innovate, seize business opportunities and organise their affairs in the most efficient manner.
- The market is better able to decide on the merits of a transaction rather than the securities regulator. Investors would need to take responsibility for their own investment decisions. Transactions will be market driven and will not suffer from delays from merit reviews. Instead, transactions will be subject to market discipline as a result of better informed investors exercising greater vigilance and shareholder participation.
- Greater participation by institutional investors, both local and foreign, should be encouraged to enhance corporate disclosure and market discipline, increase fund raising efficiency and promote listings.
- The regulatory framework will need to be modified to support the disclosure based regime. This framework will include a stronger legal obligation to disclose and a higher standard of disclosure. These obligations will be backed by investigative and enforcement powers vested with the securities regulator, including the power to take up civil actions in the public interest.
- To increase the efficiency of the securities market, securities laws and rules should be consolidated, updated and designed to facilitate technological and financial innovation.
- Transparency and certainty in the rules would reduce the need for the securities regulator to exercise discretion in the administration of the rules. This can be done by codifying rules as far as possible, making public the securities regulator's interpretations of law and rules, and the reasons for its decisions, and providing an avenue for appeal against such decisions.
- Regulatory efficiency, responsibility and accountability, can be enhanced by consolidating securities regulation under a single securities regulator, residing in the Monetary Authority of Singapore. The securities regulator would review prospectuses on an ex-post basis, focusing on the adequacy of disclosure and fraud but not on the merits of the transaction. The Stock Exchange will continue to regulate its member broking firms, conduct market surveillance, promote corporate governance and review the adequacy of continuing disclosure.
- To create a more vibrant market, it is critical to attract more listings of foreign and growing domestic companies, and to attract foreign intermediaries, professionals and investors, which are all integral to the securities market, to use Singapore as a base.
- Issuers and their underwriters should be allowed to optimise, to decide how their share offerings are to be priced and distributed, taking into account their assessment of the market demand, the cost of fund raising, and their preference for their own mix of institutional and retail investors.
- Corporate governance standards should be raised to enhance investor confidence. These rules should take the form of principles and best practices. Companies themselves will be responsible for formulating the principles into working guidelines that are appropriate to them and it is for the market to judge and reward each company for its standard of corporate governance.
- Technology should be embraced to enable information to be disseminated promptly and widely, promote efficiency and lower transaction costs.
- Implementation of the envisaged regulatory framework may take some time while it is considered by the Government, laws drafted and enacted, and institutions reorganised or created. In the meantime, changes can be made to allow for progressive transition towards the disclosure based regime.

Introduction and Terms of Reference

1 The Corporate Finance Committee (“the Committee”) was formed by the Financial Sector Review Group to make recommendations with the view of making Singapore a key financial centre for international corporate fundraising activity. In making its recommendations, the Committee will bear in mind the need to maintain high standards of integrity and sound financial management, provide for greater transparency in regulations, and allow investors to judge and take business risks for themselves while relying more on market discipline and full information disclosure to protect investors.

2 The terms of reference of the Corporate Finance Committee are:-

a. To recommend an appropriate framework of rules, regulations and administrative guidelines governing corporate fund-raising that will:-
   - support steady and sustainable growth of corporations in Singapore;
   - foster innovation and entrepreneurship;
   - make Singapore an attractive centre for international corporate fund-raising activity.

b. To recommend ways to improve the efficiency of the fund-raising process, as well as standards of corporate disclosure.

c. To recommend new or enhanced industry capabilities to better meet the financing needs of corporations, e.g. debt financing, covered warrants, new board for start-ups; and a framework of rules and regulations to promote these activities.

d. To recommend for Government’s consideration suitable respective roles for the Stock Exchange of Singapore (“SES”), the Monetary Authority of Singapore (“MAS”) and the Registry of Companies and Businesses (“RCB”), as well as other government agencies as appropriate.

e. The review should include, but need not be limited to, relevant parts of the Securities Industry Act, SES Listing Manual and the Companies Act.

