



PROPORTIONALITY BETWEEN OWNERSHIP AND CONTROL IN EU LISTED COMPANIES: EXTERNAL STUDY COMMISSIONED BY THE EUROPEAN COMMISSION

PROPORTIONALITY BETWEEN OWNERSHIP AND CONTROL IN EU LISTED COMPANIES:
COMPARATIVE LEGAL STUDY

EXHIBIT B

Regulatory Framework for Control-Enhancing Mechanisms: Summaries regarding the CEMs

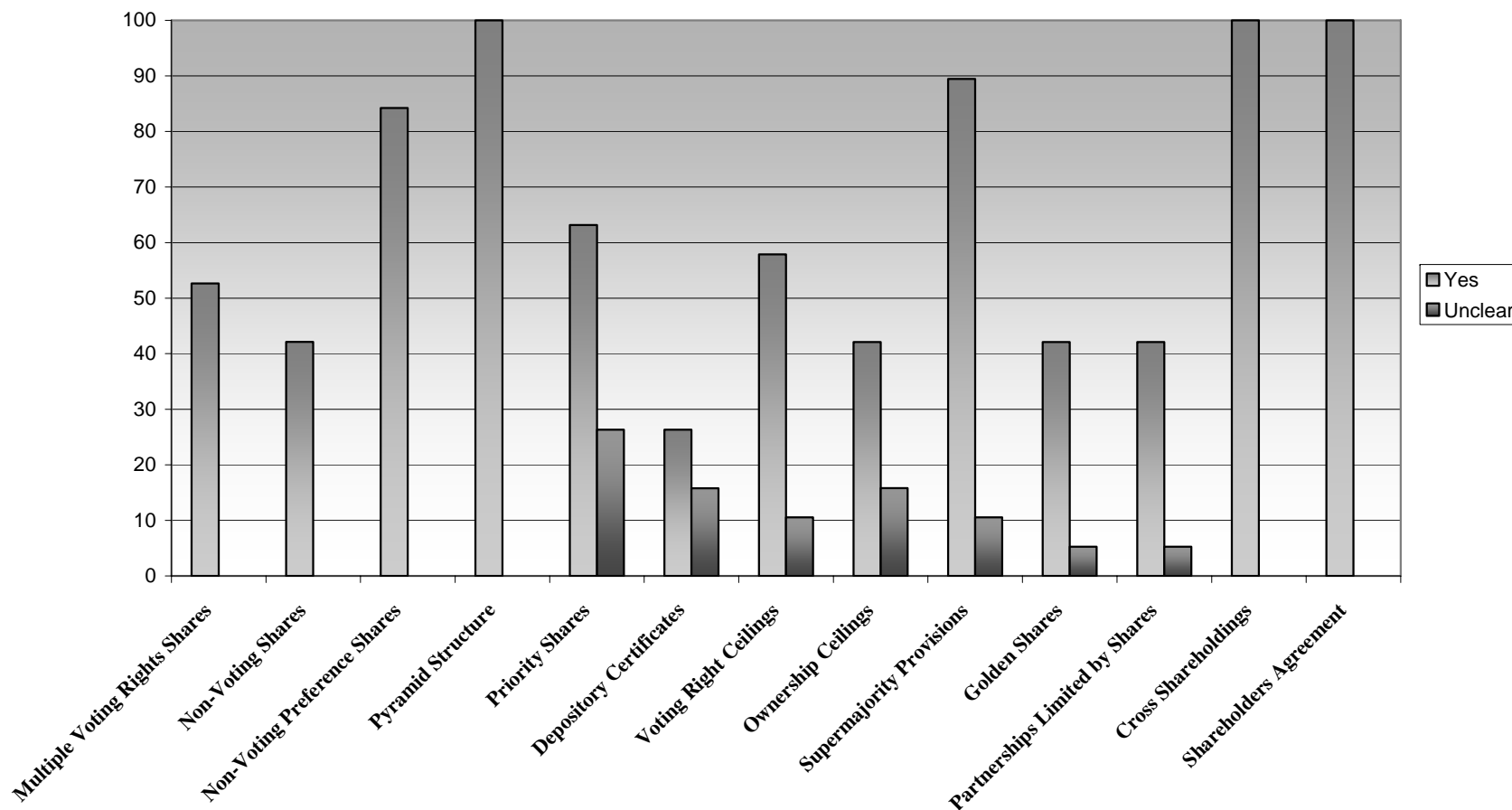
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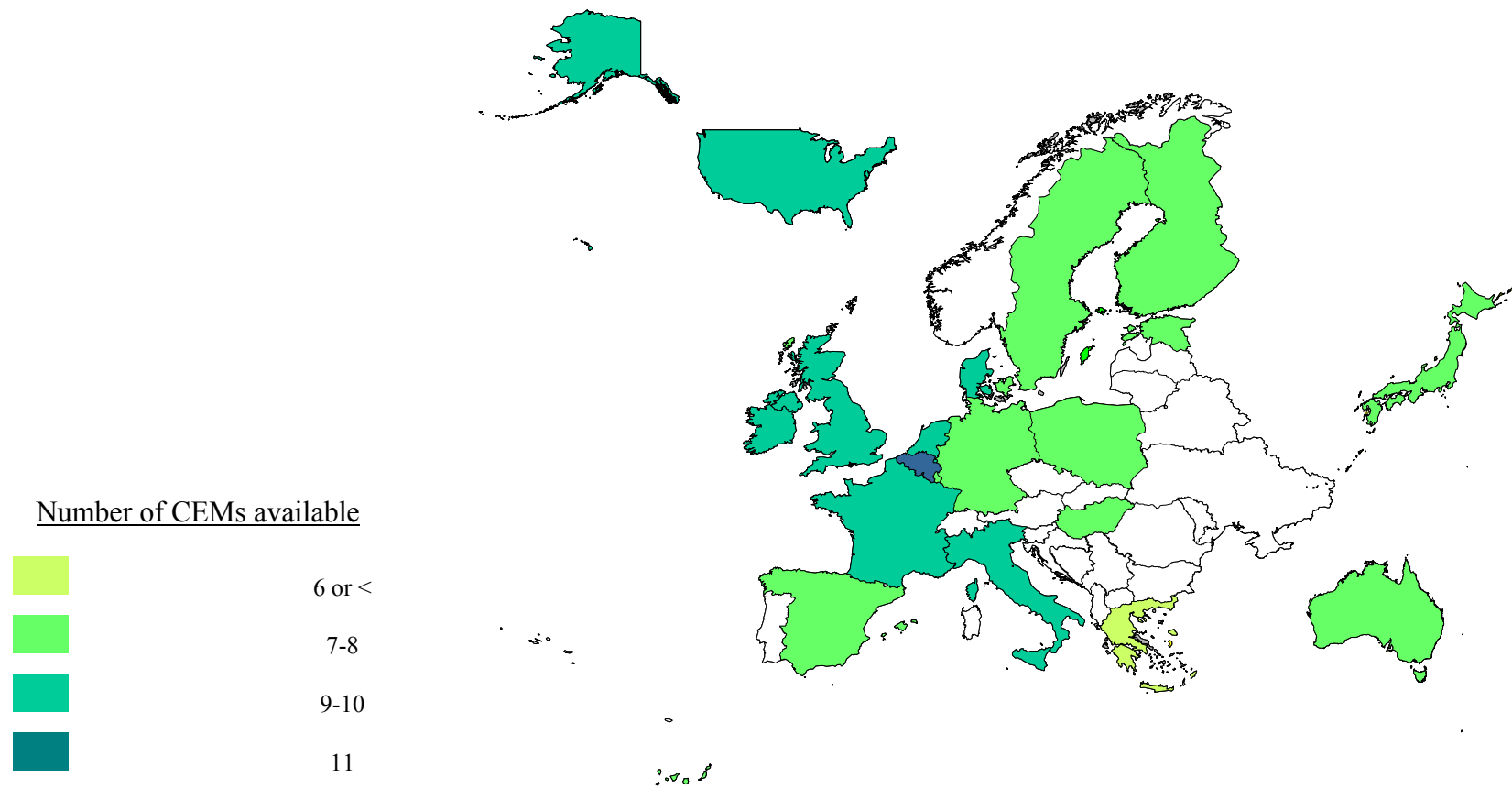
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Availability of CEMs (% of jurisdictions)



Availability of CEMs: number of CEMs available in each jurisdiction



OVERALL RESULTS

Availability of CEMs: General Overview

Country	Mult. Voting Rights Shares	Non-Voting Shares	Non-Voting Pref. Shares	Pyramid Struct.	Priority Shares	Dep. Certif.	Voting Right Ceilings	Ownership Ceilings	Super-Maj. Prov.	Golden Shares	Partnerships Limited by Shares	Cross Shareholdings	Share-Holders' Agmts
Belg.	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Den.	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Germ.	No ¹	No	Yes	Yes	Yes	No	No	No	Yes	No	Yes	Yes	Yes
Est.	No	No	Yes	Yes	Yes ²	Yes	No	No	Yes	Yes ³	No	Yes	Yes
Gr.	No	No	Yes ⁴	Yes	No	No	No	No	Yes	No	No	Yes	Yes
Sp.	No	No	Yes	Yes	No	No ⁵	Yes	No	Yes	No	Yes	Yes	Yes
Fr.	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Unclear ⁶	Yes	Yes	Yes	Yes
Irel.	Yes	Yes	Yes	Yes	Yes	Unclear ⁷	Yes	Yes	Unclear ⁸	No ⁹	Yes ¹⁰	Yes	Yes
It.	No	Yes	Yes	Yes	Unclear	No	No ¹¹	Yes ¹²	Yes	Yes	Yes	Yes	Yes
Lux.	No	No	Yes	Yes	Unclear ¹³	Yes	Unclear ¹⁴	Unclear ¹⁵	Yes	Unclear ¹⁶	Yes	Yes	Yes
Hung.	Yes	No	Yes	Yes	No ¹⁷	No	Yes	Unclear ¹⁸	Yes	No	No	Yes	Yes
Neth.	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes ¹⁹	No	Yes	Yes
Pol.	No	No	Yes	Yes	No	No	Yes	Unclear ²⁰	Yes	Yes	No	Yes	Yes
Fin.	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	No	Yes	Yes
Swed.	Yes	No	No	Yes	Yes	Unclear	Yes	No	Yes	No	No	Yes	Yes
UK	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	Yes
USA	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes
Jap.	Yes	Yes	Yes	Yes	Yes	No	Unclear ²¹	No	Yes	Yes	No	Yes	Yes
Austr.	No	Yes	Yes	Yes	Yes	Unclear ²²	No	Yes	Yes	No	Unclear ²³	Yes	Yes

¹ Multiple voting rights Shares existing prior to the coming into force of the KonTraG (May 1, 1998) may continue to be valid if the shareholders' meeting has resolved so before June 1, 2003.

OVERALL RESULTS

2 A company may issue Non-Voting Priority Shares with limited voting rights and the Articles can require the consent of the Non-Voting Priority Shareholders to certain shareholder decisions in order to pass them; that way, the Non-Voting Priority Shares can be turned into Priority Shares. However, the Recommendations (non-binding and applicable to listed companies) do not allow turning Non-Voting Priority Shares into Priority Shares.

3 Provided that the mechanism described in § 27 (1) of the Privatization Act counts as a golden share regulation.

4 Non-Voting Preference Shares and founding certificates.

5 Nevertheless, the unified Code of Good Governance for listed companies takes into account the fact that it is common practice to hold shares of Spanish companies through trustees who act on behalf of the actual owners.

6 Untested Situation.

7 Untested Situation.

8 Insufficiently Tested Situation.

9 Subject to a specific control on the disposal of landing and take-off slots at London Heathrow Airport by Aer Lingus plc.

10 Investment Limited Partnerships only.

11 Exception: cooperative companies.

12 The introduction of an ownership ceiling in the Articles of Association of listed companies different from cooperative companies and Strategic companies controlled by the State is however debated.

13 Untested Situation.

14 Untested Situation.

15 Untested Situation.

16 Untested Situation.

17 But possibility to maintain the veto shares issued under the 1997 Company Act.

18 Untested Situation.

19 As far as these are “normal” Priority Shares, the CEM is available. For golden shares issued to the government, EU case law is relevant.

20 Untested situation.

21 Untested situation.

22 Untested situation.

23 Untested situation.

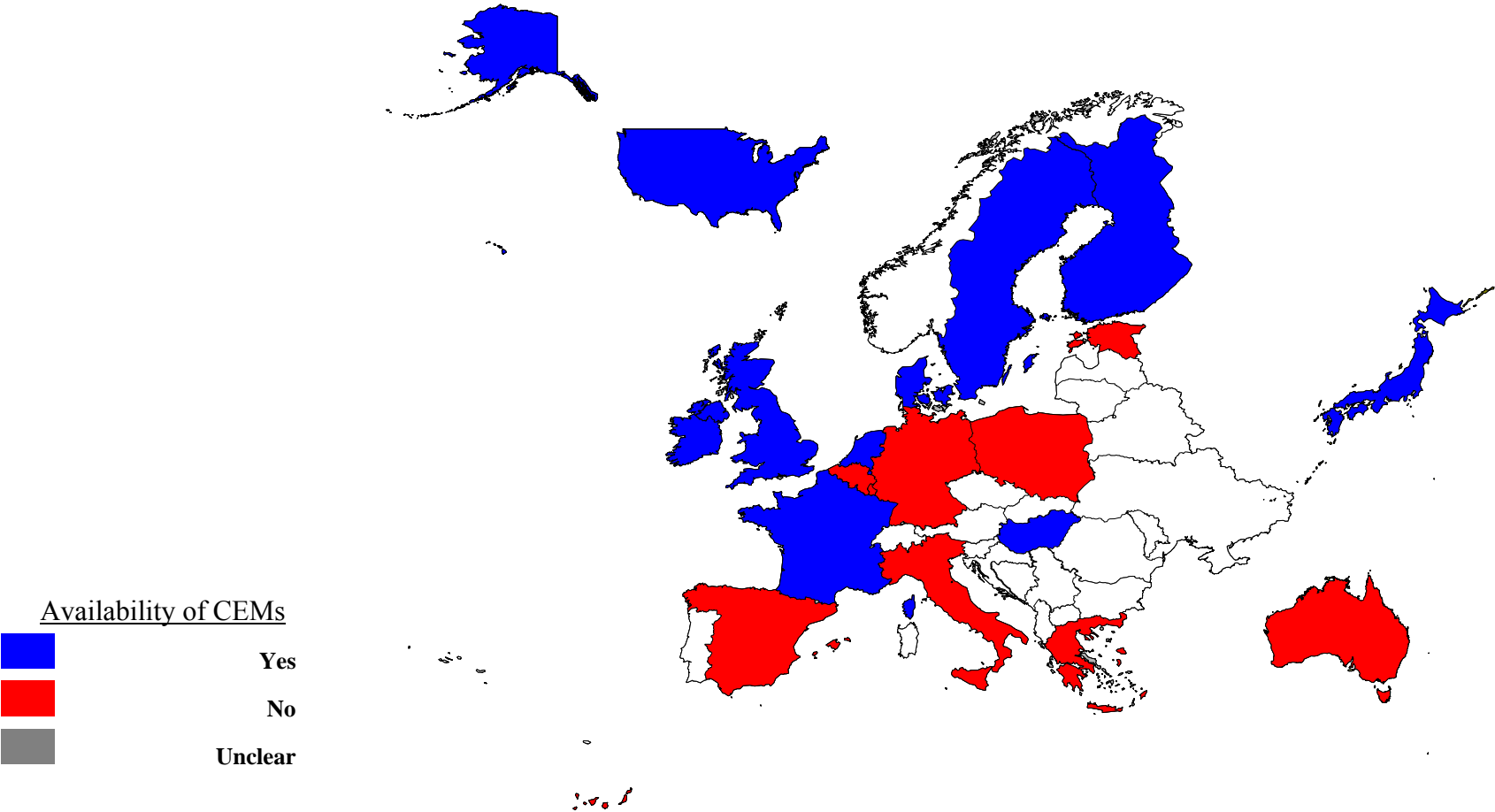
OVERALL RESULTS

Percentages:

	Yes	No	Unclear
Multiple Voting rights:	52.63%	47.37%	
Non-Voting Shares:	42.11%	57.89%	
Non-Voting Preference Shares:	84.21%	15.79%	
Pyramid Structure:	100%		
Priority Shares:	63.16%	26.31%	10.53%
Depository Certificates:	26.32%	57.89%	15.79%
Voting Right Ceilings:	57.89%	31.58%	10.53%
Ownership Ceilings:	42.1%	42.1%	15.8%
Supermajority Provisions:	89.47%		10.53%
Golden Shares:	42.1%	52.64%	5.26%
Partnerships Limited by Shares:	42.1%	52.64%	5.26%
Cross Shareholdings:	100%		
Shareholders' Agreement:	100%		

MULTIPLE VOTING RIGHTS SHARES

MULTIPLE VOTING RIGHT SHARES



MULTIPLE VOTING RIGHT SHARES

Available in: Denmark, France, Ireland, Hungary, the Netherlands, Finland, Sweden, the United Kingdom, the United States and Japan.

Not available in: Belgium, Germany, Estonia, Greece, Poland (since 2001)²⁴, Spain, Italy, Luxembourg and Australia.

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws	N/A	N/A	N/A	N/A	N/A
DENMARK	Laws	Maximum: 10 votes Scope: decisions requiring supermajority vote need to be approved by 2/3 or 9/10 of the votes cast at the GMS and the voting share capital represented at the GMS ²⁵ Equality Principle	<u>GMS</u> ²⁶ : Q = none QM = 2/3 of the votes cast and 2/3 of the voting share capital represented	Filing of AoA Admission Documentation	Annual Reports	<u>Decision by the GMS:</u> The GMS passes resolutions that are clearly likely to confer upon certain shareholders or other parties undue advantages over other shareholders or over the company
GERMANY	Laws/ Non-binding Corporate Governance Code	N/A	N/A	N/A	Annual Reports	None ²⁷
ESTONIA	Laws	N/A	N/A	N/A	N/A	N/A
GREECE	Laws	N/A	N/A	N/A	N/A	N/A
SPAIN	Laws	N/A	N/A	N/A	N/A	N/A

MULTIPLE VOTING RIGHT SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
FRANCE	Laws	Loyalty Conditions: 2 years ²⁸ Maximum: 2 votes per share ²⁹ Equality Principle	<u>Board</u> (Upon Delegation: 26 months/Article 9 Confirmation) <u>GMS:</u> Q = 1/4 (FC), 1/5 (SC) QM = 2/3	Filing of AoA Publication in a Legal Gazette Auditors' Reports Special Report (Management's) Admission Documentation	Article 10 Report Annual Reports (directors') Website	Sole intent to favor the interest of the majority shareholders against the minority shareholders and against the corporate interest
IRELAND	Laws/ Stock Exchange Rules	None	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 3 (FC) ³⁰ , none (SC) QM = 75%	Filing of AoA Specific Filing Information to Shareholders Admission Documentation	Annual Reports (Directors') Article 10 Report	Variation or abrogation of class rights or Oppression of shareholders or Prohibited frustrating action
ITALY	Laws	N/A	N/A	N/A	N/A	N/A
LUXEMBOURG	Laws ³¹	[Substantial condition ³²]	[<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q=1/2 (FC), Nil (SC), QM=2/3]	[Filing of AoA Publication in a Legal Gazette Admission Documentation ³³ Special Report (auditors') ³⁴]	[Annual Reports (directors') Article 10 Report]	[Sole interest of majority]
HUNGARY	Laws	Maximum Percentage: 50% Maximum: 10 votes Scope: decisions requiring qualified majority	<u>Board</u> (Upon Delegation: 5 years/Article 9 Confirmation) <u>GMS:</u> Q > 50% (FC) ³⁵ , Nil (SC) ESM ³⁶	Filing of AoA Publication in a Legal Gazette Special Report (Quarterly Report to the Stock Exchange) Admission Documentation	Periodic Reports (Issuance of shares and modifications of the rights in the regular half-yearly and yearly disclosures)	Sole interest of the management or the majority shareholders/or Against the interests of the shareholders or the corporate interest

MULTIPLE VOTING RIGHT SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
THE NETHERLANDS	Laws	Equality Principle	<u>GMS</u> : Q = none SM = 50%+1 of the votes cast	Filing of AoA Publication in a Legal Gazette	Annual Reports	Decision is against the interest of the shareholders. ³⁷ Standards of reasonableness and fairness
POLAND³⁸	Laws	N/A	N/A	Filing of AoA Publication in a Legal Gazette Special Report ³⁹ Admission Documentation	Annual Reports Periodic Reports	N/A
FINLAND	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Codes/ Highest Court Case Law	Substantial conditions: issuance in the interest of all shareholders Equality Principle Scope: decisions requiring super majority vote need to be approved by 2/3 of the votes cast at the GMS and the shares represented at the meeting	<u>GMS</u> : Q = one shareholder QM = 2/3 ⁴⁰	Filing of AoA Publication in a Legal Gazette Special Reports (Stock Exchange release) Specific Filings Information to Shareholders ⁴¹ Admission Documentation	Annual Reports Periodic Reports Website	Decision unduly favors a shareholder or a third person to the detriment of the company or another shareholder
SWEDEN	Laws	Equality Principle Maximum : 10 votes	<u>GMS</u> : Q = none QM = 2/3 ⁴²	Filing of AoA Special Report Information to Shareholders Admission Documentation	Annual Reports Article 10 Report Website	None

MULTIPLE VOTING RIGHT SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
THE UNITED KINGDOM	Non-binding Laws/ Binding Stock Exchange Rules/ Highest Court and High Court Case law	Equality Principle	<u>Board</u> (Authorized Capital) <u>GMS</u> : Q = 2 shareholders QM = 3/4 ⁴³	Filing of AoA Specific Filings Admission Documentation	None	The decision to implement the CEM is (i) in the sole interest of the majority shareholders ⁴⁴ , (ii) against the corporate interest, (iii) against the interest of other shareholders
THE UNITED STATES	State Corporate Law/ Stock Exchange Rules	Substantial Conditions: Fiduciary Duties	<u>Board</u> ⁴⁵ (Authorized Capital/ Autonomous Decision) <u>GMS</u> : Q = 50% (FC), 50% (SC) AM + Authorization of Stock Exchange	Specific Filing (Filing of the Certificate of incorporation) Special Report (Current Report with the SEC) Information to Shareholders Admission Documentation	Periodic Report	Breach of fiduciary duty by the Board ⁴⁶
JAPAN	Laws/ Administrative Rules/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	Maximum: 1.000 shares per voting unit Substantial Condition: No “unreasonable restriction” on shareholders’ rights	<u>Board</u> (Autonomous Decision) <u>GMS</u> : Q = >50% (FC), nil (SC) QM = 2/3 ⁴⁷	Filing of AoA Special Report (Extraordinary Report) Admission Documentation	Annual Reports (Securities/ Business)	Issuance of shares in favor of a third party on specially favorable conditions without shareholder approval Or Principal purpose of the issuance is the entrenchment of management/ Participation of interested shareholders has led to a significantly unfair result

MULTIPLE VOTING RIGHT SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
AUSTRALIA	Laws/ Stock Exchange Rules ⁴⁸	N/A	N/A	N/A	N/A	N/A

- ²⁴ Multiple voting rights Shares issued before 2001 remain valid.
- ²⁵ The 2/3 or 9/10 majority depends on what decision is made. Some decisions even require that all shareholders approve the decision. Multiple voting rights mostly have an effect on decisions that only require a simple majority by the general meeting. Amendments of the AoA require a qualified majority of both the votes cast and the capital with voting rights represented at the general meeting.
- ²⁶ The GM can authorize the Board of Directors to increase the share capital by issuing new shares. In connection with the authorization, the general meeting decides if the newly issued shares are to be a new class of shares with less voting rights. So it is not the Board who decides to implement the CEM, but only to increase the capital. It is assumed that the shares with multiple voting rights are created by way of issuance and not conversion from another type of shares, and that prior to the implementation of the CEM, there was only one share class. The implementation of the CEM in the Articles of Association requires that the shares be divided into different classes of shares. According to Section 17 of the DCA, all shares enjoy equal rights. If the CEM is proposed in connection with a subsequent proposal for capital increase, and the multiple voting rights are offered to the existing shareholders, the CEM can be adopted with a majority of 2/3 of the votes cast as well as the voting share capital represented at the general meeting. If the multiple voting rights are offered to the new shareholders (newly issued shares), the adoption thereof will – if the decision is in the best interest of the company – most likely require a majority of 2/3 of the votes cast as well as of the voting share capital represented at the general meeting.
- ²⁷ Multiple voting rights that still exist in accordance with Sec. 5 EGAktG could be considered a violation of the principle of "one share-one vote" from which German stock corporation law emanates. Thus, the existence of this CEM could be challenged as a breach of Sec. 53a AktG which provides for the equal treatment of shareholders.
- ²⁸ The bylaws may provide for a longer period. Typical durations range from 2 to 4 years.
- ²⁹ Loss of multiple voting rights in case of transfer or conversion to bearer shares, except where it is a transfer on succession or on the partition of property jointly owned by spouses, or a gift *inter vivos* to a spouse or a relative entitled to inherit to the donor's estate.
- ³⁰ The quorum of three is the one set out in the model form of the articles of association, but it is only optional. In practice, the articles of association of listed companies will provide for a different quorum (lower).
- ³¹ No multiple voting right shares permitted. However, company law would allow the issue of voting *parts bénéficiaires* with or without economic rights. Answers in brackets refer to *parts bénéficiaires* with voting rights.
- ³² Should have a valid business or economic reason, as it could otherwise be challenged.
- ³³ If *parts bénéficiaires* are to be issued to the public, or listed.
- ³⁴ If issued against contribution in kind.
- ³⁵ Of the shares having voting right.
- ³⁶ More than 1/2 of the shares represented at the meeting and having voting rights.

MULTIPLE VOTING RIGHT SHARES

- 37 The company must treat shareholders having the same class of shares in the same manner.
- 38 Multiple voting rights shares are not available in Poland since January 1, 2001. However, multiple voting rights shares have been retained by “old” public companies as “acquired shares” (Art. 613 of the CCC). A maximum of 2 votes per share restriction applies to shares in companies whose shares are not admitted to public (regulated) markets (non-listed companies).
- 39 If the creation of the new CEM has been allowed.
- 40 2/3 of the votes cast and the shares represented.
- 41 Notice concerning the amendments to the AoA.
- 42 Where different classes of shares with differentiated voting rights are introduced for the first time, 2/3 of the votes cast at the meeting and 2/3 of the shares represented at the meeting at the least.
- 43 Of the members present or represented.
- 44 Derivative actions can be brought by minority shareholders in limited circumstances, for example fraud against the minority, etc. In such cases, the grounds are not cumulative.
- 45 If the certificate of incorporation or any amendment thereto expressly authorizes the Board of Directors to issue the Shares without shareholders approval.
- 46 Most challenges to board action would be formulated as breach of fiduciary duty claims. Violation of disclosure requirements may be another ground for challenge.
- 47 It applies only where an amendment to the issuing company’s articles of incorporation is necessary or the issuance is made on terms especially favorable to a third party.
- 48 This CEM was sought to be introduced in 1993 by an Australian listed and incorporated company but was rejected by both an expert panel of the Federal Attorney General and the Australian Stock Exchange.

MULTIPLE VOTING RIGHT SHARES

General Notes relating to this summary:

A – Scope and Assumptions

- 1) The right for holders of shares of a certain class to vote, as a class, on decisions likely to affect the rights of the shares of such class is not addressed in this summary.
- 2) We have assumed for purposes of this summary that multiple voting rights Shares are issued when the company is already in existence and listed.

B – Definitions

The following definitions in the column “Significant restrictions to CEM” have been used:

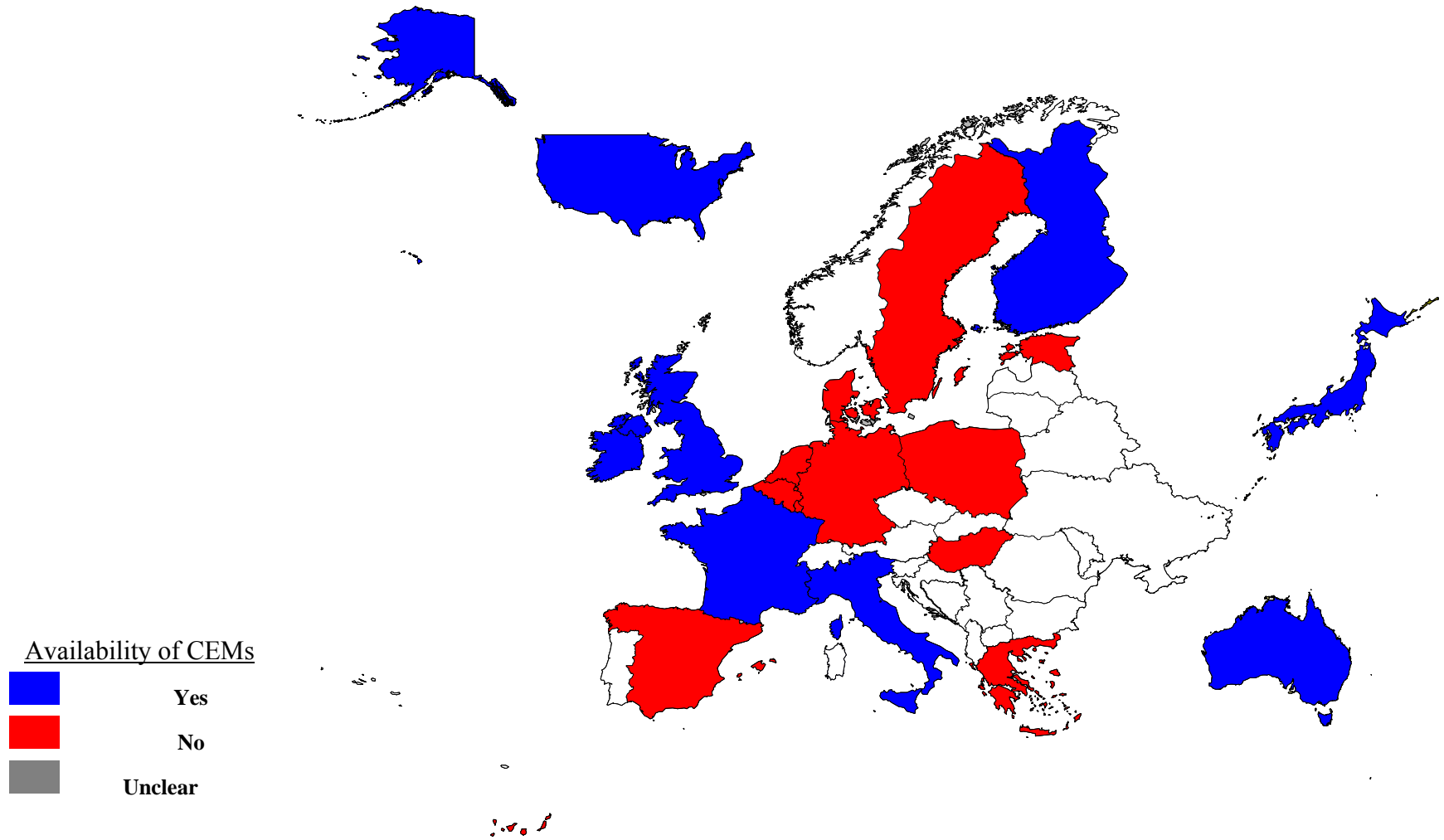
Scope	The multiple voting right is not applicable to certain decisions. For instance, in Hungary, multiple voting rights are not applicable to decisions requiring qualified majority.
Equality Principle	The multiple voting right must apply to all shares of a specified class. For instance, in the United Kingdom, Listing Rule 9.3.1 states that a listed company must ensure equality of treatment for all holders of listed equity securities or listed preference shares that are in the same position i.e., all shares of the same class must have the same voting rights.
Maximum	Maximum number of voting rights held by one share as compared to an ordinary voting share with the same nominal amount. For instance, in France, multiple voting rights cannot exceed 2 votes per share. In Japan, this rule is applicable to voting units.
Maximum Percentage	Maximum percentage of multiple voting rights shares over share capital. For instance, in Hungary, the multiple voting rights shares cannot exceed 50% of the share capital.
Loyalty Conditions	Shares need to be owned for a minimum duration to acquire multiple voting rights.

MULTIPLE VOTING RIGHT SHARES

Substantial Condition	Substantial condition which must be satisfied by the issuance of multiple voting rights shares, such as “the issuance must be in the interest of all shareholders” or “must have a valid business or economic reason”.
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NON-VOTING SHARES (without preference)

NON-VOTING SHARES



NON-VOTING SHARES

Available in: France, Ireland, Finland, the United Kingdom, the United States, Japan and Australia.

Not available in: Belgium, Denmark⁴⁹, Germany, Estonia, Greece, Spain, Luxembourg, Hungary, the Netherlands, Poland and Sweden.

Unclear: Italy.

