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TAKEOVER BIDS IN BELGIUM

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1. Introduction

The acquisition of other companies is important to the development of a capitalist economy. It facilitates the efficient use of resources by transferring, without liquidation, whole enterprises into the hands of managements that can handle them more effectively. Such acquisitions are important for the growth of corporations [1], and perhaps even essential to their existence [2].

It is not surprising, therefore, that a market for the control of corporations has developed behind the scenes of the traditional stock market [3]. In this control market, the price of a bloc of shares is not determined by face value, but by the control inherent in the bloc [4]. Thus, a control premium is paid for a controlling bloc, which leads H.G. Manne to conclude that control is a measurable and negotiable asset [5].

The technique of acquisition best suited to the control market is the takeover bid [6]. Long used in Anglo-American countries, it was unknown to continental Europe until recently. In Belgium, Holland, and France, however, the takeover bid has rapidly become a normal means of acquisition, and government and professional rules have been promulgated to regulate it. The purpose of this article is to explore the rules applicable to takeover bids in Belgium, and to examine the public agency which promulgates and enforces these rules, the Commission Bancaire.

2. The Commission Bancaire

In 1964, the Belgian legislature placed takeover bids under the jurisdiction of the Commission Bancaire (hereinafter the Commission), a public institution responsible for the regulation of public securities issues [7]. The 1964 Act did not contain provisions relating specifically to takeover bids, but merely sub-

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mitted them to the rules already developed by the Commission in regulating public securities issues. The regulation of takeover bids in Belgium must, therefore, be explored in the context of the history, purposes and procedures of the Commission.

2.1. Establishment and purpose of the Commission Bancaire

The Commission was created to protect savings during the economic crises of the 1930s [8]. The 1935 Arrêté Royal dealt with the control of banks as well as the regulation of securities. Initially, the Commission was charged with facilitating equilibrium in the movement of capital by preventing an excess of bids from disturbing the market. This function is no longer emphasized. The Commission's primary role now lies in the second of the tasks originally assigned to it: the establishment of guidelines to protect buyers from "being led into error as to the real nature of the transaction or the legal rights attached to the securities" [9]. As stated in its Reports, the Commission:

> ... need not be informed as to the economic or financial fitness of investments within its jurisdiction. Its role is to examine information made available to the public so as to ensure it being sufficiently complete so that an objective decision on the investment may be made [10].

2.2. Jurisdiction of the Commission Bancaire

All takeover bids, regardless of their purpose or the type of companies involved, are subject to the Commission's control procedure if four conditions are present. These conditions require that the bid (1) constitute an offer to purchase or exchange, (2) relate to securities or rights, (3) be open to the public, and (4) affect the Belgian market.

2.2.1. Offer to purchase or exchange

Neither the Arrêté Royal, nor its history indicates what was meant by an offer to purchase or exchange [11]. In defining this phrase, the Commission has dispensed with traditional concepts of contract law and has construed it to include any public transaction, regardless of its form, which is aimed at convincing investors to contract. Thus, any public attempt to purchase shares from shareholders is an offer to purchase or exchange. Whether an initiative takes the form of a firm offer or merely a proposal and whether it eventually results in the purchase of the securities is irrelevant, because the Commission is concerned with the process and not its results [12].

The Arrêté Royal covers not only offers to purchase, but also includes any public exchange or offer to exchange [13]. Because exchange is not limited to its narrow contractual meaning, it might have been more appropriate to use the phrase "public offer to acquire" to describe the reach of the law [14].

The Law of July 10, 1969, is consistent with this approach [15]. For example, it equates an offer with a proposal to provide information or financial advice, or even a proposal intended to elicit a request for such information, where that proposal merely conceals a program of canvassing.

2.2.2. Offer relating to securities

Prior to the enactment of the 1969 Law, the information disclosure requirements of the 1935 Arrêté Royal were limited to traditional securities. Thus, public offerings fell under the jurisdiction of the Commission only if the shares involved stocks or beneficiary interests representing partnership rights, rights in public or private hands, or any type of loan certificate. Because many transactions easily avoided the Commission's supervision, the legislature passed the Law of July 10, 1969, to broaden the Commission's jurisdiction to include offers of interests in real estate and chattels where, because of the operation and management of the property, the purchases assumed the character of financial investments [16].