Philosophy of Regulation

3 The Committee believes that to achieve the goals set out in its terms of reference, namely to promote Singapore's growth as an international capital centre, and to foster a market driven environment, with greater efficiency, innovation and entrepreneurship, it is necessary to adopt a predominantly disclosure based philosophy of regulation. Investors should be allowed to judge and take business risks for themselves. The rule must be caveat emptor, relying more on market discipline and full information disclosure to protect investors. A disclosure based environment must, however, be backed by an appropriate regulatory framework, strong market discipline and regulatory enforcement. This would provide a high level of investor protection and market integrity while allowing listed companies and market intermediaries the freedom to innovate, seize business opportunities and organise their affairs in the most efficient manner.

4 The alternative to the disclosure based philosophy of regulation is the merit based philosophy. It is to be noted that regulatory systems currently in existence, in Singapore and in many other markets, are not purely one or the other but a mix of the two.

Disclosure Based Philosophy

5 The underlying premise is that an informed investor is a protected investor. The disclosure based philosophy acknowledges that the market is better able to decide on the merits of a transaction rather than the securities regulator. The mass of investors, including analysts who are sector or industry specialists, with real-time information and analytical tools, who are continuously exchanging information in the market place, are best able to judge the merits of a transaction.

6 Investors would need to take responsibility for their own investment decisions and are not protected against making poor investments. Responsibility for ensuring compliance would properly rest on the company and its advisers. Experience in disclosure based regimes has shown that it has resulted in a higher standard of disclosure.

7 Transactions do not suffer from delays caused by the exercise of the security regulator's value judgement in ex-ante reviews. Instead the merits of transactions are subject to market discipline as a result of better informed investors exercising greater vigilance and shareholder participation.

8 Market discipline would be complemented by regulatory review and enforcement. Regulatory review would focus on maintaining and raising the standard of disclosure, by providing for the type of information to be disclosed. Where necessary, some ex-ante review of documents could be carried out to maintain the standard of disclosure but not on the merit of the transaction. Such review can be minimised or dispensed with where the issuers have a high standard of disclosure and corporate governance. Enforcement would be carried out by ex-post review of disclosures and transactions, and by taking remedial action, including civil action for damages for the losses of investors, against companies who made poor and untimely disclosure, against directors who defraud investors, and against market practitioners who did not exercise due care and diligence. Appropriate civil enforcement, with its lower burden of

proof and damage claims, hitting offenders in the pocket where it hurts, may be a more effective deterrent to would-be offenders, than criminal prosecutions, which require a higher burden of proof.

Merit Based Philosophy

9 A merit based regime is one where transactions and disclosure are reviewed and decided on by the securities regulator on the basis of their perceived merits. The securities regulator makes a value judgement on the transactions and adequacy of disclosure to protect investors.

10 The securities regulator attempts to sieve out the problem cases before they arise in the belief that prevention is better than cure. For example, where it has confidential information that would cast serious doubts about the integrity of the directors of a company seeking listing, it may consider it in the public interest not to allow the listing. Or it may require a profit forecast to be submitted confidentially with a listing application to assess the applicant's future performance and thus its suitability for listing. This assumes that the securities regulator has better information than investors and thus is in a better position to decide on the merits of the transactions. This is not necessarily so, as it is not always in a position to verify the information. Faced with the responsibility of judging the merits of transactions, it would seek more information in order to obtain better assurance of the quality of information, the result of which is to raise compliance cost. In the case of fraud, chances are that, other than the most egregious cases, they would not be discovered at the review stage. Evidence of such improprieties usually surface only after a corporate collapse or a tip-off.

11 As transactions need clearance from the securities regulator on a case-by-case basis, there is delay, loss of business efficiency, flexibility and missed opportunities.

12 Merit review by the securities regulator also discourages personal responsibility and self-reliance. Investors would think that a transaction that has passed the regulator's scrutiny must be of acceptable quality. They may thus rely on the securities regulator and not make their own assessment of the merits of the transaction. Market practitioners, such as financial intermediaries, lawyers and accountants, may also rely on the securities regulator to do the reviewing and to determine the extent of disclosure that is required to be made instead of doing it themselves. This leads to a situation where the merits of the transaction and the disclosure standard are not determined by investors and market participants, but largely by the securities regulator.

Some Disclosure Based Models

13 The disclosure based regulatory regime was first introduced in the United States in 1933. The Securities and Exchange Commission ("SEC") does not rule on the quality of a share issue, but carries out review of certain types of documents such as initial public offering prospectuses and proxy statements before declaring it effective (ex-ante review). The Securities Act 1933 and Securities Exchange Act 1934 provide for disclosure requirements and the SEC's power to enforce disclosure.

