



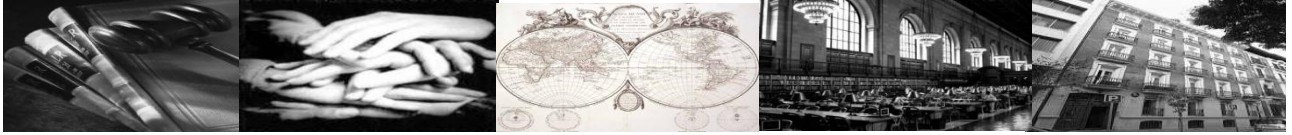
Summary

1.- Law 25/2011, of August 1st, amending the Law of Capital Companies and transposition of the Directive of the European Parliament and Council on the exercise of certain rights of shareholders in listed companies.

2.- Royal Decree-Law 10/2011, of August 26th, about urgent measures to promote the employment of youth, to promote stability and maintenance of training programs for people that end their unemployment protection.

1.- This reform aims at reducing the cost of organization and operation of companies, introducing some measures to modernize the law of Capital Companies and eliminating some differences between the treatment of stocks and limited liability companies. We've outlined some of the features introduced by this Law:

- It regulates the electronic office of the Capital Companies, and the procedure to introduce changes in the company's websites.
- It introduces some regulations on the procedure of calling for the General Meeting and notice thereof to the partners or shareholders.
- It regulates in detail the figure of the corporate director, including joint and several liability in certain cases, for the legal person represented and the representative.
- Allows the call of the Board of director by administrators who represent one third of the Board when the President does not call the meeting within one month term from the formal request.
- For stock companies, it eliminates the mandatory publication of the calling of shareholder's meeting of in the Official Gazette, and in a notorious newspaper of the province where the company is domiciled, with only two exceptions: when the shares are issued in bear or when it is a listed company.
- In connection with the approval of the annual accounts it disappeared the requirement, that the directors signature needs to be legalized and it is also suppressed the publication in the Official Gazette of the notice of companies that have complied with the deposit obligation.
- Allows the separation of partners in certain circumstances, when the distribution of benefits is not carried out.
- It is allowed in stock companies to include in the By-Laws causes of exclusion of shareholders as was allowed until now for limited liability companies.
- It is introduced as a cause of dissolution of companies the cease of the activity during more than one year.
- In liquidation it is not required that the real state properties need to be sold in



companies public auction. In addition, it disappears the requirement to publish in the BORME the annual statement of accounts by the liquidators during the liquidation, and unifies the liquidator's liability regime in case of fraud or negligence in the performance of his duties, which will now be the same for stock and limited liability companies.

- It introduces new regulations affecting listed companies, to regulate the operation of the General shareholders Meeting.

The amendments made by this Act shall come into force on October 2, 2011, two months after their publication.

2.- In August, it was published a new government package of measures to combat the crisis, whose main objectives are to promote youth employment, promote recruitment, increase the formation and promoting the protection of unemployed and self-employed workers.

One important measure in the new regulation is the training and apprenticeship contract, disappearing the old regulation by the Statute of Workers, and creating a new contract for young people between ages of 16 and 25 years (until December 31, 2013 it also applies to people under 30 years old). This new contract will have a minimum of one year and a maximum of two years of duration (renewable for one more year under certain circumstances). To increase this type of employment, the Royal Decree-Law estates reductions on employer contributions to Social Security for initial contracts and also for

transformation of such contracts into indefinite contracts. With the common requirement in both cases that it implies an increase in the number of employees of the company.

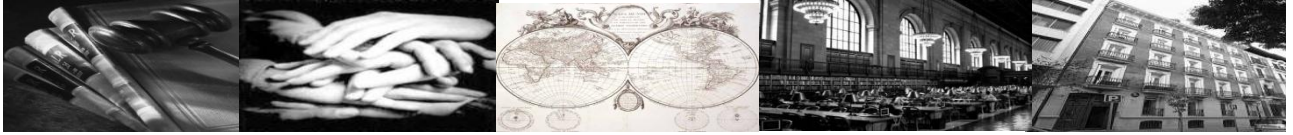
In order to promote employment, it is created an individual capitalization fund to be paid by FOGASA in respect to a portion of the compensation payable in certain cases of dismissal.

Moreover, the Royal Decree-Law is amending the Law 12/2001, extending the period for temporary contracts that can turn into indefinite contracts.

Another measure included in this royal decree law is the suspension, for a period of two years (until August 31, 2013), of the rule that allows the acquisition of permanent status for those employees that in certain circumstances have consecutive temporary contracts.

The program aiming to promote the formation and protection of unemployed people is extended for 6 months.

On the other hand, the Royal Decree-Law establishes a system of protection for lack of activity of self-employed workers, in the sense of recognizing the beginning of the unemployment benefit from the first day of the month following the event causing the interruption of the activity (previously it was from the first day of the second month).



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