

COMMISSION OF THE EUROPEAN COMMUNITIES

COM (75) 603 final

Brussels, 1 December 1975

Amended proposal for a
SIX COUNCIL DIRECTIVE

on the coordination of the guarantees required in Member States for the purpose of protecting the interests of the members of companies and of third parties as regards the content, checking and distribution of the prospectus to be published when securities issued by companies within the meaning of Article 58 paragraph 2 of the Treaty are admitted to official stock exchange quotation.

(presented to the Council by the Commission

In application of Article 149 para 2)

Original proposal

Proposal for a Council Directive concerning the content, checking and distribution of the prospectus to be published when securities issued by companies within the meaning of Article 58 paragraph 2 of the Treaty are admitted to official stock exchange quotation.

New version

Amended proposal for a sixth Council Directive on the coordination of the guarantees required in Member States for the purpose of protecting the interests of members of companies and of third parties as regards the content, checking and distribution of the prospectus to be published when securities issued by companies within the meaning of Article 58 paragraph 2 of the Treaty are admitted to official stock exchange quotation.

Preamble and Recitals unchanged

Section I - General rules and field of application

Article 1

Requirement of issuing a prospectus

1. Member States shall ensure that, before securities are admitted to or introduced for official quotation on a stock exchange situated within their territory, a prospectus checked by an authority appointed for this purpose is published or made available to the public.

Article 1

Requirement of issuing a prospectus

1. Unchanged.

2. Notwithstanding the foregoing, securities issued by open-end investment companies and unit trusts, that is to say organisations whose securities are issued in a continuous fashion or in closely spaced tranches and/or are bought back or redeemed directly or indirectly at the request of the holders out of their assets, shall be excluded from the field of application of this Directive.

3. The obligations of this Directive shall not apply either to securities issued by the States or their local authorities.

2. Notwithstanding the foregoing, securities issued by open-end collective investment undertakings, that is to say investment companies and unit trusts whose securities are issued or have been issued in a continuous fashion or closely spaced tranches and/or are bought back or redeemed directly or indirectly at the request of the holders out of their assets, shall be excluded from the field of application of this Directive.

3. Unchanged.

Articles 2 and 3 unchanged

Article 4

Right to waive publication of a prospectus or certain of its headings

1. Member States may, under conditions determined by them, waive publication of a prospectus drawn up in accordance with the annexed schemes of presentation, or may even provide for complete exemption from the requirement of issuing a prospectus when the application for admission is in respect of the securities detailed below :

Article 4

Right to waive publication of a prospectus or certain of its headings

1. Unchanged.

.../...

- a) securities for which, within a maximum of six months prior to the application for admission, an issue prospectus was published in the same member country in connection with a public issue, provided that the prospectus was drawn up in conformity with the provisions of the present Directive and can be held to be equivalent to the European admission prospectus; in such a case, the up-dating of that prospectus may if necessary be called for;
- a) securities for which, within a maximum of six months prior to the application for admission, an issue prospectus was drawn up and published in the same Member State (1) in conformity with the provisions of the present Directive and can be held to be equivalent to the European admission prospectus; in such a case, the up-dating of that prospectus may if necessary be called for;
- b) securities already admitted to official quotation on another stock exchange in the same member country, provided that a prospectus has already been published which complies with the present Directive;
- b) unchanged
- c) shares (including shares having no capital value) allotted, consequent upon the capitalization of reserves, issue premiums, revaluation surpluses or profits, to holders of shares of the same category already quoted on the same stock exchange;
- c) unchanged
- d) shares resulting from the conversion of convertible debentures when these convertible debentures and shares of the same category as those offered by way of conversion are already quoted on the same stock exchange;
- d) unchanged

(1) Does not apply to the German text

e) shares issued in connection with the exercise of warrants, when the debentures to which they were attached, as well as shares of the same category as those offered to holders of the warrants, are already quoted on the same stock exchange;

e) unchanged

f) supplementary certificates representing shares issued in exchange for original securities, where there is no increase of capital, when the certificates are already quoted on the same stock exchange;

f) unchanged

g) a number of securities amounting to less than 5% of the number of securities of the same category already admitted to quotation on the same stock exchange, provided that the aggregate market value of the additional securities does not exceed 500 000 units of account over a period of two years.

g) unchanged

2. Where Member States intend to avail themselves of this exemption option, they must notify the Commission, at the latest by the expiry of the time-limit fixed in Article 20(1), of the cases in which they intend to keep this option available and, where appropriate, of the particular provisions they are establishing for the scheme of presentation.