14 Another example of a disclosure based regime is that of the Australian Corporations Law and its administration by the Australian Securities Commission ("ASC"). Documents are

reviewed after registration (ex-post review) on a selective basis and may involve inspections at the issuer's and its advisers' premises of due diligence documents. Where there is material misrepresentation the ASC may stop the sale of the shares.

The Current Philosophy

15 The current philosophy of regulation can be described as somewhere between merit and disclosure, but with a tendency towards the merit. There are two main areas of regulatory work, the review of a listing applicant for initial public offering, and continuing listing requirements.

16 The SES decides on the suitability of the new listing applicant having regard to quantitative criteria, and qualitative criteria such as the business viability of the applicant, conflicts of interest and the integrity of promoters. In other words, the SES' decisions on listing applications may contain elements of merit judgement. While it does not make a value judgement as to the investment merit of a company, it makes a value judgement on the risk profile of the company.

17 The SES reviews documents, such as prospectuses, information memoranda, circulars to shareholders, and comments on the adequacy and quality of disclosure before they are issued. In a sense, the SES decides if the document is of a standard that merits its release. Announcements of financial results are reviewed for adequacy of disclosure after they have been released. The SES Listing Manual empowers the SES to grant waivers of certain continuing listing requirements, such as provisions on shareholders' approval for major transactions, and terms of employee share option schemes. The SES grants waivers on the merits of each application taking into account the need to maintain consistency.

18 Some examples of transactions that may not be allowed under the current merit based regime are:

(a) Initial public offerings by companies which, in the view of the SES, are exposed to significant risks and uncertainties that may affect their viability. Under the disclosure based environment, it is for investors and not the securities regulator to judge the merits of the offerings, subject to full disclosure about the company's vulnerabilities and risk factors.

(b) Share offerings by companies which do not have specific uses for the moneys to be raised, or which have uses that are judged by the SES to be inappropriate. Under the disclosure based environment, companies will be required to disclose the use of proceeds, and if they cannot identify the specific uses, to disclose the reasons. Therefore, it is not for the securities regulator to judge the merits of the fund raising and use of proceeds, but for the company to decide how to employ its funds and for investors to judge the appropriateness of its usage, subject to the necessary disclosure being made.

(c) Transactions between a listed company and parties who are related to its directors or substantial shareholders where it is not clear to the SES that the transactions are in the interests of the company. Under the disclosure based environment, it is for the company's shareholders, and not the securities regulator, to judge whether the transaction is in the interest of the company, subject to full disclosure of the terms and the company's rationale and justifications for the transaction.

Benefits of the Disclosure Based Environment

19 Adopting a disclosure based philosophy will minimise the need to exercise discretion, except where it is necessary to add flexibility and facilitate the proper functioning of the market. It is more likely to allow businesses to engage in legitimate activities without being slowed down by regulatory requirements, thus promoting business and financial innovation, increasing the breadth and depth of investment choice from more listings and different types of securities. Greater investment choice and more vibrant corporate activities may draw in more investors, both local and foreign, retail and institutional, thus adding to the market's liquidity. The increased liquidity may in turn attract more companies, local and foreign, to list and raise funds in Singapore. In well developed markets with a disclosure based environment, active participation by institutional investors contributes to enhancing corporate disclosure and market discipline. Greater participation of institutional investors improves protection for all investors and should therefore be encouraged.

Supporting Framework

20 The Committee is of the view that the legal and institutional framework must support the disclosure based regime.

Legal Obligation to Disclose

21 As disclosure is the key to investor protection in a disclosure based environment, it will be critical to be able to enforce a high standard of disclosure. To achieve this, it is necessary to strengthen the legal obligation to disclose as well as to impose a high standard of disclosure.

22 In all jurisdictions reviewed, the prospectus requirements are set out in their company or securities law. The US securities law prescribes detailed rules governing the information to be disclosed whether in a prospectus, proxy statement, results or other announcement ("checklist approach"). Australia on the other hand, provides in the law a general test on the standard of disclosure for all types of documents and announcements: it should contain all such information as investors would reasonably require, and reasonably expect to find, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses, prospects of the corporation, and the rights attaching to the securities ("general test approach").

