

SHANDA INTERACTIVE ENTERTAINMENT LTD  
Form 20-F/A  
November 05, 2010

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 20-F/A

(Amendment No. 1)

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended December 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 000-50705

SHANDA INTERACTIVE ENTERTAINMENT LIMITED  
(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

Cayman Islands  
(Jurisdiction of incorporation or organization)

No. 208 Juli Road  
Pudong New Area  
Shanghai 201203, People's Republic of China  
(Address of principal executive offices)

Grace Wu  
Chief Financial Officer  
Shanda Interactive Entertainment Limited  
No. 208 Juli Road  
Pudong New Area  
Shanghai 201203, People's Republic of China  
Telephone: (86-21) 5050-4740  
Fax: (86-21) 5080-5132

(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
American Depositary Shares, each representing 2 ordinary shares, par value US\$0.01 per share	The NASDAQ Stock Market LLC The NASDAQ Global Select Market

Securities registered or to be registered pursuant to Section 12(g) of the Act:

[None]

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

[None]

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 134,862,854 ordinary shares, par value US\$0.01 per share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes     No

If this report is an annual or transaction report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes     No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes     No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes     No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of “accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act.:

Large accelerated filer     Accelerated filer     Non-accelerated filer

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing.

U.S. GAAP     International Financial Reporting Standards as issued by the International Accounting Standard Boards     Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17     Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes     No

#### EXPLANATORY NOTE

This Amendment No. 1 on Form 20-F/A (the “Amended Filing”) is being filed by Shanda Interactive Entertainment Limited (the “Company”) to amend its annual report on Form 20-F for the fiscal year ended December 31, 2009 (the “Original Filing”), filed with the Securities and Exchange Commission (the “SEC”) on May 20, 2010 to set forth Item 15 and Item 19 to replace Item 15 and Item 19 in their entirety, respectively, in their Original Filing. All other items remain unchanged from the Original Filing.

As disclosed below, Item 15 of this Amended Filing is filed to (i) make additional disclosure in the paragraph in “—Evaluation of Disclosure Controls and Procedures” to confirm that the Company’s disclosure controls and procedures also include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is accumulated and communicated to its management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure; and (ii) revise the disclosure in the second paragraph in “—Management’s Report on Internal Control over Financial Reporting” to confirm that the Company’s management determined that the Group’s internal control over financial reporting was effective as of December 31, 2009.

As disclosed below, Item 19 of this Amended Filing is (i) to file the Indenture dated September 16, 2008, among Shanda Interactive Entertainment Limited, as Issuer, Citicorp International Limited, as Trustee, and Citibank, N.A., London Branch, as Paying Agent, Note Registrar, Conversion Agent and Custodian as Exhibit 2.5; (ii) to file the Form of 2.0% Convertible Senior Note due 2011 as Exhibit 2.6; and (iii) to update the Section 302 certifications as Exhibit 12.1 and Exhibit 12.2 to conform to the exact form required by Form 20-F.

The Company does not intend to revise, update, amend or restate the information presented in any other items of the Original Filing or reflect any events that have occurred after the Original Filing. Among other things, forward-looking statements and risk factors contained in the Original Filing have not been revised to reflect events, results or developments that have occurred or facts that became known to the Company after the Original Filing, and such forward-looking statements and risk factors should be read in their historical context.

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## Item 15. CONTROLS AND PROCEDURES

### Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this annual report, our principal executive officer and principal financial officer have performed an evaluation of the effectiveness of our disclosure controls and procedures as defined and required under Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended. Based upon that evaluation, they have concluded that our disclosure controls and procedures were effective in ensuring that the information required to be disclosed by us in the reports that we file and furnish under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in by the SEC's rules and regulations, and that our disclosure controls and procedures also include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

### Management's Report on Internal Control over Financial Reporting

Management of Shanda Interactive Entertainment Limited (together with its consolidated subsidiaries, the "Group") is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended. The Group's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. The Group's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the Group conducted an assessment of the effectiveness of its internal control over financial reporting based upon criteria established by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control — Integrated Framework. Based on this assessment, management determined that the Group's internal control over financial reporting was effective as of December 31, 2009.

The effectiveness of our internal control over financial reporting as of December 31, 2009 has been audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company, our independent registered public accounting firm, as stated in its report included on page F-2.