2. Where Member States intend to avail themselves of this exemption option, they must notify the Commission, at the latest by the expiry of the time-limit fixed in Article 20(1), of the cases in which they intend to keep this option available and, where appropriate, of the particular provisions they are establishing for the scheme of presentation.

.../...

When, in these same cases, circumstances relating to the creation of extra securities call for special information the Member States must nevertheless prescribe the publication of the necessary information

Article 5

Dispensation from the provisions of certain headings in the annexed Schedules

The authorities of Member States may dispense the issuer from publishing certain information laid down in the Schedules when, in the particular circumstances of the issuer concerned :

1. this information has no more than minimal importance and is not likely to influence assessment of the net worth, financial position, results and prospects of the issuer;
2. the disclosure of this information would be contrary to the public interest or would be seriously detrimental to the issuer, provided that non-publication is not likely to mislead the public with regard to the facts and circumstances essential for assessment of the securities in question.

Article 5

Dispensation from the provisions of certain headings in the annexed Schedules

The competent authorities of Member States may, on their own initiative or at the request of the issuer, dispense the latter from publishing certain information laid down in the Schedules when, in the particular circumstances of the issuer concerned :

1. this information is not likely to influence assessment of the net worth, financial position, results and prospects of the issuer;
2. unchanged

.../...

Section II - Content of the prospectus in special cases

Articles 6 and 7 unchanged

Article 8

Guaranteed loans

1. In the case of loans covered by a third company's guarantee other than in the form of material security, the prospectus must carry information as specified in the debentures Schedule concerning both companies when the issuing company and guarantor company are specifically engaged in industry and commerce.

When one of the two companies is a financial institution, that part of the full prospectus which relates to that company shall be drawn up in accordance with the provisions of Article 6.

2. In the case of loans issued by a "pure" finance company having no other business than that of the issuing of loans and the placing of such funds at the disposal of the parent company or other companies affiliated to it, the prospectus must include, for the guarantor companies,

Article 8

Guaranteed loans

1. unchanged

2. In the case of loans issued by a "pure" finance company, that is to say one engaging in no other activity than assembling capital to make it available to a parent company or to a company directly or indirectly affiliated with it, the prospectus must include, for the guarantor companies,

.../...

the information specified in the debentures Schedule except for Chapter 2 and, for the issuing company, that is to say the "pure" finance company, the information specified in Chapters 1, 2 and 3 and under items 51 and 61 of the debentures Schedule.

When there is more than one guarantor, the information specified in the Schedule is required from each, but the prospectus may be abridged for the sake of making it easier to read, pursuant to instructions given by the authorities.

3. For group loans, information concerning all the guarantor companies is required in the prospectus. When these are too numerous, however, the competent authorities shall have discretionary power to allow abridgement of the information required of each.

4. In all cases of guaranteed loans, the guarantee contract must be annexed to the prospectus unless it is too voluminous or difficult for the public to understand. In such a case, a résumé of the contract must be published which will allow an assessment to be made of the nature and scope of the guarantee, whilst the contract itself must be made available to the public at the premises of the financial

the information specified in the debentures Schedule except for Chapter 2 and, for the issuing company, that is to say the "pure" finance company, the information specified in Chapters 1, 2 and 3 and under items 51 and 61 of the debentures Schedule.

When there is more than one guarantor, the information specified in the Schedule is required from each, but the prospectus may be abridged for the sake of making it easier to read, pursuant to instructions given by the authorities.

3. unchanged

4. In all cases of guaranteed loans, the guarantee contract must be annexed to the prospectus unless it is too voluminous or difficult for the public to understand. In such a case, the contract must be made available to the public at the premises of the financial intermediaries involved in the application for admission or in the placing of the securities.

.../...

intermediaries through whom the request for admission is made.

Article 9 unchanged

Article 10

Admission to stock exchange quotation of securities issued in connection with the merging or splitting of companies, the transfer of assets or a public exchange offer

1. When the application for admission relates to securities issued in connection with an operation involving the merging or splitting of companies, the transfer of assets or a public exchange offer, and when the operation took place within the last three years, the prospectus shall include, in addition to the information specified in the shares Schedule or in the debentures Schedule as appropriate, the following material which may be inserted or simply annexed :

- the documents presented to the general meeting, including the report of the merger, the valuation criteria and the justification for the exchange ratio;
- the opening balance sheet showing the effects of the operation in question;

Article 10

Admission to stock exchange quotation of securities issued in connection with the merging or splitting up of companies, the transfer of assets or a public exchange offer

1. When the application for admission relates to securities issued in connection with an operation involving the merging or splitting of companies, the transfer of assets or a public exchange offer, and when the operation took place within the last three years, the prospectus shall include, in addition to the information specified in the shares Schedule or in the debentures Schedule as appropriate, the following material which may be inserted or simply annexed :

- the documents presented to the general meeting, including the report of the merger, the valuation criteria and the justification for the exchange ratio;
- the opening balance sheet showing the effects of the operation in question;

.../...