23 The checklist approach is practical and makes compliance easier. But it is difficult to ensure that the detailed requirements would cover all possible types of business situations. There is therefore concern about possible gaps in the regulations. This problem is absent in the general test approach. But market practitioners may find that the general test approach lacks certainty, making compliance difficult.

24 The Committee is of the view that the general test plus checklist approach, as practiced in the United Kingdom and Hong Kong, is suitable for Singapore. This will enable Singapore to enjoy the advantages of both approaches.

25 The current standard of listed companies' disclosure of financial performance and material corporate transactions is not as high as that in developed markets such as the United States. In some cases, the disclosure can be said to be poor. This may be because there is limited legal obligation on companies to disclose information. The Committee is of the view that, similar to prospectus disclosure, ongoing disclosures by listed companies should be subject to requirements and standards which are backed by law.

Investigation and Enforcement

26 There should be adequate ex-post enforcement of laws and regulations, especially where companies and directors have been found to breach their duties to make adequate or accurate disclosure. To be effective, legal obligations to disclose must be backed by investigative and enforcement powers vested with the securities regulator. Powers to enforce compliance should include adequate civil remedies for investors and the securities regulator in order that necessary market discipline can be exerted.

27 For an investor with a large block of shares, the potential damages award from civil litigation may be more than adequate to offset the cost of litigation. This may not be so for small investors. In some jurisdictions where the class action is common, it has led to many frivolous suits. One way to avoid this is to provide the securities regulator with the power to take up civil actions where it is in the public interest to do so.

Updating Rules

28 Securities market rules currently reside in certain statutes and other non-legal documents. Laws and rules applicable to the securities market should where appropriate be consolidated, updated and made clearer. Laws must facilitate market development and be adaptable to and keep pace with technological advance and financial innovation.

Transparency and Certainty

29 Many of the existing securities market rules are administrative in nature. Most are found in the SES Listing Manual. They are supplemented by internal policies and guidelines adopted from time to time. The advantage is the flexibility to the regulators to cater to different factual situations. Companies also have the flexibility of obtaining relief from those rules on the merits of each case. However, the exercise of wide discretionary powers reduces certainty and transparency to market participants.

30 The Committee is of the view that rules should be codified as far as possible, whether in statutory or administrative form, to promote transparency and certainty. Furthermore, it may be desirable for the securities regulator to publish its (non-binding) interpretation of the law and its administrative rules, to provide reasons for decisions made (including waivers granted) and to provide for an avenue for appeal against such decisions. Transparency and certainty in the rules would reduce the need for the securities regulator to exercise discretion in the administration of rules.

Regulatory Functions

Current Functions

31 Currently, securities regulation is diffused among several bodies. The SES is the primary regulator over the companies listed on it. The MAS oversees the regulatory work of the SES. The Securities Industry Council ("SIC") administers the Singapore Code on Takeovers and Mergers. The RCB is charged under the Companies Act to review the content of prospectus before registering them. Serious commercial frauds and offences under the Securities Industry Act and Companies Act are investigated and prosecuted by the Commercial Affairs Department ("CAD").

Overseas Comparisons

32 The United States created the SEC in 1934 and consolidated the functions of securities regulation into this body. The role of US stock exchanges is to provide a market place for trading in securities, and exercise prudential supervision of their member companies. Since then this model has been adopted by increasingly more countries. Our model of regulation was based on that of the London Stock Exchange: a self-regulatory model with regulation performed by the stock exchange, a private body. Other former British colonies such as Hong Kong and Australia also used the same model. Since then Hong Kong has, to a limited extent, departed from this model by the creation of the Securities and Futures Commission. In Australia, reforms were made in which a new Corporations Law and a single regulator, the ASC, was established giving the ASC clear focus and the responsibility of regulating the securities market. The recent Wallis Financial System Inquiry recommended and the Australian Government has agreed on, further consolidation in the regulatory framework: consolidating consumer protection and regulation of financial services and products (such as securities, retail investment products, and investment advice) into the Australian Securities and Investments Commission; and combining prudential regulation, aimed at promoting the safety of all financial institutions and superannuation funds, into the Australian Prudential Regulation Authority. In May 1997, the United Kingdom Government decided to consolidate securities regulation in a single super regulator, the Financial Services Authority, instead of dividing it between the Securities and Investments Board and self-regulatory organisations. However, the London Stock Exchange is still the primary regulator for securities offerings and companies listed on that exchange.

