

Edgar Filing: TAIWAN GREATER CHINA FUND - Form SC 13D

TAIWAN GREATER CHINA FUND  
Form SC 13D  
December 30, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
RULE 13d-2(a)

Taiwan Greater China Fund

-----  
(Name of Issuer)

Common Stock, par value \$.01 per share

-----  
(Title of Class of Securities)

874037104

-----  
(CUSIP Number)

Barry M. Olliff  
c/o City of London Investment Management Company Limited  
77 Gracechurch Street, London, UK EC3V 0AS

+44 207 711 0771

-----  
(Name, Address and Telephone Number of Person Authorized to Receive  
Notices and Communications)

December 30, 2009

-----  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), (f) or (g), check the following box ? .

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information, which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

-----  
CUSIP No. 874037104

13D

-----  
Page 2 of 9 Pages  
-----

Edgar Filing: TAIWAN GREATER CHINA FUND - Form SC 13D

1. NAME OF REPORTING PERSONS  
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

CITY OF LONDON INVESTMENT GROUP PLC, (CLIG) A COMPANY INCORPORATED UNDER THE  
LAWS OF ENGLAND & WALES

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) .  
(b) .

3. SEC USE ONLY

4. SOURCE OF FUNDS\*

OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEM 2(D) OR 2(E)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

England and Wales

7. SOLE VOTING POWER  
3,015,882

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

8. SHARED VOTING POWER  
0

9. SOLE DISPOSITIVE POWER  
3,015,882

10. SHARED DISPOSITIVE POWER  
0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,015,882

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES .

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11

25.58%

14. TYPE OF REPORTING PERSON\*

HC

CUSIP No. 874037104

13D

Page 3 of 9 Pages

Edgar Filing: TAIWAN GREATER CHINA FUND - Form SC 13D

1. NAME OF REPORTING PERSONS  
S.S. OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS

CITY OF LONDON INVESTMENT MANAGEMENT COMPANY LIMITED (CLIM), A COMPANY  
INCORPORATED UNDER THE LAWS OF ENGLAND AND WALES.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) .  
(b) .

3. SEC USE ONLY

4. SOURCE OF FUNDS\*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO  
ITEM 2(D) OR 2(E)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

England and Wales

7. SOLE VOTING POWER  
3,015,882

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

8. SHARED VOTING POWER  
0

9. SOLE DISPOSITIVE POWER  
3,015,882

10. SHARED DISPOSITIVE POWER  
0

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,015,882

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES .

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11

25.58%

14. TYPE OF REPORTING PERSON\*

IA

Edgar Filing: TAIWAN GREATER CHINA FUND - Form SC 13D

CUSIP No. 874037104  
-----

13D

Page 4 of 9 Pages  
-----

ITEM 1(A). NAME OF ISSUER:

Taiwan Greater China Fund

ITEM 1(B). ADDRESS OF ISSUER'S PRINCIPAL EXECUTIVE OFFICES:

The principal executive offices of the Fund are located at The Taiwan Greater China Fund, c/o Brown Brothers Harriman, 40 Water Street, Boston, MA 02196-2047. Attn Cheryl Chang, Secretary (617-772-1616)

ITEM 2. IDENTITY AND BACKGROUND.

(a). This statement is being filed by City of London Investment Group PLC ("CLIG") and City of London Investment Management Company Limited ("CLIM," and together with CLIG, the "Reporting Persons").

(b). The business address and principal executive offices of CLIG are 77 Gracechurch Street London, EC3V 0AS England. The directors and executive officers of CLIG, their business addresses and present principal occupation or employment are set forth on Annex A attached to this Schedule 13D. The business address and principal executive offices of CLIM are 77 Gracechurch Street London, EC3V 0AS England. The directors and executive officers of CLIM, their business addresses and present principal occupation or employment are set forth on Annex A attached

(c). The principal business of CLIG is serving as the parent holding company for the City of London group of companies, including CLIM. CLIM is an emerging markets fund manager which specializes in investing in closed-end investment companies and is a registered investment adviser under Section 203 of the Investment Advisers Act of 1940. CLIM is controlled by CLIG. CLIM is principally engaged in the business of providing investment advisory services to various public and private investment funds, including The Emerging World Fund ("EWF"), a Dublin, Ireland-listed open-ended investment company, Investable Emerging Markets Country Fund ("IEM"), a private investment fund organized as a Delaware business trust, Emerging (BMI) Markets Country Fund ("BMI"), a private investment fund organized as a Delaware business trust, Emerging Free Markets Country Fund ("FREE"), a private investment fund organized as a Delaware business trust, The EM Plus CEF Fund ("PLUS"), a private investment fund organized as a Delaware business trust and thirteen unaffiliated third-party segregated accounts over which CLIM exercises discretionary voting and investment authority (the "Segregated Accounts").

EWF, IEM, BMI, FREE, and PLUS are collectively referred to herein as the "City of London Funds."

(d). None of the Reporting Persons has, during the last five years, been convicted in any criminal proceeding.

(e). None of the Reporting Persons has, during the last five years, been a party to any civil proceeding commenced before a judicial or administrative body of competent

jurisdiction as a result of which it or he was or is now subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f). City of London Investment Group PLC, (CLIG) and City of London Investment Management Company Limited (CLIM) are companies incorporated under the laws of England and Wales.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATIONS.