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws	N/A	N/A	N/A	N/A	N/A
DENMARK⁵⁰	Laws	N/A	N/A	N/A	N/A	N/A
GERMANY	Laws	N/A	N/A	N/A	N/A	N/A
ESTONIA	Laws	N/A	N/A	N/A	N/A	N/A
GREECE	N/A	N/A	N/A	N/A	N/A	N/A
SPAIN	Laws	N/A	N/A	N/A	N/A	N/A
FRANCE	Laws	Maximum: 25%	<u>Board</u> (Upon Delegation: 26 months/Article 9 Confirmation) <u>GMS:</u> Q = 1/4 (FC), 1/5 (SC) QM = 2/3	Special Report (management's) Auditors' Report Admission Documentation	Article 10 Report Annual Reports Website	Sole intent to favor the interest of the majority shareholders against the minority shareholders and against the corporate interest
IRELAND	Laws/ Stock Exchange Rules	None	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 3 (FC) ⁵¹ , none (SC) QM = 75%	Filing of AoA Specific Filing Information to Shareholders Admission Documentation	Annual Reports ⁵² Article 10 Report	None

NON-VOTING SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
ITALY	Laws	Maximum: 50%	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 50% (FC), 1/3+1 (SC), 20% (TC) QM = 2/3	Filing of AoA Specific Filing (Information document ⁵³) Special Report (Board of Directors' Report on the amendment of articles)	Annual Reports	Fraud on the minority, And Decision without any significant corporate interest, Or Violation of the equal treatment principle
LUXEMBOURG	Prohibited by Laws; however <i>parts bénéficiaires</i> are authorized ⁵⁴	[Substantial Condition ⁵⁵]	<u>[Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 50% (FC), nil (SC), QM = 2/3]	[Filing of AoA Publication in a Legal Gazette Admission Documentation ⁵⁶ Special Report (auditors') ⁵⁷]	[Annual Reports Article 10 Report]	[The decision to implement the CEM is in the sole interest of the majority shareholders and against the corporate interest]
HUNGARY	Laws	N/A	N/A	N/A	N/A	N/A
THE NETHERLANDS	Laws ⁵⁸	N/A	N/A	N/A	N/A	N/A
POLAND	Laws	N/A	N/A	N/A	N/A	N/A
FINLAND	Laws Stock Exchange Rules/Corporate Governance Codes	None	<u>Board</u> (Upon Delegation: 5 years/Article 9 confirmation) <u>GMS:</u> Q = 1 shareholder QM = 2/3 Specific shareholder consent (if a decision negatively affects the rights of a shareholder)	Filing of AoA Publication in a Legal Gazette Information to Shareholders ⁵⁹ Specific Filings Special Reports (Stock Exchange release) Admission Documentation	Annual Reports Periodic Reports Website	Decision unduly favors a shareholder or a third person to the detriment of the company or another shareholder

NON-VOTING SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
SWEDEN	Laws	N/A	N/A	N/A	N/A	N/A
THE UNITED KINGDOM	Laws/ Non-binding Corporate Governance Code	None	<u>Board</u> (Upon Delegation: no maximum duration) <u>GMS</u> : Q = 2 SM	Filing of AoA Admission Documentation	None	The decision to implement the CEM is (i) in the sole interest of the majority shareholders ⁶⁰ , (ii) against the corporate interest, (iii) against the interest of other shareholders
THE UNITED STATES	State Corporate Laws/ Stock Exchange Rules	Substantial Conditions: Fiduciary Duties	<u>Board</u> ⁶¹ (Authorized Capital/ Autonomous Decision) ⁶² <u>GMS</u> : Q = >50% + 1 (FC), >50% + 1 (SC) AM vote	Specific Filing (Filing of the certificate of incorporation) Special Report (Current Report with the SEC) Information to Shareholders	Periodic Reports	Breach of fiduciary duty by the Board ⁶³
JAPAN	Laws	Maximum: 50%	<u>Board</u> (Autonomous Decision) ⁶⁴ <u>GMS</u> : Q = 50% (FC), nil (SC) QM = 2/3	Filing of AoA Special Report (Extraordinary Report)	Annual Reports	Issuance of shares in favor of a third party on specially favorable conditions without shareholder approval Or Principal purpose of the issuance is the entrenchment of management/ Participation of interested shareholders has led to a significantly unfair result

NON-VOTING SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
AUSTRALIA	Laws/ Stock Exchange Rules	Subject to Stock Exchange Approval	<u>Board</u> (Autonomous Decision) ⁶⁵ <u>Shareholders</u> ⁶⁶ QM = 75% + Stock Exchange Approval	Specific Filings (Approval of the Stock Exchange) Filing of AoA Admission Documentation	Annual Reports Specific Filings (notification of the Regulatory Authority and the Stock Exchange when issuance of Non-Voting Shares)	The decision to implement the CEM is (i) in the sole interest of the majority shareholders, at the expense of the minority shareholders, or (ii) against the interest of the shareholders as a whole

⁴⁹ As an exemption, shares issued before January 1, 1974, could be issued as non-voting shares and they would still operate as such. If a company issues bonus shares by transferring, for example, amounts that may be distributed as dividends to the share capital, the bonus shares that are linked to a non-voting share can be a non-voting share.

⁵⁰ As an exemption, shares issued before January 1, 1974, could be issued as non-voting shares. They would still operate as non-voting shares. If a company issues bonus shares by transferring, for example, amounts that may be distributed as dividend to the share capital, the bonus shares that are linked to a non-voting share can be a non-voting share. According to local counsel, not many shares of this type remain.

⁵¹ The quorum of three is the one set out in the model form of the articles of association, but it is only optional. In practice, the articles of association of listed companies will provide for a different quorum (lower).

⁵² It must contain information on the capital structure.

⁵³ Prepared by the company pursuant to a Consob form made public at the registered office of the company and the Italian Stock Exchange.

⁵⁴ Non-voting shares without preference are not permitted. However, *parts bénéficiaires* can be issued without voting rights with the right to participate in profits without having to comply with the Non-Voting Preference Shares requirements. Answers between square brackets refer to “*parts bénéficiaires*”.

⁵⁵ Should have a valid business or economic reason, as it could otherwise be challenged.

⁵⁶ If *parts bénéficiaires* are to be issued to the public, or listed.

⁵⁷ If issued against contribution in kind.

⁵⁸ Profit-sharing bonds are however available.

⁵⁹ Notice concerning the amendments to the AoA.

⁶⁰ Derivative actions can be brought by minority shareholders in limited circumstances, for example, fraud against minority, etc. In such cases, the grounds are not cumulative.

NON-VOTING SHARES

61 If the certificate of incorporation or any amendment thereto expressly authorizes the Board of Directors to issue the shares without shareholders' approval.

62 If the certificate of incorporation expressly authorizes the Board of Directors to issue Non-Voting Shares without shareholders' approval.

63 Most challenges to board action would be formulated as breach of fiduciary duty claims. Violation of disclosure requirements may be another ground for challenge.

64 Only where the AoA already authorize the issuance of Non-Voting Shares. The actual issuance must then be approved by a majority vote of the Board of Directors.

65 If the CEM is not provided for in the company's constitution, it would be a matter for the shareholders to decide.

66 The holder of a preference share must be entitled to a right to vote in each of the following circumstances and in no others: during a period within which a dividend (or part of a dividend) in respect of the share is in arrears (Note: This voting right would also be applicable for any period during which no dividends are paid but where the terms of the preference issue provide that the holder is entitled to a dividend each and every year); on a proposal to reduce the entity's share capital or on a resolution to approve the terms of a share buy-back agreement; on a proposal that affects rights attached to the share; on a proposal to wind up the entity; on a proposal for the disposal of the whole of the entity's property, business and undertaking; or during the winding up of the entity.

General Notes relating to this summary:

A – Scope and Assumptions

- 1) The right for holders of shares of a certain class to vote, as a class, on decisions likely to affect the rights of the shares of such class is not addressed in this summary.
- 2) We have assumed for purposes of this summary that Non-Voting Shares are issued when the company is already in existence and listed.
- 3) We have considered the following rules not to be “significant” restrictions to the issuance of Non-Voting Shares for the purposes of this summary: Non-Voting Shares should have “substantially the same rights as those of the voting common stock” and receive “all communications sent to holders of voting securities”.

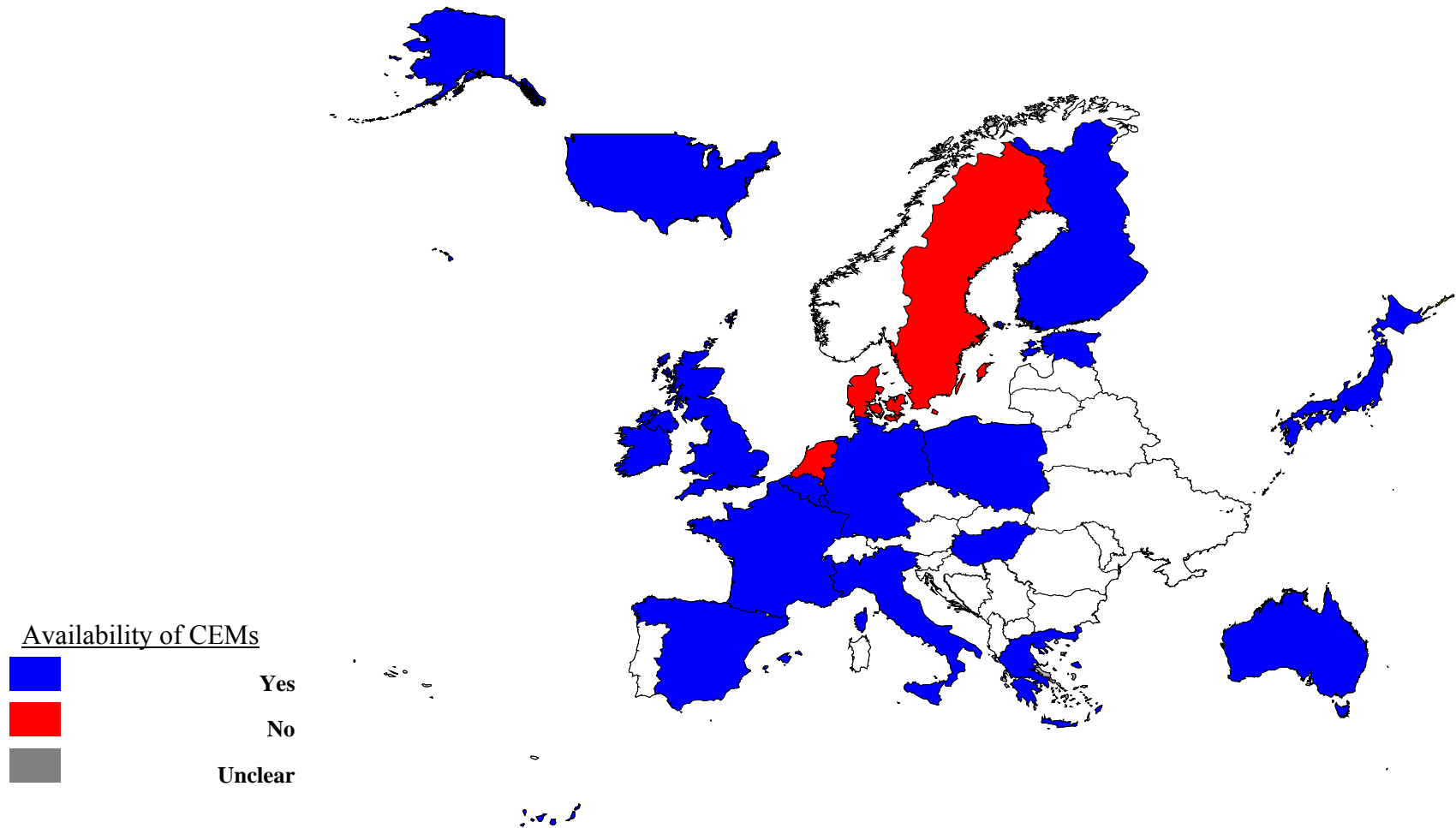
B – Definitions

The following definition in the column “Significant restrictions to CEM” has been used:

Maximum	Maximum percentage of Non-Voting Shares over share capital. For instance, in France, Non-Voting Shares cannot exceed 25% of the share capital.
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NON-VOTING PREFERENCE SHARES

NON-VOTING PREFERENCE SHARES



NON-VOTING PREFERENCE SHARES

Available in : Belgium, Germany, Estonia, Greece, Spain, France, Ireland, Italy, Luxembourg, Hungary, Poland, Finland, the United Kingdom, the United States, Japan and Australia.

Not available in: Denmark, the Netherlands and Sweden.

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM ⁶⁸	Laws	Maximum: 1/3 for NVPS (nil for PSCs ⁶⁹) Reinstatement of voting right for NVPSs: -No Dividend for 3 years, - Specific Decisions ⁷⁰ Reinstatement of voting rights for PSCs: Specific Decisions ⁷¹	<u>Board</u> (Upon Delegation: 5 years ⁷²) <u>GMS</u> : Q = 50% (FC), nil (SC) QM = 3/4	Filing of AoA Publication in a Legal Gazette Specific Notification Specific Filing (Filing of the GMS decision) ⁷³ Special Report (Board) Auditors' Report Information to Shareholders Admission Documentation	Annual Reports Article 10 Report Website	Decision is: In the sole interest of the management/ In the sole interest of the majority shareholders/ Against the interest of shareholders/ Against the corporate interest ⁷⁴
DENMARK ⁷⁵	Laws	N/A	N/A	N/A	N/A	N/A
GERMANY	Laws	Maximum: 50%/ Reinstatement of voting rights: No Dividend (2 years) ⁷⁶	<u>GMS</u> : Q = none QM = 75%	Specific Notification (Notification of the Admission Board)	Annual Reports ⁷⁷	Sole intent to favor the interest of the majority shareholders against the minority shareholders (e.g. safeguard of influence, maintenance of control without necessity of contributing own capital)

NON-VOTING PREFERENCE SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
ESTONIA	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	Maximum: 1/3 Reinstatement of voting rights: No Dividend (2 years), Specific Decisions (any decision specified as such in the AoA) Equality Principle	<u>Supervisory Board</u> (Upon Delegation: 3 years) <u>GMS:</u> Q = $\geq 50\%$ (FC) None (SC) QM = 2/3	Filing of the AoA Specific Filings (Registration of Shares with Estonian Central Registry for Securities) Information of shareholders (upon change of rights conferred by a specific class of shares)	Annual Reports Special Report	None
GREECE⁷⁸	Laws ⁷⁹	Maximum: 40% of all issued shares (NVPS) 10% of the issued shares (founding certificates)	<u>Board</u> (Autonomous Decision or Upon Delegation: 5 years) <u>GMS:</u> Q = 2/3 QM = 2/3 ⁸⁰	Filing of AoA Publication in a Legal Gazette Special Report	Annual Reports Website	The decision to implement the CEM is (i) in the sole interest of the management, or (ii) in the sole interest of the majority shareholders, or (iii) against the interest of the shareholders, or (iv) against the corporate interest
SPAIN	Laws	Maximum: 50% Reinstatement of voting rights: No Dividend ⁸¹	<u>GMS:</u> Q = 50% (FC), 25% (SC) QM = 2/3 if less than 50% is present, and SM, if more than 50% is present	Filing of AoA Publication in a Legal Gazette Special Report (of the government body) Specific Filing ⁸² Information to Shareholders Admission Documentation	Annual Reports Website	Decision damages the interests of the company to the benefit of one or more shareholders or third parties

NON-VOTING PREFERENCE SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
FRANCE	Laws	Maximum: 25%	<u>Board</u> (Upon Delegation: 26 months/Article 9 confirmation) <u>GMS:</u> Q = 1/4 (FC), 1/5 (SC) QM = 2/3	Special Report (Management) Auditor's Report ⁸³ / Admission Documentation	Annual Reports Article 10 Report Website	Sole intent to favor the interest of the majority shareholders against the minority shareholders and against the corporate interest
IRELAND	Laws	None	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 3 (FC) ⁸⁴ , none (SC) QM = 75%	Filing of AoA Specific Filing Information to Shareholders Admission Documentation	Annual Reports Article 10 Report	Variation or abrogation of class rights or Oppression of other shareholders or Prohibited frustrating action
ITALY	Laws	Maximum: 50%	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 50% (FC), 1/3+1 (SC), 20% (TC), QM = 2/3	Specific Filing (Information document ⁸⁵) Special Report (Board of Directors' Report on the amendment of articles)	Annual Reports	Fraud on the minority, and Decision without any significant corporate interest, or Violation of the equal treatment principle
LUXEMBOURG	Laws	Maximum: 50% Reinstatement of voting rights: No Dividends/ Specific Decisions ⁸⁶	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 50% (FC), nil (SC) QM = 2/3	Filing of AoA Publication in a Legal Gazette Admission Documentation Special Report (directors') ⁸⁷ (auditors') ⁸⁸	Annual Reports Article 10 Report	Decision is in the sole interest of the majority shareholders and against the corporate interest

NON-VOTING PREFERENCE SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
HUNGARY	Laws	Maximum: 50% Reinstatement of voting rights: No Dividend (1 year)	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q >50% of the shares having voting rights (FC), Nil (SC) ESM	Specific Filings (with Stock Exchange) Admission Documentation	Periodic Reports ⁸⁹	Sole interest of the management or the majority shareholders or Against the interests of the shareholders or the corporate interest
THE NETHERLANDS	Laws	N/A	N/A	N/A	N/A	N/A
POLAND	Laws	Maximum Dividend: 50% ⁹⁰ No Listing ⁹¹	<u>Board</u> (upon Delegation for no longer than 3 years – authorized capital) <u>GMS:</u> Q = none QM = 3/4 of the votes cast	Filing of AoA Publication in a Legal Gazette Special Reports Admission Documentation	Annual Reports Periodic Reports	Contrary to good business practices and harms the interests of the company or is aimed at harming a shareholder
FINLAND	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	Equality Principle	<u>GMS:</u> Q = 1 shareholder QM = 2/3 Specific shareholder consent (if a decision negatively affects the rights of a shareholder)	Filing of AoA Publication in a Legal Gazette Special Reports (Stock Exchange release) Specific Filings Information to Shareholders ⁹² Admission Documentation	Annual Reports Periodic Reports Website	A decision may be challenged if (i) contrary to the principle of equality of shareholders, (ii) in the sole interest of the management, (iii) in the sole interest of the majority shareholders, or (iv) against the interest of the shareholders
SWEDEN	Laws	N/A	N/A	N/A	N/A	N/A

NON-VOTING PREFERENCE SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
THE UNITED KINGDOM	Laws/ High Court Case Law	None	<u>GMS</u> : Q = 2 shareholders SM	Filing of AoA Admission Documentation	None	The decision to implement the CEM is (i) in the sole interest of the majority shareholders ⁹³ , (ii) against the corporate interest, or (iii) against the interest of other shareholders.
THE UNITED STATES	State Corporate Laws/ Stock Exchange Rules	Substantial Conditions: Fiduciary Duties NYSE ⁹⁴ , AMEX: Accumulated defaults on dividend obligations give rise to right to elect 2 or more directors	<u>Board</u> ⁹⁵ (Authorized Capital/ Autonomous Decision) <u>GMS</u> : Q = 50% + 1 (FC) 50% + 1 (SC) AM vote	Specific Filings (Filing of the certificate of incorporation) Special Report (current report with SEC) Information to Shareholders	Periodic Reports	Breach of fiduciary duty by the Board ⁹⁶
JAPAN	Laws	Maximum: 50%	<u>Board</u> (Autonomous Decision) <u>GMS</u> : Q = 50% (FC), nil (SC) QM = 2/3 ⁹⁷	Filing of AoA	Periodic Reports Special Reports ⁹⁸	Issuance of shares in favor of a third party on specially favorable conditions without shareholder approval or Principal purpose of the issuance is the entrenchment of management/ Participation of interested shareholders has led to a significantly unfair result
AUSTRALIA	Laws/ Stock Exchange Rules	Specific Decisions ⁹⁹ No Dividend	<u>Board</u> (Autonomous Decision) <u>Shareholders</u> ¹⁰⁰ QM = 75%	Filing of AoA Specific Filing Specific Notifications (notification of Regulatory Authority and Stock Exchange) Admission Documentation	Annual Reports	The decision to implement the CEM is (i) in the sole interest of the majority shareholders, at the expense of the minority shareholders, Or (ii) against the interest of the shareholders as a whole

NON-VOTING PREFERENCE SHARES

- 67 As an exemption, shares issued before January 1, 1974, could be issued as non-voting shares and they would still operate as such. If a company issues bonus shares by transferring, for example, amounts that may be distributed as dividends to the share capital, the bonus shares that are linked to a non-voting share can be a non-voting share.
- 68 Belgian Law provides for Non-Voting Preference Shares and Profit-Sharing Certificates (“PSC”).
- 69 No limit on number of Profit-Sharing Certificates, but restrictions on the total voting power of Profit-Sharing Certificates in case the articles of incorporation grant them voting rights. Profit-Sharing Certificates may never give the right to cast more than one vote per security. In the aggregate, no more votes may be conferred than 1/2 of the number vested in the joint capital shares; they may not be counted as voting for more than 2/3 the number of votes cast for the capital shares (Art. 542 CC).
- 70 In case of a decision to be made by the general meeting on alteration of the mutual relationships between the rights of the different categories of securities (Art. 481, 2° CC), on exclusion of or restriction on pre-emption rights, the authorization of the board directors to increase the capital whilst excluding or restricting pre-emption rights, the reduction of the company’s capital, the change of its purpose or form or the winding up, merger or division of the company (Art. 481, 3° CC).
- 71 In case of a decision to be made by the general meeting on the change of the company’s purpose (Art. 559 CC) or form (Art. 781 CC), or on the alteration of the mutual relationships between the rights of the different categories of securities (Art. 560 CC), Profit-Sharing Certificates have the right to vote, even when the articles of incorporation have not granted any voting rights.
- 72 Three years in case of a Takeover Bid.
- 73 Filing of the GMS decision is only required in case of exclusion of, or restriction on, pre-emption rights. In addition, special Board and Auditors’ Reports are only required in case of considerations in kind and in case of, exclusion of, or restriction on, pre-emption rights.
- 74 Although the abovementioned grounds are not always distinguished in practice (since the Law is articulated in a somewhat different manner) and to our understanding cannot always be distinguished (e.g., a decision taken in the sole interest of the management or majority shareholders will presumably, at the same time, be against the corporate interest, whether or not defined as being distinct from the sole interest of the shareholders), these grounds are probably alternative rather than cumulative.
- 75 As an exemption, shares issued before January 1, 1974, could be issued as non-voting shares. They would still operate as non-voting shares. If a company issues bonus shares by transferring, for example, amounts that may be distributed as dividends to the share capital, the bonus shares that are linked to a non-voting share can be a non-voting share. Not many shares of this type remain.
- 76 If the preference dividend is not paid or not paid in full in any given year, and if the amount in arrears is not paid in the next year together with the full preference dividend for such year, the holders of preference shares have voting rights until the amount in arrears has been paid.
- 77 Containing the different types of shares and rights and duties attached to such shares and the limitation of voting rights.
- 78 In addition, the Articles of Association may provide that the founders of a company are granted founding certificates, which entitle their holders to a maximum of 1/4 of the net profits of the company. The founding certificates do not incorporate voting rights, nor any right in management or in the liquidation proceeds of the company. Ten years after their issuance, the company has a call option, which is exercised at a price set out in the company’s Articles of Association and which, in any case, cannot exceed 15% of the aggregate profits paid to the holders of the founding certificates in the past three years.
- 79 Please refer to the chapter on Greece for details on founding certificates.
- 80 Specific rules apply to pre-emption rights.
- 81 Concerning the non-voting shareholders’ subscription rights, the recovery of voting rights in the case the minimum dividend is not paid, and the non-cumulative nature of the latter, that is provided for in their bylaws shall apply.

NON-VOTING PREFERENCE SHARES

82 The circumstance of the creation of non-voting shares shall be stated notably in the share title or, in the case of listed companies, in the computer register in which such shares are noted.

83 The auditors' report needs to be issued before the issuance of shares.

84 The quorum of three is the one set out in the model form of the articles of association, but it is only optional. In practice, the articles of association of listed companies will provide for a different quorum (lower).

85 Prepared by the company pursuant to a Consob form made public at the registered office of the company and the Italian Stock Exchange.

86 In the case of issue of new shares carrying preferential rights; determination of the preferential cumulative dividend attaching to the non-voting shares; conversion of non-voting preferred shares into ordinary shares; reduction of capital of the company; any change to its corporate object; issue of convertible bonds; dissolution of the company before its term; transformation of the company into a company of another legal form.

87 In case preferential subscription rights are limited or suppressed.

88 If issued against contribution in kind.

89 When issuance of the shares and modification of the rights attached to the shares.

90 50% of the dividends paid to holders of non-preference shares.

91 Such a restriction seems to be implied by the Warsaw Stock Exchange Regulations, but the issue is debatable.

92 Notice concerning the amendments to the Articles of Association.

93 Derivative actions can be brought by minority shareholders in limited circumstances, for example, fraud against minority, etc. However, it is unlikely to apply, as non-voting shares do not dilute control of company.

94 NASDAQ does not restrict the issuance of Non-Voting Preference Shares.

NYSE does not restrict the issuance of Non-Voting Preference Shares that are not listed. However, if Non-Voting Preference Share are to be listed on NYSE, holders of those shares should have the right to elect at least two directors upon default of six quarterly dividends, which do not have to be consecutive, and the quorum for Non-Voting Preference Shares should be low enough to ensure that the right to elect directors can be exercised as soon as it accrues, which should in no event exceed the percentage required for a quorum of common stock required for the election of directors. In addition, NYSE recommends that Non-Voting Preference Shares should have minimum voting rights on three matters even if they are not publicly listed: (i) an increase in the authorized amount of Non-Voting Preference Shares or creation of a *pari passu* security, (ii) a creation of a senior equity security and (iii) amendments materially affecting the terms of Non-Voting Preference Shares. Amex does not restrict the issuance of Non-Voting Preference Shares that are not listed. However, to be eligible for listing, holders of Non-Voting Preference Shares must have the right, voting as a class, to elect at least two directors no later than two years after an incurred default in the payment of fixed dividends. In addition, Amex may decline to list Non-Voting Preference Shares if holders do not have the right, voting as a class, to vote on: (i) a creation of a *pari passu* security, (ii) a creation of a senior equity security and (iii) any amendment to the terms of Non-Voting Preference Shares.

95 If the certificate of incorporation or any amendment thereto expressly authorizes the Board of Directors to issue the Shares without shareholders' approval.

96 Most challenges to board action would be formulated as breach of fiduciary duty claims. Violation of disclosure requirements may be another ground for challenge.

97 The GMS intervenes only where an amendment of the company's articles of incorporation is necessary to authorize the shares with limited voting rights or the issuance is made on terms specially favorable to a third party.

NON-VOTING PREFERENCE SHARES

⁹⁸ Special Reports must be prepared by the company on amended AoA and issuance of shares, including (i) Extraordinary Report under the SEL, and (ii) Timely disclosure under the Timely Disclosure rule of the TSE.

⁹⁹ The holder of a preference share must be entitled to a right to vote in each of the following circumstances and in no others: during a period within which a dividend (or part of a dividend) in respect of the share is in arrears (Note: This voting right would also be applicable for any period during which no dividends are paid but where the terms of the preference issue provide that the holder is entitled to a dividend each and every year); on a proposal to reduce the entity's share capital or on a resolution to approve the terms of a share buy-back agreement; on a proposal that affects rights attached to the share; on a proposal to wind up the entity; on a proposal for the disposal of the whole of the entity's property, business and undertaking; or during the winding up of the entity.

¹⁰⁰ Where the constitution does not provide for directors to issue non-voting preference shares, approval needs to be obtained from a special resolution of members (at least 75% of votes cast by members entitled to vote on the resolution). Rights (e.g. voting dividends) must be in the company's constitution or approved by 75% of votes cast by members entitled to vote.

General Notes relating to this summary:

A – Scope and Assumptions

1) Rules providing for the protection of the holders of Non-Voting Preference Shares against creation of *pari passu* securities or amendments to their rights are not addressed in this summary. The right for holders of shares of a certain class to vote, as a class, on decisions likely to affect the rights of the shares of such class is not addressed in this summary.

2) We have assumed for purposes of this summary that Non-Voting Preference Shares are issued when the company is already in existence and listed.

B – Definitions

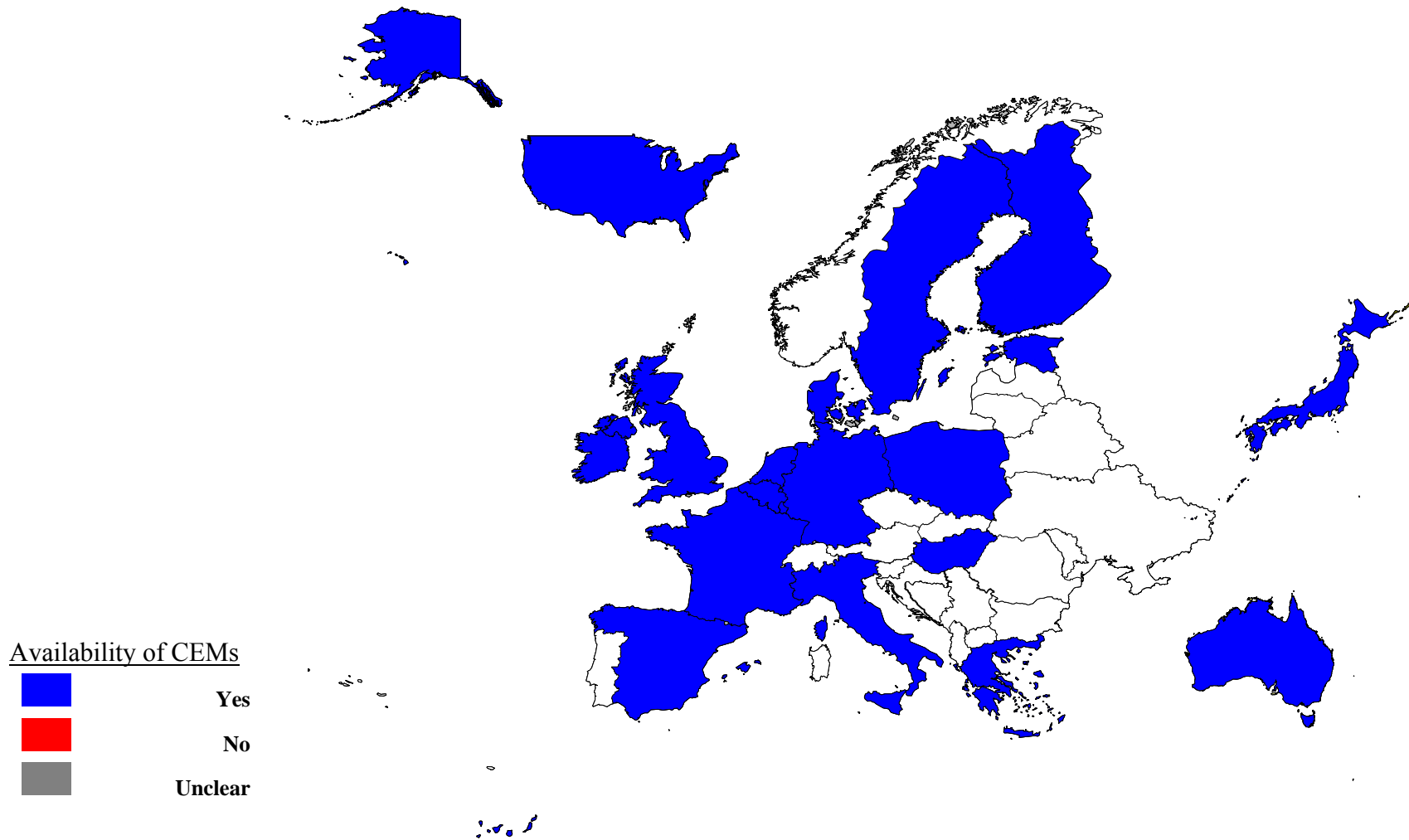
The following definitions in the column “Significant restrictions to CEM” have been used:

Breakthrough Rule	<p>In connection with a specific CEM, a Breakthrough Rule is a Rule which provides that, in the event of a successful tender offer, the CEM is no longer applicable to allow the effective takeover of the Target company by the successful bidder. Generally speaking, reference is made to the breakthrough rule which is provided for in Article 11 of the Takeover Directive. However, if a different type of breakthrough rule is applied, with the purpose described in the first sentence of this paragraph, it is described as part of the answer to question no. 3.</p> <p>Breakthrough mechanisms provided in bylaws or Articles of Association only do not qualify as Breakthrough Rules for purposes of this summary, as they are not compulsory for all companies. In particular, we have not included the opt-in provision provided by article 12.3 of the Takeover Directive in our definition of the Breakthrough Rule, as this restriction is not mandatory but self-imposed by companies.</p>
Equality Principle	The Non-Voting Preference Shares must comply with the principle of equal treatment of shareholders.

NON-VOTING PREFERENCE SHARES

No Dividend	Regarding Non-Voting Preference Shares, no payment of preference dividend in a number of years (specified in each case) leading to reinstatement of voting rights. For instance, in Belgium, the holders of Non-Voting Preference Shares are reinstated in their voting rights in the event that the dividend they are entitled to is not paid for three consecutive years.
Maximum	Maximum percentage of Non-Voting Preference Shares over share capital which is authorized under applicable Rules. For instance, in Belgium, Non-Voting Preference Shares shall not exceed 33.33% of the share capital.
Maximum Dividend	Dividends paid to holders of Non-Voting Preference Shares may not exceed a specified percentage of all dividends or dividends paid to other shareholders. For instance, in Poland, the dividend paid cannot exceed 50% of the dividends paid to holders of non-preference shares.
Specific Decisions	Decisions on which Non-Voting Preference Shares have the right to vote during a GMS (as an exception to the fact that they are “non-voting”). For instance, in Belgium, Non-Voting Preference Shares may vote on the change of the company’s purpose or form.

