
CHAPTER 14 DEALINGS IN LISTED SECURITIES**PART A – GENERAL****14.01 Introduction**

This Chapter sets out the requirements that must be complied with by a listed issuer, its directors and principal officers in relation to dealings by its directors and principal officers in listed securities.

PART B – DEFINITIONS**14.02 Definitions**

For the purpose of this Chapter, unless the context otherwise requires -

- (a) **“1 full market day”** excludes the day on which an announcement is made. Therefore, for the purposes of paragraph 14.08(c), regardless of what time the Exchange receives an announcement on a given day, dealings can only commence after 1 full market day from the day on which the announcement is made;
- (b) **“closed period”** means a period commencing 30 calendar days before the targeted date of announcement up to the date of the announcement of the following to the Exchange –
 - (i) in relation to a listed issuer, its quarterly reports; or
 - (ii) in relation to a listed collective investment scheme or listed business trust, the quarterly reports or annual reports of the listed collective investment scheme or listed business trust, as the case may be;
- (c) **“dealing”** includes any one or more of the following actions, whether undertaken as principal or as agent -
 - (i) acquiring or disposing of securities or any interest in securities;
 - (ii) subscribing for or underwriting securities;
 - (iii) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into -
 - (aa) any agreement for or with a view to acquiring or disposing of securities or any interest in securities;
 - (bb) any agreement for or with a view to subscribing for or underwriting securities; or
 - (cc) any agreement the purpose or avowed purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the values of securities; and
 - (iv) granting, accepting, acquiring, disposing of, exercising or discharging an option (whether for the call or put or both) or any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or any interest in securities;

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- (d) “**deal**” will be construed in accordance with the meaning of “dealing” as defined above;
- (e) “**interest in securities**” has the meaning given to it under section 4 of the CMSA;
- (f) “**other listed issuers**” in relation to an affected person, means listed issuers other than the affected person’s own listed issuer;
- (g) “**own listed issuer**” in relation to an affected person, means the listed issuer in which an affected person holds the position of a director or a principal officer;
- (h) “**price-sensitive information**” means information that “on becoming generally available would or would tend to have a material effect on the price or value of securities” as referred to in section 185 of the CMSA; and
- (i) “**principal officer**” means -
- (i) in relation to a listed issuer or its major subsidiary, the chief executive who is not a director, the chief financial officer or any other employee of the listed issuer or its major subsidiary respectively who has access or is privy to price-sensitive information in relation to the listed issuer;
 - (ii) in relation to a listed collective investment scheme (other than a closed-end fund), the chief executive of the management company who is not a director, the chief financial officer or any other employee of the management company, who has access or is privy to price-sensitive information in relation to the collective investment scheme;
 - (iii) in relation to a closed-end fund, the persons set out in subparagraph (i) above or the Managers; and
 - (iv) in relation to a listed business trust, the chief executive of the trustee-manager who is not a director, the chief financial officer or any other employee of the trustee-manager, who has access or is privy to price-sensitive information in relation to the business trust.

PART C – APPLICATION

14.03 Application

- (1) The requirements in this Chapter apply to dealings in any listed securities by the following categories of persons (collectively referred to as “**affected persons**”):
- (a) a director and principal officer of the listed issuer; and
 - (b) a director and principal officer of a listed corporation’s major subsidiary.
- (2) Notwithstanding subparagraph (1) above, a director and principal officer of the management company of an ETF need not comply with the requirements of this Chapter.

PART D – RESTRICTIONS**14.04 Possession of price-sensitive information**

An affected person must not deal in the listed securities of his own listed issuer or of other listed issuers as long as he is in possession of price-sensitive information relating to such listed securities.

14.05 General restriction on dealings

An affected person who is not in possession of price-sensitive information relating to listed securities may engage in dealings with such listed securities during a closed period provided that he complies with the procedures set out in paragraph 14.08 below.

PART E – EXEMPTIONS**14.06 Exemptions**

The following categories of dealings are exempted from the restrictions or requirements of paragraphs 14.04 and 14.05 respectively:

- (a) the acceptance or exercise of options or rights under a Share Issuance Scheme or share option scheme;
- (b) the exercise of warrants;
- (c) the conversion of convertible securities;
- (d) the acceptance of entitlements under an issue or offer of securities, where such issue or offer is made available to all holders of a listed issuer's securities or to all holders of a relevant class of its securities, on the same terms;
- (e) the undertaking to accept, or the acceptance of a take-over offer; and
- (f) the undertaking to accept, or the acceptance of securities as part of a merger by way of a scheme of arrangement.

14.07 Subsequent dealings

For the avoidance of doubt, subsequent dealings in any securities obtained as a result of the dealings stated in paragraph 14.06 are not exempted from the restrictions in paragraphs 14.04 and 14.05.

PART F – PROCEDURES FOR DEALINGS**14.08 Procedure for dealings during closed periods**

An affected person who wishes to deal in the listed securities of his own listed issuer ("**affected company**") during a closed period must comply with the following procedures:

- (a) before the proposed dealing, the affected person must give notice of intention to deal in writing to the affected company;
- (b) upon receipt of such notice, the affected company must immediately announce to the Exchange, among others, the following information:

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- (i) the affected person's current holdings of securities in the affected company; and
 - (ii) the affected person's intention to deal in the securities of the affected company during a closed period;
- (c) the proposed dealing can only be effected after 1 full market day from the date of the announcement made pursuant to subparagraph (a) above;
- (d) the affected person must give notice of the dealing in writing to the company secretary of the affected company within 1 full market day after the dealing has occurred and the affected company must immediately announce such notice to the Exchange. The affected company must include the following in the notice and announcement:
- (i) the date on which the dealing occurred;
 - (ii) the consideration for the dealing; and
 - (iii) the number of securities involved in the dealing, both in absolute terms and as a percentage of all issued securities of that class in the affected company;
- (e) a listed issuer must maintain a proper record of all notices received by it pursuant to subparagraph (d) above; and
- (f) the company secretary of a listed issuer must, at each meeting of the board of directors, table a summary of dealings notified to the listed issuer since the last board meeting.

14.09 Procedure for dealings outside closed periods

Where an affected person deals in the listed securities of the affected company outside closed periods, the affected person, the affected company and the company secretary of the affected company must comply with the following requirements:

- (a) the affected person must, within 3 market days after the dealing has occurred, give notice of the dealing in writing to the company secretary of the affected company and the affected company must immediately announce such notice to the Exchange. The affected company must include the information set out in paragraph 14.08(d) in the notice and announcement;
- (b) the listed issuer must maintain a proper record of all notices received by it pursuant to subparagraph (a) above; and
- (c) the company secretary of the listed issuer must, at each meeting of the board of directors, table a summary of dealings notified to the listed issuer since the last board meeting.

[End of Chapter]