2.2.3. Public offer

Only public takeover bids fall within the jurisdiction of the Commission. The character of the offer is determined by the same criteria used to distinguish between public and private securities offerings [17]. The rules applicable to securities offerings were initially established through decisions of the judicial and administrative courts. Under these rules, many operations which were in fact public offers escaped classification as such and avoided appropriate penal sanctions [18].

In response to this problem, the legislature enacted the Law of July 10, 1969, giving the King power to formulate the standards for determining when securities transactions would be deemed public. Pursuant to this authority, an order was promulgated (Arrêté Royal of November 12, 1969) which broadened the concept of public character [19]. The Arrêté Royal established four tests, the satisfaction of any one of which is sufficient to establish the public nature of an offer [20].

The first test is the use of publicity. Any use of legal notice, newspaper or magazine advertisements, or the circulation of documents relating to the operation, even if addressed individually and upon request, will imbue the offer with a public character [21]. In the Commission's words, the Arreté Royal aims at bringing under its control "any modern method of sales promotion which tends to put the greatest possible personal touch in the relationship – or even only preliminary discussions – with potential clients" [22].

The second test concerns the intervention of a middleman, other than a bank or registered stockbroker. Under this test certain investment schemes will be deemed public if the offeror employs specialized or general agents in order to disguise what is, for all practical purposes, a direct approach to investors.

The Arreté Royal defines middleman as one who acts, even temporarily, as a broker, commissioned agent, securities trader, seller or representative of the offeror [23]. Financial analysts and consultants, however, will not be considered middlemen if their activity does not conceal the solicitation of investors. In practice, this distinction has proven to be quite difficult to make [24].

The public character of a securities transaction may also be established by the intervention of a bank or stockbroker. When these entities buy or sell securities for their own benefit or when they act as agents for the operation's promoter, however, their intervention will not imbue the operation with a public character, provided that they demonstrate to the Commission that the operation involves a limited number of investors [25].

The final test is one of quantity. Solicitation of more than fifty individuals establishes the public character of the operation. Once again, exceptions are made for bankers and stock-brokers [26].

Under these tests, the use of many modern marketing techniques, such as organizational gatherings, informational meetings, and telephone campaigns, renders a securities operation public [27]. Even individual offers to buy, if effected systematically through repetitive offers, will be considered public by the Commission.

2.2.4. Effect on the Belgian market

The 1935 Arrêté Royal, which created the Commission, was concerned with the economic condition of Belgium. Therefore, the Commission's jurisdiction is limited to transactions that take place in Belgium [28]. This jurisdiction is triggered when a request is made to Belgian investors, even if it originates from abroad. The promoter's nationality is irrelevant [29], and the Commission's rules apply even if the purchases are ultimately made outside Belgium [30].

2.3. Means of enforcement: a praetorian law

The legislature gave little power to the Commission to enforce the control procedure discussed below (see section 3). As the Rapport au Roi points out, "... the Commission is not empowered to forbid a transaction" [31]. If the Commission believes that a takeover proposal submitted for its inspection is likely to mislead investors, it can do no more than notify the promoter and recommend changes. Should the promoter refuse to comply with these suggestions, the most stringent formal sanction the Commission can impose is to suspend the takeover bid for three months, after giving advance notice to the promoter. Upon the expiration of the suspension period, the Commission is powerlesss to stop the takeover bid, and may only publish its complaints and request the Minister of Finance to forbid admission of the new shares onto the stock exchange.

The Commission's formal control, therefore, consists neither of authorizing nor approving transactions, but in issuing opinions of nihil obstat (no objection). Through this opinion, the Commission certifies that the proposed transaction does not controvert the public policy of maintaining balance within the capital market or that of maximizing the flow of adequate information to investors [32].