- information relating to the financial background of each of the companies involved; this information may be brief for companies which are already quoted.

- information relating to the financial background of each of the companies involved; this information may be brief for companies which are already quoted.

However, when these documents are too long or difficult for the public to understand, they need not be inserted in or annexed to the prospectus, provided that they are made available to the public at the premises of the financial intermediaries involved in the application for admission or in the placing of the securities.

2. When less than six months before admission to stock exchange quotation equivalent and checked information has been published prior to an operation of the kind referred to in paragraph 1, the authorities of the Member States may waive publication of a prospectus for admission to quotation, provided that this information is made available to the public.

2. When less than six months before admission to stock exchange quotation equivalent and checked information has been published prior to an operation of the kind referred to in paragraph 1, the competent authorities of Member States may waive publication of a prospectus for admission to quotation, provided that this information is made available to the public at the premises of the financial intermediaries involved in the application for admission or in the placing of the securities.

Articles 11 and 12 unchanged

.../...

Section III - Arrangements for enforcing the prospectus requirements
and for making it publicly available

Article 13 unchanged

Article 14

Methods of publishing the prospectus

1. The prospectus for admission to quotation must be published :
 - either by insertion in an official gazette and in one or more other journals,
 - or by making available to the public, free of charge, copies in pamphlet form at the headquarters of the stock exchange or stock exchanges on which the securities are admitted to quotation and at the offices of the issuer as well as over the counters of the banks and other intermediaries involved in the application for admission or in the placing of the securities.

2. These two methods may be combined. 2. unchanged.

In countries where publication of a prospectus in the press is prescribed not all the information specified in the Schedules annexed to the Directive need be published in the press, subject to the following conditions:

- the information prescribed in the annexed Schedules but not published in the press must be made available to the public in pamphlet form;

Article 14

Methods of publishing the prospectus

1. The prospectus for admission to quotation must be published :
 - either by insertion in one or more journals with a wide circulation,
 - or by making available to the public, free of charge, copies in pamphlet form at the headquarters of the stock exchange or stock exchanges on which the securities are being admitted to quotation and at the offices of the issuer as well as at the premises of the intermediaries involved in the application for admission or in the placing of the securities.

.../...

- this pamphlet must always be accompanied by a reprint of the document published in the press; - unchanged.
- the document published in the press must mention the pamphlet and must state where members of the public may obtain the information document in full. - unchanged.

Finally, the apportionment of the information between the two methods must be carried out in accordance with the standards fixed by law or by the competent authorities and under their control. unchanged.

- 3. It must be made compulsory for the prospectuses to be lodged in places and according to procedures laid down by the Member States. 3. unchanged.

Article 15

Deadlines for publishing the prospectus

- 1. When shares are admitted to quotation the prospectus must be published or made available to the public as early as possible and at least eight days before the date on which the securities admitted to quotation can be the subject of dealings recorded in the official list.

Article 15

Deadlines for publishing the prospectus

- 1. When shares are admitted to quotation the prospectus must be published or made available to the public at least eight days before the date on which the securities admitted to quotation can be the subject of dealings recorded in the official list.

.../...

This same eight-day minimum requirement must be respected in the case of issues of convertible debentures or debentures with warrants attached carrying preferential subscription rights for current shareholders. Three days at least must be allowed in the case of issues of debentures, convertible debentures or debentures with warrants which do not carry preferential subscription rights for existing shareholders.

2. Moreover, where there is to be a market in subscription rights giving rise to dealings recorded in the official list, the prospectus must be published or made available to the public at least three days before this market opens.

3. In the event of admission of debentures to quotation coinciding with the public issue, and when certain terms of the issue such as the issue price or the interest rate are only finalized at the last moment, the authorities may confine themselves to insisting upon the publication, at least three days before admission, of a provisional prospectus omitting this information but indicating how it will be made known.

