



Exploratory Meeting

**Resolution of Corporate Governance
Related Disputes**

**Stockholm, Sweden
20 March 2006**

The views expressed in this paper are those of the author and do not necessarily represent the opinions of the OECD or its Member countries



Questionnaire

On Corporate Governance Related Dispute Resolution

As mentioned in the cover letter we have invited a limited number of senior experts to respond to this questionnaire on a personal basis. The responses will be used to provide guidance when we set priorities and develop the agenda for a workshop on corporate governance related dispute resolution that will take place in Stockholm on 20 March 2006.

It would be highly appreciated if the responses could be returned electronically in a Word document to Louis Bouchez (louis.bouchez@oecd.org) 6 March 2006. Additional documentation may be sent to the same e-mail address, or to the following mailing address:

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CORPORATE GOVERNANCE RELATED DISPUTE RESOLUTION

I. Different categories of corporate governance related disputes

Please indicate with an "X" what you would consider being the five most important categories of corporate governance related disputes. Should you miss any category, please add under 'other'.

Table I.

	CATEGORY	RANK
1.	Self-interested transactions - typical examples include: related party transactions, insider trading, conflicts of interest by board members, executives and senior management	
2.	Annual accounts - typical examples include: disputes between shareholders and the board and/or auditor over the (withholding of) shareholder approval	
3.	Nomination / appointment of board members - typical examples include: disputes between shareholders and the nomination committee and/or the board over nomination and/or appointment of board members/executives, as well as regarding the criteria for nomination/appointment	
4.	Remuneration / bonuses board members - typical examples include: disputes between shareholders and the remuneration committee and/or the board over remuneration and/or bonuses of board members/executives, as well as regarding the criteria for remuneration/bonuses	
5.	Share valuation - typical examples include: disputes between shareholders and the board and/or auditors on the valuation method in case of (a) squeeze out, and (b) share/bond issues	
6.	Takeover procedures - typical examples include: disputes between shareholders and boards regarding terms and conditions of a proposed takeover, and/or compliance with internal (articles of association) and/or external (listing rules, securities legislation etc.) rules	
7.	Disclosure requirements - typical examples include: disputes between shareholders and boards regarding compliance with (non-) financial disclosure requirements	
8.	Corporate control (in M&A transactions) - typical examples include: disputes between shareholders and boards regarding a proposed acquisition or disposal of a substantial part of the company's assets	
9.	Minority shareholders rights - typical examples include: disputes between majority shareholders and minority shareholders in squeeze out scenarios or on nomination / appointment of board members	
10.	Bankruptcy / suspension of payments - typical examples include: disputes between shareholders and/or bondholders and boards and/or receivers in corporate restructuring	
11.	Share / bond issues - typical examples include: disputes between shareholders / bondholders and boards on dilution issues	
12.	Discharge of individual board members / executives - typical examples include: disputes between shareholders and board members / executives on individual discharge regarding their performance in the past fiscal year	

13.	Mismanagement - typical examples include: disputes between shareholders and boards on supposedly mismanagement of the company	
14.	(non-)compliance with corporate governance codes - typical examples include: disputes between shareholders and boards on the application of "comply or explain" principles as provided in corporate governance codes	
15.	Works' council - typical examples include: disputes between shareholders / boards and works' councils on the interpretation and applicability of works' council legal corporate governance related rights	
	Other:	

II. What qualities are most important for the different categories of corporate governance related disputes?

In this table you are asked to indicate what qualities you believe are most important when dealing with the disputes you selected in table I. For each of the five categories that you selected in table I, please indicate with an "X" what you consider being the five most important qualities that the parties are looking for when resolving the dispute. (Please note that the table spreads over 3 pages to cover 15 proposed qualities. Should you miss any qualities, please add under 'other').

Table II.

RANKING OF QUALITIES							
	CATEGORY	Speed	Quality	Transparency	Predictability	Costs	Consistency
1.	Self-interested transactions						
2.	Annual accounts						
3.	Nomination / appointment of board members						
4.	Remuneration / bonuses board members						
5.	Share valuation						
6.	Takeover procedures						
7.	Disclosure requirements						
8.	Corporate control (in M&A transactions)						
9.	Minority shareholders						

	Rights						
10.	Bankruptcy / suspension of payments						
11.	Share / bond issues						
12.	Discharge of individual board members / executives						
13.	Mismanagement						
14.	(non-)compliance with corporate governance codes						
15.	Works' council						
	Other:						

Table II.

RANKING OF QUALITIES							
	CATEGORY	Enforceability	Formalities	Clarity	Accessibility	Legitimacy	Effectiveness
1.	Self-interested transactions						
2.	Annual accounts						
3.	Nomination / appointment of board members						
4.	Remuneration / bonuses board members						
5.	Share valuation						
6.	Takeover procedures						
7.	Disclosure requirements						
8.	Corporate control (in M&A transactions)						
9.	Minority shareholders Rights						
10.	Bankruptcy /						

	suspension of payments						
11.	Share / bond issues						
12.	Discharge of individual board members / executives						
13.	Mismanagement						
14.	(non-) compliance with corporate governance codes						
15.	Works' council						
	Other:						

Table II.

RANKING OF QUALITIES					
		Pro active	Appeal	Scope of judgment	Other:
	CATEGORY				
1.	Self-interested transactions				
2.	Annual accounts				
3.	Nomination / appointment of board members				
4.	Remuneration / bonuses board members				
5.	Share valuation				
6.	Takeover procedures				
7.	Disclosure requirements				
8.	Corporate control (in M&A transactions)				
9.	Minority shareholders rights				
10.	Bankruptcy / suspension of payments				
11.	Share / bond issues				

12.	Discharge of individual board members/executives				
13.	Mismanagement				
14.	(non-)compliance with corporate governance codes				
15.	Works' council				
	Other:				

EXPLANATORY NOTES

Please include any further information on this page.