PYRAMID STRUCTURE



PYRAMID STRUCTURE

Available in : Belgium, Denmark, Germany, Estonia, Greece, Spain, France, Ireland, Italy, Luxembourg, Hungary, the Netherlands, Poland, Finland, Sweden, the United Kingdom, the United States, Japan, Australia.

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws/ General Principle of Contractual Freedom	None	<u>Board</u> (Autonomous decision)	None	Annual Reports Website	The decision to implement the CEM is (i) in the sole interest of the management, (ii) in the sole interest of the majority shareholders, (iii) against the interest of the shareholders, or (iv) against the corporate interest ⁹⁹
DENMARK	Binding Laws/ Stock Exchange Rules	None	<u>Board</u> (Autonomous Decision or Upon Delegation) ¹⁰²	Filing of AoA (seldom) ¹⁰³ Auditors' Report ¹⁰⁴ Specific Notification (information or consultation of employees)	None	<u>Decision by the Board</u> : the Board enters into transactions that are clearly likely to confer upon certain shareholders or others an undue advantage over other shareholders or over the company
GERMANY	Laws	None	<u>Board</u> (Autonomous Decision) ¹⁰⁵	Specific Notification ¹⁰⁶	Annual Reports	The autonomous decision of the management board infringes the shareholders' meeting right to resolve on transactions of fundamental importance ¹⁰⁷

PYRAMID STRUCTURE

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
ESTONIA	No explicit Rules	None	<u>Board</u> (Autonomous Decision)	None	Annual Reports Periodic Reports Special Reports (Disclosure of resolutions ¹⁰⁸)	None
GREECE	Laws ¹⁰⁹	None	<u>Board</u> (Autonomous Decision)	Specific Filing Specific Notification ¹¹⁰	Annual Reports Website	The decision to implement the CEM is against the corporate and/or the shareholders' interest ¹¹¹
SPAIN	Non-binding Code of Good Governances/ Highest Court Case Law	None	<u>GMS</u>	Specific Filing Admission Documentation	Annual Reports Website	Decision damages the interests of the company to the benefit of one or more shareholders or third parties
FRANCE	General Principle of Contractual Freedom	None	<u>Board</u> (Autonomous Decision)	None	Article 10 Report Annual Reports Website	Sole intent to favor the interest of the majority shareholders against the minority shareholders and the corporate interest
IRELAND	Laws	None	<u>Board</u> (Autonomous Decision)	Specific Filings ¹¹² Admission Documentation	Annual Reports Article 10 Report	None
ITALY¹¹³	Laws/ Regulatory Authority Rules/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	Prohibition to list Pure Holding	<u>Board</u> (Autonomous Decision) + Indemnification of Minority Shareholders	Specific Filings ¹¹⁴ Specific Notification ¹¹⁵	Annual Reports ¹¹⁶	Change of the official activity of the holding company ¹¹⁷

PYRAMID STRUCTURE

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
LUXEMBOURG	Laws/ General Principle of Contractual Freedom	None	<u>Board</u> (Autonomous Decision)	Specific Filing Specific Notification Information to Shareholders Admission Documentation ¹¹⁸	Special Report Annual Reports ¹¹⁹ Article 10 Report	Sole intent to favor the interest of the majority shareholders against the minority shareholders and the corporate interest
HUNGARY¹²⁰	Laws/ General Principle of Contractual Freedom	None	<u>Board</u> (U)	Special Reports (Extraordinary reporting/Stock Exchange Quarterly Reports) Disclosure for acknowledged corporate group	None	The decision to implement the CEM is (i) in the sole interest of the management, (ii) in the sole interest of the majority shareholders, (iii) against the interest of the shareholders, or (iv) against the corporate interest
THE NETHERLANDS¹²¹	Laws/ Non-binding Corporate Governance Codes/ High Court Case Law	None	<u>Board</u> (Autonomous Decision) <u>GMS</u> : Q = none SM ¹²²	None	Annual Reports	Decision is against the interest of the shareholders ¹²³ Standards of reasonableness and fairness/ The Board and the controlling shareholder must take into account the interests of the minority shareholders

PYRAMID STRUCTURE

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
POLAND ¹²⁴	General Principle (freedom of contract)/ Laws	None	<u>Board</u> (Autonomous Decision) <u>GMS</u> ¹²⁵	Admission Documentation	Annual Reports Periodic Reports	Decision is: Contrary to good business practices And Harms the interests of the company or is aimed at harming a shareholder
FINLAND	Laws/ Administrative Rules/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	None	<u>Board</u>	Specific Filings ¹²⁶	Annual Reports ¹²⁷ Admission Documentation (disclosure of the 50 largest owners of the company) Website ¹²⁸	None
SWEDEN	General Principle	None	<u>Board</u> (Autonomous Decision)	Admission Documentation Specific Filing ¹²⁹	Annual Reports Article 10 Report Website	None
THE UNITED KINGDOM	Laws	Limits on the use of Pure Holding	<u>GMS</u> : Q = 2 AM (ordinary resolutions) QM = 3/4 (special resolutions)	None	Special Report (public disclosure of relevant dealings during an offer period) Annual Reports ¹³⁰	None
THE UNITED STATES	State Law/ Stock Exchange Rules	Substantial Conditions: Fiduciary Duties and NYSE will consider the proportion of the total voting power represented by a concentrated holding ¹³¹ in determining whether to list or continue listing	<u>Board</u> (Autonomous decision)	Information to Shareholders	Periodic Reports	Breach of fiduciary duty by the Board ¹³²

PYRAMID STRUCTURE

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
JAPAN	Laws/ Stock Exchange Rules	None	<u>Board</u> (Autonomous Decision) <u>GMS:</u> Q = >50% (FC), nil (SC) QM = 2/3 ¹³³	Special Reports ¹³⁴ Specific Notification (Antitrust)	Periodic Reports	Issuance of shares in favor of a third party on specially favorable conditions without shareholder approval Or Principal purpose of the issuance is the entrenchment of management/ Participation of interested shareholders has led to a significantly unfair result
AUSTRALIA	Laws/ Stock Exchange Rules	Subject to Foreign Acquisitions and Takeovers Act	<u>Board</u> (Autonomous Decision) ¹³⁵ <u>Ownership Ceiling</u> <u>Restrictions</u> (statutory requirements – no Board or shareholder discretion)	Filing of AoA Specific Filings (filing with Regulatory Authority of the name of ultimate controller ¹³⁶) Admission Documentation	Annual Reports (disclosure of the Pyramid type structure)	The decision to implement the CEM is (i) in the sole interest of the majority shareholders, at the expense of the minority shareholders, or (ii) against the interest of the shareholders as a whole

¹⁰¹ Unlike for the nullity of decisions of the general meeting of shareholders, the law does not explicitly provide for a similar framework for the nullity of decisions of the Board of Directors. Eminent Belgian authors like J. Ronse argued that, for the Board of Directors, the application of similar rules can be defended.

¹⁰² If a change of the company purpose (object clause) is required due to the corporate purpose of the controlled company, the GMS shall approve with 2/3 of the voting share capital represented and 2/3 of the votes cast.

¹⁰³ If the object clause in the AoA has changed.

104 If payment for a controlling interest is made (in whole or in part) with new shares in the buyer being issued in connection with a capital increase, a
valuation report of the contribution in kind shall be made and disclosed to the shareholders.

105 Generally speaking, the decision on the purchase of participations in other companies lies within the competence of the management board. However,
the Articles of Association or the supervisory board may require that specific types of transaction only be entered into with the consent of the latter. The
shareholders' meeting may only resolve upon matters concerning the management of the corporation if the management board so requires.

106 Notification Requirements vis-à-vis BaFin and company.

107 So-called Holz Müller-Doctrine which indicates that there may be an unwritten competence of the shareholders' meeting to resolve upon certain
transactions such as sales/spin-offs of the company's material assets.

108 Resolution on the partial/full acquisition or transfer of a holding in a company, or on the acquisition or waiver of a right to acquire or transfer a holding
in a company.

109 Interpretation of the law by the CMC.

110 When the acquired percentage represents more than 5%.

111 The management of the company makes a decision for the creation of one or more subsidiaries. This decision may be challenged as contrary to
company and/or shareholders' interest. However, the effect of having the pyramid structure (i.e., the requirement to launch an offer for the Target's
subsidiaries) is not due to any other decision of the management or of the Target; it is a legal requirement on the basis of the interpretation of the law
provided by the Greek regulator.

112 Notification may be necessary under applicable Irish Stock Exchange Rules or to relevant Irish governmental or regulatory authorities if regulated
entities are involved (e.g. Irish licensed banks, authorized insurers, authorized investment business firms, stockbrokers, etc.).

113 The Corporate Law Reform provided for a new regulation for "groups" of companies. The most significant provisions relate to: (a) liability of the
parent company for damages to minority shareholders and the creditors of the subsidiaries (Article 2497 of the Italian Civil Code); (b) transparency of
the "group" structure; (c) withdrawal right of minority shareholders when: (i) the parent company has amended the corporate purpose in a way which
affects the financial situation of the subsidiary; (ii) the parent company was sentenced to restore the damages suffered by the shareholders of the
subsidiary; (iii) the company becomes or ceases to be a part of a "group".

114 Information document filed with the Italian Stock Exchange, upon a significant acquisition of shareholding.

115 To the register of enterprises when company becomes/ceases the activity of direction and coordination.

116 The notes to the financial statements of the subsidiary should contain a table setting forth the main financial items for the last financial year of the
company that exercises on it "direction and coordination".

117 Italian companies are not allowed to hold control shareholdings if the value of the shareholding and the activity of the controlled company *de facto*
change the official activity of the holding company as established by the Articles of Association.

118 If control is exercised over the listed company via pyramid structure, such control must be disclosed in the public offering or listing prospectus.

119 If the listed company is included in the consolidation of its controlling shareholder, it would also need to disclose control over the listed company in its
annual accounts.

120 Act IV of 2006 on Business Associations (2006 Company Act) regulates the so-called controlling agreements and provides that any entity having
controlling interest pursuant to the accounting rules may enter into an agreement with its subsidiaries to operate as an acknowledged corporate group
where there is no piercing the corporate veil risk if the mother company manages the subsidiary for the interest of the whole group instead of its own
interest. The limitation on the shareholder rights in the subsidiaries are regulated in the controlling agreements. The draft agreement shall be adopted

by simple majority voting of the general meetings unless the articles provide for a higher voting or authorize the Board of Directors to execute such agreement. The agreement shall provide, among others, the rules for the cooperation within the group and the balanced operation of the corporate group to take into account the interest of the minority shareholders in the subsidiaries as well. Dividend distribution at the subsidiaries can be performed from the profit and profit reserves of the mother entity as well. The agreement shall be published and there must be an employee consultation before it is executed. Within 30 days from the first publication, creditors may request security from the mother entity unless their claim is already secured, and the minority owners may request the purchase of their shares at market value but at least at the pro-rata equity of the company. The final agreement shall be adopted by a 3/4 majority vote of the general meetings of the companies participating in the agreement. The corporate group can start its operation as an acknowledged corporate group from the registration of the final agreement at the registration court.

121 As a general rule of the Dutch Corporate Governance Code, the board of managing directors shall at all times be guided by the interests of the company and its affiliated enterprise, taking into consideration the interests of the company's shareholders. The stakeholders include the minority shareholders. Moreover, a company and the persons who by virtue of the law and its Articles are concerned with its organization must, in such capacity, conduct themselves in relation to each other in accordance with the dictates of reasonableness and fairness. A rule which binds them by virtue of the law, custom, the Articles, bylaws or a resolution shall be inapplicable to the extent that, in the circumstances, it is unacceptable according to standards of reasonableness and fairness (Article 2:8 DCC). In other words, a controlling shareholder has to take into consideration the interests of his fellow minority shareholders in decisions which affect the interests of minority shareholders. As indicated, the Corporate Governance Code also prescribes that the interests of individual shareholders are taken into account.

122 Decision by the GMS required only for BVs if the transfer restriction set out in the AoA requires a resolution. The majority required is simple unless the transfer restriction in the AoA requires a qualified majority.

123 The company must treat shareholders whose circumstances are equal in the same manner.

124 The "summit" of the pyramid organized in the form of a corporation or commercial company is classified as a "dominant company" within the meaning of the CCC. Thus, Code rules applicable to "dominant companies" apply to such entities. Art. 6 § 1: the dominant company shall, within two weeks of the date on which such relation arose, notify the dependent capital company that the relation of domination has arisen, or else the exercise of the right to vote with the shares of the dominant company representing more than 33% of the share capital of the dependent company shall be suspended. Art. 7 § 1: Where the dominant and the dependent company enter into an agreement which provides for the management of the dependent company or a transfer of profits by such company, excerpts from the agreement with provisions on the liability of the dominant company for damage caused to the dependent company as a result of non-performance or improper performance of the agreement and on the liability of the dominant company for obligations of the dependent company towards its creditors shall be filed in the registration file of the dependent company. Art. 362 § 4: the provisions of Art. 362-365 shall apply *mutatis mutandis* to the acquisition of own shares of a dominant company by a dependent company or co-operative. This shall also apply to persons acting on their account.

125 If the set-up of the new company (wholly or partially owned subsidiary) entails transfer or lease of an enterprise or an organized part thereof or if it entails transfer of an immovable property to the subsidiary, an approval by general meeting (GMS) is required (Article 393 CCC).

126 A company must immediately disclose the fact of becoming the parent of another listed company.

127 Containing information on shareholders who directly or indirectly own 1/20 or more of the shares in the company and specification of the 10 largest shareholders.

128 On the main owners of the company and all flagging notifications made during the last year.

129 Share Register publicly available.

130 A publicly listed company must disclose its group structure in its consolidated group accounts.

PYRAMID STRUCTURE

131 Delaware law does not impose any restrictions on Pyramid Structures. However, NYSE expresses concerns over the concentration of a substantial proportion of voting power in one entity or several affiliated entities. Although such concentration is not necessarily an obstacle to the listing of the company's securities, NYSE notes that it will take into account the proportion of the total voting power represented by such concentrated holdings and, in particular, the expectancy of such holdings ultimately being distributed to public shareholders. Our research did not reveal any interpretations of this rule or any precedent to indicate the manner in which it might be applied by NYSE.

132 Most challenges to board action would be formulated as breach of fiduciary duty claims. Violation of disclosure requirements may be another ground for challenge.

133 The board of directors can decide by autonomous decision. GMS intervenes only if an amendment to the issuing Articles of Association is necessary to increase the company's number of shares or if the issuance is made on terms specially favorable to a third party.

134 Special Reports must be prepared by the company, including: (i) Extraordinary Report under SEL with respect to the change of major shareholders and on issuance of new shares, if applicable, by the company; (ii) Timely disclosure under Timely Disclosure Rule, also on the change of major shareholders and on issuance of new shares, if applicable, by the company; and (iii) Report on Substantial Shareholding under SEL.

135 If the CEM is not provided for in the company's constitution, it would be a matter for the shareholders to decide.

136 Any substantial shareholdings or movements in this holding within the pyramid structure and any related party transactions requiring shareholder approval.

General Notes relating to this summary:

A – Scope and Assumptions

1) For purposes of this summary, it is assumed that a listed company (“Parent”) sets up a new company (“Newco”), contributes subsidiaries to Newco and lists Newco. It is assumed that there is no division of Parent in the process and no change of the statutory purpose of Parent.

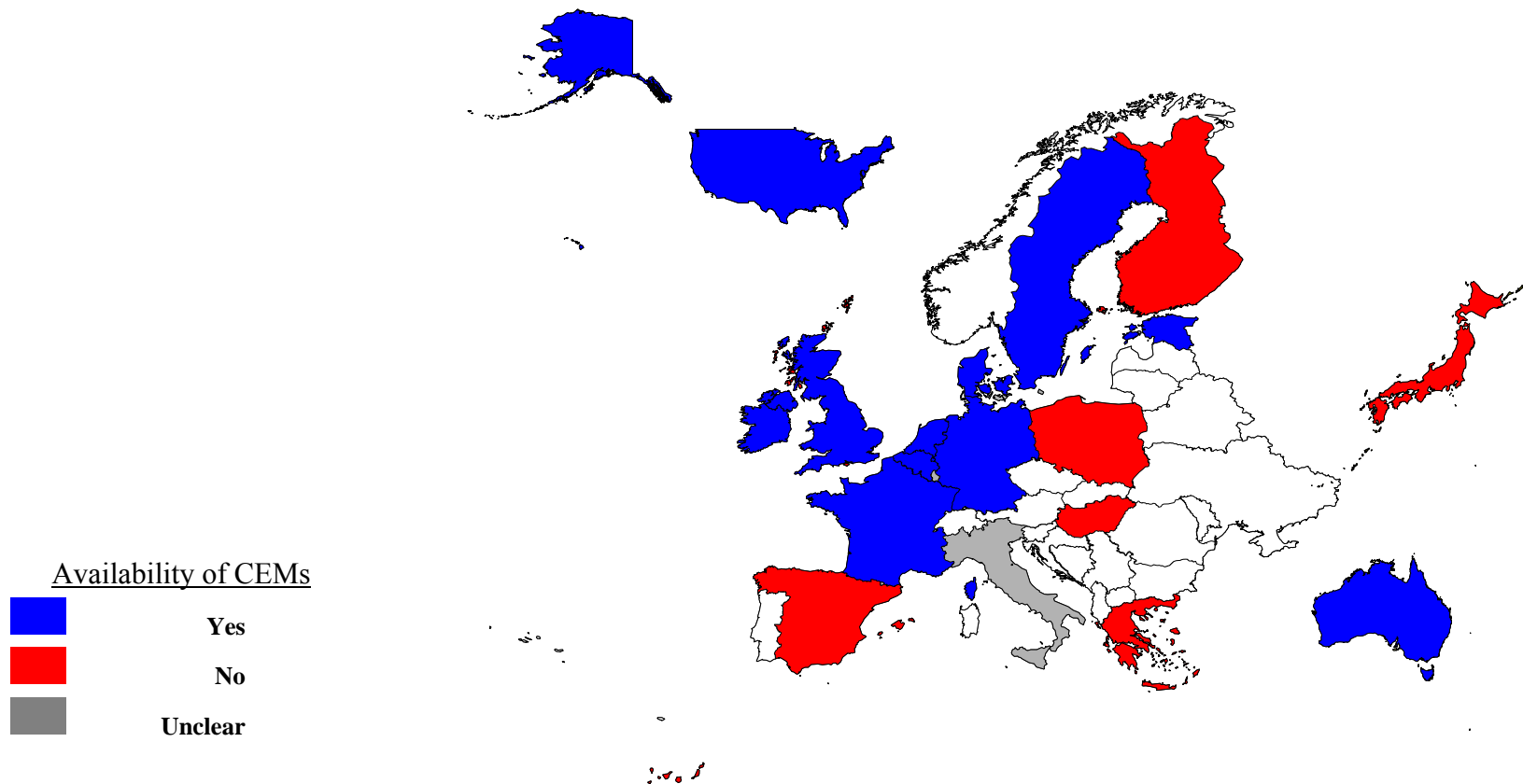
2) The following issues are not addressed in this summary: (i) antitrust considerations, (ii) financing by a company of the acquisition of its own shares by third parties, (iii) mandatory takeovers or minority buy-outs resulting from the control of specified percentages of shares or voting right and (iv) related party transaction issues.

B – Definitions

The following definitions in the columns “Significant restrictions to CEM” and “Body deciding CEM implementation + specific conditions” have been used:

Indemnification of Minority Shareholders	In the event the minority shareholders are prejudiced by the exercise of control power, there is a withdrawal right for the minority shareholders of the subsidiaries.
Pure Holding	Holdings the main purpose of which is to hold an interest in one subsidiary. For instance, in Italy, the Regulations of the Italian Stock Exchange prohibit the listing of “pure” holding companies, defined as companies whose main assets or revenues are, or derive from, shares held in another listed company.

PRIORITY SHARES



PRIORITY SHARES

Available in: Belgium, Denmark, Germany, Estonia, France, Ireland, the Netherlands, Sweden, the United Kingdom, the United States, Japan and Australia.

Not available in: Greece, Spain, Hungary (since the 2006 Company Act), Poland and Finland.

Unclear in: Italy, Luxembourg (Untested Situation).

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws/ Lower Court Case Law	Exclusive Powers of the GMS ¹³⁷ No Veto Right ¹³⁸	<u>GMS</u> : Q = 1/2 (FC), nil (SC) QM = 3/4	Filing of AoA Publication in a Legal Gazette Admission Documentation	Annual Reports Article 10 Report Special Report Website	Decision is: In the sole interest of the management or In the sole interest of the majority shareholders or Against the interest of shareholders or Against the corporate interest ¹³⁹
DENMARK	Laws	Directors Designated by Shareholders No Veto Right Independent Directors (only a non-binding recommendation in the Danish Corporate Governance Code) Exclusive Powers of the GMS	<u>GMS</u> ¹⁴⁰ : Q = none QM = 2/3 of the votes cast and 2/3 of the voting share capital represented	Filing of AoA Admission Documentation	Annual Reports ¹⁴¹	<u>Decision by the GMS</u> : The GMS passes resolutions that are clearly likely to confer upon certain shareholders or other parties undue advantages over other shareholders or over the company

PRIORITY SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
GERMANY	Laws	Restricted Shares/ Directors Designated by Shareholders ¹⁴²	<u>GMS</u> : Q = none ¹⁴³ QM = 75%	Filing of AoA Specific Notification ¹⁴⁴ Admission Documentation	Annual Reports ¹⁴⁵	The decision to implement the CEM is in the sole interest of the (majority) shareholders
ESTONIA ¹⁴⁶	Laws/ Non-binding Corporate Governance Code	Maximum: 1/3 No Veto Right (Non- binding)	<u>Board</u> (Upon Delegation: 3 years) ¹⁴⁷ <u>GMS</u> : Q = ≥ 50% (FC), None (SC) QM = 2/3	Filing of AoA Information to Shareholders Admission Documentation ¹⁴⁸	Annual Reports (if conversion of NVP-Shares into Priority Shares) ¹⁴⁹ Special Report	N/A
GREECE	Laws	N/A	N/A	N/A	N/A	N/A
SPAIN	Laws	N/A	N/A	N/A	N/A	N/A
FRANCE	Laws	Corporate Separateness ¹⁵⁰ Maximum: 25%	<u>Board</u> (Upon Delegation: 26 months/Article 9 Confirmation) <u>GMS</u> : Q = 1/4 (FC), 1/5 (SC) QM = 2/3	Auditor's Report Information to Shareholders Special Report (Management's) Admission Documentation	Annual Reports Article 10 Report Website	Sole intent to favor the interest of the majority shareholders against the minority shareholders and the corporate interest
IRELAND	Laws/ Stock Exchange Laws	Corporate Separateness ¹⁵¹	<u>Board</u> (Upon Delegation: 5 years) <u>GMS</u> : Q = 3 (FC) ¹⁵² , none (SC) QM = 75%	Filing of AoA Specific Filing Information to Shareholders Admission Documentation	Annual Reports Article 10 Report	Variation or abrogation of class rights or Oppression of shareholders or Prohibited frustrating action

PRIORITY SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
ITALY	No specific prohibition	Directors Designated by Shareholders Maximum: 50%	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 50% (FC), 1/3+1 (SC), 20% (TC) QM = 2/3	Filing of AoA/ Specific Filing (Information document ¹⁵³) Special Report (Board of Directors' Report on the amendment of articles) Admission Documentation	Annual Reports	Fraud on the minority, and decision without any significant corporate interest, Violation of the equal treatment principle
LUXEMBOURG	Laws	Reasonableness Test	<u>Board</u> (Upon Delegation: 5 years) <u>GMS:</u> Q = 50% (FC), nil (SC) QM = 2/3	Filing of AoA Publication in a Legal Gazette Special Report (directors') ¹⁵⁴ (auditors') ¹⁵⁵ Admission Documentation	Annual Reports ¹⁵⁶ Article 10 Report	The decision to implement the CEM is (i) in the sole interest of the management, or in the sole interest of the majority shareholders, and (ii) against the interest of the minority shareholders
HUNGARY	Laws	N/A	N/A	N/A	Periodic Reports Special Report ¹⁵⁷	N/A
THE NETHERLANDS	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	Exclusive powers of the GMS ¹⁵⁸ Limited Management Control: no more than 50% of the Priority Shares held by managing directors of the issuer. ¹⁵⁹	<u>GMS:</u> Q = none SM = 50%+1 of the votes cast	Filing of AoA/ Publication in a Legal Gazette Admission Documentation	Annual Reports ¹⁶⁰	The decision to implement the CEM is against the interest of the shareholders. ¹⁶¹ Standards of reasonableness and fairness
POLAND	Laws ¹⁶²	N/A	N/A	N/A	N/A	N/A
FINLAND	N/A	N/A	N/A	N/A	N/A	N/A

PRIORITY SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
SWEDEN	Laws/ Stock Exchange Rules (contractually binding)	Directors Appointed in General Shareholders' Elections: at least 50% Independent Directors: at least 2	<u>GMS</u> : Q = none QM = 2/3 ¹⁶³	Filing of AoA Auditor's report Admission Documentation	Annual Reports Article 10 Report Website	None
THE UNITED KINGDOM¹⁶⁴	Corporate Governance Rules	Market restrictions	<u>GMS</u> : QM = 3/4	Specific Filing	None	The decision to implement the CEM is (i) in the sole interest of the majority shareholders ¹⁶⁵ , (ii) against the corporate interest, (iii) against the interest of other shareholders.
THE UNITED STATES	State Corporate Law/ Stock Exchange Rules	Substantial Conditions: Fiduciary duties ¹⁶⁶	<u>Board</u> ¹⁶⁷ (Authorized Capital/ Autonomous Decision) <u>GMS</u> : Q = 50% +1 (FC), 50% + 1 (SC) AM	Specific Filing (Filing of the certificate of incorporation) Special Report, (Current Report with the SEC) Information to Shareholders	Periodic Report	Breach of fiduciary duty by the Board ¹⁶⁸
JAPAN	Laws/ Stock Exchange Rules	Directors designated by Shareholders: 100% ¹⁶⁹ Reasonableness Test ¹⁷⁰	<u>Board</u> (Autonomous Decision) <u>GMS</u> : Q = >50% (FC), nil (SC) QM = 2/3	Filing of AoA	Periodic Reports Special Reports ¹⁷¹	Issuance of shares in favor of a third party on specially favorable conditions without shareholder approval Or Principal purpose of the issuance is the entrenchment of management/ Participation of interested shareholders has led to a significantly unfair result

PRIORITY SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
AUSTRALIA	Laws/ Stock Exchange Rules	Stock Exchange approval	<u>Board</u> (Autonomous Decision) ¹⁷²	Filing of AoA Specific Filings (Stock Exchange approval) Specific Notification (to the Regulatory Authority) Admission Documentation	Annual Reports	The decision to implement the CEM is (i) in the sole interest of the majority shareholders, at the expense of the minority shareholders, or (ii) against the interest of the shareholders as a whole

- 137 For instance, Priority Shares may allow their holders to propose the designation of directors, but not to appoint them directly.
- 138 Since the Exclusive Powers of the GMS may not be restricted, a right to veto a certain decision taken at the GMS would probably also be invalid (and thus not enforceable).
- 139 Although the abovementioned grounds are not always distinguished in practice (since the Law is articulated in a somewhat different manner) and to our understanding cannot always be distinguished (e.g., a decision taken in the sole interest of the management or majority shareholders will presumably, at the same time, be against the corporate interest, whether or not defined as being distinct from the sole interest of the shareholders), these grounds are probably alternative rather than cumulative.
- 140 The GM can authorize (max. five years) the Board of Directors to increase the share capital by issuing new shares. In connection with the authorization, the general meeting decides if the new issued shares are to be a new class of shares (Priority Shares). So it is not the Board who decides to implement the CEM, but only to increase the capital.
- 141 The identity of major shareholders whose share possessions exceed certain thresholds must be disclosed.
- 142 No more than 1/3 of the total number of board members may be appointed by Priority Shares holders.
- 143 The 75% majority required in order to amend the AoA is calculated on the basis of the share capital represented in the passing of the resolution (Sec. 179 para. 2 sent. 1 AktG).
- 144 Notification to the admission board regarding the intended amendments to the AoA may be required if the intended amendments are not properly published.
- 145 It shall contain relevant provision of the Articles of Association, the names of the holders of Priority Shares and the description of their privileges.
- 146 Although this CEM is authorized, the Non-binding Corporate Governance Code recommends against it.
- 147 In case of an increase of the company's capital only.
- 148 Admission documentation is required only if the securities issued are to be admitted to trading on a regulated market or offered to the public and no exemption from the publishing of admission documentation applies.

PRIORITY SHARES

149 This requirement only pertains to a listed company that chooses not to comply with the Recommendations and decides to “turn the NVP-Shares into
150 Priority Shares”. Such deviation from the Recommendations must then be justified in the company’s annual report.

151 Directors have to act in compliance with the company’s corporate interest, which is distinct from the sole shareholder’s interest.

152 Rule 3.4.5 of the listing rules provide that a company which has a controlling shareholder must be capable at all times of carrying on its business
153 independently of that controlling shareholder. For this purpose, controlling shareholder is any person (or persons acting jointly by agreement, formal or
154 otherwise) who is (a) entitled to exercise, or to control the exercise of, 30% or more of the right to vote at general meetings of the company or (b) able to
155 control the appointment of directors who are able to exercise a majority of votes at board meetings of the company.

156 The quorum of three is the one set out in the model form of the articles of association, but it is only optional. In practice, the articles of association of
157 listed companies will provide for a different quorum (lower).

158 Prepared by the company pursuant to a Consob form made public at the registered office of the company and the Italian Stock Exchange.

159 If suppression of preferential subscription rights.

160 If issued against contribution in kind.

161 The annex to the company’s accounts shall describe the number and nominal value/accounting par value of each class of shares.

162 An extraordinary report shall be issued upon termination of the Priority Shares.

163 All directors must be appointed by the GMS unless the company is a so-called structure company. In the latter case, the directors are appointed by the
164 Supervisory Board.

165 In addition, where Priority Shares are held by a legal person, no more than 50% of the number of votes which may be cast, directly or indirectly, at
166 meetings of the body or bodies empowered to decide on the exercise of the voting rights carried by the Priority Shares, can be exercised by persons who
167 are also managing directors of the issuer.

168 The annual report shall contain the publication of the names of the persons who have the ultimate responsibility for the way in which the voting rights
169 vested in the holders of Priority Shares are vested. The thresholds are mostly changes in the capital of 1% or more and changes in the voting rights of
170 1% or more.

171 The company must treat shareholders whose circumstances are equal in the same manner.

172 Priority Shares (“personal rights” within the meaning of Art. 345 §1 of the Code of Commercial Companies) which may grant such a shareholder the
173 right to appoint a supervisory board member shall be suspended in case of election by way of cumulative voting in the GMS. Such special election of
174 supervisory board members may be requested by shareholders representing 1/5 of the shareholding of the company (Art. 385 §3-9 of the Code).

175 Where this CEM is to be implemented by amendment of the AoA, 2/3 of the votes cast at the meeting and 2/3 of the shares represented at the meeting.

176 However, market practice prevents the application of this CEM in the UK.

177 Derivative actions can be brought by minority shareholders in limited circumstances, for example, fraud against minority, etc. In such cases, the
178 grounds are not cumulative.

179 Contract law and directors’ fiduciary duties under Delaware Law (i.e., whether the issuance of Priority Shares is in the best interest of the stockholders).

180 If the certificate of incorporation or any amendment thereto expressly authorizes the Board of Directors to issue the Shares without shareholders’
181 approval.

182 Most challenges to board action would be formulated as breach of fiduciary duty claims. Violation of disclosure requirements may be another ground
183 for challenge.

PRIORITY SHARES

169 Listed companies are explicitly prohibited from issuing shares that grant specific power to propose candidates to the Board of Directors or to directly
appoint board members.

170 An issuer's shares may be delisted where, among other instances where the TSE considers an issuer to have imposed "unreasonable restrictions" on
shareholders' rights, the issuer has issued Veto Shares that require a class shareholders' meeting approval in order to appoint or remove the majority of
the board members or in order to take other important actions.

171 Special Reports must be prepared by the company on amendments to the articles of incorporation, including (i) Extraordinary Report under the
Securities and Exchange Law, and (ii) Timely disclosure under the Timely Disclosure rule of the Tokyo Stock Exchange.

172 If the CEM is not provided for in the company's constitution, it would be a matter for the shareholders to decide.

General Notes relating to this summary:

A – Scope and Assumptions

1) We have assumed for purposes of this summary that Priority Shares are issued when the company is already in existence and listed.