This same eight-day minimum requirement must be respected in the case of issues of convertible debentures or debentures with warrants attached carrying preferential subscription rights for current shareholders. Three days at least must be allowed in the case of issues of debentures, convertible debentures or debentures with warrants which do not carry preferential subscription rights for existing shareholders.

2. Moreover, where the admission of these securities is preceded by negotiation of the subscription rights giving rise to dealings recorded in the official list, the prospectus must be published or made available to the public at least three days before the negotiation opens.

3. unchanged.

This information must be made known to the public not later than the day before dealings commence, by putting out either a complete prospectus or an addendum sheet to the above-mentioned provisional prospectus, or alternatively by a notice in the press referring to the complete prospectus and indicating where it may be procured.

Article 16

Publication of documents other than the prospectus

1. As soon as a checked prospectus is published for securities in connection with their admission to quotation, the bills, posters and documents confined to the announcement of these operations and to an indication of the essential characteristics of the securities must refer to the prospectus and must state where and how the public may procure it.

2. Documents containing more detailed information that are published by or on behalf of the issuer, and in particular the partial or abbreviated prospectus in countries

Article 16

Publication of documents other than the prospectus

1. unchanged

2. unchanged

.../...

where its issue is allowed by the authorities, must, in the same manner as the complete prospectus, be submitted for checking by the competent authorities, in order that they may verify that these information documents, though abbreviated or incomplete, would not be liable to distort the public's assessment of the securities and in order that they may call for amendments to be made, if necessary.

Furthermore, these documents must refer to the complete prospectus and must indicate where and how it may be obtained by the public.

3. It is recommended that Member States should encourage the publication of abbreviated prospectuses which are clearly presented and easy for the public to understand and which, whilst including only the essential elements of the annexed Schedules, convey an objective impression of the issuer and of the rights attaching to the securities.

4. The company or the financial intermediaries concerned in the placing of the securities or their admission to quotation may not, in this connection, give any information that might affect assessment of the

3. Member States shall encourage the publication of abbreviated prospectuses which are clearly presented and easy for the public to understand and which, whilst including only the essential elements of the annexed Schedules, convey an objective impression of the issuer and of the rights attaching to the securities.

4. The company or the financial intermediaries concerned in the placing of the securities or their admission to quotation may not, in this connection, give any information that might affect assessment of the

.../...

securities if it does not appear in the prospectus or is not common knowledge.

securities if it does not appear in the prospectus or is not common knowledge.

Article 17 unchanged

Section IV - Procedures for cooperation between Member States in the application of the Directive

Article 18

Operations affecting several Member States

1. In the case of simultaneous admission to quotation on the stock exchanges of several member countries of the Community, the authorities of the Member States concerned shall establish between themselves all the contacts necessary to coordinate to the maximum the requirements concerning prospectuses in order to avoid a multiplicity of formalities and to accept a single text for the greater part of the prospectus which would then only need a possible translation and supplement corresponding to the individual requirements of each Member State concerned.

2. In the event of admission to quotation being sought from a stock exchange in one or more Member States

(1) English text unchanged.

Article 18

Operations affecting several Member States

1. In the case of simultaneous admission to quotation on the stock exchanges of several Member States of the Community, the authorities of the Member States concerned shall establish between themselves all the contacts necessary to coordinate to the maximum the requirements concerning prospectuses in order to avoid a multiplicity of formalities and to accept a single text which would then only need a possible translation and supplement corresponding to the individual requirements of each Member State concerned.

2. In the event of admission to quotation being sought on a stock exchange in one or more Member States

.../...

for securities which have been admitted to quotation in another Member State for less than six months, the authorities of the countries in which admission is being sought shall make contact with the authority which has already admitted the securities and shall, as far as is possible, exempt the issuer from drawing up a new prospectus subject to any need for updating, translation or the issue of a supplement in accordance with the individual requirements of each member country concerned.

3. In the case of a security which is quoted on the stock exchanges of several Member States, the authorities of the countries concerned must endeavour to get the issuer to arrange that information made available in one of these countries which might influence assessment of the merits of the security is also made available at the same time, or soon after, in the other countries in which the security is quoted.

Article 19

Contact group

1. A Contact Group shall be set up in the Commission. Its function shall be :

for securities which have been admitted to quotation in another Member State for less than six months, the competent authorities of the Member States in which admission is being sought shall make contact with the competent authorities which have already admitted the securities and shall, as far as is possible, exempt the issuer from drawing up a new prospectus subject to any need for updating, translation or the issue of a supplement in accordance with the individual requirements of each Member State concerned.

