

- loyalty discounts;
- discounts, rebates and all forms of payment to dealers or selling agencies;
- discounts for seconds.'

*Article 3*

A time limit of one day shall be substituted for the time limit of five days prescribed by Article 4 (1) (a) of Decision No 31-53.

*Article 4*

The following Article, numbered Article 7, shall be added to Decision No 31-53:

*Article 7*

In derogation from the foregoing provisions, basic prices and extras applicable to sales of the products hereunder shall be exempt from inclusion in the price lists and conditions of sale:

- (a) steels of non-standard character containing less than 0.6% of carbon, the chemical and mechanical properties of which are not of themselves sufficient to enable comparisons to be made between them;
- (b) steels of like character, known as "physical" or "magnetic" steels, having certain electrical and magnetic properties.'

*Article 5*

This Decision shall enter into force within the Community on 1 February 1954.

This Decision was considered and adopted by the High Authority at its meeting on 7 January 1954.

*For the High Authority*

*The President*

Jean MONNET

## DECISION No 24-54

of 6 May 1954

laying down in implementation of Article 66 (1) of the Treaty a regulation on what constitutes control of an undertaking

THE HIGH AUTHORITY,

Having regard to Article 66 of the Treaty;

Whereas by virtue of Article 66 (1) the High Authority must by regulation determine what constitutes control of an undertaking;

Whereas control may reside either in persons in whom certain rights are vested or in those who are entitled to exercise such rights with complete freedom;

After consulting the Council of Ministers;

DECIDES:

*Article 1*

The rights or contracts specified below shall constitute the elements of control of an undertaking, where

either separately or jointly, and having regard to the considerations of fact or law involved, they make it possible to determine how an undertaking shall operate as regards production, prices, investments, supplies, sales and appropriation of profits:

- (1) Ownership or the right to use all or part of the assets of an undertaking;
- (2) Rights or contracts which confer power to influence the composition, voting or decisions of the organs of an undertaking;
- (3) Rights or contracts which enable any person, by himself or in association with others, to manage the business of an undertaking;
- (4) Contracts made with an undertaking concerning the computation or appropriation of its profits;
- (5) Contracts made with an undertaking concerning the whole or an important part of its supplies or outlets, where the duration of these contracts or

the quantities to which they relate exceed what is usual in commercial contracts dealing with those matters.

### Article 2

There shall be no control of an undertaking within the meaning of Article 1 where, upon formation of an undertaking or increase of its capital, banks or financial institutions acquire shares in that undertaking with a view to selling them on the market but do not exercise voting rights in respect of those shares.

### Article 3

1. The elements specified in Article 1 shall constitute control of an undertaking by individuals, undertakings or groups of persons or of undertakings who:

- (1) are holders of the rights or entitled to rights under the contracts concerned;
- (2) while not being holders of such rights or entitled to rights under such contracts, have power to exercise the rights deriving therefrom;
- (3) in a fiduciary capacity own assets of an undertaking or shares in an undertaking, and have power to exercise the rights attaching thereto.

2. If, however, the power to exercise the rights of another person is derived from a legal act, the provisions contained in subparagraphs (2) and (3) of the preceding paragraph shall not apply where the holder of the power proves:

- (1) that his power may be revoked at any time; and
- (2) that he is bound by special instructions from the donor; and
- (3) that he is authorised to communicate to the High Authority, should it so request, the name and address of the donor.

### Article 4

This Decision shall enter into force within the Community on 1 June 1954.

This Decision was considered and adopted by the High Authority at its meeting on 6 May 1954.

*For the High Authority*

*The President*

Jean MONNET

## DECISION No 26-54

of 6 May 1954

laying down in implementation of Article 66 (4) of the Treaty a regulation concerning information to be furnished

THE HIGH AUTHORITY,

Having regard to Article 66 of the Treaty;

Whereas transactions bringing about concentrations directly or indirectly involving undertakings in the Community may be carried out by natural or legal persons outside its jurisdiction;

Whereas it is necessary for the implementation of Article 66 that the requisite information should be obtainable from those participating in such transactions;

Whereas a general request for information should be made only in respect of transactions that are substantial both as regards their absolute value and the size of the undertakings involved;

Whereas, however, application of Article 66 presupposes the possibility that information may be obtained in other cases, subject to the scope of such information being defined in a general decision;

After consulting the Council of Ministers;