B – Definitions

The following definitions in the column “Significant restrictions to CEM” have been used:

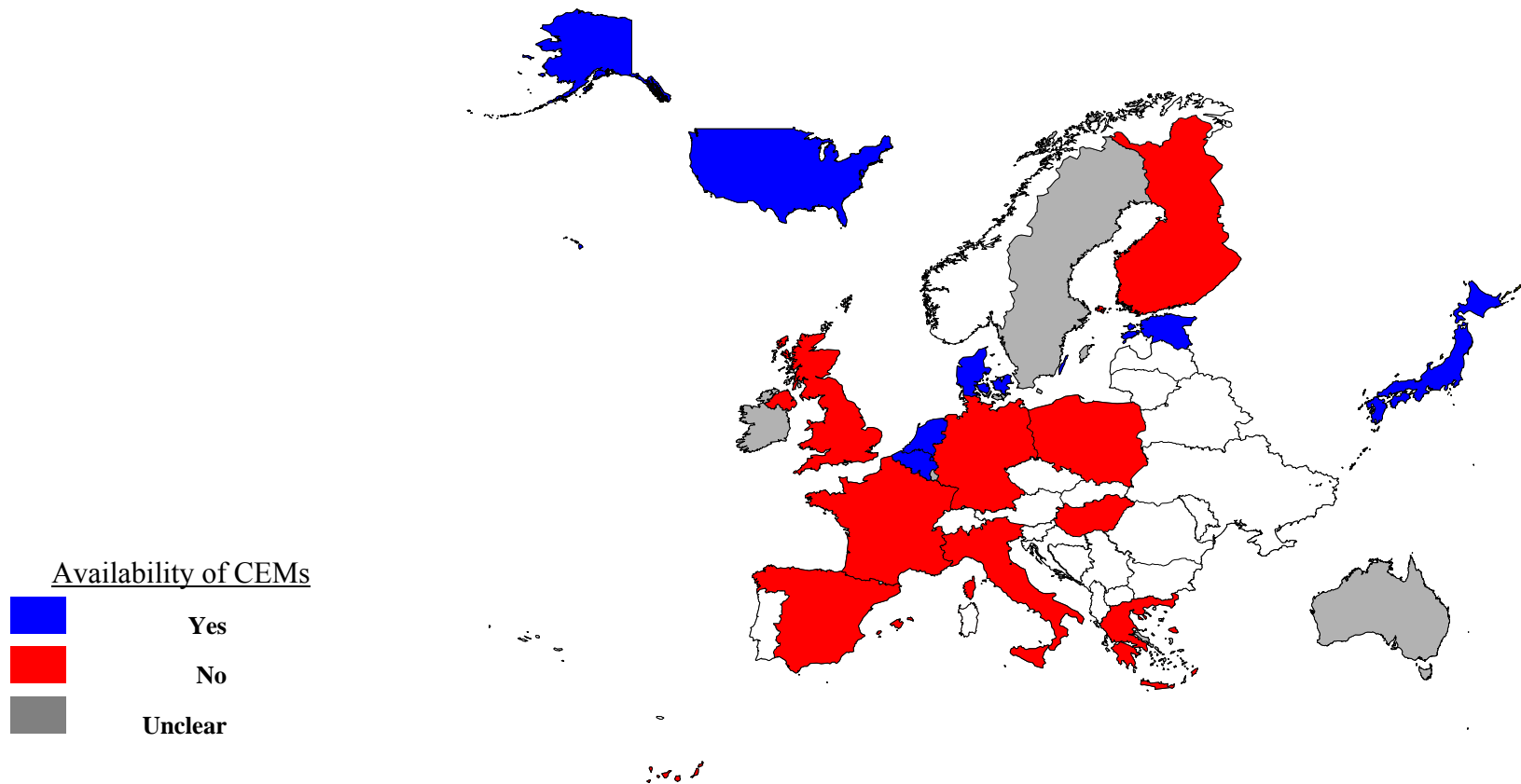
Corporate Separateness	Obligation for a company to carry on business independently of its controlling shareholder.
Directors Designated by Shareholders	Minimum percentage of directors designated by shareholders. For instance, in Sweden, at least 50% of the directors must be appointed in general shareholders’ elections, or in Germany, Priority Shares may not lead to the designation of more than 1/3 of the Supervisory Board members.
Exclusive Powers of the GMS	Priority Shares may not restrict the exclusive powers of the GMS. The scope of the Priority Shares is thus very limited.
Fiduciary Duties	Issuance of Priority Shares by the Board must be made in compliance with its fiduciary duties. For instance, in the United States, the issuance of Priority Shares must be in the best interest of the stockholders.
Independent Directors	Minimum number of directors independent from the largest shareholders. For instance, in Sweden, at least two directors must be independent of larger shareholders of the company.

PRIORITY SHARES

Limited Management Control	No more than a specified percentage of Priority Shares may be held by the Management of the issuer. For instance, in the Netherlands, where Priority Shares are held by a legal person, no more than 50% of the number of votes which may be cast, directly or indirectly, at meetings of the body or bodies empowered to decide on the exercise of the voting rights carried by the Priority Shares, can be exercised by persons who are also managing directors of the issuer.
Maximum	Maximum percentage of Priority Shares over share capital. For instance, in France, the percentage of Priority Shares may not exceed 25% of the share capital.
No Veto Right	Priority Shares may not grant a veto right on decisions which require the approval of the GMS. This rule is, for instance, recommended in Estonia.
Reasonableness Test	An explicit Rule lays down a principle whereby Priority Shares should not impose unreasonable restrictions to shareholders' rights. For instance, in Japan, an issuer's shares may be delisted where, among other instances where the TSE considers an issuer to have imposed "unreasonable restrictions" on shareholders' rights, the issuer has issued Veto Shares that require a class shareholders' meeting approval in order to appoint or remove the majority of the board members or in order to take other important actions.
Restricted Shares	Priority Shares may only be a type of shares whose transfer requires the consent of the company.
Stock Exchange Approval	Issuance of Priority Shares requires <i>a priori</i> approval from the Stock Exchange, as it deviates from a one share-one vote rule expressed by such Stock Exchange.

DEPOSITORY CERTIFICATES

DEPOSITORY CERTIFICATES



DEPOSITORY CERTIFICATES

Available in: Belgium, Denmark, Estonia, Luxembourg, the Netherlands.

Not available in: Germany, Greece, Spain, France, Italy, Hungary, Poland, Finland, the United Kingdom, the United States, Japan.

Unclear in: Ireland (Untested Situation), Sweden (Untested Situation) and Australia (Untested Situation).

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws	Conversion Right ¹⁷³	<u>Board</u> (Autonomous Decision) or Decision by (controlling) shareholders individually	Admission Documentation ¹⁷⁴	Annual Reports Article 10 Report Special Report Website (updated Corporate Governance Charter) ¹⁷⁵	Decision is: In the sole interest of the management or In the sole interest of the majority shareholders or Against the interest of shareholders or Against the corporate interest ¹⁷⁶
DENMARK ¹⁷⁷	No specific prohibition	None	<u>Board</u> (Autonomous Decision)	Admission Documentation ¹⁷⁸	None	None
GERMANY	Laws ¹⁷⁹	N/A	N/A	N/A	N/A	N/A
ESTONIA ¹⁸⁰	No specific prohibition	N/A	N/A	N/A	N/A	N/A
GREECE	Laws	N/A	N/A	N/A	N/A	N/A
SPAIN	Non-binding Code of Good Governance	None	N/A	N/A	N/A	N/A
FRANCE	Laws	N/A	N/A	N/A	N/A	N/A

DEPOSITORY CERTIFICATES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
IRELAND	Laws	N/A	N/A	N/A	N/A	N/A
ITALY	Administrative Rule	N/A	N/A	N/A	N/A	N/A
LUXEMBOURG	Laws	N/A	<u>Board</u> (Autonomous Decision) or Shareholder ¹⁸¹	Admission Documentation ¹⁸²	Annual Reports Article 10 Report	Unclear
HUNGARY	Laws	N/A	N/A	N/A	N/A	N/A
THE NETHERLANDS	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Code	Voting Right for the holder ¹⁸³ Voting Conduct for the Trust ¹⁸⁴ Independent trust ¹⁸⁵ Conversion Right ¹⁸⁶ Not to be used as an anti-takeover measure ¹⁸⁷	<u>GMS</u> : Q = none SM and/or <u>Board</u> (Autonomous Decision) ¹⁸⁸	Admission Documentation ¹⁸⁹	Annual Reports ¹⁹⁰ / Specific Filing ¹⁹¹	Decision is against the interest of the shareholders. ¹⁹² General Principle of reasonableness and fairness.
POLAND	Laws	N/A	N/A	N/A	N/A	N/A
FINLAND	N/A	N/A	N/A	N/A	N/A	N/A
SWEDEN	Laws ¹⁹³	N/A	N/A	N/A	N/A	N/A
THE UNITED KINGDOM	No specific prohibition	N/A	N/A	N/A	N/A	N/A
THE UNITED STATES	None ¹⁹⁴	N/A	N/A	N/A	N/A	N/A
JAPAN	None ¹⁹⁵	N/A	N/A	N/A	N/A	N/A
AUSTRALIA	None ¹⁹⁶	N/A	N/A	N/A	N/A	N/A

173 The Depository Certificates can be converted back into the underlying securities at the request of their holders if the “administration terms” do not
provide otherwise. In addition and notwithstanding any provision to the contrary, the holders of Depository Certificates can obtain the conversion if the
“administration office” does not fulfill its obligation *vis-à-vis* the holders of Depository Certificates or if their interests are seriously being neglected.

174 Specific Notification only required if CEM involves an acquisition or disposal of shares.

175 The corporate Governance Charter, which should be updated as often as needed to reflect the company’s corporate governance at any time and be made
available on the company’s website specifying the date of the most recent update, should disclose *inter alia* the identity of its major shareholders, with a
description of their voting rights and special control rights.

176 The concept of corporate interest is generally defined rather broadly so as to include not only the shareholders collectively, but other constituencies
(such as the employees, creditors, suppliers, etc.) as well. Although the abovementioned grounds are not always distinguished in practice (since the Law
is articulated in a somewhat different manner) and to our understanding cannot always be distinguished (e.g., a decision taken in the sole interest of the
management or majority shareholders will presumably, at the same time, be against the corporate interest, whether or not defined as being distinct from
the sole interest of the shareholders), these grounds are probably alternative rather than cumulative.

177 This CEM has not been used so far in Denmark.

178 If the CEM in itself is listed, approval of prospectus by the Danish FSA is required.

179 According to the AktG, each share entitles its holder to a vote in the shareholders’ meeting and cannot be divided. Thereby it is regulated that the right
to vote may not be separated from the other membership rights granted by a share (*Abspaltungsverbot*). Shareholders are not permitted to enter into
agreements by which single administrative rights, such as the right to participate in the shareholders’ meeting, the right to vote or the right to participate
in the company’s net profits would be divided from the membership in the company and transferred to third parties.

180 Although “transferable depository certificate” is mentioned in Section 2 of the Securities Market Act of Estonia as one of the transferable securities,
Estonian law does not contain a definition of “a transferable depository certificate”, i.e., Estonian law does not define any characteristics which a
security must meet in order to fall under “a transferable depository certificate”. Therefore, we cannot confirm whether the “transferable depository
certificate” mentioned in the Securities Market Act of Estonia is similar to that of Depository Certificates.

181 Shareholder sets up the deposit agreement and puts his shares on deposit.

182 If depository receipts are issued to the public or listed. Any prospectus by the company with respect to equity-linked instruments would need to contain
a description of the deposit agreement to the extent it has been set up by the company.

183 Voting rights are granted to the holder of the Depository Certificates in a listed NV except in certain circumstances (such as unsolicited bids).

184 The administration conditions of depository receipts must, in all cases, prescribe the criterion for the voting conduct of the trust office. This criterion
must refer to the promotion and protection of the interests of the issuer, its connected enterprise and of all those involved therein.

185 The Articles of the trust office must provide that the majority of the votes in the management board of the trust office shall vest in others than the
persons associated with the issuer.

186 Convertibility restrictions laid down in the Articles of the issuer may not be deemed unreasonably onerous.

187 Depository receipts for shares in listed companies shall not, as a principle of the Corporate Governance Code, be used as anti-takeover measures.

188 When depository receipts are issued with the cooperation of the company, the decision is taken by the GMS and/or the Board of Directors. When
depository receipts are issued without the cooperation of the company, the decision is taken by the GMS.

DEPOSITORY CERTIFICATES

189 Concerning Depository Certificates, admission documentation is needed only in certain cases: (i) if the Depository Receipts are offered on the occasion
of an IPO, (ii) if a company has its shares listed but then wants to list Depository Receipts in addition to its shares, a prospectus is required (but this
situation is not very likely to happen), and (iii) when the Depository Receipts are listed as would be the case for ordinary shares which would be listed.

190 In particular: Annual Report, Trust Office Periodical Report (best practice provision of the Corporate Governance Code), yearly publication of names of
managing directors of the trust office in the publication containing the Annual Report of the issuer.

191 Disclosure of changes in capital and voting rights to the AFM.

192 The company must treat shareholders whose circumstances are equal in the same manner.

193 This CEM is currently not used in Sweden and has never been in the past.

194 Publicly listed Depository Certificates (other than ADRs) are not typically used in the U.S.

195 No equivalent securities in Japan that precisely meet the description of “Depository Certificates”.

196 There is no provision under the Corporations Act or ASX Listing Rules which provides any strict guidelines on the issuing arrangements or voting rights
required to be contained in CDIs of listed Australian corporations. We cannot therefore comment definitively on this issue as this CEM is yet to be
tested by an Australian listed corporation.

General Notes relating to this summary:

A – Scope and Assumptions

1) Restrictions to the CEM are only mentioned if they are compulsory, not if they result from a decision of the company or the person entitled to the legal possession of the shares.

B – Definitions

The following definitions in the column “Significant restrictions to CEM” have been used:

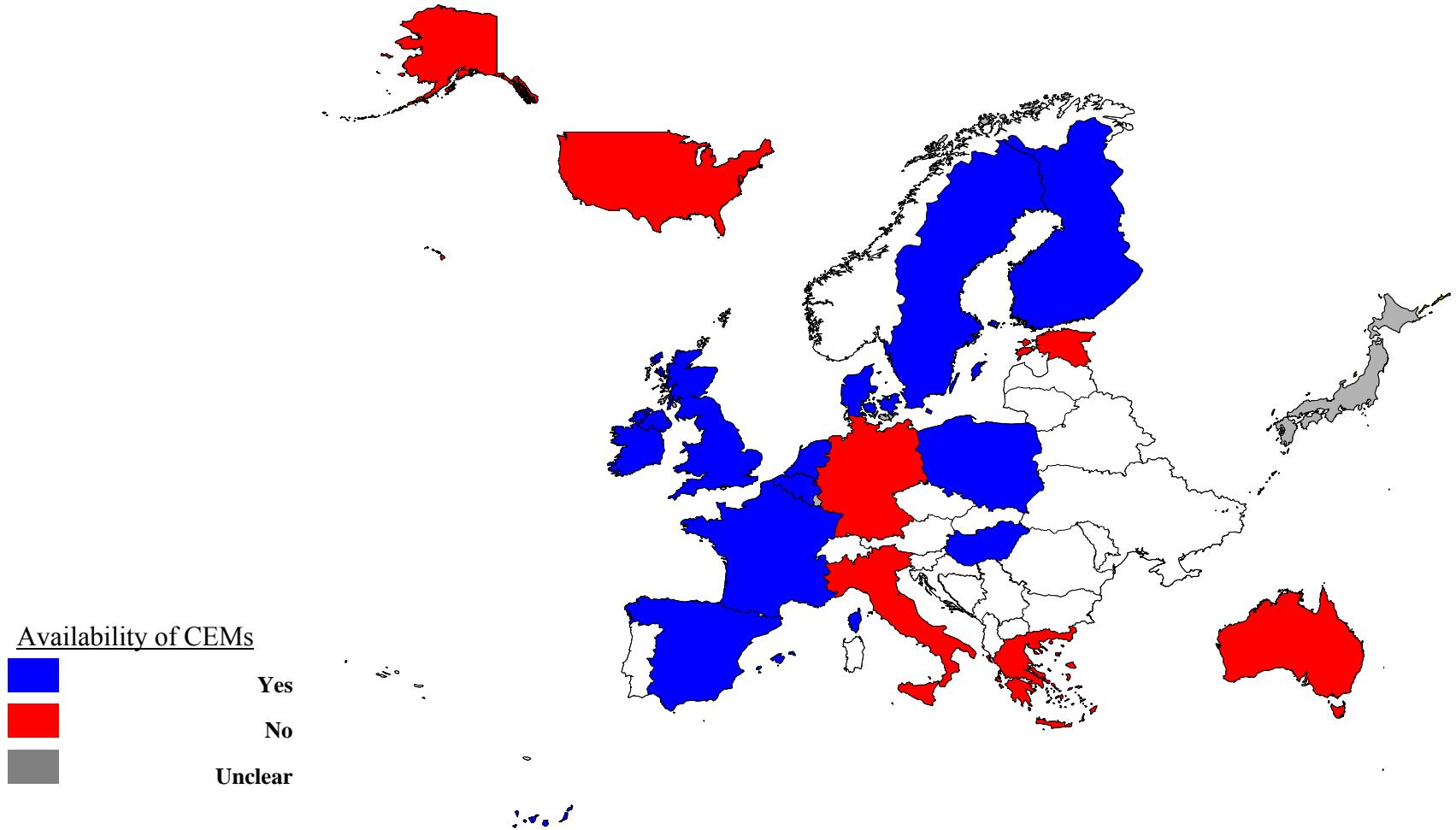
Conversion Right	Right to convert Depository Certificates into shares. For instance, in Belgium, Depository Certificates can be converted back into the underlying securities at the request of their holders if the “administration terms” do not provide otherwise. In addition and notwithstanding any provision to the contrary, the holders of Depository Certificates can obtain the conversion if the “administration office” does not fulfill its obligation <i>vis-à-vis</i> the holders of Depository Certificates or if their interests are seriously being neglected.
Independent Trust	The trust (or other body holding legal title to the shares) must not be controlled by the company. For instance, in the Netherlands, the articles of the trust office must provide that the majority of the votes in the management board of the trust office shall invest in others than the persons associated with the issuer.
Not to be used as an anti-takeover measure	Depository Certificates may not be used as an anti-takeover measure.
Voting Conduct for the Trust	The trust (or other body holding legal title to the shares) must follow specific criteria when voting. For instance, in the Netherlands, the administration conditions of Depository Receipts must, in all cases, prescribe the criterion for the voting conduct of the trust office. This criterion must refer to the promotion and protection of the interests of the issuer, its connected enterprise and of all those involved therein.

DEPOSITORY CERTIFICATES

Voting Rights for the holder	The holder of the Depository Certificates has the right to vote, except in specified circumstances. For instance, in the Netherlands, voting rights are granted to the holder of the Depository Certificates in a listed company, except in certain circumstances (such as unsolicited bids).
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VOTING RIGHT CEILINGS

VOTING RIGHT CEILINGS



VOTING RIGHT CEILINGS

Available in: Belgium, Denmark, Spain, France, Ireland, Hungary, the Netherlands, Poland, Finland, Sweden, the United Kingdom.

Not available in: Germany, Estonia, Greece, Italy, the United States, Australia.

Unclear in: Luxembourg (Untested Situation), Japan (Untested Situation).

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws ¹⁹⁷	Equality of shareholders ¹⁹⁸	<u>GMS:</u> Q = 50% (FC), nil (SC) QM = 3/4	Filing of AoA Publication in Legal Gazette	Annual Reports Article 10 Report Special Report	Decision is: In the sole interest of the management or In the sole interest of the majority shareholders or Against the interest of shareholders or Against the corporate interest ¹⁹⁹
DENMARK	Laws	Equality of shareholders	<u>GMS:</u> Q = none QM = 9/10 of votes cast and 9/10 of voting share capital represented if the CEM applies to all shareholders ²⁰⁰ + Redemption Rights ²⁰¹	Filing of AoA	Annual Reports ²⁰²	<u>Decision by the GMS:</u> The GMS passes resolutions that are clearly likely to confer upon certain shareholders or other parties undue advantages over other shareholders or over the company.

VOTING RIGHT CEILINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
GERMANY	Laws ²⁰³ / Non-binding Corporate Governance Code	N/A	N/A	N/A	N/A	N/A
ESTONIA	Laws	N/A	N/A	N/A	N/A	N/A
GREECE	Laws ²⁰⁴	N/A	N/A	N/A	N/A	N/A
SPAIN	Laws/ Non-binding Corporate Governance Code ²⁰⁵	Equality of shareholders ²⁰⁶	<u>GMS</u> : Q = 50% (FC), 25% (SC) QM = 2/3 if less than 50% are present or SM, if more than 50% are present	Filing of AoA ²⁰⁷ Publication in a Legal Gazette Specific Filing (Notification to Regulatory Authorities) ²⁰⁸ Information of Shareholders Admission Documentation	Annual Reports Website	Decision damages the interests of the company to the benefit of one or more shareholders or third parties.
FRANCE	Laws	Breakthrough Rule: above 2/3 of share capital/voting rights ²⁰⁹ / Equality of shareholders	<u>GMS</u> : Q = 1/4 (FC), 1/5 (SC) QM = 2/3	Filing of AoA Publication in a Legal Gazette/ Information to Shareholders	Article 10 Report Annual Reports ²¹⁰	Sole intent to favor the interest of the majority shareholders against the minority shareholders and against the corporate interest.
IRELAND	Laws	None	<u>GMS</u> : Q = 3 (FC) ²¹¹ , none (SC) QM = 75%	Filing of AoA Specific Filing Information to Shareholders Admission Documentation	Annual Reports/ Article 10 Report	Variation or abrogation of class rights or Oppression of shareholders or Prohibited frustrating action ²¹²

VOTING RIGHT CEILINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
ITALY	Laws	N/A	N/A	N/A	N/A	N/A
LUXEMBOURG ²¹³	[Requirement for the relevant shareholder agreement to comply with specific validity requirements]	[None]	[The shareholders party to the relevant agreement]	[Special Report Admission Documentation ²¹⁴]	[Annual Reports Article 10 Report ²¹⁵]	[Conditions as to validity of shareholder agreements are not met]
HUNGARY	Laws	Equality of shareholders ²¹⁶	<u>GMS</u> : Q >50% (FC), Nil (SC) QM = 3/4	Filing of AoA Specific Filing (Reporting to Stock Exchange)	Periodic Reports	The decision to implement the CEM is (i) in the sole interest of the management, (ii) in the sole interest of the majority shareholders, (iii) against the interest of the shareholders, or (iv) against the corporate interest.
THE NETHERLANDS	Laws ²¹⁷	Ceiling Limitation Equality Principle/ Accumulation of anti-takeover measures ²¹⁸	<u>GMS</u> : Q = none SM = 50%+1 of the votes cast	Filing of AoA Publication in a Legal Gazette	Annual Reports	Decision is against the interest of the shareholders. ²¹⁹ General principle of fairness and reasonableness.

VOTING RIGHT CEILINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
POLAND	Laws	Large Shareholder condition: 20% ²²⁰	<u>GMS</u> : Q = none QM = 3/4 of the votes cast	Filing of AoA Publication in a Legal Gazette Special Reports Admission Documentation	Annual Reports Periodic Reports	Decision is: contrary to good business practices and harms the interests of the company or is aimed at harming a shareholder
FINLAND	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	Consent of shareholders whose voting rights are affected by CEM implementation ²²¹ / Equality of shareholders	<u>GMS</u> : Q = 1 QM = Unanimous consent	Filing of AoA ²²² Publication in a Legal Gazette Special Reports (Stock Exchange release) Specific Filings Information to Shareholders ²²³	Annual Reports Periodic Reports Website	The decision to implement the CEM is (i) in the sole interest of the management, (ii) in the sole interest of the majority shareholders, or (iii) against the interest of the shareholders.
SWEDEN	Laws	Equality of shareholders	<u>GMS</u> : Q = none QM = 2/3	Filing of AoA Information to Shareholders Admission Documentation	Annual Reports Periodic reports Special Reports Website	None
THE UNITED KINGDOM	No specific prohibition ²²⁴	N/A	<u>GMS</u> : Q = 2 QM = 3/4 (special resolution)	Filing of AoA	Special Report (public disclosure of relevant dealings during an offer period)	N/A
THE UNITED STATES²²⁵	Federal Law/ Stock Exchange Rules	N/A	N/A	N/A	N/A	N/A

VOTING RIGHT CEILINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
JAPAN	Laws ²²⁶ / Stock Exchange Rules ²²⁷ / Corporate Governance Code	N/A	Board GMS: Q = >50% (FC), nil (SC) QM = 2/3 ²²⁸	Filing of AoA Special Report (Extraordinary Report)	Annual Reports (Securities/Business)	Decision is against the interest of the shareholders. ²²⁹ Participation of interested shareholders has led to a significantly unfair result.
AUSTRALIA ²³⁰	Laws/ Stock Exchange Rules	N/A	N/A	N/A	N/A	N/A

¹⁹⁷ This CEM is allowed but has almost disappeared in practice since the Law of July 18, 1991 made it merely optional (it used to be mandatory).

¹⁹⁸ The CEM may not relate to any “quality” of the shares or their holders, but instead must apply to all shareholders equally, irrespective of the securities with which they participate in the vote.

¹⁹⁹ Although the above-mentioned grounds are not always distinguished in practice (since the Law is articulated in a somewhat different manner) and to our understanding cannot always be distinguished (e.g., a decision taken in the sole interest of the management or majority shareholders will presumably at the same time be against the corporate interest, whether or not defined as being distinct from the sole interest of the shareholders), these grounds are probably alternative rather than cumulative.

²⁰⁰ If the CEM is proposed in connection with a subsequent proposal for capital increase and the Voting Right Ceiling is only supposed to apply to the new issued shares (new share class), the decision requires 2/3 of the votes cast and 2/3 of the voting share capital represented at the general meeting.

²⁰¹ Shareholders who have opposed the implementation of the CEM that applies to all shareholders may demand that the company redeem their shares if such demand is put forward in writing within four weeks after the holding of the GMS.

²⁰² The identities of major shareholders whose possessions exceed certain thresholds are included in the publicly available annual reports.

²⁰³ This CEM is not available for listed stock companies. The only exception: Volkswagen.

²⁰⁴ Greek law requires that each share bears a vote (“one share-one vote”) and this provision is unanimously interpreted as forbidding Voting Right Ceilings.

²⁰⁵ Even though Voting Right Ceilings are authorized under Spanish law, the Code of Good Governance recommends that this CEM should not be used and imposes a “comply or explain” procedure.

²⁰⁶ Voting Right Ceilings must apply to all the shares or a certain class of shares or shareholders and not to any specific holder or holders of a certain class of shares only.

VOTING RIGHT CEILINGS

207 The resolution implementing the CEM must be documented in a public deed, which shall be filed with the Commercial Registry and published in the
Official Gazette of the Commercial Registry.

208 The regulation for the GMS must be notified to the National Securities Market Commission (+ copy of regulation).

209 If more than 2/3 of the share capital or voting rights have been tendered into a successful takeover bid.

210 The annual report must contain information on the capital structure of the company. Listed companies must also update the declared number of shares
and voting rights if they have changed since the previous month.

211 The quorum is to be specified in the Articles of Association, failing which, the quorum will be three.

212 The introduction of a Voting Right Ceiling in response to an actual or concurrent bid could be regarded as a frustrating action.

213 Answers between square brackets address Voting Right Ceilings resulting from shareholder' agreements.

214 If known to the company.

215 If known to the company.

216 No discrimination among shareholders.

217 Two systems are provided for: the system of Decreasing Voting Rights, and the system of Statutory Limitation.

218 According to Euronext Rule Book II, the accumulation of anti-takeover measures (protective Preference Shares, Depository Certificates, limited voting
right, joint ownership constructions or national ownership constructions and Priority Shares) is limited.

219 The company must treat shareholders whose circumstances are equal in the same manner.

220 The CEM only applies to the voting rights of shareholders controlling more than 1/5 of the total number of votes.

221 In practice, it would be very difficult/impossible to introduce such CEM after the incorporation of the company.

222 The company must register its AoA with the Trade Register and also submit a copy of its AoA to the Stock Exchange.

223 Notice concerning the amendments to the AoA.

224 In theory, there is nothing prohibiting such CEM, but there is no set concept of Voting Right Ceiling in the UK. Voting Right Ceilings are not generally
accepted in practice. In addition, please note that, when a poll is demanded, resolutions are normally voted on by a show of hands (in practice, during
such votes, each shareholder present in person has one vote regardless of the number of shares held).

225 However, a number of states other than Delaware impose freeze-out restrictions, which force an investor who surpasses a certain ownership threshold in
a company (usually between 10-20%) to wait a specified period of time before gaining control of the company. Such laws are not addressed in this
analysis.

226 It is unclear whether Voting Right Ceilings are permitted.

227 The TSE is likely to delist the issuer of such class of shares if the TSE determines that the rights of shareholders are "unreasonably restricted".

228 The board of directors can decide by autonomous decision. GMS intervenes only if an amendment to the issuing Articles of Association is necessary to
increase the company's number of shares or if the issuance is made on terms specially favorable to a third party.

229 Unreasonable restriction of the rights of the shareholders.

230 Although this CEM is not generally available, there are some statutory exemptions. There is, for instance, the Santos Limited (Regulation of
Shareholdings) Act 1989, which restricts a shareholder from having more than 15% of the shareholding in Santos Limited and controlling more than

VOTING RIGHT CEILINGS

15% of the voting rights in Santos Limited. Where a person exceeds this Voting Right Ceiling, the Minister can order the shareholder to dispose of a specified number of shares or order the shares to be forfeited to the Crown.

General Notes relating to this summary:

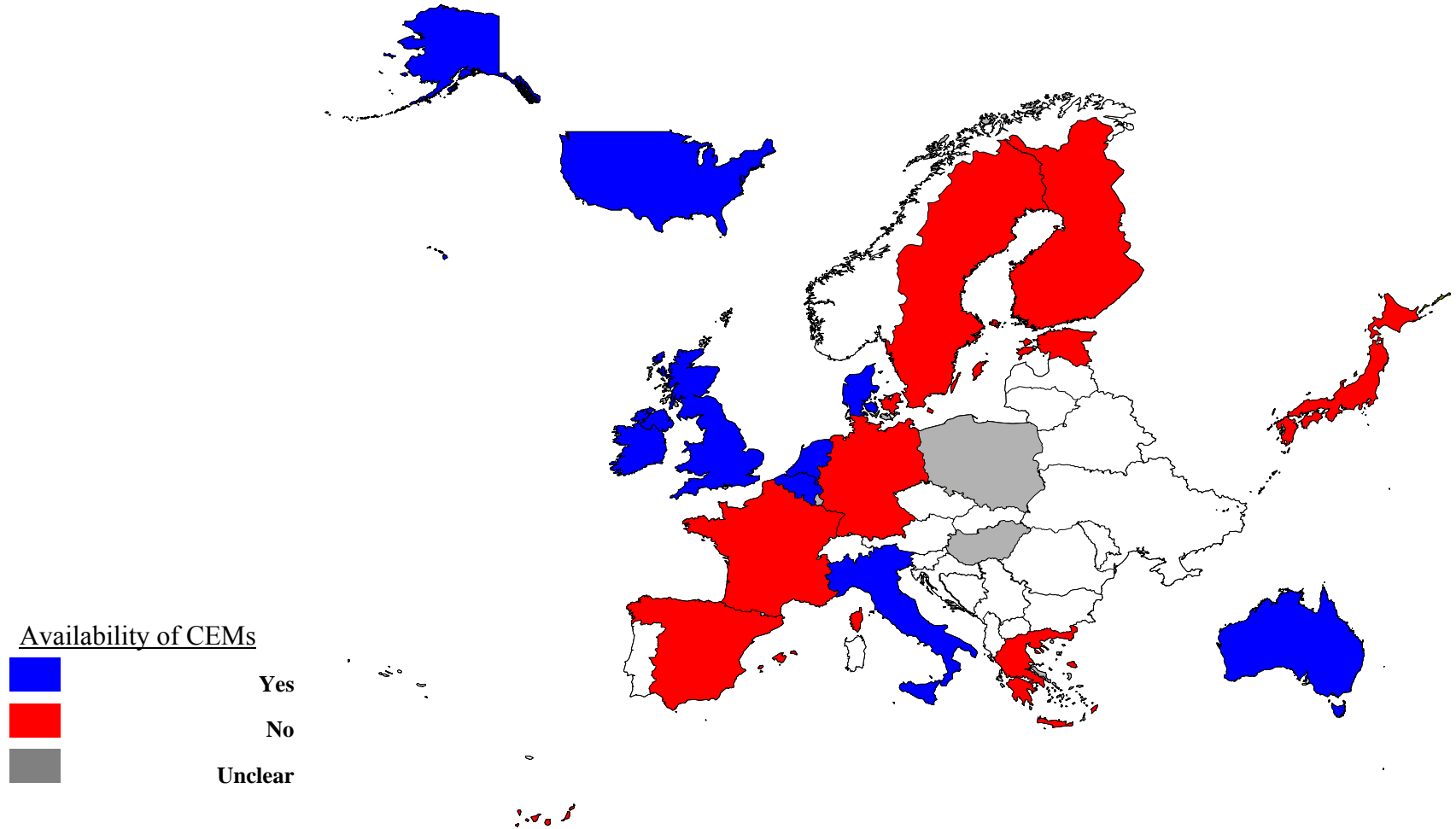
A – Definitions

The following definition in the column “Significant restrictions to CEM” has been used:

Breakthrough Rule	When the Voting Right Ceiling is always and mandatorily disapplied following a successful tender offer. For instance, in France, the Ceiling disappears if more than 2/3 of the share capital or voting rights have been tendered into a successful takeover bid.
Equality of Shareholders	The Voting Right Ceilings must apply to all shares of a specified class. For instance, in Belgium, the CEM must apply to all shareholders equally, irrespective of the securities with which they participate in the vote.
Large Shareholders Condition	The Voting Right Ceiling may be imposed only to large shareholders holding more than a specified percentage of votes or capital of the company. For instance, in Poland, the CEM only applies to voting rights of shareholders controlling more than 1/5 of total number of votes.
Ceiling Limitation	The number of votes per shareholder can be limited. For instance, in the Netherlands, there is a limit of 6 votes for any shareholder.