3. Deleted.

Article 19

Contact Group

1. A Contact Group shall be set up in the Commission. Its function shall be :

.../...

- a) to facilitate, without prejudice to the provisions of Articles 169 and 170 of the Treaty, harmonized application of the Directive through regular contacts designed to concert approaches to the practical problems connected with its application and, in particular, the annexed Schedules, about which exchanges of views might be deemed useful;
- b) to facilitate a concerted approach as regards supplements and improvements to the prospectus which it is permissible for the authorities of Member States to require or recommend at purely national level;
- c) to aid the Commission, if necessary, in drawing up new proposals to the Council with a view to supplementing or amending the Directive.
- a) to facilitate, without prejudice to the provisions of Articles 169 and 170 of the Treaty, harmonized application of the Directive through regular contacts designed to concert approaches to the practical problems connected with its application and, in particular, with the annexed Schedules, about which exchanges of views might be deemed useful;
- b) to facilitate a concerted approach as regards supplements and improvements to the prospectus which it is permissible for the authorities of Member States to require or recommend at purely national level;
- c) to advise the Commission, if necessary, on any additions or amendments to be made to the present Directive.

2. The Contact Group shall be composed of representatives of the Member States and of the Commission. The Commission's services shall provide the Secretariat.

2. The Contact Group shall be composed of representatives of the Member States and of the Commission. The Chairman shall be a representative of the Commission.

3. The Group shall be convened by the Chairman, either on his own initiative, or at the request of one of the members.

Section V - Final Provisions

Article 20

1. Member States shall put into effect, within twelve months of notification to them of the present Directive, all measures necessary for complying with its provisions and shall inform the Commission immediately of such measures.

2. The Member States shall communicate to the Commission the texts of the essential provisions of national law which they adopt in the areas covered by the present Directive.

Article 20

1. Member States shall put into effect, within twelve months of notification to them of the present Directive, all provisions necessary for complying with it and shall inform the Commission immediately of such provisions.

2. The Member States shall communicate to the Commission the texts of subsequent provisions of national law which they adopt in the areas covered by the present Directive.

Article 21 unchanged

SCHEDULE A

Scheme of presentation for prospectuses for the admission
of shares to stock exchange quotation

Items 11 and 12 unchanged

Item 13

Statement specifying whether or not the accounts have been checked by internal or outside auditing/accounting experts (e.g. accountants, sindaci, Wirtschaftsprüfer, etc.). The capacity (organ established under the "Statutes" or external body) in which the verifications were carried out should be specified, as well as possible reservations. The same rule shall apply to the consolidated accounts contained in the prospectus.

Item 13

Statement specifying which accounting documents and which information of a financial nature have been checked by the official auditor of the company's accounts, in the case of an auditor from a Member State, or by an authorized official auditor in the case of an auditor from non-member countries.
The capacity (organ established under the "Statutes" or external body) in which the verifications were carried out should be specified, as well as possible reservations. The same rule shall apply to the consolidated accounts contained in the prospectus.
The auditor's certificate shall appear in the prospectus.

Items 21 and 22 unchanged

Item 221

Indication of the resolutions, authorizations and approvals by virtue of which the securities were created:

Item 221

Indication of the resolutions, authorizations and approvals by virtue of which the securities were
.../...

type of operation and amount thereof.
Number of securities created, if pre-
determined.

created, where these resolutions,
authorizations or approvals do not
date back more than five years: type
of operation and amount thereof.
Number of securities created, if pre-
determined.

Items 222 to 241 unchanged

Item 241

Description of the securities the
admission of which is applied for and,
inter alia, number or overall par value,
exact designation or category, serial
numbers, coupons attached, etc.

Description of the securities
serial numbers where known, coupons
attached, etc...

Items 242 to 244 unchanged

Item 245

If securities of the same category are
not yet admitted to quotation but are
dealt in on markets other than that of
official quotation, the most recent
prices on those markets in so far as
publicity is permitted; the markets
on which these prices were recorded
and the source from which they were
taken. The data referred to above are
given only if the market for the
securities is sufficiently wide.

Item 245

If securities of the same category are
not yet admitted to quotation but are
dealt in on one or more other markets
subject to regulation, in regular
operation and recognized and open,
the most recent prices on those
markets in so far as such publicity
is permitted; the market on which
these prices were recorded and the
source from which they were taken.