Restructuring the Institutional Framework

33 The Committee is of the view that securities regulation should be consolidated and administered by a primary securities regulator. With the consolidation of the functions of securities regulation, responsibility and accountability would clearly rest in one body and would not be diffused and fall in the cracks between different regulatory bodies. In addition, it would eliminate duplication of work and thus increase efficiency and productivity.

34 The primary role of regulating the securities market will be performed by the securities regulator residing in the MAS. The securities regulator would review prospectuses, principally on an ex-post basis, unlike the present where the SES undertakes this function. The focus of the securities regulator's review would be on the adequacy of disclosure and fraud, not on the merits of the transaction. The securities regulator would conduct preliminary investigations into breaches of securities laws, and take up civil remedies to enforce the law. Criminal offences will be referred to the CAD for prosecution.

35 The principal role of the SES would be to operate a securities exchange and to promote the growth of the securities market. It would also continue to regulate its member firms. The SES would approve listing applications: approval will be given if the applicant meets SES' listing criteria but not on the basis of the merits of the company or its share issue. The SES will continue to do market surveillance, promote corporate governance and review the adequacy and timeliness of continuing disclosure made by listed companies. The RCB would administer provisions of the Companies Act that do not pertain to the securities market.

Developing the Market

Promoting Listings and Attracting More Players

36 Most large local companies have already been listed on the SES. Therefore, the impetus to the market's future growth would come from the listing of foreign companies and from the multitude of growing domestic companies. More should be done to facilitate the efficient fund raising by start-ups and small and medium sized enterprises to finance their further growth. In particular venture capitalists and merchant bankers should be encouraged to sponsor such companies for listing. The market should develop expertise to value such companies based on their growth prospects rather than their historical profit record.

37 Towards this end, consideration would have to be given to encouraging more value-added activities and decision makers to be based in Singapore. Tax and accounting issues should also be reviewed to see if they present any impediments to attracting foreign intermediaries, professionals and investors, which are all integral to the securities market, to use Singapore as a base.

Institutional Investor Participation

38 Efforts should be made to raise the participation of institutional investors, both local and foreign, in our securities market. A strong presence of foreign institutional investors would attract more foreign companies to list here. Institutional investors, with the large pool of investment funds at their disposal, are increasingly an important source of funds for capital formation. In addition, the process of marketing securities to institutional investors would make the market more efficient in fund raising and help raise the standard of disclosure and corporate governance. Boosting institutional interest in initial public offerings would also mean that analysts, whose job is to service their institutional clients, would produce more investment research in initial public offerings. This in turn would help develop sophistication in the market and further raise demand for initial public offerings. It is therefore necessary to facilitate the distribution of securities to institutional investors.

Initial Public Offering Distribution

39 The method of distribution of initial public offerings should be reviewed to enable issuers to raise funds more efficiently. The SES' current policy requires that initial public offerings of shares of local companies should be offered mainly by way of a public offer in Singapore, and that it is only when market conditions are unfavourable that a greater portion of the shares may be permitted to be distributed by way of placements. The Committee noted that the SES policy was driven by two considerations. First, the perceived public policy that small investors should be given a fair chance of getting initial public offering shares. Second, the belief that having a large spread of shareholders would enhance trading liquidity in those shares. Retail investors are significant players in the Singapore stock market, contributing to the success of issues and providing trading liquidity in the secondary market. However, the current distribution policy has the effect of discouraging institutional investors from participating in initial public offerings, raising the cost of capital in some cases.

40 To allow the market to function efficiently, it is important that issuers should have the flexibility of structuring securities offerings so as to be better able to seize windows of market demand. Initial public offering distribution should be free from restrictions that prevent issuers from optimising. In other words, issuers should decide. It should be for issuers and their underwriters to make the decision on how their share offerings are to be distributed, taking into account their assessment of market demand, the cost of fundraising and their preference for their own mix of institutional and retail investors. It should be open to them to price their issue by bookbuilding or by some other method, to distribute their issue by placement and/or public offer, and to choose their end investors.