OWNERSHIP CEILINGS

OWNERSHIP CEILINGS



OWNERSHIP CEILINGS

Available in: Belgium, Denmark, Ireland, Italy, the Netherlands, the United Kingdom, the United States, Australia.

Not available in: Germany, Estonia, Greece, Spain, France, Luxembourg, Finland, Sweden, Japan.

Unclear in: Hungary (Untested Situation), Poland (Untested Situation).

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	General Principle of Contractual Freedom	None	<u>GMS:</u> Q = 50% (FC), nil (SC) QM = 3/4	Filing of AoA Publication in a Legal Gazette	Annual Reports Article 10 Report	Decision is: In the sole interest of the management or In the sole interest of the majority shareholders or Against the interest of shareholders or Against the corporate interest ²³¹
DENMARK	Laws	None ²³²	<u>GMS:</u> Q = none QM = 9/10 of the votes cast and 9/10 of the voting share capital represented if the CEM applies to all shareholders ²³³ + Redemption right ²³⁴	Filing of AoA	Annual Reports	<u>Decision by the GMS:</u> The GMS passes resolutions that are clearly likely to confer upon certain shareholders or other parties undue advantages over other shareholders or over the company.
GERMANY²³⁵	Laws ²³⁶ / Stock Exchange Rules ²³⁷	N/A	N/A	N/A	N/A	N/A
ESTONIA	Laws	N/A	N/A	N/A	N/A	N/A

OWNERSHIP CEILINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
GREECE	N/A ²³⁸	N/A	N/A	N/A	N/A	N/A
SPAIN	Stock Exchange Rules ²³⁹	N/A	N/A	N/A	N/A	N/A
FRANCE	Laws/Regulatory Authority Rules ²⁴⁰	N/A	N/A	N/A	N/A	N/A
IRELAND²⁴¹	Laws ²⁴²	None ²⁴³	GMS: Q = 3 (FC) ²⁴⁴ , none (SC) QM = 75%	Filing of AoA Specific Filing Information to Shareholders Admission Documentation	Periodic Reports Article 10 Report	Variation or abrogation of class rights or Oppression of shareholders ²⁴⁵ or Prohibited frustrating action
ITALY	Laws ²⁴⁶	Breakthrough Rule ²⁴⁷	GMS: Q = 50% (FC), 1/3+1 (SC), 20% (TC) QM = 2/3	Filing of AoA	Special Reports (filed with Register of Enterprises, Italian Stock Exchange and Consob)	Fraud on the minority, and Decision without any significant corporate interest, Violation of the equal treatment principle
LUXEMBOURG²⁴⁸	[Requirement for the relevant shareholder agreement to comply with specific validity requirements]	[None]	[The shareholders party to the relevant agreement]	[Special Report Admission Documentation ²⁴⁹]	[Annual Reports Article 10 Report ²⁵⁰]	[Conditions as to validity of shareholder agreements are not met]
HUNGARY	None ²⁵¹	N/A	N/A	N/A	N/A	N/A

OWNERSHIP CEILINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
THE NETHERLANDS	Laws	None ²⁵²	<u>GMS</u> : Q = none SM = 50%+1 of the votes cast	Filing of AoA Publication in a Legal Gazette	Annual Reports	Decision is against the interest of the shareholders. ²⁵³ General Principle of reasonableness and fairness
POLAND	None ²⁵⁴	N/A	<u>GMS</u> : Q = none QM = 3/4 of the votes cast	Filing of AoA Publication in a Legal Gazette Special Reports Admission Documentation	None	Contrary to good business practices and Harms the interests of the company or are aimed at harming a shareholder
FINLAND	N/A	N/A	N/A	N/A	N/A	N/A
SWEDEN	Laws	N/A	N/A	N/A	N/A	N/A
THE UNITED KINGDOM ²⁵⁵	General Principle of Contractual Freedom	N/A	N/A	N/A	N/A	N/A
THE UNITED STATES	State Takeover and Corporate Laws	Adoption of Shareholder Rights Plan in response to a threat to corporate control must meet the enhanced scrutiny standard. ²⁵⁶	<u>Board</u> (Autonomous Decision)	Specific Filing Special Report ²⁵⁷	None	Breach of Fiduciary duty by the Board
JAPAN	Laws ²⁵⁸ + Stock Exchange Rules	N/A	N/A	N/A	N/A	N/A

OWNERSHIP CEILINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
AUSTRALIA	Laws ²⁵⁹	Subject to Corporations Act (takeover provisions) and Foreign Acquisitions and Takeovers Act	Statutory requirement ²⁶⁰ <u>GMS</u> . ²⁶¹ Q = 2 ²⁶² QM = 75%	Filing of AoA Specific Filing Admission Documentation Information to shareholders ²⁶³	Periodic Report	Review of legislation ²⁶⁴ or Constitutional amendment proposed by shareholders ²⁶⁵

- 231 Although the above-mentioned grounds are not always distinguished in practice (since the Law is articulated in a somewhat different manner) and to our understanding cannot always be distinguished (e.g., a decision taken in the sole interest of the management or majority shareholders will presumably at the same time be against the corporate interest, whether or not defined as being distinct from the sole interest of the shareholders), these grounds are probably alternative rather than cumulative.
- 232 Subject to a qualified majority decision (2/3 of the votes cast and of the voting share capital represented at the general meeting), the shareholders may establish an arrangement where any special rights connected with any shares is suspended if a tender offer is pending (cf. Section 81(d) of the DCA).
- 233 If the CEM is proposed in connection with a subsequent proposal for capital increase and the Ownership Ceiling is only supposed to apply to the new issued shares (new share class), the decision requires 2/3 of the votes cast and 2/3 of the voting share capital represented at the general meeting.
- 234 According to Section 81(a) of the DCA, shareholders who at the general meeting object to the adoption of the CEM that applies to all shareholders (cf. Section 79(2) of the DCA) can require that the company redeem their shares.
- 235 However, airline companies follow specific rules.
- 236 CEM not available as it violates the “one share-one vote” principle. However, certain provisions of the LuftNaSiG concerning the shareholding in German airlines provide for certain restrictions.
- 237 Which provide that shares have to be freely tradable.
- 238 There is no prohibition of such CEM under Greek law; however, there are no mechanisms in place ensuring the monitoring of such CEM, nor any mandatory rules setting out the effects of a breach of an Ownership Ceiling provision.
- 239 Concerning the launching of a takeover bid.
- 240 Implicit prohibition.
- 241 Airline companies follow specific rules.
- 242 National legislation does not prohibit Ownership Ceilings; but such CEM is seldom used except in a small number of Irish companies in order to preserve aviation operating licenses.

OWNERSHIP CEILINGS

243 However, there is a “squeeze out” legal provision where a shareholder acquires 80% of the shareholding (or 90% of the shareholding for companies
subject to the Takeover Directive).

244 The quorum of three is the one set out in the model form of the articles of association, but it is only optional. In practice, the articles of association of
listed companies will provide for a different quorum (lower).

245 If an Ownership Ceiling is imposed which adversely affects existing issued shares, the decision may be challenged by shareholders as a variation of
abrogation of their rights or on the grounds of oppression, if it obliges shareholders to dispose of all or part of their shareholdings.

246 Company Law provides for a mandatory Ownership Ceiling for cooperative companies under 500 shareholders. If the cooperative company has more
than 500 shareholders, the Articles of Association can elevate the Ownership Ceiling up to 2% of the share capital; these ceilings do not apply to legal
entities and in other specific circumstances (e.g., in case of capital contributions in kind). Strategic companies controlled by the State or by another
public body can also have Ownership Ceilings. The introduction of an Ownership Ceiling in the Articles of Association of indicated companies
different from the ones listed above is being debated.

247 For companies controlled by the State.

248 Answers between square brackets address voting right ceilings resulting from shareholders’ agreements.

249 If known to the company.

250 If known to the company.

251 There is no regulation on ownership ceiling in the Company Act, and according to the law firm of Gárdos, Füredi, Mosonyi, Tomori, the corporate rules
would not allow such CEM. However, some indirect ownership ceilings do exist in certain industries (electricity, gas, banking, etc.).

252 Shares must be registered so that Ownership Ceilings can be enforced.

253 The company must treat shareholders whose circumstances are equal in the same manner.

254 This CEM is not regulated by law but might be implemented in the Articles of Association of a company.

255 Market practice prevents the application of this CEM in the UK.

256 Under the enhanced scrutiny standard, a board of directors will have the burden to prove that (i) it had reasonable grounds for believing that a danger to
the corporation existed and (ii) the adoption of the CEM was reasonable in relation to the threat posed.

257 Adoption of a shareholders’ rights plan requires a filing of a registration statement on Form 8-A and needs to be disclosed in a current report on Form 8-
K. If the ownership ceiling is to be modified or repealed by the Board, such change must be disclosed in a current report on Form 8-K.

258 CEM is not permitted because it would contravene the free transfer of shares principle. However, restrictions on the transfer might be used as an
alternative. In addition, there are some special regulations such as broadcasting law and aviation law.

259 The Corporations Act of 2001 requires that the Australian Stock Exchange be notified of any substantial shareholdings (which equates to 5% of the
issued share capital) or movements of at least 1% in this holding. The Foreign Acquisitions and Takeovers Act of 1975 sets out restrictions on the rights
of non-residents to acquire shares in Australian corporations (prior governmental approval is required to acquire more than 15% and 40% ownership).

260 Imposed at a government level.

261 Where ownership ceilings are introduced at a constitutional level.

262 Unless the constitution specifies otherwise.

263 Written notification to shareholders of changes in any ownership levels which resulted in a takeover bid occurring, and shareholders would also need to
be provided with all relevant documentation in relation to the takeover.

²⁶⁴ Where this CEM is imposed by virtue of statutory authority at a Federal or State level.

²⁶⁵ Where this CEM is imposed by a listed Australian company at a constitutional level.

General Notes relating to this summary:

A – Scope and Assumptions

1) The following issues are not addressed in this summary: (i) restrictions regarding airline companies (however, when this issue has been addressed in the questionnaire, a footnote has been added to mention it), (ii) ownership ceilings resulting from shareholders’ agreements, (iii) industry regulations in strategic sectors (such as electricity or gas) or finance, banking and insurance sectors providing for a need for prior approval when a significant shareholding is acquired.

B – Definitions

The following definition in the column “Significant restrictions to CEM” has been used:

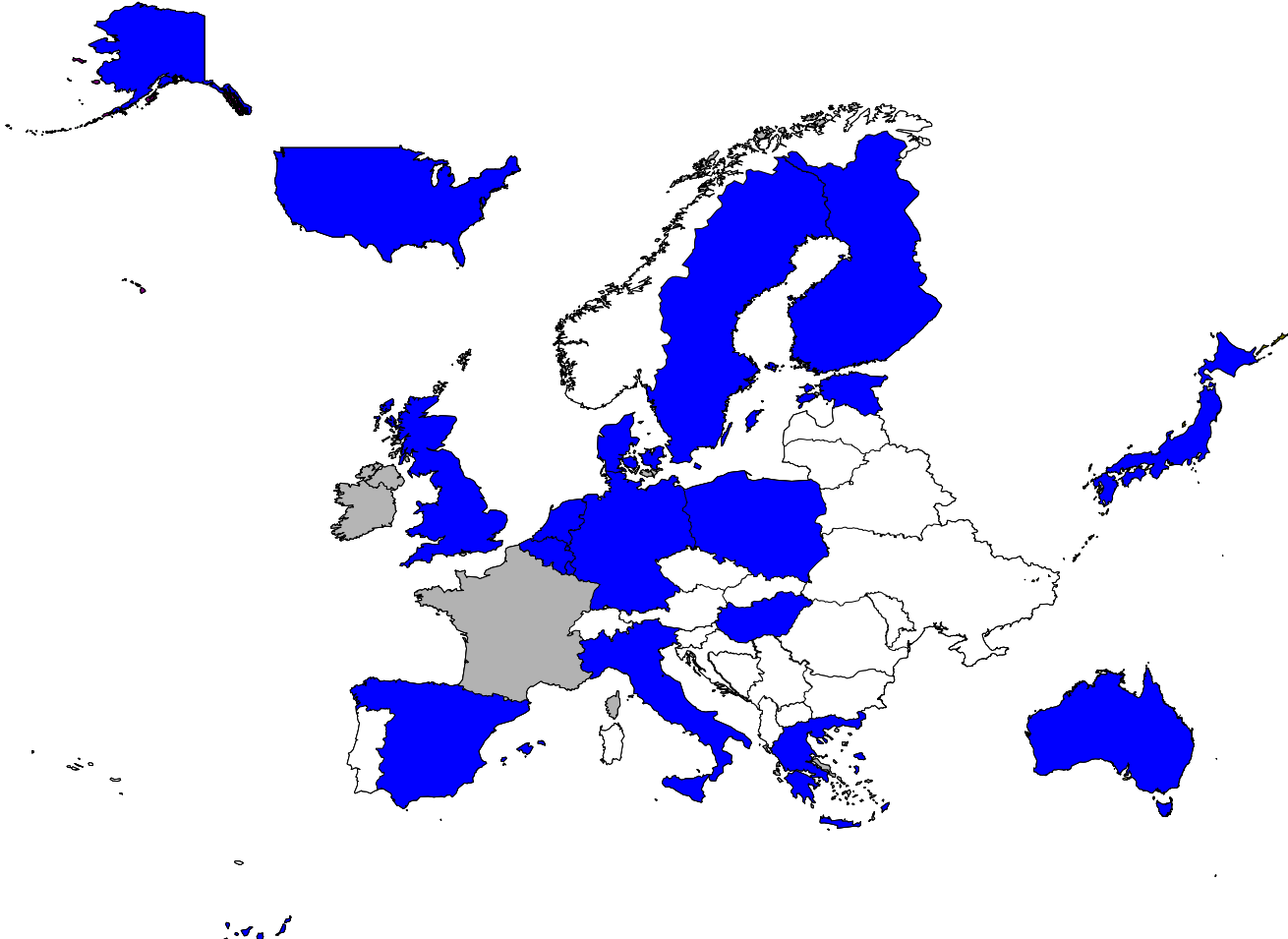
<p>Breakthrough Rule</p>	<p>In connection with a specific CEM, a Breakthrough Rule is a rule which provides that, in the event of a successful tender offer, the CEM is no longer applicable to allow the effective takeover of the target company by the successful bidder. Generally speaking, reference is made to the breakthrough rule which is provided for in Article 11 of the Takeover Directive. However, if a different type of breakthrough rule is applied, with the purpose described in the first sentence of this paragraph, it should be described as part of the answer to question number 3.</p> <p>Please note that breakthrough mechanisms provided in bylaws or Articles of Association only do not qualify as Breakthrough Rules for purposes of this summary, as they are not compulsory for all companies. In particular, we have not included the opt-in provision provided by Article 12.3 of the Takeover Directive in our definition of the Breakthrough Rule, as this restriction is not mandatory but self-imposed by companies.</p>
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SUPERMAJORITY PROVISIONS

SUPERMAJORITY PROVISIONS

Availability of CEMs

- Yes
- No
- Unclear



SUPERMAJORITY PROVISIONS

Available in: Belgium, Denmark, Germany, Estonia, Greece, Spain, Italy, Luxembourg, Hungary, the Netherlands, Poland, Finland, Sweden, the United Kingdom, the United States, Japan, Australia.

Unclear in: France (Untested Situation) and Ireland (Insufficiently Tested Situation).

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws/ General Principle of Contractual Freedom	CEM not available for: dismissal of directors Specific shareholder consent	<u>GMS:</u> Q = 1/2 (FC), nil (SC) QM = 3/4	Filing of AoA Publication in Legal Gazette	Annual Reports Article 10 Report	Decision is: In the sole interest of the management or In the sole interest of the majority shareholders or Against the interest of shareholders or Against the corporate interest ²⁶⁶
DENMARK	Laws	None	<u>GMS:</u> Q = none QM = 2/3 of the votes cast and 2/3 of the voting share capital represented	Filing of AoA	None	<u>Decision by the GMS:</u> The GMS passes resolutions that are clearly likely to confer upon certain shareholders or other parties undue advantages over other shareholders or over the company

SUPERMAJORITY PROVISIONS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
GERMANY	Laws	CEM not available for: - dismissal of a supervisory board member - reduction of the remuneration of members of the supervisory board - appointment of special auditor - assertion of claims ²⁶⁷	<u>GMS:</u> Q = none QM = 3/4 ²⁶⁸	Filing of AoA Admission Documentation (Notification of the admission board) ²⁶⁹	None	Sole interest of the majority shareholders
ESTONIA	Laws	None	<u>GMS:</u> Q = >50% (FC), None (SC) QM = 2/3	Filing of AoA	Special Report	None ²⁷⁰
GREECE	Laws	Limit: 100%	<u>GMS:</u> Q = 20% SM	Filing of AoA Publication in a Legal Gazette	Website	If the decision is not to the benefit of the company and/or the shareholders

SUPERMAJORITY PROVISIONS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
SPAIN	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	Limit: 100%	<u>GMS:</u> Q = 50% (FC) 25% (SC) QM = 2/3 or SM ²⁷¹	Filing of AoA Publication in a Legal Gazette ²⁷² / Special Report (Board of Directors') Specific Filing ²⁷³ (Notification of the Regulation for the GMS to the National Securities Market Commission) Admission Documentation Information to Shareholders	Annual Reports (reasons for failure to comply with the Good Governance Code Recommendations) Website	Decision damages the interests of the company to the benefit of one or more shareholders or third parties.
FRANCE ²⁷⁴	Laws	[Unclear ²⁷⁵]	[<u>GMS:</u> Q = 1/4 (FC), 1/5 (SC) QM = 2/3]	[Filing of AoA Information to Shareholders]	[Annual Reports Article 10 Report]	[Sole intent to favor the interest of the majority shareholders against the minority shareholders and against the corporate interest]
IRELAND	Laws ²⁷⁶	CEM not available for: amendments to the AoA	<u>GMS:</u> Q = 3 (FC) ²⁷⁷ , none (SC) QM = 75%	Filing of AoA Specific Filing Information of Shareholders Admission Documentation	Annual Reports Article 10 Report	Variation of abrogation of a shareholder right or Oppression of shareholders or Prohibited frustrating action

SUPERMAJORITY PROVISIONS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
ITALY	Laws	CEM not Available for: - approval of financial statements - decisions to remove or appoint members of the board of directors and other corporate officers, at the second call of the ordinary meeting. Limit: 100% ²⁷⁸	<u>GMS:</u> Q = 50% (FC) 1/3 + 1 (SC) 20% (TC) QM = 2/3	Specific Filing (Register of Enterprises & Italian Stock Exchange) Information to Shareholders Special Report (Report of Board of Directors to Consob)	Special Reports (filed with Register of Enterprises, Italian Stock Exchange and Consob)	Fraud on the minority, Decision without any significant corporate interest, Violation of the equal treatment principle
LUXEMBOURG	Laws	CEM not available for: removal of directors.	<u>GMS:</u> Q = 50% (FC), none (SC) QM = 2/3	Filing of AoA Publication in a Legal Gazette Admission Documentation Information to Shareholders	Article 10 Report	None
HUNGARY	Laws	CEM not available for: removal of directors ²⁷⁹	<u>GMS:</u> Q > 1/2 (FC), Nil (SC) QM = 3/4	Filing of AoA Special Filings (Stock Exchange)	Periodic Reports (to Stock Exchange)	None
THE NETHERLANDS	Laws	Maximum: for resolutions to suspend or remove managing directors, or not to follow a nomination, or not to follow quality requirements = 2/3 of the votes representing 1/2 of the capital ²⁸⁰	<u>GMS:</u> Q = none SM = 50%+1% of the votes cast	Filing of AoA Publication in a Legal Gazette	Annual Reports	Decision is against the interest of the shareholders. ²⁸¹ General principle of reasonableness and fairness ²⁸²

SUPERMAJORITY PROVISIONS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
POLAND	Laws ²⁸³	Maximum: close to 100% ²⁸⁴	<u>GMS:</u> Q = none QM = 3/4 of the votes cast	Filing of AoA Publication in a Legal Gazette Special Report Admission Documentation	None	Contrary to good business practices and harms the interests of the company or are aimed at harming a shareholder
FINLAND	Laws/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	None	<u>GMS:</u> Q = 1 shareholder present QM = 2/3 Specific shareholder consent (if a decision negatively affects the rights of a shareholder)	Filing of AoA Publication in a Legal Gazette Special Reports (Stock Exchange release) Information to Shareholders	Annual Reports Periodic Reports Website	Decision unduly favors a shareholder or a third person to the detriment of the company or another shareholder
SWEDEN	Laws	CEM not available for: with regard to certain matters ²⁸⁵	<u>GMS:</u> Q = none QM = 2/3 of the votes cast and the shares represented at the GMS	Filing of AoA	Website	None
THE UNITED KINGDOM	Laws/ Non-binding Corporate Governance Codes	None	<u>GMS:</u> Q = 2 SM	Filing of AoA	None	The decision to implement the CEM is (i) in the sole interest of the majority shareholders ²⁸⁶ , (ii) against the corporate interest, (iii) against the interest of other shareholders.

SUPERMAJORITY PROVISIONS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
THE UNITED STATES	State Corporate Laws	None	<u>Board</u> (Autonomous Decision) ²⁸⁷ <u>GMS:</u> Q = >50% + 1 (FC), >50% + 1 (SC) AM	Specific Filings (Filing of the certificate of incorporation) ²⁸⁸ Special Report (Current Report with the SEC) Information to Shareholders	Periodic Reports	None
JAPAN	Laws	None	<u>GMS:</u> Q = >50% (FC), nil (SC) QM = 2/3	Filing of AoA	Annual Reports Special Reports (Extraordinary Report)	Participation of interested shareholders has led to a significantly unfair result
AUSTRALIA	Laws	None	<u>GMS:</u> Q = 2 QM = 75%	Filing of AoA (as an exhibit to the Securities Report in the year in which the CEM is implemented) Specific Filing Admission Documentation	Annual Reports	Sole interest of the majority shareholders and at the expense of the minority shareholders ²⁸⁹

²⁶⁶ Although the above-mentioned grounds are not always distinguished in practice (since the Law is articulated in a somewhat different manner) and to our understanding cannot always be distinguished (e.g., a decision taken in the sole interest of the management or majority shareholders will presumably at the same time be against the corporate interest, whether or not defined as being distinct from the sole interest of the shareholders), these grounds are probably alternative rather than cumulative.

²⁶⁷ Decisions which, according to an express regulation of statute law, in either case can be adopted by majority of votes cast, cannot be subject to a supermajority requirement. Such decisions include: dismissal of a supervisory board member who was appointed to the SB pursuant to the AoA by the GMS if the requirements regarding the appointment are no longer met, reduction of the remuneration of members of the supervisory board by resolution of GMS if the remuneration is set forth in the AoA, appointment of special auditors by the GMS, resolution regarding the assertion of claims of the company against persons liable pursuant to Sec. 46 to 48 and Sec. 53 AktG.

²⁶⁸ The 75% majority required in order to amend the AoA is calculated on the basis of the share capital represented in the passing of the resolution.

SUPERMAJORITY PROVISIONS

269 However, a separate notification of the admission board is not required if the intended amendment of the Articles of Association is published in accordance with Sec. 124 § 2 sentence 2 AktG. The issuer of admitted shares must notify the admission board about each intended amendment of its Articles of Association, at the latest at the point in time the shareholders' meeting that shall resolve upon the respective amendment is convoked. The text of the proposed amendment of the AoA has to be published with the agenda of the GMS. Therefore, a separate notification of the admission board is not required if done so.

270 However, a shareholder can claim damages from another shareholder if a particular shareholder decision is blocked by the latter because of the supermajority requirement in the Articles. The claim for damages is possible if the shareholder voting against the decision or avoiding the vote to block the decision acts in bad faith and against the interest of other shareholders and the company.

271 The majority required is: a 2/3 favorable vote of the present capital if less than 50% is present; and majority if more than 50% is present.

272 Only the amended Articles of Association have to be published.

273 The regulation for the GMS must be notified to the National Securities Market Commission (+ copy of regulation).

274 If this CEM were to be considered lawful, the answers to the questions would be as provided within square brackets.

275 If this CEM were considered lawful, it would probably be subject to certain limitations (for instance, regarding removal of directors).

276 Subject to qualification, supermajority provisions are, according to Mc Cann Fitzgerald, available under Irish Law.

277 The quorum of three is the one set out in the model form of the articles of association, but it is only optional. In practice, the articles of association of listed companies will provide for a different quorum (lower).

278 In addition, it is often asserted — although the point is not completely settled — that the Articles of Association may not request that certain matters be approved unanimously by all shareholders.

279 Subject to implementation of the 2006 Company Act.

280 This does not apply to so-called structure companies, as the managing directors in such companies are appointed and removed by the supervisory board instead of the general meeting.

281 The company must treat shareholders whose circumstances are equal in the same manner.

282 For instance, abuse of rights or ongoing frustration of decisions by a substantive minority shareholder.

283 The prohibition of the CEM results from the interpretation of the law by the doctrine.

284 Commentators agree that, for instance, a 99% majority of votes, which would make passing resolutions practically impossible, would contravene the legal nature of a joint stock company and, thus, would be null and void. A practical question whether, for instance, a supermajority of 96% of the votes is permissible, has not been addressed by published court precedents.

285 For instance, this CEM is not available for the election of directors.

286 Derivative actions can be brought by minority shareholders in limited circumstances; for example, fraud against the minority, etc. In such cases, the grounds are not cumulative.

287 If authorized by the Certificate of Incorporation.

288 Annual proxy statement or annual report on Form 10-K. Moreover, if the adoption, amendment or repeal of Supermajority Provisions would require an amendment to the certificate of incorporation or the bylaws, such Supermajority Provisions must be disclosed in a filing on Form 8-K and in a proxy statement (or information statement) and in the case of an amendment to the certificate of incorporation, such amendment must also be filed with the Secretary of State of Delaware to become effective.

However, such a challenge has seldom been successful.

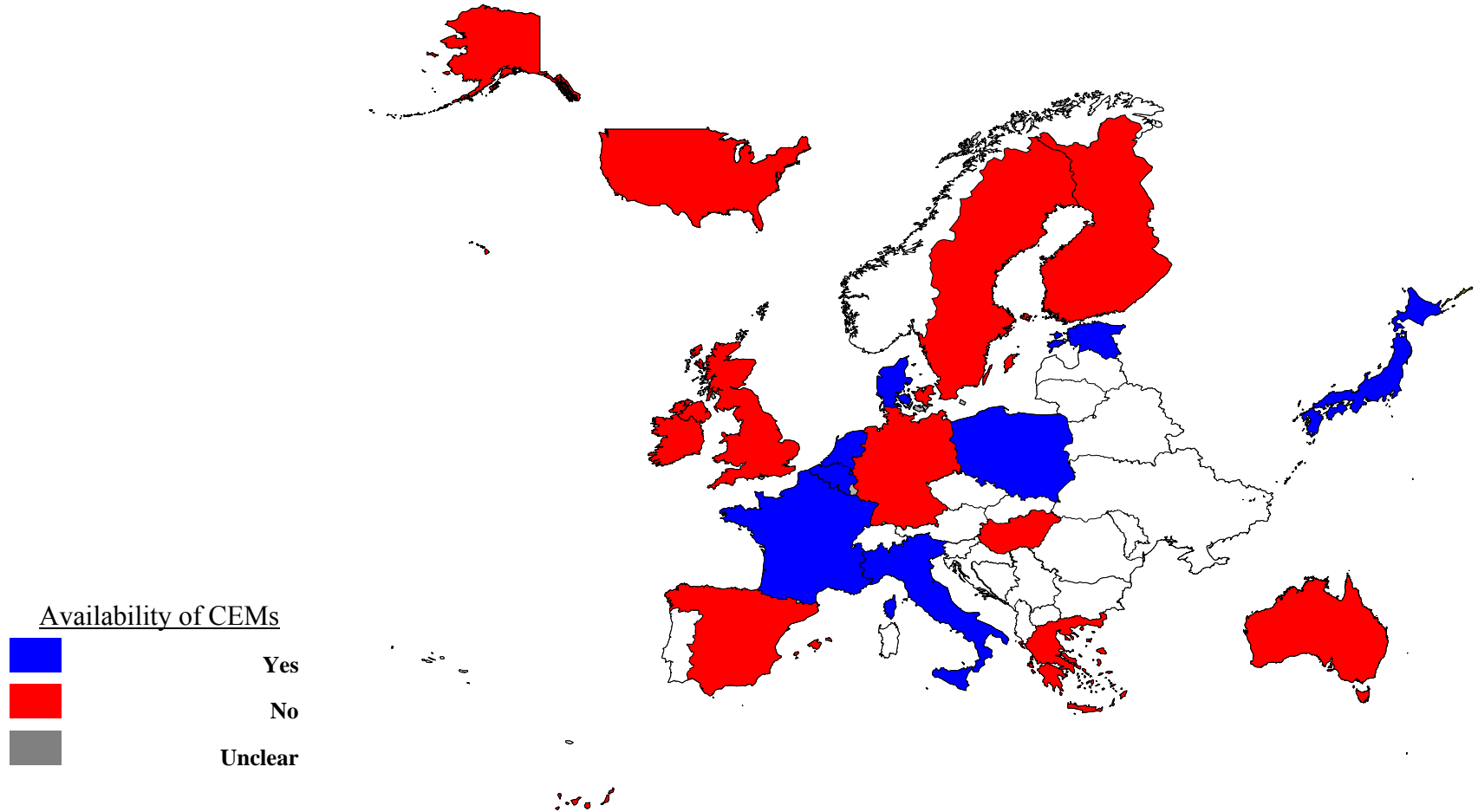
General Notes relating to this summary:

A – Definitions

The following definition in the columns “Significant restrictions to CEM” and “Body deciding CEM implementation + specific condition” has been used:

CEM not Available For	When Supermajority Provisions may not be used for certain decisions, to be specified in each case. This includes, for example, amendments to the AoA, approval of financial statements and decisions to remove or appoint members of the board of directors and other corporate officers.
Limit	When the increased quorum and majority cannot reach more than a certain percentage of the share capital, to be specified in each case. For instance, in Greece, the limit is 100% (unanimous consent may not be imposed). In the Netherlands, the articles of association may not provide that resolutions to suspend or remove managing directors or not to follow a nomination should be approved by a qualified majority exceeding 2/3 of the votes representing 1/2 of the capital.
Specific Shareholder Consent	If a decision specifically affects the rights of a shareholder, such shareholder must consent to this decision. This definition does not include consents granted by specific classes of shares which may be affected by the decision.

GOLDEN SHARES



GOLDEN SHARES

Available in: Belgium, Denmark, Estonia (since 2006), France, Italy, Poland, the Netherlands and Japan.

Not available in: Germany²⁹⁰, Greece, Spain (since Law 13/2006, May 26, 2006), Ireland, Hungary (since 2006), Finland, Sweden, the United Kingdom, the United States and Australia.

Unclear in: Luxembourg (Untested Situation).