Although the Commission's powers are rather limited from a strict juridical view, it possesses significant de facto influence over companies planning to launch takeover bids. Few corporations within its jurisdiction would continue a transaction without the Commission's nihil obstat. The Commission has not yet had to suspend an operation or publish objections; the threat of these sanctions has proved to be as effective as the power of authorization would have been.

Based on this pervasive influence, and upon a continuing dialogue with the corporations it regulates, the Commission has developed a remarkable body of praetorian law [33]. These laws consist of a series of basic precepts supplemented by the Commission's annual reports.

3. The control procedure

Belgian law provides no regulatory mechanisms specifically applicable to takeover bids. The Commission applies, by analogy, the same control procedure applicable to public issues. This procedure gives the Commission preliminary control over the bid because only after the procedure will the takeover bid become public [34]. The following subsections outline the major steps of the control procedure and the information required from a promoter to satisfy the procedure's requirements.

3.1. Notice and dossiers

The Commission must be notified two weeks prior to any takeover bid [35]. The notice, if accompanied by a complete dossier, will begin a two-week waiting period [36]. If the dossier is complete and the Commission has not ruled on the proposal within two weeks of its submission, its inaction will constitute an implicit nihil obstat [37]. If no dossier is attached to the notice or if the dossier is unsatisfactory, the Commission will have all the time it considers necessary to exercise its review powers [38].

The importance of the dossier to the Commission's two-fold objective is illustrated by the flexible approach the Commission has taken in establishing guidelines for that document's contents. Although the Commission has specified that certain items, such as a complete prospectus for shareholders and a memorandum justifying the price offered, must be included in all dossiers, it has also reserved the power to require additional information on a case-by-case basis. Failure to provide adequate information will, as noted above, render the dossier incomplete. If the omission is intentional, or if incorrect information is deliberately included, criminal sanctions may apply [39].

3.2. The nihil obstat

Although the law does not require it, the Commission has adopted the practice of sending to the promoter a nihil obstat letter stating that the Commission does not believe the takeover bid will disturb the financial market or mislead potential subscribers. This decision, however, may not be publicized by the Commission or noted in the advertising or documents related to the bid. The legislature prohibits such notification in order to prevent the Commission from being held responsible for the quality of the issue, which would otherwise occur if its decisions came to be viewed as seals of approval.

The prohibition of publication results in the paradoxical situation that it is impossible for investors and shareholders to determine whether a venture has been submitted to the Commission. Although unreviewed takeover bids are relatively uncommon, there have been several in the Belgian market. Thus, in order to protect investors from misleading information, the Commission should certify the documents it has reviewed. This is particularly true because there is no civil remedy of notification of unreviewed takeover proposals.

3.3. The prospectus

As noted above, the dossier must contain a prospectus. The prospectus is viewed by the Commission as the main vehicle for informing investors of all relevant aspects of the proposed takeover. It must include information concerning the promoter, the contract, and the target company.

3.3.1. Information on the promoter

Information on the promoter must include a description of the promoter, its legal status, its main features, and a synthesis of at least three balance sheets and profit and loss accounting statements. Furthermore, because it is important for shareholders to know who will control their company if the takeover bid is successful, the prospectus must specify the composition of the promoter's management and its dominant groups.

The prospectus must also state the promoter's purpose in making the bid. This requirement, however, appears to be merely rhetorical. The Commission is often satisfied with vague justifications and the declared objectives often do not correspond to the promoter's real goals.

An example of the latter is found in a takeover bid by G.B. Enterprise Company (hereinafter G.B.). The bid was launched in 1971 upon the shares of Union Financière BUFA Corporation (hereinafter BUFA). The prospectus filed by G.B. stated that the operation "corresponded to the two-fold objective of harmonious development of the commercial and financial potentials of both companies", and that the tightening of the links between the two companies would facilitate the development, through BUFA, of certain service activities complementary to those of G.B. G.B.'s real reason for the bid was to defend against private offers made to BUFA's Board of Directors to purchase BUFA's shares of G.B. as part of an effort to gain control of G.B. Thus, after transferring BUFA's 7.2% of G.B. into friendly hands two years later, G.B. sold its BUFA stock at a loss.

