

Denmark

Employment

Labor Concerns

The Danish Stock Option Act generally allows an employee who is terminated by his or her employer for any reason other than misconduct to retain all rights to stock options, whether vested or unvested. Also, the employee will be entitled to receive a share, proportionate to the length of his employment in the accounting year, of the grants to which he would have been entitled according to agreement or custom, had he still been employed at the end of the accounting year or at the date of grant. Employees' rights under the Stock Option Act cannot be waived.

Furthermore, the Act provides that an employee who himself resigns his position by giving notice of termination to his employer will automatically forfeit all his rights to stock options already granted whether vested or unvested. The employee will also forfeit his rights to any future stock options that the employee could have expected to receive had he continued his employment. The same will apply to employees who are terminated because of misconduct. The Act does not, however, prevent an employer from allowing an employee more extensive exercise rights.

Stock options granted before 1 July 2004 are not subject to the Stock Option Act, and such stock options are in case law generally considered to be fully earned when granted and accordingly employees will be entitled to retain all rights to stock options, whether vested or unvested and receive a proportionate rate of future grants that the employee would have received in the accounting year in which the employment was terminated regardless of how and why the employment is terminated and regardless of contrary provisions in the stock option agreement.

Communications

Employers are required to distribute a separate written statement, in Danish, containing certain basic information regarding the terms and conditions of the stock options, to any participating employee within 30 days of the date of an employee becoming subject to a stock option plan. For plans implemented prior to 1 July 2004, new stock option grants made after this date must be accompanied by this information at the time of grant.

Regulatory

Securities Compliance

To the extent the stock options are non-assignable there will be no prospectus requirements under Danish law. To the extent they are assignable, then the main rule is that any offer of securities to the public in Denmark with an aggregate value at or above EUR 1,000,000 entails an obligation to publish a prospectus on the offering. However, notwithstanding the generality of the main rule, a number of exemptions may apply to the option grant (e.g., the 150-person exemption and exemptions for certain employee-participation schemes). If the stock option is not deemed to be a security, the option will not be subject to the Prospectus Directive.

Foreign Exchange

No exchange control restrictions will apply on the offering.

Data Protection

Normally, the processing of non-sensitive personal data within the EU/EEA in connection with the administration of a stock option plan does not require consent from the employees or approval from the authorities. Nevertheless, it is generally recommended that the employees' explicit consent to the processing of non-sensitive personal data is obtained prior to the processing of personal data. If the processing includes a transfer of personal data to a country outside the EU/EEA, the employees' explicit consent to the processing of non-sensitive personal data is required unless prior approval of the transfer has been obtained from the Danish Data Protection Agency.

This summary is intended to reflect local law and practice as at 1 May 2013. Please note, however, that recent amendments and legal interpretations of the local law may not be included in these summaries. In addition, corporate governance, administration, and option plan design facts that are specific to your company may impact how the local laws affect the company's equity based compensation plans.

With these matters in mind, companies should not rely on the information provided in this summary when implementing their stock plans.

Denmark (cont.)

Tax

Employee Tax Treatment	The employee is subject to tax on the spread at exercise (up to 56% incl. social contributions). The employee is also taxed on any gain on a subsequent sale of shares acquired by way of exercise sale at a rate of up to 42%.
Social Insurance Contributions	The employee is subject to social insurance contribution on the spread at exercise.
Tax-Favored Program	None.
Withholding and Reporting	Exercise triggers reporting requirements for the employer. Withholding is not required.
Employer Tax Treatment	A deduction is generally allowed.

This summary is intended to reflect local law and practice as at 1 May 2013. Please note, however, that recent amendments and legal interpretations of the local law may not be included in these summaries. In addition, corporate governance, administration, and option plan design facts that are specific to your company may impact how the local laws affect the company's equity based compensation plans.

With these matters in mind, companies should not rely on the information provided in this summary when implementing their stock plans.