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws/ Administrative Rules/ Court Decisions (ECJ)	None	Laws and Administrative Rules/ <u>GMS:</u> Q = 50% (FC), nil (SC) QM = 75% ²⁹¹	Filing of AoA Publication in a Legal Gazette ²⁹²	Annual Reports Article 10 Report Website ²⁹³	None (legal basis)
DENMARK ²⁹⁴	Laws ²⁹⁵	Equality of Shareholders ²⁹⁶	<u>GMS:</u> Q = none QM = 2/3 of votes cast and 2/3 of voting share capital represented	Filing of AoA	None	<u>Decision by the GMS:</u> The GMS passes resolutions that are clearly likely to confer upon certain shareholders or other parties undue advantages over other shareholders or over the company
GERMANY	No specific prohibition ²⁹⁷	N/A	N/A	N/A	N/A	N/A
ESTONIA	Laws	Restricted Use: violation of laws or substantial infringement of public interests or decisions which can be detrimental to the business of the company ²⁹⁸	<u>GMS:</u> Q = >50% QM = 2/3	Filing of AoA	Special Report	The decision to implement the CEM is against the corporate interest. The use of voting rights granted to the state under the golden share regulation can be challenged if the blocking of the shareholder decision using the golden share regulation was against the corporate interest

GOLDEN SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
GREECE²⁹⁹	Laws	N/A	N/A	N/A	N/A	N/A
SPAIN³⁰⁰	Laws	[Time limit]	[Government authorities]	[Specific Filings ³⁰¹]	[Disclosure in certain circumstances] ³⁰²	[Not in the sole interest of the public interest]
FRANCE	Laws/ Administrative Rules/ Court Decisions (ECJ)	Restricted Use: national interest	Laws and Administrative Rules	Filing of AoA ³⁰³	Article 10 Report (Director's) Annual Reports Website	None
IRELAND	Highest Court Case Law (ECJ)	N/A	N/A	N/A	N/A	N/A
ITALY	Laws/ Administrative Rules	Restricted Use: protection of the Vital Interest of the State	<u>GMS</u> : Q = 50% (FC), 1/3+1 (SC), 20% (TC) QM = 2/3 + Dissenting Shareholders' right to withdraw	Filing of AoA	Special Reports (filed with Register of enterprises, Consob and Italian Stock Exchange)	Fraud on the minority, and decision without any significant corporate interest, Violation of the equal treatment principle/ If not implemented for the "Vital Interest of the State"
LUXEMBOURG	No specific prohibition	Unclear	<u>GMS</u> : Q = 50% (FC), nil (SC) QM = 2/3	Filing of AoA Publication in a Legal Gazette ³⁰⁴ Admission Documentation	Article 10 Report	Unclear
HUNGARY³⁰⁵	Laws	Restricted use: veto power in matters provided in the Privatization Act	<u>GMS</u> ³⁰⁶	N/A ³⁰⁷	Annual Reports (Corporate structure and changes affecting it)	N/A

GOLDEN SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
THE NETHERLANDS	Laws/ Court Decisions (ECJ)	Restricted Use: the government may not use its public authority to stipulate certain favorable conditions and national interest (EU case law)	<u>GMS</u> : Q = none SM	Filing of AoA Publication in Legal Gazette	Annual Reports ³⁰⁸	Decision is against the interest of the shareholders. ³⁰⁹ General principle of reasonableness and fairness. (ECJ case law)
POLAND	Laws/ Administrative Rules	Equality of Shareholders/ Legal nature of corporation/ Restricted use ³¹⁰	<u>Council of Ministers</u> ³¹¹	Filing of AoA Publication in a Legal Gazette Admission Documentation	Annual Reports Periodic Reports	None
FINLAND	N/A	N/A	N/A	N/A	N/A	N/A
SWEDEN	Laws	N/A	N/A	N/A	N/A	N/A
THE UNITED KINGDOM	Highest Court Case Law (ECJ)	N/A	N/A	N/A	N/A	N/A
THE UNITED STATES	N/A ³¹²	N/A	N/A	N/A	N/A	N/A
JAPAN	Laws/ Stock Exchange Rules / Non-binding Corporate Governance Codes	Restricted Use: necessity and reasonableness of the defensive measure (Non-binding Rule)	<u>Board</u> (Autonomous Decision)/ <u>GMS</u> : Q = >50% (FC), nil (SC) QM = 2/3 ³¹³	Special Report ³¹⁴ Filing of AoA	Annual Reports ³¹⁵	Issuance of shares in favor of a third party on specially favorable conditions without shareholder approval or Principal purpose of the issuance is the entrenchment of management/ Participation of interested shareholders has led to a significantly unfair result
AUSTRALIA	N/A ³¹⁶	N/A	N/A	N/A	N/A	N/A

290 Except for Volkswagen.
291 If the Golden Shares are established in the articles of incorporation.
292 If the Golden Shares are established in the articles of incorporation.
293 The Corporate Governance Charter should be available on the company's website and should be updated as often as needed in order to reflect the
company's corporate governance at any time. It shall contain the identity of the major shareholders, description of their voting and special control
rights, any direct/indirect relationships between the company and major shareholders.
294 This CEM is not in use in Denmark.
295 The Danish DCA has no special provisions concerning golden shares.
296 The CEM cannot result in other shares not having any voting rights.
297 But Golden Shares provisions can be found in Volkswagen AG, regarding the exercise of voting rights in the shareholders' meeting and the composition
of the supervisory board of Volkswagen AG.
298 For example, through transfer of its assets to a third person or shift of control in the company or decisions which lead to substantial infringement of
public interests.
299 1 share – 1 vote principle.
300 Since Law 13/2006, May 26, 2006. Answers between square brackets apply to Golden Shares issued before May 26, 2006.
301 Authorization from government authorities (Economy Minister or Minister Council).
302 If winding-up and liquidation/break-up or spin-off of the company/ mergers or operations affecting 10% of the assets.
303 There are no specific initial disclosure requirements, since the Golden Shares are provided for by Law.
304 If inserted into the Articles.
305 No new Golden Shares can be issued in a public company (2006 Company Act). Answers between square brackets apply to Golden Shares issued under
the 1997 Company Act or the 1988 Company Act.
306 We believe that the existing golden shares were issued under the 1988 Company Act by the general meeting at the time when the company was
controlled by the state before its privatization
307 As no new veto share can be issued under the 2006 Company Act.
308 Changes in the capital of 1% or more, changes in the voting rights, changes to the capital interest and voting interests, acquisition/loss of shares with
special rights.
309 The company must treat shareholders whose circumstances are equal in the same manner.
310 Limited list of situations when the CEM may be used is specified in the Golden Veto Statute. Golden veto may be exercised by the Treasury if a
resolution of the management board of company would violate public order or public security (Art. 2 of the Golden Veto Statute).
311 The Golden Veto Statute (together with the pertinent Council of Ministers Decree) implements the CEM in a defined number of companies in which the
Treasury holds shares.
312 Golden Shares do not exist in the U.S.

GOLDEN SHARES

313 The GMS intervenes only when it is necessary to authorize the issuance of Veto Shares or when the issuance is made on terms specifically favorable to
a third party.

314 Extraordinary Report under SEL. It needs to disclose the class of shares to be issued, the unit price and the aggregate price of issuance, the method of
issuance, the name, address and business of the subscriber, and the relationship of the issuer and the subscriber. The minutes of the board meeting
and/or the GMS resolving the issuance (detail of the terms and conditions of the issuance as described) need to be attached to such a report.

315 The Securities Reports shall specify the number of issued shares, and the major terms and conditions of the shares. The Business Report shall describe
the company's basic policy on the defensive measures.

316 There is no provision under the Corporations Act or ASX Listing Rules which would permit or regulate golden shares being introduced to Australian
listed companies. We cannot therefore comment definitively on this issue as this type of CEM does not yet exist in Australia.

General Notes relating to this summary:

A – Scope and Assumptions

- 1) Restrictions based on European Law are not addressed in this summary
- 2) We assume that all Golden Shares require a decision by a governmental authority when issued. The question is whether, in addition to this decision, a vote from the shareholders of the relevant company is also required.

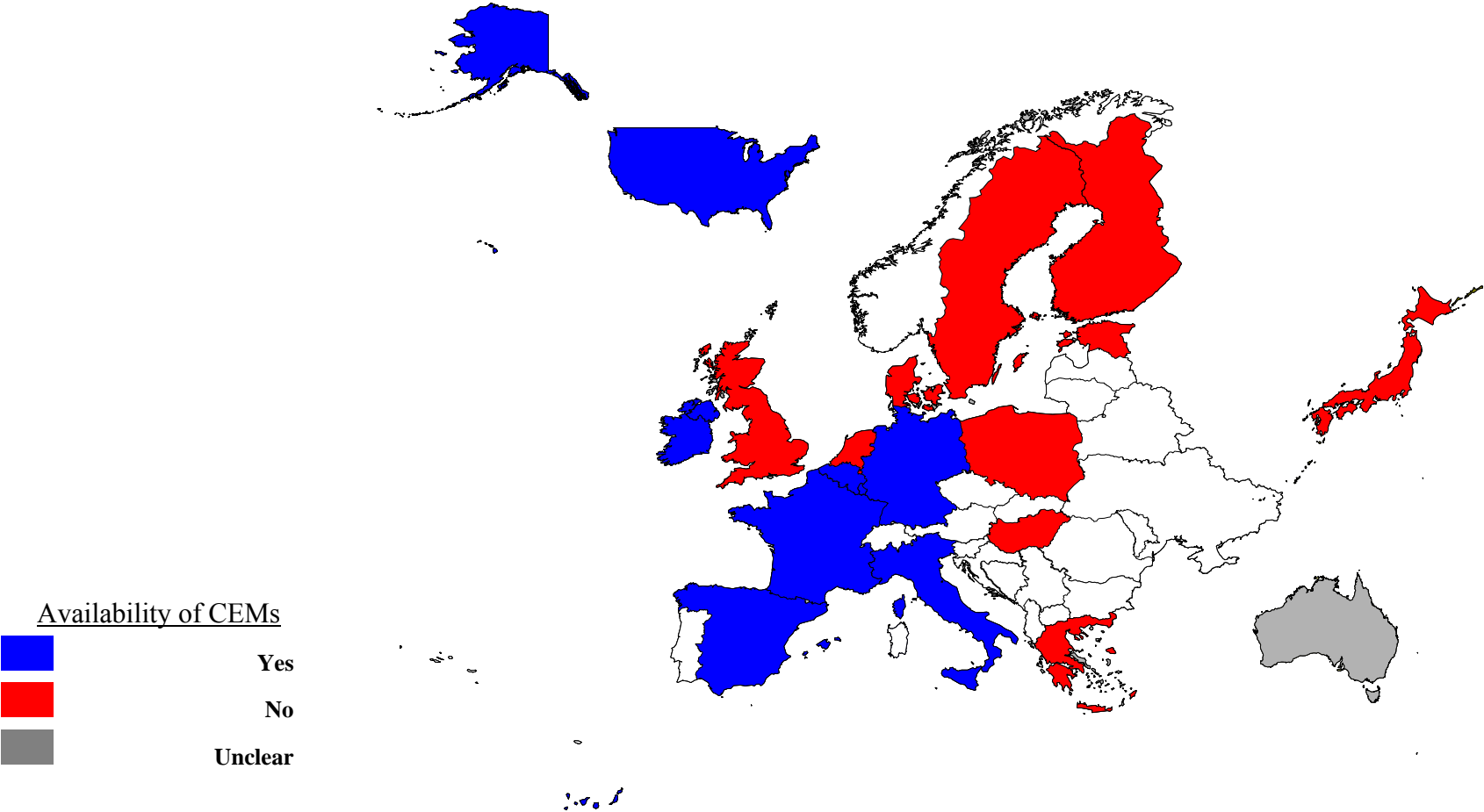
B – Definitions

The following definition in the column “Significant restrictions to CEM” has been used:

Restricted Use	The Golden Shares may only be used in certain conditions, specified in each case. For instance, in Estonia, Golden Shares may only be used in the event of violation of laws or decisions which can be detrimental to the business of the company.
Time Limit	The Golden Share is only effective for a limited duration. For instance, in Spain, the Golden Shares in Telefónica were available only until February 18, 2007.

PARTNERSHIPS LIMITED BY SHARES

PARTNERSHIPS LIMITED BY SHARES



PARTNERSHIPS LIMITED BY SHARES

Available in: Belgium, Germany, Spain, France, Ireland, Italy, Luxembourg and the United States.

Not available in: Denmark, Estonia, Greece, Hungary, the Netherlands, Finland, Poland, Sweden, the United Kingdom and Japan

Unclear in: Australia (Untested Situation).

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws	None	GMS: Q = 1/2 ³¹⁷ QM = 4/5 ³¹⁸	Filing of AoA Publication in a Legal Gazette Special Report (Board) Auditors' Report/ Information to shareholders	Annual Reports Article 10 Report Periodic Reports Website	Decision is: In the sole interest of the management or In the sole interest of the majority shareholders or Against the interest of shareholders or Against the corporate interest ³¹⁹
DENMARK	Laws	N/A	N/A	N/A	N/A	N/A
GERMANY	Laws	None	GMS: Q = none ³²⁰ QM = 75% or 100% ³²¹	Information to shareholders Specific Filing ³²² Admission Documentation Specific Notification ³²³ Auditors' Report	None	Decision is: In the sole interest of the majority shareholders and Against the interest of shareholders or Against the corporate interest
ESTONIA	N/A	N/A	N/A	N/A	N/A	N/A
GREECE	N/A	N/A	N/A	N/A	N/A	N/A

PARTNERSHIPS LIMITED BY SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
SPAIN	Laws	None	<p><u>GMS:</u> Q = 50% (FC), 25% (SC) QM = 2/3 SM³²⁴ + Separation from the company of the dissenting and absent shareholders³²⁵</p>	Filing of AoA ³²⁶ / Publication in a Legal Gazette	None	None
FRANCE	Laws	None	<p><u>GMS:</u> Q = 1/4 (FC), 1/5 (SC) QM = 2/3³²⁷ + Obligation to launch a minority buyout</p>	Filing of AoA Publication in a Legal Gazette Auditor's Reports Special Report (Management's) Specific Filing ³²⁸	Article 10 Report Annual Reports Website	Sole intent to favor the interest of the majority shareholders against the minority shareholders and against the corporate interest
IRELAND	Laws	Only for Investment Limited Partnership ³²⁹	Financial Regulator + Specific authorization from Financial Regulator	Filing of AoA Publication in a Legal Gazette Admission Documentation Specific Filing Specific Notification (Notification of changes in corporate information)	None	Directions to the general partner by the Financial Regulator ³³⁰ or Revocation of the partnerships authorization by the Financial Regulator ³³¹
ITALY	Laws	Only for certain entities ³³²	<p><u>GMS:</u> Q = 50% (FC), 1/3+1 (SC), 20% (TC)³³³ QM = 2/3</p>	Filing of AoA	None	Fraud on the minority, and decision without any significant corporate interest, Violation of the equal treatment principle

PARTNERSHIPS LIMITED BY SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
LUXEMBOURG	Laws	None	GMS: Q = 50% (FC), nil (SC) QM = 2/3	Filing of AoA Publication in a Legal Gazette Admission Documentation ³³⁴	Article 10 Report	The decision to implement the CEM is in the sole interest of the majority shareholders and against the corporate interest
HUNGARY	Laws	N/A	N/A	N/A	N/A	N/A
THE NETHERLANDS	Laws	N/A	N/A	N/A	N/A	N/A
POLAND	Laws	N/A	N/A	N/A	N/A	N/A
FINLAND	N/A	N/A	N/A	N/A	N/A	N/A
SWEDEN	Laws	N/A	N/A	N/A	N/A	N/A
THE UNITED KINGDOM	Laws	N/A	N/A	N/A	N/A	N/A
THE UNITED STATES	Laws/ Stock Exchange Rules	Not typical ³³⁵	Shareholders of all outstanding shares, whether voting or non-voting.	Special Filing (with Delaware Secretary of State) Special Report (to SEC) Information to Shareholders	Periodic Reports	None
JAPAN	Stock Exchange Rules	N/A	N/A	N/A	N/A	N/A

PARTNERSHIPS LIMITED BY SHARES

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
AUSTRALIA ³³⁶	None	Subject to ASX and statutory approval	GMS + Stock Exchange and statutory approval	Specific Notification (notification of Stock Exchange and Regulatory Authority) ³³⁷	Depends on the statutory authority and Listing Rule, requirements yet to be introduced which would regulate a partnership limited by shares	Depends on the content of the statutory authority and Listing Rule implemented to permit and regulate this type of legal structure

317 Profit-Sharing Certificates (“PSCs”) are taken into account.

318 The unanimous consent of shareholders becoming unlimited partners is necessary.

319 Although the abovementioned grounds are not always distinguished in practice (since the Law is articulated in a somewhat different manner) and to our understanding cannot always be distinguished (e.g., a decision taken in the sole interest of the management or majority shareholders will presumably at the same time be against the corporate interest, whether or not defined as being distinct from the sole interest of the shareholders), these grounds are probably alternative rather than cumulative.

320 The 75% required majority is calculated on the basis of the share capital represented in the passing of the resolution.

321 Majority = at least 75% of the represented share capital if a corporation shall be changed into a KGaA, or a unanimous vote of all shareholders if a commercial partnership shall change its form into that of a KGaA.

322 Registration with the commercial register.

323 In case of a transformation or reorganization. Delivery of special agreements or resolutions to the competent works council of each participating entity.

324 QM = 2/3 if less than 50% is present or SM if more than 50% is present.

325 If, within a month from the date of the last announcement in the Official Mercantile Registry Gazette or in the large circulation newspapers of the province, dissenting shareholders and those not attending the general meeting do not adhere in writing to the transformation agreement, they become separated from the company. Said shareholders shall be reimbursed of the value of their shares, but not indemnified.

326 Registration in the Commercial Registry.

327 The unanimous consent of shareholders becoming unlimited partners is necessary.

328 With the center of formalities.

329 An investment limited partnership is a partnership of two or more persons having as its principal business the investment of its funds in property of all kinds and consisting of at least one general partner and at least one limited partner.

330 The Financial Regulator may require the general partner to wind up the partnership (e.g., if any of the requirements for authorization are no longer complied with or if it is undesirable in the interest of the limited partners for the authorization to continue).

PARTNERSHIPS LIMITED BY SHARES

331 Direction to terminate the partnership (such as in a case of insolvency).
332 Banks, financial intermediaries, fund management companies and insurance companies may not be incorporated as Partnerships Limited by Shares.
333 But approval of all shareholders who will have unlimited liability after the transformation is required.
334 Disclosure on how the company operates.
335 Publicly traded corporations are not typically converted into limited partnerships to be used as CEMs.
336 The law governing limited partnerships differs in each state or territory as provided for by the relevant Partnerships Acts. There is no provision in the ASX Listing Rules or the Corporations Act which governs this type of legal structure for incorporated and listed corporations in Australia. This lack of regulation by the Corporations Act may be argued to be sufficient grounds for the ASX to reject an application for listing of an Australian partnership limited by shares. On the other hand, it may be equally argued that provided a partnership limited by shares can establish that its conduct would be governed by rules similar to a constitution, and can ensure that the appropriate level of public filing and reporting systems are in place, there would be no reason why the ASX would reject listing such a legal structure in Australia.
337 Of the intention to set up a partnership limited by shares.

General Notes relating to this summary:

A – Scope and Assumptions

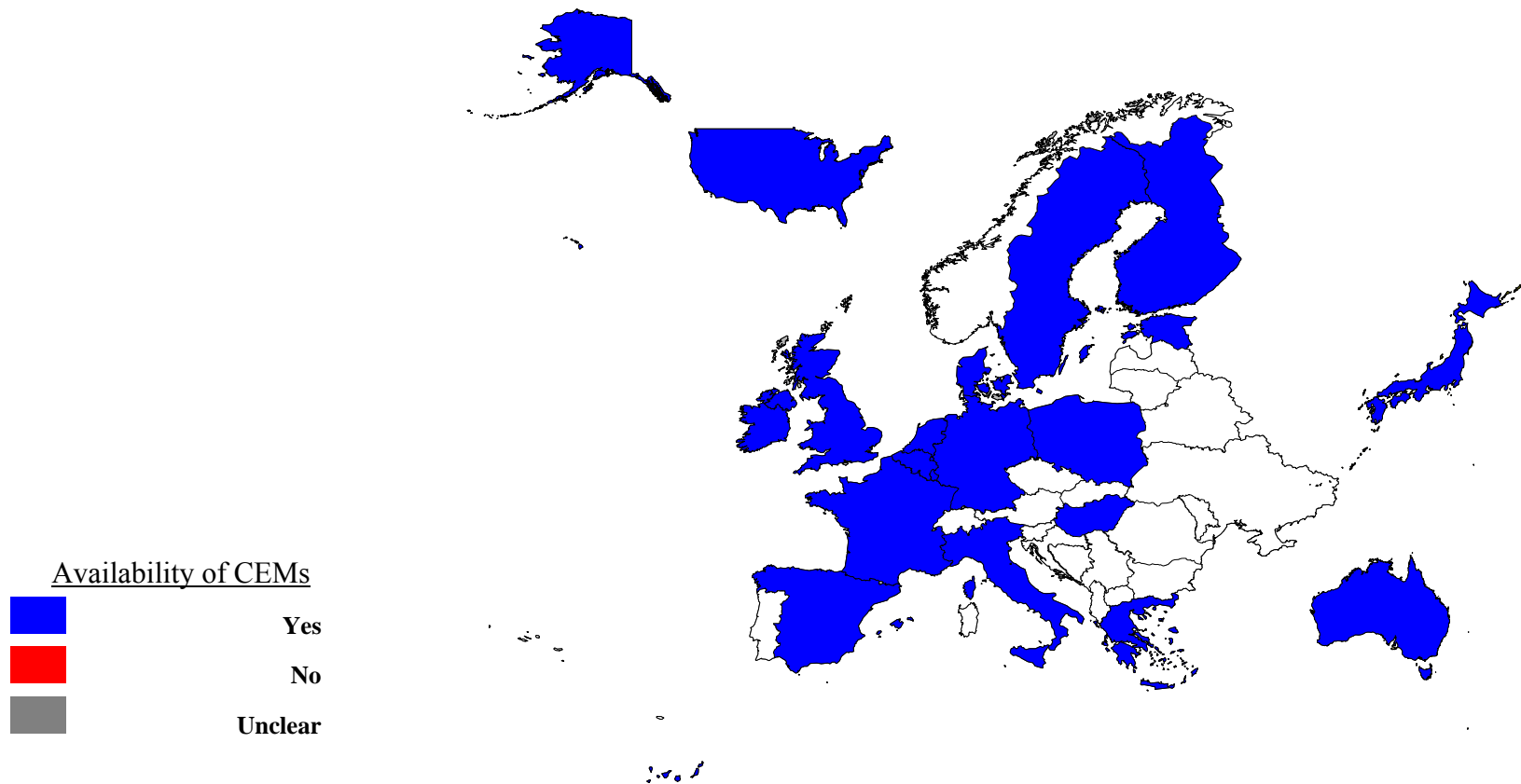
1) Please note that it is assumed that a listed company is transformed into a listed Partnership Limited by Shares.

B – Definitions

The following definitions in the column “Significant restrictions to CEM” have been used:

Only for certain entities	Partnerships Limited by Shares may not be used in specified industries or may only be used for specific purposes. For instance, in Italy, banks, financial intermediaries, fund management companies and insurance companies may not be incorporated as Partnerships Limited by Shares. In Ireland, the only type of Partnership Limited by Shares is the Investment Limited Partnership.
Only for companies meeting certain criteria	In the United States, if the Partnership Limited by Shares is listed on the Amex or the Nasdaq, the corporate general partner or co-general partner must meet the independent director and audit committee requirements.

CROSS-SHAREHOLDINGS



CROSS-SHAREHOLDINGS

Available in: Belgium, Denmark, Germany, Estonia, Greece, Spain, France, Ireland, Italy, Luxembourg, Hungary³³⁸, the Netherlands, Poland, Finland, Sweden, The United Kingdom, The United States, Japan, Australia

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws	DCCS: treasury shares ICCS: 10% limit and no voting right BCS: 10% limit ³³⁹	<u>Board</u> (Autonomous decision)	Specific notification ³⁴⁰	Annual Reports ³⁴¹ Special Report ³⁴² Website	The decision to implement the CEM is against the corporate interest
DENMARK	Laws	DCCS and ICCS: 10% and no voting rights ³⁴³ BCS: no restrictions	<u>Board</u> (Autonomous decision or Upon Delegation) ³⁴⁴ <u>GMS:</u> Q = none QM = 2/3 of the votes cast and 2/3 of the voting share capital represented	Specific Filings ³⁴⁵	Annual Reports ³⁴⁶	<u>Decision by the Board:</u> the Board enters into transactions that are clearly likely to confer upon certain shareholders or others an undue advantage over other shareholders or over the company <u>Decision by the GMS:</u> The GMS passes resolutions that are clearly likely to confer upon certain shareholders or other parties undue advantages over other shareholders or over the company

CROSS-SHAREHOLDINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
GERMANY	Laws	DCCS: 10% limit, no voting rights ICCS: 10% limit, no voting rights BCS: Exercise of voting rights limited to 25%	<u>Board</u> (Autonomous decision) ³⁴⁷	Specific Notification ³⁴⁸	Annual Reports	The decision to implement the CEM is in the (sole) interest of the management
ESTONIA	Laws	DCCS: treasury shares ³⁴⁹ ICCS: treasury shares BCS: None	<u>GMS:</u> Q= >50% (FC), nil (SC) SM <u>Supervisory Board</u> (Autonomous Decision) ³⁵⁰	Information to shareholders ³⁵¹	Special Report ³⁵²	The decision to implement the CEM is (i) in the sole interest of the majority shareholders, and (ii) against the interest of the shareholders, or (iii) against the corporate interest
GREECE	No specific provisions	DCCS: prohibited ICCS: prohibited BCS: no restriction	<u>Chairman or General Manager</u> (Autonomous Decision)	Specific Filing Specific Notifications ³⁵³	Website	The decision to implement the CEM is (i) in the sole interest of the management, and (ii) in the sole interest of the majority shareholders and (iii) against the interest of shareholders and (iv) against the corporate interest

CROSS-SHAREHOLDINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
SPAIN	Laws	DCCS: treasury shares ICCS: treasury shares BCS: 10 % Limit	<u>Board</u> (Autonomous decision) Specific report to shareholders + a reserve shall be established equivalent to the total of the reciprocal participations which exceed 10% of the capital included under assets	Specific Filing Specific Notification	Annual Report ³⁵⁴ Website	None
FRANCE	Laws	DCCS: prohibited ³⁵⁵ ICCS: no voting right BCS: 10% Limit	<u>General Manager</u> (Autonomous decision)	Specific Filing	Annual Reports Special Report Website	Sole intent to favor the interest of the majority shareholders against the minority shareholders and against the corporate interest
IRELAND	Laws	DCCS: prohibited subject to limited exceptions ICCS: prohibited subject to limited exceptions ³⁵⁶ BCS: Regulatory clearance may be required ³⁵⁷	<u>Board</u> <u>GMS may be necessary:</u> Q = 3 (FC) ³⁵⁸ , none (SC) QM = 75% or SM (Control and Basic Cross Shareholding)	Information to Shareholders may be necessary	Annual Reports Article 10 Report	The decision to implement the CEM is in the sole interest of the management or Prohibited frustrating action or Against the interest of the shareholders or Against the corporate interest

CROSS-SHAREHOLDINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
ITALY	Laws	DCCS: limits put to the purchase of own shares ICCS: limits put to the purchase of own shares BCS: 2% Limit Breakthrough Rule ³⁵⁹	<u>Board</u> (Autonomous Decision or Upon Delegation: 18 months) (Control and Basic Cross Shareholding)	Specific Filing ³⁶⁰ (Basic Cross Shareholding / Control Cross Shareholding)	Special Report Website	None
LUXEMBOURG	Laws	DCCS: treasury shares ICCS: no voting rights BCS: none ³⁶¹	<u>Board</u> (Autonomous Decision/ Upon Delegation: 5 years) <u>GMS</u> ³⁶² : Q = 50% (FC) Nil (SC) QM = 2/3	Admission Documentation	Annual Reports Article 10 Report	The decision to implement the CEM is (i) in the sole interest of the majority shareholders, and (ii) against the corporate interest
HUNGARY	Laws	DCCS: treasury shares ICCS: treasury shares BCS: 25% Limit	<u>Board</u> (Upon Delegation: 18 months)	Specific Filings (Resolution of the general meeting filed and implementation published)	Special Report (Reporting on Treasury shares and on significant investment)	None
THE NETHERLANDS	Laws	DCCS and ICCS: treasury shares and 10% limit BCS: none	<u>Board</u> (if issuance of shares is delegated) <u>GMS</u> (in case of issuance of shares) Q = none SM = 50%+1 of the votes cast	None	Annual Reports	Decision is against the interest of the shareholders. ³⁶³ General principle of reasonableness and fairness.

CROSS-SHAREHOLDINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
POLAND	Laws	DCCS: treasury shares ICCS: treasury shares BCS: no restrictions ³⁶⁴	<u>Board</u> (Autonomous Decision) ³⁶⁵	Special Reports Admission Documentation	Annual Reports Periodic Reports	None
FINLAND	Laws/ Administrative Rules/ Stock Exchange Rules/ Non-binding Corporate Governance Codes	DCCS: 10% limit/no voting rights ICCS: 10% limit/no voting rights BCS: 10% limit/no voting rights	<u>Board</u>	Special Reports (Stock Exchange release) Specific Filings (share and shareholder registers are public and up-to-date) Information to shareholders Admission Documentation	Annual Reports ³⁶⁶ Periodic Reports Website ³⁶⁷	If not in the best interest of the company, the Board member may be held liable for any damage caused
SWEDEN	Laws	DCCS: not allowed with certain exceptions/ ICCS: not allowed with certain exceptions/ BCS: not restricted	<u>Board</u> (Autonomous Decision)	Admission Documentation Specific Filing (Approval from a Governmental Agency) ³⁶⁸	Annual Reports Article 10 Report ³⁶⁹ Website	Agreements contrary to the prohibition to acquire shares in parent void
THE UNITED KINGDOM	No specific prohibition	DCCS: treasury shares ICCS: none BCS: none	<u>GMS</u>	None	None	None
THE UNITED STATES	Laws	Fiduciary Duties	<u>Board</u> (Autonomous Decision)	Specific Filings Information to shareholders	Periodic Reports ³⁷⁰ Annual Reports	Breach of fiduciary duty by the Board ³⁷¹

CROSS-SHAREHOLDINGS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
JAPAN	Laws/ Stock Exchange Rules	DCCS: prohibited ³⁷² ICCS: permitted, subject to BCS BCS: no voting rights above 25% of the voting rights ³⁷³	<u>Board</u> (Autonomous Decision)	Special Filings ³⁷⁴ Specific Notification (Antitrust)	Periodic Reports ³⁷⁵	Issuance of shares in favor of a third party on specially favorable conditions without shareholder approval or Principal purpose of the issuance is the entrenchment of management/ Participation of interested shareholders has led to a significantly unfair result
AUSTRALIA	Laws	None ³⁷⁶	<u>Board</u> (Autonomous Decision) ³⁷⁷ or Ownership ceiling restrictions (statutory requirements – no Board or shareholder discretion)	Filing of AoA Specific Filings ³⁷⁸ Admission Documentation	Annual Reports	The decision to implement the CEM is (i) in the sole interest of the majority shareholders at the expense of the minority of shareholders, or (ii) against the interest of the shareholders as a whole

³³⁸ It is untested whether the limitation on cross-shareholding applies only to direct interest or to indirect interest (circular cross-shareholding) as well.

³³⁹ The voting rights attached to securities held in violation of the 10% threshold by the company crossing this second threshold are suspended.

³⁴⁰ For related companies, all information about the number and the nature of the shares held by a subsidiary must be provided to the parent within two days (i) after the moment it is informed it has become a subsidiary of an S.A., and (ii) after each subsequent transactions concerning the voting securities of the parent. For unrelated companies, each unaffiliated company (directly or indirectly) holding (no longer) more than 10% of the voting rights in another company must notify this to the other company, stating the number of shares and profit-sharing certificates held and the number of voting rights attached to them.

³⁴¹ Each company must mention in the explanatory notes to the annual accounts the structure of its shareholdings, as it appears from the notifications it has received in respect of cross-shareholdings.

³⁴² Update of the declared number of shares and voting rights (if there are changes since the previous month).

CROSS-SHAREHOLDINGS

343 Indirect control obtained for example through agreement with the company or other shareholders – and not through ownership – will, according to the
DCA, establish a group, and then the 10% limit applies.

344 It is very unlikely that the decision by the GMS would be needed.

345 If a transaction is considered to be price sensitive, it must also be disclosed under ordinary disclosure obligations for listed companies.

346 Must include identity of major shareholders as well as price sensitive transactions.

347 This decision may require the consent of the supervisory board.

348 Notification Requirements *vis-à-vis* BaFin and company.

349 However, in case the Daughter is JSC, the approval of the general meeting is not required if acquisition of Mother's shares is necessary in order to
prevent substantial damage to the company. For example, in case of a threatening takeover of the Mother, the acquisition of Mother's shares requires
the approval of the supervisory board.

350 Only if acquisition of the shares within a cross-shareholding structure is necessary in order to prevent substantial damage to the company.

351 In the next GMS, if, in the case of DCCS or ICCS, the acquisition of the shares is decided by the supervisory board.

352 Disclosure of resolutions: resolution on the partial/full acquisition or transfer of a holding in a company or on the acquisition or waiver of a right to
acquire or waiver of a right to acquire or transfer a holding in a company.

353 When the acquired percentage is more than 5%.

354 The notification made by the company which succeeds in possessing more than 10% of the capital of an other company must be included in each
company's annual report.

355 If the control is based on (or associated with) ownership by the controlling company of more than 10% of the controlled company's capital, cross-
shareholding is prohibited. Otherwise, shares held by the controlled company in the controlling company are deprived of their voting rights.

356 The principal exception can be described as follows: the subsidiary will be able to acquire shares in the parent company, where it funds the acquisition
out of its distributable profits; other formalities must be complied with.

357 The acquisition of cross-shareholdings may require Irish regulatory clearances depending on the extent of the cross-shareholdings and/or the companies
involved (e.g., Irish-licensed banks, Irish-authorized investment business firms, Irish-authorized stock brokers, Irish-authorized insurance companies).

358 The quorum of three is the one set out in the model form of the articles of association, but it is only optional. In practice, the articles of association of
listed companies will provide for a different quorum (lower).

359 If no control relationship exists, the limits on cross-shareholding do not apply if the thresholds are exceeded by way of a takeover bid launched on at
least 60% of the voting shares.

360 Any restrictions of voting shares exceeding 2% of the share capital of a listed company must be communicated to the company and CONSOB within
eight days from the date of trade. Also, within 30 days from the acquisition, listed companies should inform the market of any agreements that allow
increasing the thresholds up to 5%.

361 No limit up to the point where the situation changes to DCCS.

362 For issuing shares.

363 The company must treat shareholders whose circumstances are equal in the same manner.

364 Until one of the companies reaches the status of a dominant company with respect to the other.

CROSS-SHAREHOLDINGS

365 Unless the articles require approval of the Supervisory Board or GM.

366 A company shall include information on major shareholders (who directly or indirectly own over 1/20 or more of the shares in the company). It will also specify the 10 largest shareholders.

367 Disclosure of all the main shareholders and all flagging notifications made during the last years.

368 Not generally required in connection with the acquisition of a controlling stake. Share Register publicly available.

369 Where the stakes represent 10% or more and the voting powers are concerned.

370 If a cross-shareholding exceeds 5% of any class of publicly registered voting securities of a public company, such ownership must also be disclosed in an Annual Report on Form 10-K and/or annual proxy statement.