This type of deception is facilitated by several structural limitations on the Commission. First, the Commission does not have the means to conduct the exhaustive economic analysis necessary to verify the truth of the promoter's purpose statement. Furthermore, because the Commission does not have the resources to conduct routine follow-ups in every case, it must restrict itself to an occasional sanction, although technically reserving the right to interfere whenever a promoter's actions belie its stated goals. The occasional sanctions, moreover, depend upon shareholder complaints and upon voluntary compliance by the investigated promoters with the Commission's decisions. Recent cases have made it clear that the Commission's moral pressure is not always sufficient to effectuate such compliance [40].

3.3.2. Information on the contract

The Commission requires that the prospectus reveal all relevant terms of the contract, including the price, the period of acceptance, the quantity of shares to be purchased, and any conditions which would free the promoter from his obligations under the contract. With respect to these conditions, the Commission has adopted the contract law principle that there is no offer if it is made under a *condicio protestativa* or if the promoter reserves too broad a power to determine the circumstances in which he can revoke or nullify his offer [41]. The Commission requires that this power be expressly limited to objective conditions, *e.g.* the percentage of variation of prices and indexes which will justify revocation.

The Commission does not require the promoter to extend his offer to purchase all outstanding shares of the target company. If the offer is restricted, however, the prospectus must specify the conditions of reduction.

3.3.3. Information on the target company

(1) Valuation. The shareholder in a company that is the target of a takeover bid needs certain information in order to determine whether the price being offered for his shares is a fair one. He must be informed of the financial health of his company, as well as the value of his participation. Thus, the prospectus usually contains information as to the book value of the target company and the value of his shares. The Commission requires that the prospectus include

certain recent economic and financial data. As noted by the Commission:

Data will normally be taken from routine sources of shareholder information such as balance sheets, profit and loss statements, and annual reports of the board of directors. To these may be added statements made by the company during the year as well as information extracted from stock issue prospectuses [42].

Quite often, however, prospectuses do not convey to the shareholders a true picture of their company's value. Prospectuses often reproduce only the latest available balance sheet to which is simply added a chronological series of prior years' profit and loss statements. Thus, shareholders are rarely apprised of underestimations of the company's worth not revealed by the balance sheets. One solution to this problem would be for the target company itself to publish its own summary of its financial position to supplement that contained in the prospectus.

Several methods are used to determine the value of shareholders' stock. For example, if the target company has an official quotation on one of the national exchanges, the prospectus may contain the highest and lowest quotations during the last three to five years. Some prospectuses contain an average of the quotations for a few months preceding the offer. These quotations, however, are not very helpful unless viewed in context of the major stock transactions during the relevant periods.

The Commission has been rather reserved in regulating stock valuation, merely requiring that "the price offered must reflect the value of each share insofar as practicable, taking into account the uncertainties inherent in assets evaluation" [43]. The Commission should go further and distinguish the right value of each share in terms of whether the share is purchased as an investment only, or as part of the purchase of control. The Commission did, in fact, seem to imply such a distinction when, for counter-offers, it declared allowable a price which reflects the offeror's own convenience [44].

(2) Equality among shareholders. In the majority of takeover bids that take place in Belgium, the promoter has already acquired control from the majority shareholders through private offers. Consistent with the principle of equality among shareholders, the Commission requires that these promoters offer to purchase minority shares under the same terms as were given to holders of the controlling bloc.

This same terms rule is not a legal obligation, but a principle of good conduct [45]. It has proven difficult to enforce for several reasons. Because it relies on the word of the promoter and declines to make its own financial evaluation of the price paid to majority shareholders, the Commission has no idea whether a control premium has been paid under the table. In addition, the Commission rarely exercises its power to lodge a legal complaint pursuant to the statute, which makes the giving of false or erroneous information a misdemeanor.

