

*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.*

## **The Board of Directors' of AB Electrolux proposal for resolutions on changes in the Articles of Association**

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The Board of Directors proposes that the Annual General Meeting 2008 resolve that §§ 5, 7 and 11 of the Articles of Association shall be changed as follows.

### **Current wording**

#### **§ 1**

The name of the Company is Aktiebolaget Electrolux. The Company is a public company (publ).

#### **§ 2**

The registered office of the Board of Directors shall be in Stockholm.

#### **§ 3**

The object of the Company's business is to carry on trade, primarily in capital household goods, to manufacture machinery and equipment, to acquire and manage shares, and to carry on other business activities compatible therewith.

#### **§ 4**

The share capital of the Company shall be not less than SEK seven hundred and fifty million (SEK 750,000,000) and not more than SEK three billion (SEK 3,000,000,000).

#### **§ 5**

The number of shares shall be not less than 300,000,000 and not more than 1,200,000,000.

The shares of the Company may be issued in *three* series, A and B and C. For the purposes of voting at a General Meeting,

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#### **§ 5**

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The shares of the Company may be issued in *two* series, A and B. For the purposes of voting at a General Meeting, each share of

**Current wording**

each share of series A carries one vote and each share of series B *and C* carries one-tenth of a vote.

Shares of series A may be issued up to a maximum number of 1,200,000,000, shares of series B up to a maximum number of 1,200,000,000 *and shares of series C up to a maximum number of 27,457,000*. Shares of series A and series B carry equal rights to participation in the Company's assets and profit. *Shares of series C do not carry right to receive dividend.*

Should the Company decide to issue new series A and series B *and series C* shares by way of a cash issue or a set-off issue, the holders of series A and series B *and series C shares* shall have the priority right to subscribe for new shares of the same series in proportion to their existing shareholdings (primary preferential right). Shares not subscribed for by primary preferential right shall be offered to all shareholders (subsidiary preferential right). If the number of shares available for subscription is insufficient for the subscription made under subsidiary preferential right, the shares shall be distributed among the subscribers in proportion to their previous shareholdings and, if this is not possible, by the drawing of lots.

Should the Company decide to issue new shares of only series A or series B *or series C* by way of a cash issue or a set-off issue, all shareholders shall have preferential right to subscribe for the new shares in proportion to their previous shareholdings irrespective of whether they hold series A or series B *or series C shares*.

Should the Company decide to issue warrants or convertible bonds by way of a cash issue or a set-off issue, all shareholders shall have preferential right to subscribe for warrants as if the issue

**Proposed wording**

series A carries one vote and each share of series B carries one-tenth of a vote.

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Should the Company decide to issue new series A and series B shares by way of a cash issue or a set-off issue, the holders of series A and series B shares shall have the priority right to subscribe for new shares of the same series in proportion to their existing shareholdings (primary preferential right). Shares not subscribed for by primary preferential right shall be offered to all shareholders (subsidiary preferential right). If the number of shares available for subscription is insufficient for the subscription made under subsidiary preferential right, the shares shall be distributed among the subscribers in proportion to their previous shareholdings and, if this is not possible, by the drawing of lots.

Should the Company decide to issue new shares of only series A or series B by way of a cash issue or a set-off issue, all shareholders shall have preferential right to subscribe for the new shares in proportion to their previous shareholdings irrespective of whether they hold series A or series B shares.

Should the Company decide to issue warrants or convertible bonds by way of a cash issue or a set-off issue, all shareholders shall have preferential right to subscribe for warrants as if the issue

**Current wording**

concerned the shares that may be newly subscribed for pursuant to the warrant and, respectively, preferential right to subscribe for convertible bonds as if the issue concerned the shares that the convertible bonds may be converted into.

The above shall not constitute any restriction in the possibility to resolve on a cash issue or a set-off issue deviating from the shareholders' preferential rights.

If the share capital is increased by way of a bonus issue, new shares of each series shall be issued in proportion to the previous number of shares of each series. Previous shares of a given series shall thereby entitle the holder to receive new shares of the same series. This shall not constitute any restriction in the possibility to issue new shares of a new series by way of a bonus issue, following the necessary amendments to the articles of association.