### Changes in Internal Control over Financial Reporting

During the year ended December 31, 2009, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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Item 19. EXHIBITS

Number	Description
1.1	Amended and Restated Memorandum and Articles of Association of Shanda Interactive Entertainment Limited (incorporated by reference to Exhibit 3.1 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on May 7, 2004).
2.1	Specimen Ordinary Share Certificate (incorporated by reference to Exhibit 4.1 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on May 7, 2004).
2.2	Specimen of American Depositary Receipts (incorporated by reference to Exhibit A to Exhibit 1 to our Registration Statement on Form F-6 POS (file no. 333-114759) filed with the Commission on June 9, 2004).
2.3	Form of Deposit Agreement (incorporated by reference to Exhibit 1 to our Post-Effective Amendment No. 1 to the Form F-6 (file no. 333-114759) filed with Commission on June 9, 2004).
2.4	Sale and Purchase Agreement, among Shanda Interactive Entertainment Limited, Jong Hyun Lee, Il Wang Park, Byung Chan Park, Jin Ho Lee, Sang Jun Roh, Sung Gon Bae and Yong Sung Cho, dated November 29, 2004 in connection with the sale of shares of Actoz Soft Co., Ltd. to Shanda Interactive Entertainment Limited (incorporated by reference to Exhibit 2.7 to our 2004 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 31, 2005).
2.5*	Indenture dated September 16, 2008, among Shanda Interactive Entertainment Limited, as Issuer, Citicorp International Limited, as Trustee, and Citibank, N.A., London Branch, as Paying Agent, Note Registrar, Conversion Agent and Custodian.
2.6*	Form of 2.0% Convertible Senior Note due 2011.
4.1	Employee Stock Option Plan and form of share option agreement (incorporated by reference to Exhibit 10.1 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on April 2, 2004).
4.2	Employee Equity Compensation Plan (incorporated by reference to Exhibit 99.2 to our press release on Form 6-K (file no. 000-50705) filed with the Commission on September 22, 2005).
4.3	Shanda Games Limited 2008 Equity Compensation Plan (Incorporated by reference to Exhibit 4.3 to our 2009 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 20, 2010).
4.4	Articles of Association of Shengqu Information Technology (Shanghai) Co., Ltd. (incorporated by reference to Exhibit 10.21 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on April 2, 2004).
4.5	Equity Entrustment Agreement among Tianqiao Chen, Danian Chen and Shanda Computer (Shanghai) Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.4 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.6	

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Equity Pledge Agreement among Tianqiao Chen, Danian Chen and Shanda Computer (Shanghai) Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.5 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).

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Number	Description
4.7	Proxy executed by Tianqiao Chen in favor of Shanda Computer (Shanghai) Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.6 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.8	Proxy executed by Danian Chen in favor of Shanda Computer (Shanghai) Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.7 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.9	Assignment Agreement of Purchase Option and Cooperation Agreement among Shanda Computer (Shanghai) Co., Ltd., Shanghai Shanda Networking Development Co., Ltd., Shengqu Information Technology Co., Ltd., Tianqiao Chen and Danian Chen dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.8 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.10	Business Operation Agreement among Shanda Computer (Shanghai) Co., Ltd., Shanghai Shanda Networking Development Co., Ltd., Tianqiao Chen and Danian Chen dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.9 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.11	Exclusive Consulting and Service Agreement between Shanda Computer (Shanghai) Co., Ltd. and Shanghai Shanda Networking Development Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.10 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.12	Termination Agreement to the Share Pledge Agreement among Shengqu Information Technology (Shanghai) Co., Ltd., Tianqiao Chen and Danian Chen dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.11 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.13	Equity Entrustment Agreement among Dongxu Wang, Yingfeng Zhang, Shengqu Information Technology (Shanghai) Co., Ltd. and Shanghai Shulong Technology Development Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.12 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.14	Equity Pledge Agreement among Dongxu Wang, Yingfeng Zhang and Shengqu Information Technology (Shanghai) Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.13 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.15	Business Operation Agreement among Dongxu Wang, Yingfeng Zhang, Shengqu Information Technology (Shanghai) Co., Ltd. and Shanghai Shulong Technology Development Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.17 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.16	

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Proxy executed by Dongxu Wang in favor of Shengqu Information Technology (Shanghai) Co., Ltd. dated July 1, 2008 (incorporated by reference to Exhibit 4.14 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).