A recent example clearly illustrates this problem. On January 18, 1978, Continental Foods Corporation (hereinafter Continental) acquired through the Banque de Benelux, 68% of the stock of Union Financière d'Anvers Bufa (BUFA), a holding company, at the price of 530 B.F. per share. The bank in this case was merely a middleman because it had acquired the shares shortly before from Sodefina, also at 530 B.F. per share. Continental then agreed to launch a takeover bid on June 20, 1978, at 526 B.F. per share. Continental stated in its prospectus that this was the same price paid to acquire the controlling interest. The minority shareholders did not accept the offer and disputed the price, believing it to be well below the intrinsic value of their shares. They then complained unsuccessfully to the Commission, which lacks any power of investigation.

Following a lawsuit against Sodefina's former Managing Director, who remained President of BUFA, it was discovered that he had received a control premium of 860 B.F. per share. Faced with these facts, Continental launched another takeover bid in December, 1981, at 1,350 B.F. per share, an amount corresponding to the real price paid in 1978 for the controlling shares less dividends paid since then. The Commission ultimately declared that the principle of equality among shareholders had been respected, even though the minority shareholders had to wait three years to receive the same price as had been paid for the controlling interest.

4. Effectuating the takeover bid publication of information

In the ordinary course of events, once the Commission has received a commitment from the chief bank stating that the promoter has sufficient funds to purchase the shares, it will issue its nihil obstat. The promoter will then announce his offer publicly by distributing copies of the prospectus via banking circuits. A brief statement in the financial press will notify investors that the prospectus is available. Generally, the offer will run for two or three weeks, and acceptances will be effected by remittance of the certificate attached to the prospectus to one of the participating banks. The chief bank gathers these acceptances as well as the securities, and pays shareholders upon remittance or later.

If the bid is successful, the Commission requires that the promoter accept any remaining shares presented to him for several months after the bid. Thus, shareholders who refused the bid initially have an opportunity to reconsider.

After the securities are received pursuant to the takeover bid and collected by the chief bank, the Commission generally requires that the promoter publish the results of the offer [46]. In certain cases, however, the Commission has made exceptions. One such case involved a takeover bid by Investco Corporation (hereinafter Investco) for 40,000 shares of General Biscuit Corporation (hereinafter General Biscuit). Investco was acting for Neutlings and De Beukelaer, two family trusts which, with a third, L. Parein, previously controlled General Biscuit. Neutlings and De Beukelaer authorized the takeover bid to defend their control of General Biscuit against the French Bank, Worms, which had purchased L. Parein's 20.7%.

Investco did not publish the results of the takeover bid because Neutlings and De Beukelaer were not certain whether they had acquired a majority interest and publication might have alerted another shareholder, such as the Worms bank, that it actually controlled General Biscuit's stock. The Commission, realizing the problem publication might cause, did not press for disclosure of the results of the takeover bid.

The Commission regulates the flow of information in yet another manner. Lacking the power to suspend trading in shares, it combats insider trading by having the promoter publish, even before completely examining the dossiers, a notice stating the terms of the offer. The goal is to avoid the disruption of natural market prices by preventing insider trading based on speculation and rumor.

This practice has led to disastrous results because shareholders have no guarantee that the promoter will meet the commitments embodied in the notice. Thus, in January, 1974, the British firm, Valor Company, Ltd. (hereinafter Valor), privately acquired 81.5% of the shares of Forges de Ciney Corporation. Valor announced this acquisition publicly and confirmed via a communiqué to the Bank of the Société Générale de Belgique, which is charged with ascertaining whether a takeover bid's conditions are fulfilled and with surveying the subsequent evolution of the price of shares, that as far as the remaining shares were concerned, it would comply with the recommendations of the competent authorities.

On February 7, Valor issued a press release under the Commission's supervision which read:

> In case the average price for a Ciney share should be equal or inferior to 2,550 B.F. during a period of three months following the publication of Ciney's trading results for the financial year ending March 31, 1976, then Valor engages itself to launch a takeover bid on the 5,850 shares still held publicly before the 31st of December 1976, at the price of 2,550 B.F. per share.