371 Most challenges to board action would be formulated as breach of fiduciary duty claims. Violation of disclosure requirements may be another ground for challenge.

372 Subsidiaries may not acquire shares of its parent company except under certain exceptional conditions. Examples of such exceptional conditions are: (a) when the acquisition is a result of a merger or corporate split, (b) when the acquisition is without any consideration, (c) when the acquisition is a result of a distribution of dividends in kind, etc.

373 Where 25% or more of voting rights of a company (in this paragraph, “Company A”) are held by another company (in this paragraph, “Company B”), Company A is not entitled to exercise any voting rights in respect of shares of Company B held by Company A. Similarly, where 25% or more of voting rights of Company A are held by a company (in this paragraph, “Company C”) together with its subsidiary or held only by Company C’s subsidiary, Company A is not entitled to exercise any voting rights in respect of shares of Company C held by Company A.

374 Special Reports must be prepared by the company with respect to the change of subsidiary, including: (i) Extraordinary Report under SEL (ii) Timely disclosure under Timely Disclosure Rule, and (iii) Report on Substantial Shareholding under SEL.

375 The companies’ Periodic Reports (Securities Reports and Semi-Annual Reports) must describe, among other things, the distribution of shares, the list of major shareholders and restriction of voting rights (if any) caused by cross-shareholding.

376 Subject to the Corporations Act (takeover provisions) that applies equally to all cross-shareholdings arrangements.

377 If the CEM is not provided for in the company’s constitution, it would be a matter for the shareholders to decide.

378 A company that is both incorporated and listed in Australia must notify the Australian Securities and Investments Commission (ASIC) and the ASX of any substantial shareholdings that arise in cross-shareholding arrangements (which equates to 5% of the issued share capital) or movements of at least 1% in this holding. ASIC would also need to be notified in writing of any related party transactions requiring shareholder approval that arise as a result of cross-shareholding arrangements.

General Notes relating to this summary:

A – Scope and Assumptions

1) For purposes of this summary, it is assumed that Company B (listed company) purchases shares of Company A (listed company) at a time when Company A already owns shares of Company B, directly or indirectly. It is necessary to distinguish between the situation where:

- (i) Company A controls directly Company B (“**Direct Control Cross-Shareholding**”, or “**DCCS**”),
- (ii) Company A indirectly controls Company B (“**Indirect Control Cross-Shareholding**”, or “**ICCS**”), and
- (iii) Other situations (“**Basic Cross-Shareholding**”, or “**BCS**”).

This summary addresses share purchases, paid in cash, and not subscriptions to newly issued shares.

2) In the columns under “Body deciding CEM implementation” and “Significant Disclosure Requirements”, the answer will only address the Basic Cross-Shareholding situation.

3) Rules regarding tender offers are not addressed in this summary.

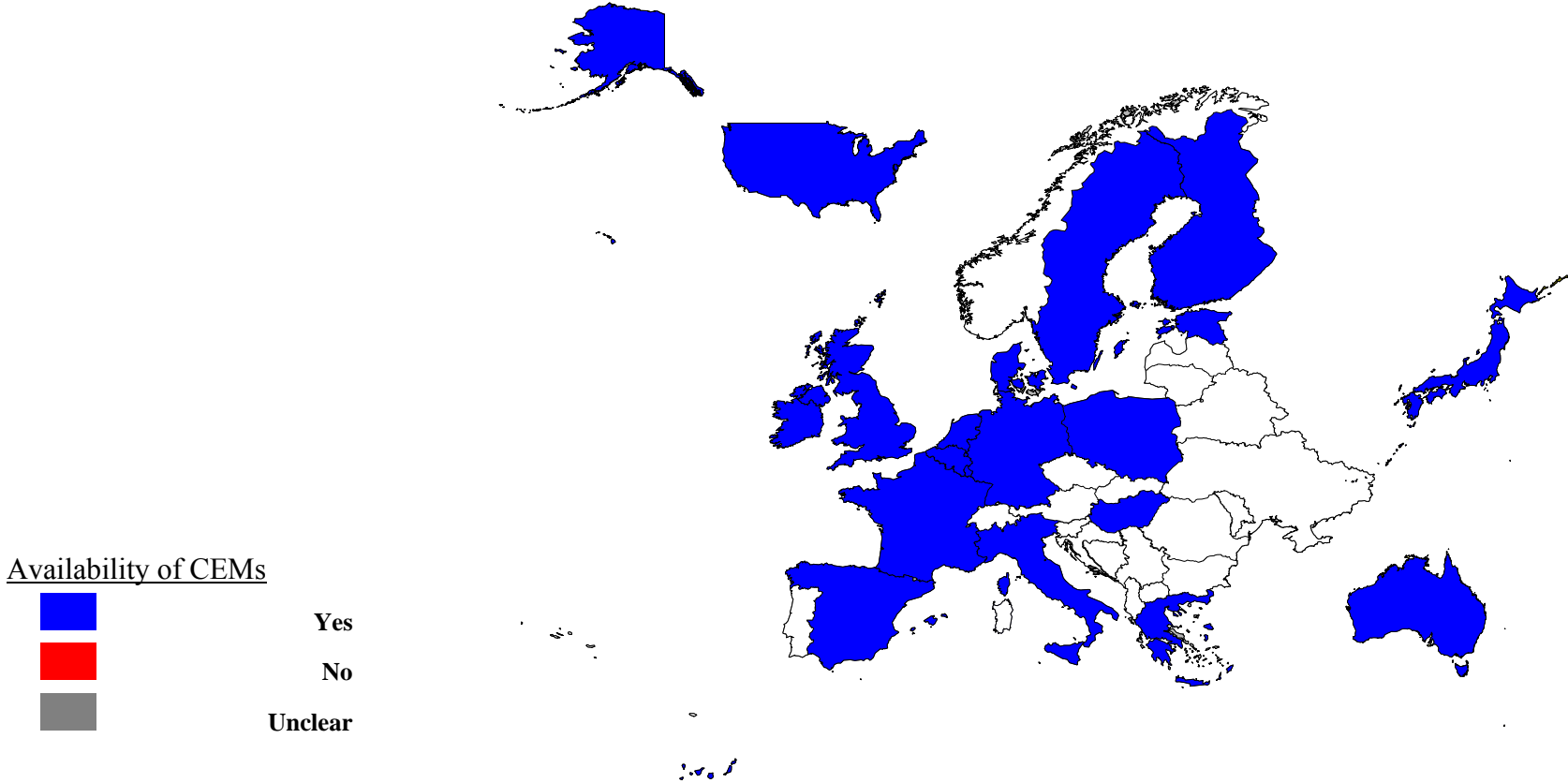
B – Definitions

The following definition in the column “Significant restrictions to CEM” has been used:

Limit	When two companies cannot hold more than a specified percentage of one another. Example: 10% limit. Company A may hold 9.9% of Company B, while Company B holds 9.9% of Company A. But if Company A holds 10.1% of Company B, Company B may not hold any shares of Company A.
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SHAREHOLDERS' AGREEMENTS

SHAREHOLDERS' AGREEMENTS



SHAREHOLDERS' AGREEMENTS

Available in: Belgium, Denmark, Germany, Estonia, Greece, Spain, France, Ireland, Italy, Luxembourg, Hungary, the Netherlands, Poland, Finland, Sweden, the United Kingdom, the United States, Japan and Australia.

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
BELGIUM	Laws/ Highest Court Decisions	Time limit: 5 years (advised) ³⁷⁹ Voting Rights ³⁸⁰ Interest of the company ³⁸¹	Shareholders + Mandatory Takeover ³⁸²	Specific notifications Admission Documentation	Annual Reports ³⁸³ Article 10 Report Website	Against the corporate interest
DENMARK	General principle of Contractual Freedom	Director Independence Mandatory rules ³⁸⁴	Shareholders + Mandatory Takeover ³⁸⁵	None	Annual Reports ³⁸⁶ Specific Filing (Disclosure when a change of shareholders' agreement occurs, implying a change in the rights of a major shareholder)	Same as any other agreement
GERMANY	No specific prohibition ³⁸⁷	Voting Rights ³⁸⁸ Interest of the company ³⁸⁹	Shareholders + Mandatory Takeover	Publication in a Legal Gazette Specific Notification	Periodic Reports (or Annual Reports – consolidated management report)	Sole interest of majority shareholders/ Against interest of the non-participating shareholders
ESTONIA	No specific prohibition ³⁹⁰	Voting Rights (no “sale” of votes) ³⁹¹	Shareholders + Mandatory Takeover	None	Website ³⁹² Special Report ³⁹³	Sole interest of majority shareholders and Against corporate interest
GREECE	No specific prohibition ³⁹⁴	Voting Rights (no “sale” of votes) ³⁹⁵ Interest of the company	Shareholders + Mandatory Takeover ³⁹⁶	None	None	None

SHAREHOLDERS' AGREEMENTS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
SPAIN	Laws/ Stock Exchange Rules	None	Shareholders + [Mandatory Takeover] ³⁹⁷	Specific Filings ³⁹⁸	Annual Reports Website	Violation of disclosure requirements (or: transparency rules): Notification to the National Commission Stock Market and deposit of the shareholders' agreement in the Commercial Registry
FRANCE	Laws/ Regulatory Authority Rules	Voting Rights ³⁹⁹ Director Independence	Shareholders + Mandatory Takeover	Specific Filings ⁴⁰⁰	Annual Reports	Violation of disclosure requirements
IRELAND	Laws	Director Independence	Shareholders + Mandatory Takeover	Specific Filings ⁴⁰¹	Article 10 Report	Against interest of shareholders (constitutes "oppression" of other shareholders)
ITALY	Laws	Time Limit: 3 years	Shareholders + Mandatory Takeover ⁴⁰³	Specific Filings ⁴⁰³	Special Reports ⁴⁰⁴	Violation of disclosure requirements ⁴⁰⁵
LUXEMBOURG	Court cases ⁴⁰⁶	Time Limit Limit in scope ⁴⁰⁷ Director Independence Interest of the company	Shareholders + Mandatory Takeover ⁴⁰⁸	Admission Documentation	Annual Reports ⁴⁰⁹ Article 10 Report ⁴¹⁰	None
HUNGARY	Laws	Director Independence	Shareholders + Mandatory Takeover ⁴¹¹	Specific Filing ⁴¹²	Periodic Reports ⁴¹³	Sole interest of management or the majority shareholders/ or against interest of shareholders or the corporate interest

SHAREHOLDERS' AGREEMENTS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
THE NETHERLANDS	Highest Court Decisions	Voting Rights: Shareholder should always be able to form an independent opinion ⁴¹⁴	Shareholders + Mandatory Takeover ⁴¹⁵	None	None	None
POLAND	No specific prohibition	None	Shareholders + Mandatory Takeover	Information to shareholders and company Special Reports ⁴¹⁶ Admission Documentation	Annual Reports ⁴¹⁷	None
FINLAND	Stock Exchange Rules + Non-binding Corporate Governance Code	Director Independence	Shareholders + Mandatory Takeover	Filing of AoA Publication in a Legal Gazette Specific Filing ⁴¹⁸ Special Reports Information to shareholders	Annual Reports Periodic Reports Website	N/A
SWEDEN	Laws	None	Shareholders + Mandatory Takeover	Admission Documentation	Annual Reports Article 10 Report (if the company has knowledge)	N/A
THE UNITED KINGDOM	Laws	Director Independence	Shareholders + Mandatory Takeover	None	None	None
THE UNITED STATES	Federal Laws	None	Shareholders as a matter of contract	Specific Filings ⁴¹⁹	Periodic Reports ⁴²⁰	None
JAPAN	Laws ⁴²¹ + Stock Exchange Non-binding Rules	None	Shareholders + [Mandatory Takeover] ⁴²²	None	Periodic Reports ⁴²³	N/A

SHAREHOLDERS' AGREEMENTS

	Type of rule prohibiting or authorizing the CEM	Significant restrictions to the CEM	Body deciding CEM implementation + specific conditions	Significant disclosure requirements		Substantive grounds for challenging CEM implementation
				Initial	Ongoing	
AUSTRALIA	None specified	Free right of trade ⁴²⁴ Subject to Foreign Acquisitions and Takeovers Act ⁴²⁵	Shareholders + Mandatory Takeover	Specific Filing Information to Shareholders	Periodic Report	The decision to implement the CEM is (i) in the sole interest of the majority shareholders at the expense of the minority shareholders, or (ii) against the interest of the shareholders as a whole

379 A maximum of 5 years is usually advised for voting agreements and contractual share transfer restrictions.

380 Voting agreements are null and void if they are in violation of the company code or contrary to the interests of the company, if the shareholder commits himself to vote in accordance with the directives of the company, one of its organs or of a subsidiary of the company or one of its organs, or if the shareholder commits himself to vote in favor of proposals made by such companies or organs.

381 For voting agreements and contractual share transfer restrictions.

382 Mandatory takeover bid has to be launched if shareholders acting alone or in concert acquire securities which confer them control over a public company against payment of a control premium (evolving situation: pending bill implementing the Takeover Directive).

383 The company must mention in the explanatory notes to the annual accounts its ownership structure as of the closing date of the accounts.

384 A Shareholders' Agreement cannot contradict rules of law which cannot be dispensed by an agreement between parties (mandatory provisions/principles).

385 Section 31 in the DSTA: if a shareholding is transferred, directly or indirectly, in a company with one or several share classes listed on a stock exchange or admitted to trading on an authorized market place, the acquirer shall enable all the shareholders of the company to dispose of their shares on identical terms as a result of such share transfer. This rule is applicable when the acquirer (i) will hold the majority of voting rights in the company, (ii) becomes entitled to appoint or dismiss a majority of the company's members of the board of directors, (iii) obtains the right to exercise a controlling influence over the company on the basis of the Articles of Association or any agreement with the company in general, (iv) according to agreement with other shareholders, will control the majority of voting rights in the company, or (v) will be able to exercise a controlling influence over the company and will hold more than one-third of the voting rights.

386 The identity of major shareholders whose possessions exceed certain thresholds are included in the publicly available annual reports.

387 Shareholder agreements are not expressly prohibited by German stock corporation law, and are therefore available.

388 Voting agreements with third (non-shareholding) parties which constitute enforceable obligations of the shareholding party may conflict with the principle that the right to vote may not be separated from the other rights granted by the share (*Abspaltungsverbot*).

389 A shareholder agreement may not lead to a voting which is opposed to the company's interest.

390 There are no explicit rules authorizing or prohibiting shareholders' agreements.

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391 If such agreement provides for a direct monetary incentive for the use of the voting rights in a specific manner, the provision of such monetary
incentives in relation to voting agreements constitutes a criminal offence and such agreement is void.

392 The company must disclose on its website all agreements between shareholders concerning concerted exercise of shareholders rights (if those are
concluded and known to the company).

393 Disclosure to be made when one of the following events takes place: Shareholders holding more than 5% of votes represented by shares of the company
must disclose all material terms of agreements with other shareholders or third parties which purpose is to restrict the free transferability of the shares or
which may have a significant influence on the share price.

394 There are no rules that prohibit Shareholders' Agreements, nor rules that authorize/regulate them as a CEM.

395 Any person, who intentionally and for illegal cause receives special benefits or promises, in order to vote in a specific way in the general meeting of the
shareholders of the company or in order to be absent from such general meeting of the shareholders shall be punished with up to one year imprisonment
and a monetary punishment of 1,000 euro at least.

396 According to article 7 of law 3461/2006 implementing into Greek law EU Directive 2004/25, a mandatory takeover bid has to be launched within 20
days after shareholders acting in concert acquire more than one-third of the total voting rights of the acquired company for all the shares of the acquired
company.

397 This is currently being discussed in Parliament.

398 The Shareholders' Agreement must be deposited in the Mercantile Registry and communicated to the National Securities Market Commission.

399 If as a matter of principle voting agreements are often included in shareholders' agreements, their validity is subject to certain conditions: (i) the sole
consideration for this type of agreement may not be the payment of a sum of money, (ii) the agreement may not lead to a vote against the corporate
interest and motivated by the willingness to harm any party to the convention, and (iii) the duration of such agreement must be limited (it should be
noted that if the duration is not determined, any party may terminate the agreement).

400 Agreements including preferential conditions to buy or sell listed shares representing 0.5% or more of the capital or voting rights of an issuer must be
filed with such issuer and the AMF within five trading days of the execution of the agreement or any amendment thereto. The issuer and the AMF must
also be informed of the date on which the clause lapses. Failure to file the agreement results in a suspension of its effects during tender offers.

401 Notification may be required to the company and the Irish Stock Exchange upon the execution of the agreement.

402 A mandatory tender offer should be launched by persons who purchase more than 30% of the share capital with voting right on the appointment and
removal of directors or on their liability. The same rule applies if the acquisition of the relevant threshold is made jointly by several persons acting in
concert.

403 Shareholders' Agreement must be communicated to Consob within 5 days of its execution, published in at least one national newspaper within 10 days
of its execution, and deposited at the Registry of Enterprises within 15 days of its execution.

404 Filed with Register of Enterprises and Consob and published on a national daily newspaper.

405 If disclosure requirements are violated, the shareholders' agreement is null and void and voting right is suspended.

406 There are to our knowledge, only limited court cases in Luxembourg dealing specifically with shareholders' agreements. Luxembourg courts are also
likely to consider precedents, particularly in Belgium, but also in France.

407 The courts have not set exact rules but rather the principle that the larger the scope the shorter the duration and vice versa.

408 If the shareholders acting in concert hold voting rights representing 33 1/3% or more of total voting rights in the company excluding those securities
which only have a voting right in particular situations.

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- 409 If known to the company.
- 410 If the shareholders' agreement provides for restrictions to the transfer of shares or of voting rights in the meaning of the transparency directive.
- 411 According to the Capital Market Act, there must be a public takeover bid in the following cases: (i) acquisition of interest in the offeree company of more than 33% of the voting rights or (ii) if there is no shareholder in the company, other than the bidder, holding more than 10% of the voting rights, acquisition of more than 25% of the voting rights. In determining the extent of interest, among others, the interest held by persons acting in concert shall be applied concurrently. Parties acting in concert shall mean natural or legal persons, or unincorporated organizations who cooperate on the basis of an agreement aimed either at the acquisition of a participating interest in the capital of the offeree company or acquiring control of the offeree company or at frustrating the successful outcome of a bid.
- 412 The material terms of the shareholders' agreement should be communicated to the Stock Exchange if such agreement is considered significant to the operations of the company.
- 413 Disclosure in the regular reports if significant to the company.
- 414 An agreement to always vote in accordance with the instruction of a third party or a fellow shareholder is unlawful if the circumstances are not fully foreseeable.
- 415 The Dutch Takeover Rules are not implemented yet.
- 416 The following information shall be disclosed in the form of Special Reports: agreements pertaining to "shareholders acting in concert"; i.e. providing for joint acquisition of shares in the company or/and exercise of voting rights on shareholders' meetings in respect of material matters of the company, provided that the company has been notified thereof by the shareholder(s).
- 417 Annual reports shall contain, *inter alia*, the following information: (a) known to the company agreements between shareholders that are material for the activity of the company, (b) agreements which may result in changes in the proportions of shares held by existing shareholders and bondholders.
- 418 Listed companies must disclose any shareholders' agreements that pertain to the use of voting power within the company or restrict the transferability of the company's shares. The company shall further, according to the Corporate Governance Recommendation, disclose the existence of any shareholders' agreement known to it.
- 419 Schedule 13D must be filed by shareholders holding more than 5% of a class of registered voting securities at the time that a Shareholders' Agreement is entered into or amended. A current report on Form 8-K by the company after a shareholders' agreement is entered into by the company or amended. A statement on Schedule 13D/A must be filed promptly after an amendment to the shareholders' agreement is entered into.
- 420 Continuous disclosure is required in an annual proxy statement or annual report on Form 10-K (in the case of a shareholders' agreement between a public company and shareholders holding more than 5% of a class of publicly registered voting securities).
- 421 CEM implicitly authorized under general principles of freedom of contract. No general prohibition.
- 422 The entry into a shareholders' agreement in itself will generally not trigger a mandatory tender offer. However, if one party to the shareholders' agreement (by which the parties agree to exercise voting rights in concert) is acquiring shares of the company, the shares held by the other party might be counted as if the acquiring party is owning such shares. In addition, if the shareholders' agreement provide for an option of one shareholder to mandatory tender offer depending on the percentage of potential voting rights it will own after such a transaction.
- 423 A listed company must file Securities Reports for each fiscal year and Semi-annual Reports, in which it may be required to describe shareholders' agreements, depending on their contents and nature.
- 424 For corporations which are both incorporated and listed in Australia, there is no capacity for shareholders' agreements to be formed between listed companies which restrict the right to transfer shares in the market in any respect, due to the free right of trade which is an inherent quality of shares in

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listed companies. However, there is no law which precludes individual shareholders from entering into shareholders' agreements between themselves, subject to any restrictions which may be imposed by the Australian Stock Exchange.

425 The Corporations Act 2001 requires that the Australian Stock Exchange is notified of any substantial shareholdings (which equates to 5% of the issued share capital) or movements of at least 1% in this holding. The Foreign Acquisitions and Takeovers Act 1975 sets out restrictions on the rights of non-residents to acquire shares in Australian corporations (prior governmental approval required to acquire more than 15% and 40% ownership).

General Notes relating to the preparation of this summary regarding this CEM:

A – Scope and Assumptions

- 1) For the purposes of this summary, it is assumed that the Shareholders' Agreement is entered into by the shareholders only, and not by the company. The body deciding the CEM implementation is thus considered to be the shareholders.
- 2) Restrictions derived from general contract law are not addressed in this summary.
- 3) Rules regarding suspension of shareholders' agreements during tender offers are not addressed in this summary. For instance, in Italy, if a tender offer is launched upon the shares of the company, the participants to a Shareholders' Agreement listed in Article 122 of the Italian Securities Act can withdraw from the agreement and tender their shares (Article 123(3) of the Italian Securities Act).

B – Definitions

The following definitions in the column "Significant restrictions to CEM" have been used:

Director Independence	A shareholders' agreement could not authorize or direct the directors as to how they are to perform their functions. For instance, this is the case in the United Kingdom.
Interest of the company	Shareholders' Agreements must be motivated by, or exercised in, the interest of the company. For instance, in Belgium, voting agreements must always be motivated by the interest of the company.
Mandatory Takeover	A mandatory takeover bid has to be launched if shareholders entering into certain types of shareholders' agreements are deemed to be <u>acting in concert</u> and represent together more than a certain percentage of capital and/or voting rights of the company.
Time Limit	Maximum duration of the Shareholders' Agreement, after which it may be considered invalid or non-enforceable. For instance, in Italy, a Shareholders' Agreement may not exceed 3 years.

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Violation of Transparency Rules	The Shareholders' Agreement becomes unenforceable or void if specific transparency rules or disclosure requirements have not been complied with.
Voting Rights	Specific restrictions regarding Shareholders' Agreements governing voting rights, such as inseparability of the right to vote from other rights granted to the share, prohibition to "sell" voting rights or to vote as directed by the management. For instance, in Greece, the "sale of votes" is prohibited: any person, who intentionally and for illegal cause receives special benefits or promises, in order to vote in a specific way in the general meeting of the shareholders of the company or in order to be absent from such general meeting of the shareholders, is punished with up to one year imprisonment and a monetary punishment of 1,000 euro at least.

GENERAL BACKGROUND ANSWERS

1) Rules for Election of Directors

1) Majority Rule:

“**D**”: “**Default rule – the rule applies unless otherwise provided in the bylaws or Articles of Association**”

“**M**”: “**Mandatory Rule**”.

2) Representation of Minority Shareholders:

This section addresses the issue whether the law mandates, or the bylaws or Articles of Association could provide for, representation of minority shareholders at the level of the board of directors or supervisory board. If such representation is mandatory, “**M**” is indicated; if it is subject to the insertion of specific provisions in the bylaws or the Articles of Association “**BL**” or “**AA**” is indicated.

- = Not applicable.

3) The following definitions are used in this section:

Simple Majority (“SM”)	More shares voting “yes” than voting “no”.
Enhanced Simple Majority (“ESM”)	More shares voting “yes” than voting “no” when shares of shareholders present or represented at the meeting who do not vote on the resolution (abstentions) or vote neither yes or no (blank vote) are counted as voting “no”.
Absolute Majority (“AM”)	Half of all issued shares + 1.
Qualified Majority (“QM”)	Any other applicable majority.
FC	First call.
SC	Second call.

GENERAL BACKGROUND – ELECTION OF DIRECTORS

	Majority				Quorum		Representation of Minority Shareholders	Co-optation of Directors		
	Simple	Enhanced Simple	Absolute	Qualified	First Meeting	Second Meeting		Y/N	Replacement only	Ratification
BELGIUM	D				None	None	AA	Y	Yes	By the next GMS
DENMARK	D				None	None	AA	N ⁴²⁶	N/A	N/A
GERMANY	D ⁴²⁷ (SB and BD ⁴²⁸)				50% - but at least 3 of the members of the SB (D)	50% of the members of the supervisory board	No	N	No	N/A
ESTONIA	D				≥50% of all votes	None	No	N	No	N/A
GREECE	D ⁴²⁹				20% of the aggregate share capital	None	No	Y	Yes	By the next GMS
SPAIN		D			25% of the share capital	None	M	Y	Yes	By the next GMS
FRANCE⁴³⁰		M			20% of the voting capital	None	No	Y	Yes	By the next GMS
IRELAND	D ⁴³¹				3 ⁴³²	None	AA	Y	Yes	By the next GMS
ITALY		D (FC) and M (SC) ⁴³³			<u>GMS</u> : 50% of the share capital <u>Supervisory Board</u> ⁴³⁴ : 50% of board members	<u>GMS</u> : None <u>Supervisory board</u> ⁴³⁵ : 50% of board members	M ⁴³⁶	Y ⁴³⁷	Yes	By the next GMS
LUXEMBOURG⁴³⁸	D				None	None	AA	Y	Yes	Subsequent confirmation by the corporate body entitled to make the appointments

GENERAL BACKGROUND – ELECTION OF DIRECTORS

	Majority				Quorum		Representation of Minority Shareholders	Co-optation of Directors		
	Simple	Enhanced Simple	Absolute	Qualified	First Meeting	Second Meeting		Y/N	Replacement only	Ratification
HUNGARY		D ⁴³⁹			More than 50% of the shares having voting right (D)	None (D)	No	N	N/A	N/A
THE NETHERLANDS	D ⁴⁴⁰				None		No	N	N/A	N/A
POLAND		GMS (D) SB (D)			None (D)	None (D)	MB - No (D) SB -Yes ⁴⁴¹	N (D)	N/A ⁴⁴²	N/A
FINLAND	D				1 shareholder present	N/A	No	N	N/A	N/A
SWEDEN	D ⁴⁴³				None	-	No	N	N/A	N/A
THE UNITED KINGDOM	D ⁴⁴⁴				2 shareholders (D)	-	No	Y	Yes	Next annual GMS
THE UNITED STATES		D ⁴⁴⁵			Majority of the shares entitled to vote that are present/ represented ⁴⁴⁶ (D)	-	No	Y	Yes	At the next election
JAPAN			D ⁴⁴⁷		1/2 of the voting rights of the shareholders who are entitled to vote ⁴⁴⁸	-	No	N ⁴⁴⁹	N/A	N/A
AUSTRALIA	M ⁴⁵⁰				2 members ⁴⁵¹	-	No ⁴⁵²	Y	Y	Next annual GMS

⁴²⁶ Co-optation is in general prohibited.

⁴²⁷ Unless otherwise provided in the bylaws or Articles of Association.

⁴²⁸ Supervisory Board and Board of Directors.

⁴²⁹ Shareholders present or represented at a shareholders’ meeting who either do not participate in the vote or cast a blank vote are not counted.

⁴³⁰ Answers in the general background section relate to companies with a board of directors. Dual structure companies follow different rules.

⁴³¹ However, a company may by ordinary resolution remove a director notwithstanding any provision of the articles of association.

GENERAL BACKGROUND – ELECTION OF DIRECTORS

432 The quorum depends on the article of association. Articles of association of listed companies will almost always specify the quorum, failing which, the
quorum will be three.

433 Whether the company adopted the traditional, monistic or dualistic model.

434 For dual structure, the board is elected by the supervisory board with a quorum of 50% of the members.

435 For dual structure, the board is elected by the supervisory board with a quorum of 50% of the members.

436 Members of the board of directors should be elected on the basis of lists of candidates, allowing to represent minority shareholders.

437 Only to replace a minority of the Board members. The majority of the board members should always be appointed by the GM.

438 In case of a dual structure, (i) the summary in the table applies to the members of the supervisory board and (ii) the members of the management board
are appointed by the supervisory board or, if the articles provide so, by the GMS. The quorum at the supervisory board is (unless the articles provide
differently) 50% of the members and the majority is absolute majority of members present or represented. The quorum and majority at the GMS is as in
the table.

439 The Articles of Association may provide for 3/4 majority vote for the election of the Board members, but not for their recall.

440 The managing directors of a structure company are appointed by the supervisory board.

441 If group election of members of the supervisory board was requested by shareholders representing at least 20% of the share capital. In addition,
employees and/or growers may enjoy right to appoint/revoke supervisory board (or even management board) members in public companies established
based on State-owned enterprises, if certain statutory criteria are met.

442 Sometimes the articles of association provide for a co-optation mechanism, in case of resignation or death of a SB member. In such case, the said
Articles usually require ratification by the next GMS.

443 However, the articles of association may not provide a more far-reaching majority. They can only provide for a less far-reaching majority.

444 The directors are elected by a majority of the votes cast.

445 Section 216 of the Delaware General Corporation Law provides that the rules apply “in the absence of such specification in the certificate of
incorporation or bylaws of the corporation.”

446 Unless otherwise provided in the certificate of incorporation, but in no event can the required quorum be less than 1/3.

447 It cannot be reduced to less one-third.

448 It cannot be reduced to less than one-third.

449 If there is a vacancy of a director and the minimum number of directors under the law or the Articles of Association is not satisfied, interested parties
may apply to the court for an order to appoint a temporary director. The temporary director will resign when the new director is elected at the general
meeting and the minimum number is then satisfied.

450 The directors are elected by a majority of the votes cast. The required majority is more than 50% of votes cast by shareholders entitled to vote on the
election.

451 This is what is provided by the Corporation Act, section 249T. It only applies if the company has adopted the replaceable rules under the mentioned
section. However, most listed Australian companies adopt their own constitution.

452 Such mechanism is not provided for under Australian Law.

2) Rules for Dismissal of Directors

1) Section entitled “Dismissal permitted”:

If dismissal is permitted only for cause, the column “without cause” is answered with “No” and the two following columns are left blank. If dismissal is permitted without cause, notice and indemnity (“*ad nutum*” dismissal), the columns “without cause and without notice” and “without cause and without indemnity” are both answered with “Yes”.

2) Section entitled “Employment Agreement”:

The issue addressed by this column is whether a director who may be dismissed without cause or without indemnity or without notice, may enter into an employment agreement with the company that may provide him with some significant protection in relation to the work performed under this agreement (such as dismissal for cause only, or with indemnity).

3) Section entitled “Meeting”:

The two last columns are aimed at checking (i) whether dismissal may be decided during any meeting (the answer is then “**All**”) or during certain meetings only (the answer is then “**OGM**” for “**Ordinary General Meeting**” and “**AM**” for “**Annual Meeting**”) and (ii) whether dismissal may only be decided if the item was on the agenda of the meeting (the answer is then “Yes”) or whether shareholders may always, during a meeting, require a vote on dismissal (the answer is then “No”).

GENERAL BACKGROUND – DISMISSAL OF DIRECTORS

	Quorum and Majority		Dismissal permitted			Employment Agreement	Meeting	
	Same rules as for designation	Other rules	Without cause	Without cause and without notice	Without cause and without indemnity		Meeting (All/OGM/AM)	Only if dismissal is on the agenda (Yes/No)
BELGIUM	× ⁴⁵³		×	×		No ⁴⁵⁴	All	Yes
DENMARK ⁴⁵⁵	×		×	×	×	Yes ⁴⁵⁶	All	Yes
GERMANY	×	75% of the votes cast ⁴⁵⁷	-	-	- ⁴⁵⁸	Decided on a case-by-case basis ⁴⁵⁹	Supervisory Board	No
ESTONIA ⁴⁶⁰		2/3 of the votes represented in the GMS ⁴⁶¹ Same quorum	×	×	× ⁴⁶²	No	All	Yes ⁴⁶³
GREECE	×		×	×	×	Yes	All	Yes
SPAIN	×		×	×	× ⁴⁶⁴	No	All	No
FRANCE	×		×	×	×	No ⁴⁶⁵	All	No
IRELAND	×		×			Yes	All	Yes
ITALY	×		×	×	- ⁴⁶⁶	Yes	All	Yes
LUXEMBOURG	× ⁴⁶⁷		×	×	×	Yes ⁴⁶⁸	All	No
HUNGARY	× ⁴⁶⁹		×	×	×	Untested ⁴⁷⁰	All	Yes
THE NETHERLANDS	× ⁴⁷¹		×	× ⁴⁷²	× ⁴⁷³	Yes ⁴⁷⁴	All	Yes
POLAND	×		× ⁴⁷⁵	× ⁴⁷⁶	× ⁴⁷⁷	Yes	All	Yes
FINLAND	×		×	×	×	No ⁴⁷⁸	All	Yes
SWEDEN	×		×	×	×	Yes ⁴⁷⁹	All	Yes

GENERAL BACKGROUND – DISMISSAL OF DIRECTORS

	Quorum and Majority		Dismissal permitted			Employment Agreement	Meeting	
	Same rules as for designation	Other rules	Without cause	Without cause and without notice	Without cause and without indemnity		Meeting (All/OGM/AM)	Only if dismissal is on the agenda (Yes/No)
THE UNITED KINGDOM	×		×			Yes ⁴⁸⁰	All	Yes
THE UNITED STATES		AM ⁴⁸¹ (but same quorum)	× ⁴⁸²	× ⁴⁸³		Yes ⁴⁸⁴	All ⁴⁸⁵	Yes
JAPAN	×		× ⁴⁸⁶	×		Yes ⁴⁸⁷	All	No
AUSTRALIA	× ⁴⁸⁸		×	- ⁴⁸⁹	×	Yes ⁴⁹⁰	All (including extraordinary GM and AM)	Yes

⁴⁵³ Please note, however, that unlike for the legal quorum and majority rules for appointment, the legal rules on quorum and majority for the dismissal of directors cannot be strengthened in the articles, as this would contravene the “*ad nutum*” revocable character of their mandate (Highest Court Case Law).