*Following a request from the holders of shares of series C or following a resolution by the Company's Board of Directors or the General Meeting, a reduction of the share capital, however not below the minimum share capital allowed, may take place by way of redemption of shares of series C. A request from the shareholders to that effect shall be made in writing to the Company's Board of Directors and the Board of Directors shall consider the matter urgently. The Board of Directors' resolution to reduce the share capital shall include all shares of series C. When a resolution to reduce the share capital is made, an amount corresponding to the reduction amount shall be transferred to the statutory reserve if the required funds are available.*

*The redemption price for each share of series C shall be the ratio value of the share adjusted as per the day of redemption with an interest rate corresponding to STIBOR 30 days plus a percentage of 0.05, calculated from the day*

**Proposed wording**

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**Current wording**

*of payment of the subscription price.  
STIBOR 30 days shall be established on  
the day of payment of subscription price.*

*Holders of shares that are subject to  
redemption have the obligation to,  
immediately after receipt of information  
about the resolution on redemption, accept  
the redemption price, or, where the  
reduction is subject to the approval of the  
Swedish Companies Registration Office,  
following notification that the decision of the  
Swedish Companies Registration Office  
has been registered.*

**Proposed wording**

*Owners of series A shares shall be entitled  
to request conversion of series A shares to  
series B shares. Such request for  
conversion, which shall be made in writing  
and specify the number of shares to be  
converted, shall be made to the Company.  
The Company shall without delay notify the  
conversion to the Swedish Companies  
Registration Office for registration. The  
conversion is effected once the registration  
is completed and it has been noted in the  
Central Securities Depository Register.*

**§ 6**

The Board of Directors of the Company  
shall consist of not less than five and not  
more than fifteen members with not more  
than ten deputy members.

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**§ 7**

For the audit of the Company, one  
authorized accounting firm or two auditors  
with two deputy auditors shall be appointed  
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*The Board of Directors is authorized to  
appoint one or several special auditors to  
audit such statements or plans prepared by  
the Board of Directors in accordance with  
the Companies Act (2005:551) in relation to  
such an issue of shares, warrants or  
convertibles with provisions on non-cash  
consideration or that subscription shall be*

**Current wording****Proposed wording**

*made against payment through set-off of claims or other provisions, transfer of own shares against non-cash consideration, reduction of the share capital or the statutory reserve, merger or division of limited companies.*

## § 8

The calendar year shall be the Company's financial year.

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## § 9

A notice convening a General Meeting shall be published in the Swedish Official Gazette, Svenska Dagbladet and Dagens Nyheter.

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## § 10

In order to participate in a General Meeting, a shareholder shall notify the Company not later than the day stated in the notice convening the meeting before 4 p.m., stating the number of assistants. This day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall earlier than the fifth weekday before the meeting.

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## § 11

The following matters shall be dealt with at the Annual General Meeting:

- election of chairman at the meeting;
- preparation and approval of the voting list;
- approval of the agenda;
- election of two minutes-checkers;
- question as to whether the meeting has been properly convened;
- presentation of the annual report and the audit report as well as the consolidated accounts and the group audit report;

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### Current wording

- resolutions on
  - a) the adoption of the profit and loss account and the balance sheet as well as the consolidated profit and loss account and the consolidated balance sheet,
  - b) the discharge of liability of the directors of the Board and the Managing Director,
  - c) dispositions in respect of the Company's profit or loss in accordance with the adopted balance sheet;
- resolution on the number of directors and deputy directors;
- resolution on the fees for the Board of Directors and the auditor or the auditors;
- election of the Board of Directors and, if applicable, auditor or auditors and deputy auditors;
- other matters to be dealt with at the General Meeting in accordance with the Swedish Companies Act.

### § 12

The Company's shares shall be registered in a Central Securities Depository Register under the Financial Instruments Act (Sw: *lagen (1998:1479) om kontoföring av finansiella instrument*).

### Proposed wording

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- resolution on the fees for the Board of Directors and, *if applicable*, the auditor or the auditors;
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