Subsequent to the release of this statement, Ciney's trading results proved to be so catastrophic (toward the end of September the shares were quoted at 1,705 B.F.), that at an extraordinary general meeting its shareholders voted in favor of a request for composition. The company was finally declared bankrupt on October 12, 1976.

As the conditions of the February 7 notice were fulfilled, the shareholders vainly offered their shares to Valor, which refused to launch the takeover bid. This situation left the Commission so totally helpless that it could convince neither Valor nor the bank to observe its commitments. The Commission was left to declare that, "unfortunately and notwithstanding several pressing demands, the majority shareholder has again stolen away, in fact repudiating the solemn commitments it has agreed upon". As to its own powers, the Commission noted that it "does not have the qualification to prosecute for the accomplishment of liabilities toward the public" [47].

The Commission might have avoided all this if it had simply required from the bank a guarantee to meet its obligations. The only recourse left to minority shareholders was to sue Valor and the Bank of the Société de Belgique for fulfillment of their obligations. The case is still pending in court.

5. Counter-bids

The general procedure for counter-bids is similar to that applicable to any takeover bid: notice and a dossier must be submitted to the Commission after which a nihil obstat letter may be sent to the promoter. In addition, the Commission has established rules specific to counter-bids to facilitate the goals of shareholder equality and access to information. For example, as a rule, the price of a counter-bid must be 5% greater than the original bid, and subsequent bids must be at least 2.5% above the preceding offer. The Commission stated in its annual report, however, that if these levels were not met it would consider other relevant factors on a case-by-case basis. Indeed, it recognized that this pattern of increasing prices creates problems in terms of the accuracy of the proposed price and the stability and comparability of payments currency [48].

The terms of the counter-bid must be submitted to the first bidder, who is required to assess it and respond. The Commission will also remind the boards of directors of counter-bidding corporations that their duty to inform shareholders includes, if not a formal choice between the bids, then at least a comparison [49].

The Commission requires each promoter to release the shareholders who would have accepted its offer if a counter-bid had been made during the first offeror's validity period. This is supposed to put all shareholders on an equal footing, allowing them to choose between competing offers [50]. However, because this commitment is made to the Commission via private letter, rather than to the shareholders, it loses much of its effect. It would be better, therefore, to include such a clause in the prospectus.

6. Takeover bids by foreign corporations

This article began by noting that takeover bids are important to the development of a capitalist economy. Takeovers initiated by foreign corporations, however, can cause problems of economic planning for the government. The Belgian Government has taken action in response to such problems on several occasions.

Initially, a 1967 Arreté Royal required the permission of the Minister of Finance for takeover bids by or for legal persons whose residence or main office was abroad and for Belgian corporations directly or indirectly under foreign control [51]. Because the EEC complained that this inhibited the free establishment of foreign companies in Belgium, in violation of the Treaty of Rome, the Law was modified on July 11, 1972. Thereafter, takeover bids had to be approved by the Minister of Finance only if made by or for (1) real persons who are non-members of the EEC or (2) legal persons, public or private, within the market but whose main office, central administration or main establishment are not within the Community. Because the territorial requirements of Article 58 are so vague as to allow many non-European countries to pass as European, Article 108 is only partially effective in protecting the public.

Another approach to the problem of foreign takeover bids taken by the Belgian Government has been to require prior notification. Article 36 of the Law of December 30, 1970 (pertaining to economic growth), requires a foreign company to inform the Ministers of Foreign Affairs, Finance, and Regional Economy if it is going to make a takeover bid for a Belgian company. The legislature thought this necessary because of the consequences upon employment and economic planning [52]. The same disclosure is now required of nationals under a law passed on August 17, 1973, when at least one-third of the invested capital changes hands between companies whose activity takes place in Belgium and whose capital is at least 100,000,000 B.F. These provisions reflect a planned economy, where a passive policy is replaced by permanent negotiation between the State and private enterprises [53].

7. Conclusion

An examination of the historical development of Belgian securities law reveals that it did not develop around a central policy, but on an ad hoc basis in response to particular problems. This is especially true of the Commission Bancaire's control over takeover bids; its general body of praetorian law has developed on a case-by-case basis.

