



DECISION

At its 136th sitting on 12 November 2015
on the basis of Bundestag printed paper 18/6681:

Bill amending the Stock Corporation Act (2014 Amendment of the Stock Corporation Act)

the Bundestag adopted the following decision:

I. The German Bundestag notes:

1. The bill revising the Stock Corporation Act (2014 Amendment of the Stock Corporation Act) sets forth the introduction of a single record date for bearer and registered shares, notably 21 days prior to the annual general meeting. This is the record date which determines which shareholders can attend the annual general meeting and cast their votes there. Whilst a single record date was welcomed in the interests of clarity, in particular for foreign shareholders, and in the interests of simplifying the legitimisation procedure, there were concerns on the part of the issuers of registered shares, who feel that the advantage of registered shares lies precisely in the shorter period they are required to have been held versus the 21-day minimum which already applies to bearer shares.
2. The aim of encouraging more shareholders to attend annual general meetings thanks to an improved legal framework and of increasing the appeal of the European capital market is to be welcomed. This aim is also in line with the European Commission's Capital Markets Union Action Plan presented on 2 October 2015, which is designed to both identify and remove obstacles to the cross-border flow of capital.
3. The Member State's obligations arising from Articles 7 (2) and (3) of Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 to introduce a record date for bearer shares has led to the introduction of a record date-based system for the cross-border trade in shares.

As the European Commission's overview of 21 October 2010 of the record date provisions adopted by the Member States in relation to Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies (2010/C 285/01) shows, the transposition of the directive has, however, led to at least 26 different regulatory models in the Member States. These range from 2 days in Ireland or 48 hours in the UK all the way to 30 days in Malta. In Member States in which there are registered and bearer shares, often yet another set of record date rules apply, like in Germany.



4. Against this backdrop, it would be wrong to standardise the record date merely at national level. This would leave a range of different record date provisions in place for the European capital market, which is confusing and bureaucratic for investors inside the Union and international investors alike. It increases the resources required for processing and information, exacerbates the exercise of voting rights and as such negatively impacts the turnout at annual general meetings and the attractiveness of the European capital market as a whole. The aim should therefore be to have a single record date in the European Union, which - with the incorporation of electronic media - could also be shorter than the current 21 days for German bearer shares. Fundamentally it would make sense to keep the interval between the record date and the date of the annual general meeting as short as the requisite processes allow.

II. In light of this, the German Bundestag asks the European Commission to present a legislative proposal with provisions for a Europe-wide single record date for determining shareholder status. The German Bundestag asks its President to transmit this decision to the European Commission.

III. The German Bundestag also calls on the Federal Government to work towards a single record date being established at European level for proof of shareholder status.