Beneficial ownership of the Shares to which this statement relates was acquired by the Reporting Persons with invested capital of the City of London Funds and the Segregated Accounts. The aggregate purchase price of the 3,015,882 Shares beneficially owned by the Reporting Persons was \$17,162,369, inclusive of brokerage commissions. The aggregate purchase price of the 362,804 Shares owned directly by EWF was \$2,154,277, inclusive of brokerage commissions. The aggregate purchase price of the 141,163 Shares owned directly by BMI was \$824,252, inclusive of brokerage commissions. The aggregate purchase price of the 364,285 Shares owned directly by IEM was \$2,116,395, inclusive of brokerage commissions. The aggregate purchase price of the 305,561 Shares owned directly by FREE was \$2,150,100, inclusive of brokerage commissions. The aggregate purchase price of the 56,040 Shares owned directly by PLUS was \$288,814, inclusive of brokerage commissions. The aggregate purchase price of the 1,786,029 Shares owned directly by the Segregated Accounts was \$9,628,531, inclusive of brokerage commissions.

ITEM 4. PURPOSE OF TRANSACTION.

The Reporting Persons believe the Board of Directors of the Fund has substantially failed over the past year to take meaningful actions to permanently reduce or eliminate the substantial and persistent discount to net asset value ("NAV") at which the Fund's shares have been trading. In August 2009, the Reporting Persons communicated with the Board regarding the persistently wide discount at which the company's shares traded, inviting them to consider taking remedial action. The Fund recently announced that the discount level has triggered a proposal for a binding resolution to convert the Fund into an open-end investment that will be submitted at the next Annual General Meeting of Shareholders. The Reporting Persons intend to vote in favor of this resolution to convert the fund into an open-end investment vehicle.

ITEM 5. INTERESTS IN SECURITIES OF THE ISSUER.

(a) and (b). As of the date hereof, CLIG, through its control of CLIM, and CLIM, in its capacity as investment adviser to the City of London Funds and the Segregated Accounts, have voting and dispositive power with respect to all 3,015,882 Shares owned directly by the City of London Funds and the Segregated Accounts, representing approximately 25.58 % of the 11.788 million Shares



## Edgar Filing: TAIWAN GREATER CHINA FUND - Form SC 13D

that the information set forth in this statement is true, complete, and correct.

Dated: December 30, 2009

CITY OF LONDON INVESTMENT GROUP PLC

/s/ Barry M. Olliff  
-----

Name: Barry M. Olliff  
Title: Director

CITY OF LONDON INVESTMENT MANAGEMENT  
COMPANY LIMITED

/s/ Barry M. Olliff  
-----

Name: Barry M. Olliff  
Title: Director

-----  
CUSIP No. 874037104  
-----

13D

-----  
Page 8 of 9 Pages  
-----

### ANNEX A -----

#### DIRECTORS AND EXECUTIVE OFFICERS

The names of the directors and executive officers of CLIG and their business addresses and present principal occupation or employment are set forth below. If no business address is given, the business address of such director or executive officer is c/o City of London Investment Group PLC, 77 Gracechurch Street, London EC3V 0AS, England.

Andrew Davison	Chairman
Barry Olliff	Chief Executive Officer
Douglas Allison	Finance Director
David Cardale	Non-Executive Director
Omar Ashur	Non-Executive Director
George Robb	Non-Executive Director
Allen Bufferd	Non-Executive Director
Carlos Yuste	Business Development Director
Thomas Griffith	Chief Operating Officer

The names of the directors and executive officers of CLIM and their business addresses and present principal occupation or employment are set forth below. If no business address is given, the business address of such director or executive officer is c/o City of London Investment Management Limited, 77 Gracechurch Street, London EC3V 0AS, England.

Edgar Filing: TAIWAN GREATER CHINA FUND - Form SC 13D

Barry Olliff	Chief Investment Officer
Douglas Allison	Finance Director
Michael Russell	Director
Thomas Griffith	Director
Carlos Yuste	Director
Christopher Weaver	Director
Jeremy Banister	Director
Martin Garzaron	Director
Valerie Tannahill	Director

-----  
CUSIP No. 874037104  
-----

13D

-----  
Page 9 of 9 Pages  
-----

EXHIBIT A

December 30, 2009

Pedro-Pablo Kuczynski  
The Taiwan Greater China Fund  
111 Gillett Street  
Hartford, CT 06105

Dear Mr. Kuczynski,

The Taiwan Greater China Fund, Inc. recently announced to the Market that at the next Annual General Meeting of Shareholders, the Board will submit to shareholders a binding resolution to convert the Fund into an open-end investment company, an action necessitated by the wide discount to NAV at which the Fund's shares trade. City of London Investment Management would like to remind the Board that we have repeatedly expressed concern over the Fund's discount, as well as the consistently poor performance of the Fund relative to the Taiwan Stock Exchange Index. As such, we feel that the triggering of the resolution can only be viewed as the natural result of ineffective management of the Fund's assets and a lack of meaningful corporate governance, and it is for these reasons that we intend to vote in support of the resolution.

We would also take this opportunity to comment upon the filing on November 12 of a preliminary prospectus for a Rights Offering. We find it extraordinary that the Fund would consider issuing additional shares when the discount is so wide, a fact that, at least in part, must be attributed to a distinct lack of demand. In such an environment, proposing a Rights Offering only serves to send mixed messages to the market. To actually move forward with one would suggest that Management is more interested in increasing its fees than in providing a competitive product for investors. This, we would point out, is yet another example of the lack of responsible corporate governance being demonstrated by the Board.

In view of our many discussions with Fund Management and the Board, we would assume our stated intentions regarding this resolution and our response to the possibility of a Rights Offering come as no surprise. We simply feel it necessary to make the Fund and the Market aware of our stance as soon as possible.

Regards,

Jeremy Bannister