Items 246 to 325 unchanged

Item 326

Indication of any person who directly or indirectly, alone or jointly with other shareholders, controls the company, mentioning the amount of his participation and in any case, in so far as it is known to the company, any holding of 25% or more of the subscribed capital. Mention must also be made of the portions of 10% or more held directly or indirectly by other persons or bodies corporate, whenever this holding is common knowledge. By joint control must be understood the control exercised by several companies or several persons when they have concluded among themselves an agreement which may lead them to adopt a common policy vis-à-vis the company in question.

Item 326

Indication of any natural or legal person who directly or indirectly, alone or jointly with other shareholders, in fact controls the company, mentioning the amount of the participation and in any event, in so far as it is common knowledge or known to the company, any holding of 10% or more of the subscribed capital, mentioning the amount of the participation. "Joint control" means control exercised by two or more companies or persons who have concluded among themselves an agreement which might lead them to adopt a common policy in relation to the company in question.

Items 327 to 413 unchanged

Item 414

Information on the structure of markets and supplies for the last financial year and for the current financial year and their trend (with, if possible,

Item 414

Information on the structure of supply sources and markets for the products or services and, if possible, a breakdown of the net amount of the turnover

.../...

a breakdown of the net amount of the turnover by principal geographical or economic zones, in so far as this information may influence assessment of the net worth, financial position or results).

Item 415

Location and importance of the company's principal establishments and, if necessary, their development in the course of recent financial years and the current financial year, and information about the real estate owned. Any establishment which accounts for more than 10% of turnover or production is considered to be a principal establishment.

Item 416 unchanged

Item 42

Show clearly, if applicable, the company's dependence with respect to the grant, use or expiration of patents and licences, to the conclusion, maintenance or expiration of industrial, commercial and financial contracts,

(1) English text only.

by principal geographical or economic zones.

Item 415

Location, relative size (1) and development of the activities of the company's principal establishments and information about the real estate owned. Any establishment which accounts for more than 10% of turnover or production is considered to be a principal establishment.

Item 42

Information on the possible effects on the company's activities and profits of :

- a) ownership of industrial property rights (patents, trade marks and designs) or of the use of such held by or assigned to or by the company,

and to new manufacturing processes when these factors have great importance for the activity or profitability of the company.

in particular in the form of licences, whether exclusive or not, or of contributions to other companies;

- b) industrial, commercial and financial contracts;
- c) manufacturing techniques and specialities.

If this is the case, all that will be required is to give indications about the degree of dependence, to describe concisely, and without divulging industrial secrets, the factors in question which have a particular importance, and to indicate, if they are significant in this respect, the dates of conclusion, obtaining or expiration of contracts, licences and patents.

If this is the case, all that will be required is to describe concisely, and without divulging industrial secrets, the factors which have a particular importance.

Item 43

Amount of the expenditure effected in the course of the past five financial years for research and development of new products.

Item 43

Information on the research and development policy for new products and processes, the amount of expenditure effected for this purpose over the past five financial years and assessment of the influence of this policy on the operations and profitability of the company.

Item 44

Indications of lawsuits and factors interrupting activities (e.g. strikes, accidents) which have had or might have a significant impact on the net

Item 44

Information on (1) disputes and factors interrupting activities (e.g. strikes, accidents) which have had in the recent past or might have a significant impact

worth, financial position or results of the company.

on the net worth, financial position or results of the company.

Items 45 to 463 unchanged

Item 511

Comparative table summarizing the annual accounts relating to the past five financial years so as to bring out the essential factors, ensuring however that the rearrangement of the published accounts does not affect their informative value.

Item 511

Comparative table summarizing the balance sheet and the profit and loss account relating to the past five financial years so as to bring out the essential factors, ensuring however that the rearrangement of the published accounts does not affect their informative value.

Where, during the period covering the five financial years mentioned above, events have occurred making comparability of the essential items in the balance sheets and profit and loss accounts impossible, this should be stated.

Item 512

The annual accounts relating to the last two completed financial years as approved by the general meeting of shareholders must be appended. If more than nine months have elapsed since the date on which the last financial year was closed, a recent provisional financial statement (which

Item 512

The annual accounts (balance sheet, profit and loss account and annexes) relating to the last two completed financial years as approved by the general meeting of shareholders must be appended. If more than nine months have elapsed since the date on which the last financial year was closed, a

.../...

may be submitted without having been checked by chartered accountants) must be inserted in the prospectus or appended to it.

recent provisional financial statement must be inserted in the prospectus, or appended to it.

