

801.12

From: [REDACTED]
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Date: Tue, Apr 25, 2000 3:08 PM
Subject: 801.12

Mike - I have another question for you on applying the fun formula in 801.12. I have a situation where X's articles state that the holders of Series A shares within a class elect 2 of 5 directors. The holders of

Series A shares elect the approval of (i) the holders of the majority of the A shares and (ii) the holders of Common Stock voting as a class. If Y just holds A-shares, would I calculate Y's percentage as follows?

[(The A shares held by Y divided by all A shares outstanding) times (2 divided by 5)] plus [(the A shares held by Y divided by all A and Common shares outstanding) times (1 divided by 5)]?

Regarding the fact director cannot be appointed by the majority of the A

director because a majority of the Common could veto his choice.

What do you think?

Thanks,
[REDACTED]

ADVISED TO USE 1/2 AS THE
NUMERATOR IN THE RATIO FOR
THE DIRECTOR IF YOU

HELD 100 OF THE 500 TOTAL
SHARES OF CLASS A YOU WOULD
CALCULATE AS FOLLOWS:

Phone: [REDACTED]
Fax: [REDACTED]
E-mail: [REDACTED]

$$\frac{100}{500} \times \frac{2}{5} = 8\%$$

$$\frac{100}{500} \times \frac{1}{2} = 10\%$$

TOTAL PERCENTAGE HELD
IN ISSUE = 18%

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N. OVUKA, T. MANCOCK &

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4/26/00