While much can be said for the flexible approach utilized by the Commission, its refusal to codify its rules has created a climate of insecurity. The Commission should replace its abstract and anonymous reports with annually promulgated regulations illustrated by clearly specified fact situations. The Commission should also use its power, under Article 72 of the Law of June 30, 1975, to require disclosure of information and to verify it on the spot. Currently, the Commission feels that it should not use this power in the context of public issues and takeover bids [54]. Finally, the Commission should appeal systematically to the judiciary whenever it discovers violations of the rules.

Notes

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[6] *See generally* R. Wtterwulghe, *supra* note 3 at 108–202.
[7] Law of June 10, 1964, I Code Larcier 548 (1970).
[8] Arrêté Royal 185, July 9, 1935, I Code Larcier (1970).
[9] *Id.*
[10] Commission Bancaire, 1935–1960, Rapport 137.
[11] A.R. 185, July 9, 1935.
[12] Commission Bancaire, 1936, Rapport 54.
[13] Commission Bancaire, 1964, Rapport 96–97.
[14] R. Wtterwulghe, *supra*, note 3 at 57–58.
[15] Law of July 10, 1969, I Code Larcier 407 (1970).
[16] *See* A. Bruyneel, 304 La Commission Bancaire Belge, la Banque 129 (1972); J. Le Brun, La Protection de l'Epargne Publique et la Commission Bancaire 274–277; R. Wtterwulghe, *La Loi du 10 Juillet 1969,* Journal des Tribunaux, May 2, 1970, at 291–293.
[17] Law of June 10, 1964.
[18] Doc. Parl. Senat. 536, July 10, 1969, *reprinted in* Pasinomie 1969 at 1169.
[19] *See* R. Wtterwulghe, *supra* note 16; *see also L'Abus de jouissance privative,* Journal des Tribunaux, 1979; J. le Brun, *supra* note 16, at 278–279.
[20] A.R., November 12, 1969, I Code Larcier 411 (1970).
[21] *Id.* Article I §1; *see also* Commission Bancaire, 1969–70, Rapport 154–157; *see generally* Parl. Chambre, 434/1, July 10, 1969, *reprinted in* Pasinomie 1969 at 1209.
[22] Commission Bancaire, 1970–71, Rapport 152–53.
[23] A.R., November 12, 1969, Article I §2.
[24] A. Bruyneel, *supra* note 12, at 132.
[25] A.R., November 12, 1969, Article I §3.
[26] *Id.* Article I §4.
[27] Commission Bancaire, 1971–72, Rapport 153; *see also* J. Le Brun, *supra* note 16, at 48.
[28] Commission Bancaire, 1967, Rapport 162–164; 1968–69, Rapport 153.
[29] *Id.*
[30] Commission Bancaire, 1959–60, Rapport 113–115; 1971–72, Rapport 151–152.
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[32] R. Wtterwulghe, *supra* note 3, at 57–58.
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[34] Commission Bancaire, 1968–69, Rapport 154.
[35] Article 26, A.R. 185, July 9, 1935.
[36] *Id.* Article 27.
[37] J. Le Brun, *supra* note 16, at 289.
[38] *Id.* at 282.
[39] *Id.* Article 42.
[40] Commission Bancaire, 1978–79, Rapport 109.
[41] Commission Bancaire, 1964, Raport 100–101.
[42] *Id.*
[43] Commission Bancaire, 1971–72, Rapport 163.

[44] Commission Bancaire, 1970–71, Rapport 163.
[45] *See generally* Commission Bancaire, 1978–79, Rapport, for rules of good conduct.
[46] Commission Bancaire, 1974–75, Rapport 167.
[47] Commission Bancaire, 1977–78, Rapport 117.
[48] Commission Bancaire, 1971–72, Rapport 163.
[49] *Id.* at 162.
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[51] Article 13, Arrêté Royal 61, November 10, 1967, amending Article 108, title V of the Business Code.
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