Item 513

Should the annual accounts not be drawn up in conformity with the provisions of Council Directive No..... of, (1) and should they not give a sufficiently detailed and precise view of the net worth, financial situation and results of the company, they must be accompanied by explanatory notes and comments; more detailed disclosure in the prospectus may be called for and explicit mention must be made of corrections and amendments in relation to the published accounts.

Item 513

Should the annual accounts not be drawn up in conformity with the provisions of Council Directive No..... of, (1) and should they not give a faithful reflection of the net worth, financial situation and results of the company, they must be accompanied by explanatory notes and comments; more detailed disclosure in the prospectus may be called for and explicit mention must be made of corrections and amendments in relation to the published accounts.

Item 514

If the company draws up consolidated accounts, the information provided for in Items 511, 512 and 513 shall, if possible, be given on the basis of the consolidated accounts as well.

Item 514

If the company draws up consolidated accounts, the information provided for in Items 511, 512 and 513 shall be given on the basis of the consolidated accounts as well.

Items 52 to 531 unchanged

.../...

(1) O.J. No. C 7 of 28 January 1972

Item 532

Book value of the shares or "parts" held.

Item 532

Value at which the prospectus-publishing company records the shares or "parts" held.

Items 533 to 552 unchanged

Item 553

For each of the companies included in the consolidation, other than the prospectus-publishing company:

- the proportion of third-party interests, if the accounts of this company are consolidated globally;
- the proportion of the consolidation calculated on the basis of the interests, if consolidation has been effected on a pro rata basis.

Item 553

For each of the companies included in the consolidation, other than the prospectus-publishing company:

- the total proportion of third-party interests, if the accounts of this company are consolidated globally;
- the proportion of the consolidation calculated on the basis of the interests, if consolidation has been effected on a pro rata basis.

Items 56 to 633 unchanged

Item 64

Name, address, capacity and occupation of the persons responsible for checking the accounts (e.g. commissaires aux comptes, réviseurs d'entreprises, Wirtschaftsprüfer, sindaci, etc.).

Item 64

Name, address, capacity and occupation of the persons responsible for checking the accounts.

Items 71 to 73 unchanged

.../...

Item 714

The state of the order book.

Item 714

General information on the state of
the order book.

Items 72 to 723 unchanged

SCHEDULE B

Scheme of presentation for prospectuses for the admission to
stock exchange quotation of debentures issued by industrial
or commercial undertakings

Items 11 and 12 unchanged

Item 13

Statement specifying whether or not
the accounts have been checked by
internal or outside auditing/
accounting experts (e.g. accountants,
sindaci, Wirttschaftsprüfer, etc.).
The capacity (organ established under
the "Statutes" or external body) in
which the verifications were carried
out should be specified, as well as
possible reservations. The same rule
shall apply to the consolidated
accounts contained in the prospectus.

Item 13

Statement specifying which accounting
documents and which information of a
financial nature have been checked
by the official auditor of the
company's accounts in the case of an
auditor from a Member State, or by an
authorized official auditor in the
case of an auditor from non-member
countries. The capacity (organ estab-
lished under the "Statutes" or external
body) in which the verifications were
carried out should be specified, as
well as possible reservations. The
same rule shall apply to the consoli-
dated accounts contained in the
prospectus. The auditor's certificate
shall appear in the prospectus.

Item 21 unchanged

Item 211

The nominal amount of the loan; the
nature and the amount of the denomi-
nations available and, where approp-
riate, their number and numbering.

Item 211

The nominal amount of the loan; if
this amount is not fixed, a statement
to this effect must be made; the
nature and the amount of the denomi-
nations available and, where approp-
riate, their number and numbering.

.../...

Item 212

The issue and redemption prices and the nominal interest rate; if several interest rates are provided for, an indication of the conditions for changes in the rate. In the event of the securities being issued continuously at a variable price following the trend of the markets, information is to be given concerning the limit; issue prices applied.

Item 212

The issue and redemption prices and the nominal interest rate; if several interest rates are provided for, an indication of the conditions for changes in the rate. In the event of the securities being issued continuously at a variable price following the trend of the markets, information is to be given, if possible, concerning the limit issue prices applied.

Items 213 to 22 unchanged

Item 221

Reference to the resolutions, authorizations and approvals by virtue of which the securities were created or which constitute a prior condition for issue or admission to quotation.

Item 221

Reference to the resolution, authorizations and approvals by virtue of which the securities were created or which constitute a prior condition for issue or admission to quotation, where these resolutions, authorizations and approvals do not date back more than five years.