⁴⁵⁴ The “*ad nutum*” revocable character of the directors’ mandate also implies that one cannot fulfill the office of a director as an employee (i.e., under an employment agreement) for the single reason that labor law provides for considerable protection against unilateral and immediate dismissal. There is, however, another reason why a director, in this capacity, cannot be considered to be an employee: namely, the lack of the exercise of permanent authority over such director (such exercise of authority is considered to be one of the conditions of a labor relationship under Belgian labor law and distinguishes an employee from a self-employed person). The GMS, which normally convenes only once a year, is not able to exercise such permanent authority. This does not mean, however, that a director cannot, at the same time, be an employee of the company. In that case, he must hold a different position in the company which is clearly distinct from the task of director, in the exercise of which he is under the authority of another company organ, like, for example, the board of directors.

It should also be noted that the abovementioned “*ad nutum*” – rule does not apply to members of the Executive Committee (Art. 524 bis CC). Indeed, the appointment, dismissal and term of office of members of the Executive Committee can be determined by the articles of incorporation and otherwise by the Board of Directors. In addition, since the Board of Directors is able to exercise permanent authority over them, it is generally accepted that, as such, members of the Executive Committee may be employees.

⁴⁵⁵ The answers apply to the members of the Board of Directors. The members of the management board are “elected” and dismissed by the supervisory board.

⁴⁵⁶ Members of the board of directors may enter into an employment agreement with the company, whereby the member of the board becomes both a member of the board and an employee of the company. Such an employment agreement would give the member of the board protection as an

GENERAL BACKGROUND – DISMISSAL OF DIRECTORS

employee, but not as a member of the board. However, a member of the supervisory board may not enter into an employment agreement with the company, which provides him with some protection in relation to the work performed under the agreement.

457 This majority applies for the dismissal of members of the supervisory board by the shareholders' meeting only, not to the dismissal of directors by the supervisory board.

458 The dismissal of a director as an act ending the director's status as representative of one of the company's corporate bodies has to be distinguished from the termination of the director's employment agreement. As a representative of the company's management board, a director can only be dismissed due to good cause (principle of independence of management board). However, the termination of the employment agreement is subject to German civil law.

459 A director (*Vorstand*) of a German stock corporation forms part of a corporate body of the company. A director generally enters into a service agreement with the company. Under such service agreement, the director may be granted certain rights (*i.e.*, selected employment rights). However, due to the director's position as part of a corporate body (*Organstellung*), the director may not be considered an employee of the company rather than employer (BGHZ 49, 30f.; 79, 38, 41). Therefore, the contractual notice of dismissal of a director does not require any justification in content. Generally speaking, and as the case may be, selected employee rights may apply to a director if his position in the company may be compared to that of an employee (*Hüffer AktG*, 7. Aufl. 2006, § 84 Rn.17).

460 Applies to the dismissal of the members of the supervisory board.

461 Unless the director is dismissed because of the lapse of the term of nomination, if this is the case, a simple majority of the votes represented in the GMS is sufficient for dismissal.

462 Unless otherwise agreed between the director and the company. The grounds for dismissal are alternative.

463 If dismissal was not on the agenda communicated to the shareholders, such decision can nonetheless be passed with the majority of 9/10 of the votes present and represented in the GMS provided that such votes represent more than two-third of all votes, represented by shares.

464 All the grounds for dismissal are cumulative.

465 Employment agreements for directors are, however, permitted in limited cases. Compensation in the event of termination must be moderate, so as not to conflict with the right to revoke directors "*ad nutum*".

466 Board members can be removed without a specific cause and notice, but they have a right to damages if the removal was not based on a legitimate ground. Staggered board is admitted (*i.e.*, the bylaws can provide that directors have different and overlapping terms).

467 Except that Articles may not increase quorum or majority of GMS.

468 But this does not prevent dismissal as a director.

469 Majority: more than half of all shares present and represented during the meeting and no higher majority requirement can be provided in the articles for the dismissal. Quorum: more than 50% of all existing shares having voting right on first call and no quorum on second call.

470 The relation cannot be an employment relation. It is not tested yet whether the company may enter into an agreement limiting the right to recall without cause, notice and indemnity

471 Maximum majority for resolutions to suspend or remove managing directors or not to follow a nomination or not to follow quality requirements is two-third of the votes representing half of the capital (limitation by law on supermajority for these issues).

472 The general meeting of Shareholders in which the proposal is brought up for consideration must be convened in accordance with the DCC and the Articles, which includes sending a convening notice to the director concerned.

473 As far as it concerns the corporate relationship (as opposed to the labor law relationship).

GENERAL BACKGROUND – DISMISSAL OF DIRECTORS

474 However, it is unusual to dismiss a director without ending the employment agreement. In most cases the corporate and labor law relationships are
linked. It is possible for instance that the director is dismissed as director of a group company but the employment agreement with the other group
company remains.

475 Unless otherwise provided in the bylaws.

476 The Articles of Association may limit the right to dismiss to important reasons only, for instance.

477 Both the employment agreement and the civil law agreement may provide for compensation.

478 However, an agreement between the company and the member of the board can include a provision concerning an indemnity upon dismissal.

479 However, under the Stockholm Stock Exchange Rules, only one director of the board may, in the absence of an exemption, be an employee of the
company. Such person is normally the Chief Executive Officer of the company.

480 An individual who holds the office of director may also enter into an employment agreement with the company of which he is a director (or another
group company) which will generally provide for certain protections on termination of his/her employment without cause (e.g. entitlement to a certain
length of notice of termination or some form of liquidated damages severance payment).

481 Majority of all outstanding shares entitled to vote at an election of directors required. The Articles of an association or the bylaws cannot require a
higher or lower majority.

482 Pursuant to section 141(k) of the DGCL, a director of a Delaware corporation may be removed with or without cause by the holders of a majority of
shares then entitled to vote. However, directors may be removed only for cause if the company has a staggered board or allows cumulative voting. The
director's dismissal by the general meeting will terminate the term of office as director, but will not terminate the employment agreement.

483 Subject to what the company's charter and bylaws provide. There is no universal rule permitting or prohibiting the dismissal of a director without
notice. Generally, directors are given notice prior to their removal.

484 Directors of a public US company are generally not employees of the company and therefore non-employee directors do not have employment
agreements with the company. However, US public companies always provide indemnity protection to their directors. In addition, under section 145
(C) of the Delaware General Corporation Law (the "DGCL"), if a present or former director of a Delaware company has been successful on the merits
or otherwise in defense of any action, suit or proceeding, such person must be indemnified.

485 Directors can be removed by stockholders, either by written consent or at a stockholders' meeting.

486 In the case of a classified board, directors can only be removed for cause, unless otherwise stated in the certificate of incorporation, and in the case of a
corporation having cumulative voting, if less than the entire board is removed, no director may be removed without cause if the votes cast against the
removal of such director would be sufficient to elect such director.

487 A company may specify in its Articles of incorporation that dismissal of directors requires a special resolution (2/3 approval) of the shareholders
meeting.

488 The required majority is more than 50% of votes cast by shareholders entitled to vote on the resolution.

489 Removal without cause is subject to notice of intention being given to the director and subject to entitlement of a director to put their case forward.

490 A public company may by resolution remove a director from office despite anything in the company's constitution, an agreement between the company
and the director, or an agreement between any or all members of the company and the director, but the director may be entitled to compensation under
the Employment Agreement or at common law (e.g., where removal occurs without cause).

GENERAL BACKGROUND – OTHER INFORMATION

3) Other information on general meetings

	Right for minority shareholders to have a shareholder meeting convened (1)	Right for minority shareholders to add an item to the agenda	Proxy solicitation		Electronic Voting	
			Principle	Information on shareholders	Authorized	Mandatory
BELGIUM	20%	20% ⁴⁹¹	Yes	Information only on nominative shares (at any time) ⁴⁹²	No	-
DENMARK	10%	Individual right ⁴⁹³	Yes	Only if decided by the shareholders, by simple majority	Yes	No
GERMANY	5%	5% or an amount of 500,000 euros in the share capital	Yes	No	Yes	No
ESTONIA	10%	10%	Yes	Yes	No ⁴⁹⁴	No
GREECE	20%	No	Yes	No ⁴⁹⁵	No, but will be allowed under the Draft Law	-
SPAIN	5%	5%	Yes	No	Yes	No
FRANCE	5%	0.5%-5% ⁴⁹⁶	Yes	Information only on nominative shares before the annual meeting ⁴⁹⁷	Yes	No
IRELAND	10%	No	No	N/A	No	N/A
ITALY	10%	1/40	Yes	Information on names and number of shares held by each shareholder ⁴⁹⁸	Yes	No
LUXEMBOURG	10%	10%	Unclear	Unclear ⁴⁹⁹	Yes	No
HUNGARY	5% ⁵⁰⁰	1% ⁵⁰¹	No	-	Yes	No
THE NETHERLANDS	10%	1%	Yes ⁵⁰²	Not available for shareholders	Yes	No
POLAND	10%	10%	Yes	Only information on shareholders registered for GMS, three days before GMS	Yes ⁵⁰³	No
FINLAND	10%	No minimum holding requirement	Yes	Share and shareholder registers are public; however, foreigners may hold shares through nominee accounts	Yes	No

GENERAL BACKGROUND – OTHER INFORMATION

	Right for minority shareholders to have a shareholder meeting convened (1)	Right for minority shareholders to add an item to the agenda	Proxy solicitation		Electronic Voting	
			Principle	Information on shareholders	Authorized	Mandatory
SWEDEN	10% ⁵⁰⁴	No specific stake required	No	Share Register publicly available	No	-
THE UNITED KINGDOM	10% ⁵⁰⁵	10% ⁵⁰⁶	Yes ⁵⁰⁷	Shareholder names and addresses are public information, and available on annual returns filed at Companies' House	Yes ⁵⁰⁸	No
THE UNITED STATES	No specific rule ⁵⁰⁹	No specific rule	Yes ⁵¹⁰	Information on names and addresses of shareholders ⁵¹¹	No	-
JAPAN	3% ⁵¹²	1% ⁵¹³	Yes	Each shareholder (thus the proxy if he is a shareholder) may demand a copy of the register of shareholders	No	-
AUSTRALIA	5% ⁵¹⁴	5% ⁵¹⁵	Yes ⁵¹⁶	In the company register which is accessible to the public	Yes ⁵¹⁷	No

⁴⁹¹ The Belgian Corporate Governance Code recommends that the level of shareholding required for the submission of proposals to the general meeting of shareholders should not exceed 5% of the share capital. In other words, the board of directors is encouraged to add such proposals to the agenda on a voluntary basis.

⁴⁹² This information is thus of little use, as most shareholders hold bearer shares.

⁴⁹³ Any shareholder is entitled to have specific business considered at a general meeting if such shareholder submits a written request to this effect to the board of directors sufficiently prior to the general meeting in order for the business to be included in the agenda.

⁴⁹⁴ However, if all the shareholders agree, they can pass a shareholders' decision without holding a GMS by simply signing the relevant decision (by all existing shareholders). In such case each shareholder can sign by attaching an electronic signature to the draft shareholders' decision.

⁴⁹⁵ Only on registered shares authorized personnel of the issuer.

⁴⁹⁶ The necessary percentage of share capital is 5% if the share capital is less than 750,000 euros (article L.225-105 of the French Commercial Code). If the share capital is more than 750,000 euros, the necessary percentage is calculated according to decreasing thresholds: 4% for the 750,000 first euros, 2.5% if the share capital is between 750,000 and 7,500,000 euros; 1% if the share capital is between 7,500,000 and 15,000,000 euros and 0.5% if the share capital is above 15,000,000 euros.

⁴⁹⁷ This information is thus of little use, as most shareholders hold bearer shares.

⁴⁹⁸ The intermediary who carries out the solicitation is entitled to obtain: a) from the central securities depository, the names of the depositaries and the quantity of shares of the company registered on their respective accounts; b) from the depositaries, the names and the number of shares held by the shareholders who have not expressly forbidden the disclosure of their data; c) from the company, the data contained in the shareholder book and in the other documents received pursuant to law or regulations (Article 134(9) of the Regulation on Issuers).

GENERAL BACKGROUND – OTHER INFORMATION

499 Whether the shareholder register would be accessible to the person soliciting proxies.
500 Of the voting rights.
501 Of the voting rights
502 The GMS may, for a period not exceeding five years, authorize the board of directors to arrange for proxy solicitation.
503 Voting via Internet is prohibited. Voting by means of electronic voting cards is allowed.
504 Of all shares.
505 Of the company's paid-up capital with a right to vote at GMS
506 Of the paid up capital. The answer is dependent on the provision made in the articles. The Companies Act is silent on the point of members being able to add items to the agenda of an Annual general meeting, but Section 368 does specify that members representing 10% of the paid up capital can call an Extraordinary general meeting, to discuss whatever issue they wish.
507 Every notice calling a meeting shall specify that a shareholder entitled to vote is entitled to appoint a proxy.
508 But it would be difficult since resolutions, in particular special resolutions, are put to the general meeting and voted on in person or by proxy.
509 Subject to the provisions of the company's charter and/or bylaws.
510 Minority shareholders are free to engage in proxy solicitation so long as such solicitation follows American Securities Laws and the procedures, if any, set forth in the company's charter and bylaws.
511 Rule 14a-7 of the Securities Exchange Act of 1934 gives a public company the option to either provide a shareholder list to shareholders wishing to solicit proxies or mail the soliciting materials for them. If shareholders wish to receive the shareholders list, they can resort to Section 220 of the DGCL. Section 220 entitles shareholders to obtain a list of the stockholders upon proper demand (*i.e.*, the demand needs to be under oath, states the purpose of the demand, and states their status as shareholders accompanied by documentary evidence).
512 Of the total voting rights of all shareholders for the preceding six months.
513 Of the total voting rights of all shareholders for the preceding six months.
514 Of the votes that may be cast at a GMS.
515 Of the votes that may be cast at a GMS or At least 100 members who are entitled to vote at GMS.
516 A company may send to members a list of persons willing to act as proxies at a meeting. If a member has requested this list, the list must be sent to all members who request it and who are entitled to appoint a proxy. Otherwise, the list must be sent to all members entitled to attend and vote at the meeting.
517 But not fully tested in Australia.

GENERAL BACKGROUND – SHAREHOLDERS’ DECISIONS

4) Shareholders’ decisions requiring a vote from more than a simple majority⁵¹⁸

	Changes in bylaws / Articles of Association	Capital increase, Issuance of shares or other equity securities	Issuance of bonds or other debt instruments/ Other financial instruments	Capital Reduction	Share buy-backs	Disapplication of statutory pre-emption rights on new equity issued for cash	Mergers	Sale of all or substantially all the assets	Change of nationality of the company	Change of corporate purpose	Voluntary Liquidation
BELGIUM⁵¹⁹	3/4	3/4	3/4	3/4	80%	3/4	3/4	80% ⁵²⁰	80%	80%	3/4
DENMARK⁵²¹	2/3 or 9/10 or unanimous	2/3	2/3 ⁵²²	2/3	SM or 2/3 ⁵²³	2/3 ⁵²⁴ or 9/10	2/3	2/3 ⁵²⁶	2/3	2/3	2/3
GERMANY⁵²⁵	3/4	3/4	3/4	3/4	Simple majority of the votes cast	3/4	3/4	3/4	N/A	3/4	3/4
ESTONIA⁵²⁷	2/3	2/3	2/3 ⁵²⁸	2/3		3/4	2/3			2/3 ⁵²⁹	2/3
GREECE⁵³⁰	2/3	2/3	2/3	2/3	2/3	3/4 ⁵³¹	2/3		2/3	2/3	2/3
SPAIN⁵³²	1/2 or 2/3	1/2 or 2/3	1/2 or 2/3	1/2 or 2/3		1/2 or 2/3	1/2 or 2/3		1/2 or 2/3	1/2 or 2/3	1/2 or 2/3
FRANCE⁵³³	2/3	2/3		2/3	2/3 ⁵³⁴	2/3	2/3		100%	2/3	2/3
IRELAND⁵³⁵	3/4	3/4		3/4 ⁵³⁵	3/4	3/4	3/4			3/4	3/4
ITALY⁵³⁷	2/3	2/3	2/3	2/3 ⁵³⁵	1/2	2/3 + 50% of the whole legal capital ⁵³⁸	2/3		2/3	2/3	2/3
LUXEMBOURG⁵³⁹	2/3	2/3 ⁵⁴⁰		2/3		2/3	2/3	2/3	100%	2/3	2/3
HUNGARY⁵⁴¹	3/4 ⁵⁴²	1/2	1/2 ⁵⁴³	3/4	1/2 ⁵⁴⁴	1/2	3/4		1/2 ⁵⁴⁵	1/2	3/4
THE NETHERLANDS⁵⁴⁶	1/2	1/2		2/3 ⁵⁴⁷		2/3 ⁵⁴⁸	2/3 ⁵⁴⁹		½	1/2 ⁵⁵⁰	1/2 ⁵⁵¹
POLAND⁵⁵²	3/4	3/4	3/4 ⁵⁵³	3/4		80%	2/3 ⁵⁵⁴	3/4	3/4	2/3	3/4
FINLAND	2/3	2/3			2/3	2/3	2/3		2/3	2/3	2/3
SWEDEN⁵⁵⁵	2/3			2/3	2/3	2/3	2/3	2/3		2/3	

GENERAL BACKGROUND – SHAREHOLDERS’ DECISIONS

	Changes in bylaws / Articles of Association	Capital increase, Issuance of shares or other equity securities	Issuance of bonds or other debt instruments/ Other financial instruments	Capital Reduction	Share buy-backs	Disapplication of statutory pre-emption rights on new equity issued for cash	Mergers	Sale of all or substantially all the assets	Change of nationality of the company	Change of corporate purpose	Voluntary Liquidation
THE UNITED KINGDOM ⁵⁵⁶	3/4	50%+1				3/4	3/4			3/4	
THE UNITED STATES ⁵⁵⁷											
JAPAN ⁵⁵⁸	2/3	2/3		2/3	2/3	2/3 ⁵⁵⁹	2/3	2/3		2/3	2/3
AUSTRALIA ⁵⁶⁰	3/4			50% for equal capital reduction/ 3/4 for selective capital reduction	Where buy back exceeds 10/12 limit ⁵⁶¹ : 50% Or 75% ⁵⁶²	3/4	3/4	1/2	3/4	3/4	3/4

518 Please note that references to “1/2” should be read as “50%+ 1 vote”.

519 Q = 50% of all existing shares (FC) and nil (SC). The required majority refers to all shares present and represented. Please note that for change of corporate form (Art. 781 CC), change of corporate purpose (Art. 559 CC) and share buy-back (Art. 620 CC) PSCs are taken into account. In addition, please note that for change of corporate form Q= always 50%.

520 GMS vote only required to the extent that this entails (and thus requires) a change of corporate purpose.

521 There are no quorum requirements under Danish law, only majority requirements. The indicated majority must at the same time represent both the voting share capital represented at the GMS and the same majority of votes cast at the GMS.

522 The required majority can also be 9/10 of the voting share capital represented and the votes cast or in some cases even unanimous (if the obligations of the shareholders towards the company are increased). It depends on the type of bond or financial instrument. Some types can be issued with simple majority.

523 If own shares above 10%, a capital reduction would be required. A share buy-back after which the company’s amount of own shares are below 10% only requires a simple majority by the general meeting. According to section 48, shares shall only be acquired pursuant to an authorization granted to the board of directors by the company in general meeting with simple majority. Such authorization shall only be granted for a limited period of time not exceeding 18 months.

524 If the shares are issued at a price lower than the market price, it will require a majority of 9/10 of the votes cast and of the voting share capital represented at the GMS

525 If it, *de facto*, changes the business purpose as laid down in the object clause in the Articles of Association.

526 The required majority refers to the share capital represented in the passing of the resolution.

GENERAL BACKGROUND – SHAREHOLDERS’ DECISIONS

527 Q = > 50% of all existing shares (FC) and none (SC). The required majority refers to all shares present and represented.
528 Only if the company issues convertible bonds, since the convertible bonds can only be issued if the increase of the S/C of the company has been decided
by a two-third majority.

529 Only in the event it requires a change in the AoA.

530 The required quorum is 66.66% of all existing shares (FC) and 50% of all existing shares (SC).

531 Two-third under Draft law.

532 The required quorum is 50% of all existing shares (FC) and 25% of all existing shares (SC). The required majority is ESM if more than 50% of the
shares are present or represented and two-third, if less than 50% of the shares are present or represented.

533 The required quorum is one-quarter of voting shares on 1st notice and 1/5 of voting shares on 2nd notice. The required majority refers to all shares
present or represented.

534 SM if no capital reduction is contemplated.

535 The answers provided mean that a vote in favor represents three quarters of the votes cast at the meeting.

536 The majority is three-quarter if the share buy backs takes place off the market and a simple majority is required if it takes place on the Irish Stock
Exchange.

537 The percentages in the chart represent the required majority. The required quorum for all those decisions is 50% (FC), 1/3 + 1 (SC) and 20% (TC) of all
existing shares. The required majority refers to shares present or represented in the meeting.

538 The GMS can authorize the Board to decide on the disapplication of pre-emption rights.

539 The required quorum is 50% of the share capital (FC) and nil (SC). The required majority refers to the votes cast at the GMS (abstentions and blank or
void votes are not counted).

540 Vote of authorized share capital or of disapplication of pre-emption rights requires indicated majority. Any issue thereunder then only requires board
approval.

541 The required quorum is: more than 50% of all existing shares having voting right (FC) and nil (SC). The required majority refers to all shares present
and represented during the meeting.

542 Except for capital increases which are addressed in the following column.

543 Issuance of convertible bond and bond entitling to pre-emption right is within the competence of the general meeting.

544 Acquisition of own shares can be made by the Board (Upon Delegation).

545 Applicable to European companies (SE) only.

546 The majority refers to all shares present or represented during the meeting.

547 If at least half of the issued capital is represented at the general meeting of Shareholders, a simple majority is applicable.

548 If at least half of the issued capital is represented at the general meeting of Shareholders, a simple majority is applicable.

549 If at least half of the issued capital is represented at the general meeting of Shareholders, a simple majority is applicable.

550 Same as resolution to amend the Articles of Association.

551 Same as resolution to amend the Articles of Association.

GENERAL BACKGROUND – SHAREHOLDERS’ DECISIONS

552 No statutory quorum is required, unless otherwise provided for by the Articles of Association. The required majority refers to all votes cast. “All votes
cast”: a shareholder who is present and does not vote is not counted as a voting shareholder, but a “blank” or abstaining vote counts as a “no” vote.

553 Applies only to issuance of bonds which can be exchanged for shares and to bonds with priority rights.

554 In public companies.

555 The answers provided refer to the votes cast and the shares represented at the meeting.

556 The answers provided refer to the shareholders entitled to vote and present at the meeting.

557 No shareholders’ decision requires a vote from more than a simple majority vote.

558 The required quorum is 50% of all existing shares (FC) and there is no specific quorum on second call. The required majority refers to all shares present
and represented during the meeting.

559 If especially favorable conditions, a special resolution of shareholders is required.

560 In all cases, the majority is computed on the basis of all shareholders present and represented and eligible to vote on the resolution. In columns 2 and 3
(issuance of shares, financial instruments, etc.), a simple majority decision of the Board is required. Where a company has adopted the replaceable rules
under the Corporations Act, the quorum for company members is two members in every case and this must be present at all times during the meeting.
Please note, however, that we are not aware of any listed incorporated company which has adopted the replaceable rules. Most Australian listed
companies adopt their own constitution and specify a quorum of two or more members. Please note, however, that we are not aware of any listed
incorporated company which has adopted the replaceable rules. Most Australian listed companies adopt their own constitution.

561 The Corporations Act 2001 provides that a company may buy back its shares if the buy-back does not materially prejudice the company’s ability to pay
its creditors. The Corporations Act also provides that for a company proposing to buy-back its shares in excess of 10% of the smallest amount of issued
capital in a 12-month period, shareholder approval must be obtained. The required majority of shareholder approval differs depending on the type of
share buyback which is being proposed.

562 50% for employee share scheme buy-back, on market buy-back and equal access buy-back; 75% for selective buy-back.

Threshold Crossing – Transparency Directive (EU Countries)

For a number of CEMs, notification of the acquisition or disposal of major holdings is required when specified thresholds have been crossed. This requirement is addressed in the Directive 2004/109/EC of the European Parliament and of the Council of 15 December, 2004 (the “Transparency Directive”). In view of the imminent implementation and adoption of the Transparency Directive in the European Union countries, we have chosen not to include in the summaries information pertaining to each country’s specific thresholds crossing notification requirements, as these will in some cases be superseded by the Transparency Directive. However, in order to address this issue, we have prepared a separate table comparing the regulations applicable in each jurisdiction to the minimum requirements of the Transparency Directive.

	Implementation of Transparency Directive	Notification of acquisition or disposal of major holdings threshold ⁵⁶³								Notification of acquisition or disposal of own shares threshold ⁵⁶⁴		Notification of total number of voting rights and capital and any change in the rights attached to shares and securities ⁵⁶⁵	
		5%	10%	15%	20%	25%	30%	50%	75%	5%	10%		
BELGIUM	[20/01/2007] ⁵⁶⁶	×	×	×	×	×	×	×	×	×	×	×	×
DENMARK ⁵⁶⁸	01/06/2007	×	×	×	×	×	×	×	×	×	×	×	No
GERMANY	20/01/2007	×	×	×	×	×	×	×	×	×	×	×	×
ESTONIA ⁵⁷²		×	×		×			×		573			×
GREECE ⁵⁷⁵	Not yet set	×	×		×		1/3	×	2/3	×			×
SPAIN	Before 01/06/07	×	×	×	×	×	×	×	×	1% ⁵⁷⁸			×
FRANCE ⁵⁷⁹	25/07/2007	×	×	×	×	×	1/3	×	2/3	×	×		×
IRELAND		×	×	×	×	×	×	×	×	×	×		×
ITALY ⁵⁸⁰		×	×	×	×	×	×	×	×				
LUXEMBOURG	Not impl. yet		×		×		1/3		2/3				Only to the extent provided in Directive 2001/34
HUNGARY	Not impl. yet	×	×	×	×	×	×	×	×	×	×		×
THE NETHERLANDS		×	×	×	×	×	×	×	×				×
POLAND	24/10/2005	×	×	×	×	×	×	×	×	×	×		×

THRESHOLD CROSSING

	Implementation of Transparency Directive	Notification of acquisition or disposal of major holdings threshold ⁵⁶³								Notification of acquisition or disposal of own shares threshold ⁵⁶⁴		Notification of total number of voting rights and capital and any change in the rights attached to shares and securities ⁵⁶⁵	
		5%	10%	15%	20%	25%	30%	50%	75%	5%	10%		
FINLAND	15/02/2007	×	×		×	×	1/3	×	2/3	×	×	×	
SWEDEN	01/07/2007	×	×	×	×	×	×	×	×	×	×	×	Not entirely clear
THE UNITED KINGDOM ⁵⁸⁶	20/01/2005	×	×	×	×	×	×	×	×	×	×	×	

⁵⁶³ Please refer to Article 9 of the Transparency Directive.

⁵⁶⁴ Please refer to Article 14 of the Transparency Directive.

⁵⁶⁵ Please refer to Articles 15 and 16 of the Transparency Directive.

⁵⁶⁶ Implementation of the Transparency Directive was due by 20/01/2007. Transparency Bill is still pending. Entry into force remains uncertain.

⁵⁶⁷ Listed companies must disclose, as soon as possible, the number of existing shares and voting rights and the number of convertible bonds and warrants, and at least any changes thereof representing 1% or more of the shares and voting rights and must immediately disclose any changes in the conditions, rights and guarantees relating to the different types of (underlying) securities.

⁵⁶⁸ 33.3% and 66.6% of the voting rights or the nominal capital as well.

⁵⁶⁹ If the shareholding is deemed to be own shares (within a group of companies), the company must flag such shareholdings when amounting to 2% or more of the share capital and for any subsequent change of possession with an interval of 2%.

⁵⁷⁰ If reached where there is a change of possession of share capital or voting rights with an interval of 5% or more.

⁵⁷¹ If the issuer's state of origin is Germany, the 3% threshold applies. The crossing of a 3% threshold has to be disclosed in the case of acquisition or disposal of major holdings, and in the case of acquisition or disposal of own shares (only if the issuer's state of origin is Germany (see Sec. 26 para. 1 WpHG)).

⁵⁷² One-third and two-third are applicable thresholds as well.

⁵⁷³ A company, the shares of which are listed on a stock exchange, is required to disclose each acquisition or disposal or taking as a security of own shares, except in case the respective transaction has been executed on the basis of the resolution of general meeting of shareholders. According to the rules of the Tallinn Stock Exchange, the same requirement applies to a company, the securities of which are admitted to trading on the "Free Market"; *i.e.*, a regulated market (not a stock exchange) operated by Tallinn Stock Exchange.

⁵⁷⁴ A company, the securities of which are listed on a stock exchange, is required to disclose all changes in the rights and obligations of the holders of securities. According to the rules of the Tallinn Stock Exchange, the same requirement applies to a company, the securities of which are admitted to trading on the "Free Market"; *i.e.*, a regulated market (not a stock exchange) operated by Tallinn Stock Exchange.

⁵⁷⁵ The answers to this table/questions are provided on the basis of Greek presidential decree 51/1992 and Greek law 3401/2005. The Transparency Directive has not yet been implemented in Greece and there is no reliable information as to when it will be implemented.

576 Please refer to Article 14 of the Transparency Directive.
577 Please refer to Article 15 and 16 of the Transparency Directive.
578 According to Spanish Law the minimum percentage from which the communication to the CNMV shall be made is 1%.
579 Notification is also required for the 90% and 95% thresholds.
580 Any restrictions of voting shares exceeding 2% of the share capital of a listed company must be communicated to the company and CONSOB within 8 days from the date of trade (cross-shareholdings).
581 Acquisition and disposal of own shares are subject to extraordinary disclosure regardless of the percentage of the shares acquired.
582 The acquisition and disposal of interest shall be published by the entity acquiring interest; the acquisition and disposal of own shares and the modification of the rights and obligations attached to the securities shall be published by the issuer as extraordinary information.
583 The issuer is held to report 5 and 10% shareholdings just like any other shareholder.
584 A company shall, pursuant to its continuous disclosure obligation, disclose any acquisition or disposal of own shares; this is regulated separately from the flagging obligations.
585 A company shall, pursuant to its continuous disclosure obligation, disclose any acquisition or disposal of own shares; this is regulated separately from the flagging obligations.
586 Disclosure where a shareholder has a material interest over 3% of the nominal share capital. The New Takeover Code provides that, during normal trading situations, disclosure requirements bite at 30%. Where the Issuer is in an Offer Period, different disclosure obligations apply. Rule 8 requires that all dealings in relevant shares by the Issuer or the Offeror during an Offer Period must be disclosed either publicly or privately (*i.e.*, to the Takeover Panel). In addition, where shareholders have holdings (or are interested in holdings) of 1% or more of relevant shares of the Issuer or an Offeror, or as a result of any transaction will have holdings (or be interested in holdings) of 1% or more, all dealings must be publicly disclosed. Moreover, DTR 5.5.1 requires an Issuer to disclose to an RIS where a disposal or acquisition of its own shares exceeds or falls below 5% or 10% of issued shares carrying voting rights.

Threshold Crossing – Other Non-EU Countries

	Notification of acquisition or disposal of major holdings threshold								Notification of acquisition or disposal of own shares threshold		Notification of total number of voting rights and capital and any change in the rights attached to shares and securities
	5%	10%	15%	20%	25%	30%	50%	75%	5%	10%	
THE UNITED STATES	5% + each additional 1%									×	×
JAPAN	×									×	
AUSTRALIA	5% + each additional 1% ⁵⁸⁸										

⁵⁸⁷ -- Disclosure of the number of issued shares of each class, the number of issued shares per certain categories of CEM, such as non-voting shares and Restricted Voting Shares, the major terms and conditions of the shares, the list of major shareholders and the restrictions of voting rights.

⁵⁸⁸ A company that is both incorporated and listed in Australia must notify the Australian Securities and Investments Commission (ASIC) and the Australian Stock Exchange of any substantial shareholdings (which equates to 5% of the issued share capital) or any increase of 1% above this threshold.