Corporate Governance

41 Apart from imposing a high standard of disclosure, it is necessary to raise the standard of corporate governance to maximise shareholder value and to enhance investor confidence in our market. In order that our market can better mobilise funds from international institutional investors, it is essential that the standard of corporate governance of our listed companies must meet standards which foreign institutional investors are accustomed to in their home markets. The Committee believes that the rules on corporate governance should take the form of principles and best practices which listed companies should observe. Companies themselves will be responsible for formulating the principles into working guidelines that are more appropriate to them and it is for the market to judge and reward each company for its standard of corporate governance. The SES has recently addressed this by amending its rules on corporate governance and dealings in securities.

Embracing Technology

42 The availability of almost instantaneous information has narrowed the gap between sophisticated and retail investors. In many ways, technology has revolutionised the securities market, almost levelling the field between institutional and retail investors. In information dissemination, prospectuses, annual reports and corporate announcement could be distributed using low cost infrastructure. It is possible to conceive that some day information disclosure could be entirely electronic with hardcopy distributed on request. Much of the information currently made available by listed companies to investors is already accessible through the internet.

43 The internet can be used to facilitate distribution of securities, both in the primary and secondary market. The SES is reported to be considering introducing direct internet trading. Already, investors have been able to subscribe for initial public offerings and rights issues electronically, with payments settled electronically.

44 Shareholders could be allowed to exercise their rights in internet meetings and internet voting. By overcoming the constraints of geographical location, it could reduce the cost to companies in hiring venues for meetings and yet permit shareholders in geographically distant places to exercise their rights of attending meetings and voting, and widening the investor base of Singapore listed securities. This would simultaneously reduce cost, raise investor protection by investor participation and make Singapore a more attractive place to invest for both Singapore and foreign investors.

Implementation Time Frame

45 The move towards a disclosure based regime would require substantial changes. There are legitimate concerns that Singapore may not be ready for this change.

46 Our investors are becoming more sophisticated and institutional investor participation is increasing relative to retail investor participation. Even so there is a significant number of investors who may not be ready to take responsibility for their own investment decisions and may not be in a position to find their own remedies. They still expect the securities regulator to protect their interests.

47 Under the disclosure based environment, listed companies would be faced with a legal obligation to meet a higher standard of disclosure. Listed companies would need time and perhaps an improvement to their management information systems to be able to produce adequate information, explanations and analysis of performance.

48 Some market practitioners in Singapore, particularly where they have relied on the securities regulator to conduct the reviewing, may need time to raise their level of expertise to cope with the disclosure based environment. Furthermore, all market practitioners, financial intermediaries, accounting and law firms, and even the securities regulator, may require additional resources.

49 It is important to note that the implementation of the envisaged regulatory framework to support a disclosure based philosophy may take some time. The Committee’s recommendations would have to be considered by the Government, and if accepted, laws would have to be drafted and enacted, and institutions would have to be reorganised.

50 This does not mean that there should be no change until the new laws and institutions come into operation. In the meantime, changes, especially to the Listing Manual, which would raise efficiency and access to funds, can be made to allow for progressive transition towards the disclosure based regime.

Members

The members of the Corporate Finance Committee are as follows:-

Mr Lim Yong Wah	Chairman Inter-Roller Engineering Ltd
Mr Wong Nang Jang	Executive Vice President Oversea-Chinese Banking Corporation Ltd
Mr Wong Ngit Liong	Managing Director Venture Manufacturing (S) Ltd
Mr Boon Swan Foo	President & CEO Singapore Technologies Engineering Ltd
Mr Tan Keng Boon	Managing Director South East Asia Venture Investments
Dr Tommy Tan	Managing Director Merrill Lynch (Singapore) Pte Ltd
Mr Eric Ang	Executive Vice President, Investment Banking The Development Bank of Singapore
Mr Lucien Wong	Partner Allen & Gledhill
Mr Tan Cheng Han	Vice-Dean, Faculty of Law National University of Singapore
Mr Ng Boon Yew	Partner KPMG Peat Marwick
Mr Sum Soon Lim	Consultant
Mr Charles Lim	Deputy Head, Legislation Division Attorney-General's Chambers
Mr Tan Kim Kway	Deputy Director, Corporate Finance Division Securities and Futures Department Monetary Authority of Singapore
Mr Teng Cheong Kwee	Executive Vice President Stock Exchange of Singapore Ltd