- 4.17 Proxy executed by Yingfeng Zhang in favor of Shengqu Information Technology (Shanghai) Co., Ltd. dated July 1, 2008 (incorporated by reference to Exhibit 4.15 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
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Number	Description
4.18	Equity Disposition Agreement among Dongxu Wang, Yingfeng Zhang, Shengqu Information Technology (Shanghai) Co., Ltd. and Shanghai Shulong Technology Development Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.16 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.19	Exclusive Consulting and Service Agreement between Shengqu Information Technology (Shanghai) Co., Ltd. and Shanghai Shulong Technology Development Co., Ltd. dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.18 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.20	Loan Agreement between Shengqu Information Technology (Shanghai) Co., Ltd. and Dongxu Wang dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.19 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.21	Loan Agreement between Shengqu Information Technology (Shanghai) Co., Ltd. and Yingfeng Zhang dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.20 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.22	Termination Agreement to the Loan Agreement between Shanghai Shanda Networking Co., Ltd. and Yingfeng Zhang dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.21 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.23	Termination Agreement to the Share Purchase Option Agreement among Shanghai Shulong Technology Development Co., Ltd., Shanghai Shanda Networking Co., Ltd. and Yingfeng Zhang dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.22 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.24	Termination Agreement to the Share Pledge Agreement between Shanghai Shanda Networking Co., Ltd. and Yingfeng Zhang dated July 1, 2008 (English Translation) (incorporated by reference to Exhibit 4.23 to our annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 30, 2009).
4.25	Software Licensing Agreement among Shanghai Shanda Networking Co., Ltd., Shanghai Pudong New Area Imp. & Exp. Corp. and Actoz Soft Co., Ltd., dated June 29, 2001, (incorporated by reference to Exhibit 10.17 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on April 20, 2004).
4.26	Supplemental Agreement among Shanghai Shanda Networking Co., Ltd., Actoz Soft Co., Ltd. and Wemade Entertainment Co., Ltd., dated July 14, 2002, (incorporated by reference to Exhibit 10.18 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on April 2, 2004).
4.27	Settlement Agreement between Shanghai Shanda Networking Co., Ltd., and Actoz Soft Co., Ltd., dated August 19, 2003, (incorporated by reference to Exhibit 10.22 to our Registration Statement on Form F-1 (file no. 33-114177) filed with the Commission on April 20, 2004).

- 4.28 Amendment Agreement among Shanghai Shanda Networking Co., Ltd., Actoz Soft Co., Ltd, Shanghai Pudong Import & Export Co., Ltd. and Shengqu Information Technology (Shanghai) Co., Ltd., dated August 19, 2003, (incorporated by reference to Exhibit 10.23 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on April 20, 2004).
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Number	Description
4.29	Extension Agreement among Actoz Soft Co., Ltd, Shanghai Shanda Networking Co., Ltd., and Shanghai Pudong Imp.& Exp. Co., Ltd., dated September 22, 2005 (Incorporated by reference to Exhibit 4.21 to our 2005 annual report on Form 20-F (file no. 000-50705) filed with the Commission on June 29, 2006).
4.30	Extension Agreement II among Actoz Soft Co., Ltd, Shengqu Information Technology (Shanghai) Co., Ltd. and Shanghai Pudong Imp.& Exp. Co., Ltd., dated November 26, 2008 (Incorporated by reference to Exhibit 4.30 to our 2009 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 20, 2010).
4.31	Assignment Agreement among Actoz Soft Co., Ltd, Shengqu Information Technology (Shanghai) Co., Ltd. and Shanghai Shanda Networking Co., Ltd. dated July 1, 2008 (Incorporated by reference to Exhibit 4.31 to our 2009 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 20, 2010).
4.32	Form of Indemnification Agreement for Directors and Officers (incorporated by reference to Exhibit 10.24 to our Registration Statement on Form F-1 (file no. 333-114177) filed with the Commission on April 2, 2004).
8.1	List of Subsidiaries (Incorporated by reference to Exhibit 8.1 to our 2009 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 20, 2010).
11.1	Code of Ethics (incorporated by reference to Exhibit 11.1 to our 2004 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 31, 2005).
12.1*	Certification of Chief Executive Officer Required by Rule 13a-14(a).
12.2*	Certification of Chief Financial Officer Required by Rule 13a-14(a).
13.1	Certification of Chief Executive Officer Required by Rule 13(a)-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (Incorporated by reference to Exhibit 13.1 to our 2009 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 20, 2010).
13.2	Certification of Chief Financial Officer Required by Rule 13(a)-14(b) and Section 1350 of Chapter 63 of Title 18 of the United States Code (Incorporated by reference to Exhibit 13.2 to our 2009 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 20, 2010).
15.1	Consent of PricewaterhouseCoopers Zhong Tian CPAs Limited Company, independent registered public accounting firm (Incorporated by reference to Exhibit 15.1 to our 2009 annual report on Form 20-F (file no. 000-50705) filed with the Commission on May 20, 2010).

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\* filed herewith



SIGNATURE

The registrant hereby certifies that it meets all of the requirements for filing its annual report on Form 20-F (as amended by this Form 20-F/A Amendment No. 1) and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

SHANDA INTERACTIVE  
ENTERTAINMENT  
LIMITED

By: /s/ Tianqiao Chen  
Name: Tianqiao Chen  
Title: Chairman and  
Chief  
Executive  
Officer

Date: November 5, 2010

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