Items 222 to 235 unchanged

Item 236 to 2362

236. If the same debentures are already quoted on one or several stock exchanges, the following must be mentioned :

Item 236

If the same debentures are already quoted on one or several stock exchanges, indication of the stock exchange or exchanges.

.../...

2361. The stock exchange or exchanges on which they are quoted.

2362. The latest price known.

Item 237

If the securities are not yet admitted to quotation, but are dealt in on markets other than that of official quotation, the most recent prices on those markets in so far as those prices are meaningful; the market on which these prices were recorded and the source from which they have become known.

Item 237

If the securities are not yet admitted to quotation, but are dealt in on or more other markets subject to regulation, in regular operation recognized and open, indication of the market or markets concerned.

Items 24 to 243 unchanged

Item 244

The period during which the issue is or was open and an indication of any possibilities of early closure.

Item 244

Except for continuous debenture issues, indication of the period during which the issue is or was open and of any possibilities of early closure.

Item 245 unchanged

Item 246

Indication of the net amount of the issue proceeds.

Item 246

Except for continuous debenture issues, indication of the net amount of the issue proceeds.

.../...

Items 247 to 322 unchanged

Item 322

Indication of any person who directly or indirectly, alone or jointly with other shareholders, controls the company, mentioning the amount of his participation and in any case, in so far as it is known to the company, any holding of 25% or more of the subscribed capital. Mention must also be made of the portions of 10% or more held directly or indirectly in the company by other natural persons or bodies corporate, whenever this holding is common knowledge. By joint control must be understood the control exercised by several companies or several persons when they have concluded among themselves an agreement which may lead them to adopt a common policy vis-à-vis the company in question.

Item 323

Indication of any natural of legal person who directly or indirectly, alone or jointly with other shareholders, in fact controls the company, mentioning the amount of the participation and in any case, in so far as it is common knowledge or known to the company, any holding of 10% or more of the subscribed capital, mentioning the amount of the participation. "Joint control" means control exercised by two or more companies or persons who have concluded among themselves an agreement which might lead them to adopt a common policy in relation to the company in question.

Items 324 to 413 unchanged

Item 414

Information on the structure of markets and supplies for the last financial year and for the current financial year and their trend (with, if possible,

Item 414

Information on the structure of supply sources and markets for the products or services and, if possible, breakdown of the net amount of the turnover

breakdown of the net amount of the turnover by principal geographical or economic zones, in so far as this information may influence assessment of the net worth, financial position or results).

(by principal geographical or economic zones).

Item 415

Location and importance of the company's principal establishments and, if necessary, their development in the course of recent financial years and the current financial year, and information about the real estate owned. Any establishment which accounts for more than 10% of turnover or production is considered to be a principal establishment.

Item 415

Location, relative size (1) and development of the activities of the company's principal establishments, and information as to the real estate owned. Any establishment which accounts for more than 10% of turnover or production is considered to be a principal establishment.

Item 416 unchanged

Item 42

Show clearly, if applicable, the company's dependence with respect to the grant, use or expiration of patents and licences, to the conclusion, maintenance or expiration of industrial, commercial and financial contracts, and to new manufacturing

Item 42

Information on the possible effects on the company's activities and profits of :

- a) ownership of industrial property rights (patents, trade marks and designs) or of the use of such rights held by or assigned to or by the company,

.../...

(1) English text only.

processes when these factors have great importance for the activity or profitability of the company.

in particular in the form of licences, whether exclusive or not, or of contributions to other companies;

b) industrial, commercial and financial contracts;

c) manufacturing techniques and specialities.

If this is the case, all that will be required is to give indications about the degree of dependence, to describe concisely, and without divulging industrial secrets, the factors in question which have a particular importance, and to indicate, if they are significant in this respect, the dates of conclusion, obtaining or expiration of contracts, licences and patents.

If this is the case, all that will be required is to describe concisely, and without divulging industrial secrets, the factors which have a particular importance.

Item 43

Amount of the expenditure effected in the course of the past five financial years for research and development of new products.

Item 43

Information on the research and development policy for new products and processes, the amount of the expenditure effected for this purpose over the past five financial years and assessment of the influence of this policy on the activity and profitability of the company.

Item 44

Indications of lawsuits and factors interrupting activities (e.g. strikes, accidents) which have had or might

(1) English text only.

Item 44

Information on (1) disputes and factors interrupting activities (e.g. strikes, accidents) which have had in the recent

.../...