



## **Details of shareholders' rights in accordance with § 122 (2), § 126 (1), § 127 and § 131 (1) of the German Stock Corporation Act (Aktiengesetz, AktG)**

The convocation of the shareholders' meeting contains information on shareholders' rights under § 122 (2), 126 (1), 127 and 131 (1) of the German Stock Corporation Act (AktG), in particular regarding the timeframe during which these rights may be exercised. The following sections provide additional information on these shareholders' rights.

### **Demands for supplements to the agenda in accordance with § 122 (2) AktG**

In accordance with § 122 (2) AktG, shareholders whose aggregate holdings correspond to one-twentieth of the capital stock or the proportionate amount of EUR 500,000 (the latter equates to 195, 313 shares) may demand that items be included on the agenda and made public. Each new item must be accompanied by reasons or a draft resolution. The demand must be sent to the company's Board of Management in writing (§ 126 of the German Civil Code, BGB) and must reach the company at least 30 days before the day of the shareholders' meeting; this period does not include the day of the meeting or the day the demand was received by the company. Thus, the latest possible deadline is midnight (Central European Summer Time) on Friday April 2, 2010. The demand may be addressed as follows:

Deutsche Telekom AG, Vorstand, Postfach 19 29, 53009 Bonn, Germany.

§ 142 (2) sentence 2 AktG, which states that the parties making the application shall furnish evidence that they have held such shares for not less than three months prior to the date of the shareholders' meeting and that they hold these shares until a decision on the application has been made, applies accordingly, i.e., as amended. The reference to § 142 (2), sentence 2 AktG, in connection with a demand for supplements to the agenda, is to be understood in line with the prevailing opinion in the literature on stock corporation law as follows: The applicants must prove that at the time the demand to supplement the agenda was made, they had been holding the required minimum number of shares for three months; the period is to be calculated counting backwards, and the day on which the demand was put forward does not constitute part of the calculation; it is necessary and sufficient for the applicant also to prove that he holds the minimum number of shares at least until the day he put forward the demand. A corresponding confirmation from the depository bank shall constitute proof.

**This translation is for courtesy purposes only. The German original prevails.**

Supplements to the agenda that have to be made public – if not already made public with the convocation of the shareholders' meeting – will be published in the electronic Federal Gazette without delay after receipt by the company and forwarded for publication to media which can be expected to spread the information throughout the European Union. Any demands for supplements to the agenda received by the company after the convocation of the shareholders' meeting will also be made public without delay after receipt by the company through publication at the Internet address

<http://www.telekom.com/hauptversammlung>

and shareholders will also be informed in accordance with § 125 AktG.

The relevant provisions in the Stock Corporation Act underlying this right of shareholders are as follows:

§ 122 Convocation on request by a minority (extract)

“(1) The shareholders' meeting shall be called if shareholders whose aggregate holdings equal one-twentieth of the share capital, demand such a meeting in writing, stating the purpose and reason for such a meeting; this demand is to be addressed to the Board of Management. The articles of incorporation may provide that the right to demand a shareholders' meeting shall require another form or the holding of a lower proportion of the share capital. § 142 (2) sentence 2 shall apply accordingly.

(2) In the same manner, shareholders whose aggregate holdings amount to one-twentieth of the capital stock or the proportionate amount of EUR 500,000, may demand that items be included on the agenda and made public. Each new item must be accompanied by reasons or a draft resolution. The demand in the sense of sentence 1 shall be provided to the company at least 24 days, in case of listed companies at least 30 days, prior to the meeting; the day of receipt shall not be included in this calculation.”

§ 142 Appointment of special auditors (extract; the relevant sentence is sentence 2 of paragraph 2, which is quoted in its context below)

“(2) If the shareholders' meeting rejects a proposal to appoint special auditors to audit any matter relating to the formation of the company or to the management of the company's business occurring within the past five years, the court shall, upon application by shareholders whose aggregate holdings are at least one-hundredth of the share capital or represent a proportionate amount of at least EUR 100,000, appoint special auditors if there appear to be facts which give reason to suspect that improprieties or serious breaches of law or the articles have occurred in connection with such matter. The parties making the application shall furnish evidence that

they have held such shares for not less than three months prior to the date of the shareholders' meeting and that they hold these shares until a decision on the application has been made. § 149 shall apply analogously to agreements on the avoidance of such a special audit.

### **Counter-motions and nominations for election in accordance with § 126 (1) and § 127 AktG**

Shareholders can raise motions and nominations for election relating to items on the agenda and the Rules of Procedure at the shareholders' meeting without the need for any notification, publication or other particular action before the shareholders' meeting. Counter-motions and nominations for election by shareholders may only be put to the vote if they are put forward during the shareholders' meeting; this also applies if the relevant counter-motion or nomination for election has been published under § 126 and 127 of the AktG.

Counter-motions within the meaning of § 126 AktG and nominations for election within the meaning of § 127 AktG will be published including the shareholder's name, reason – which is not necessary for nominations for election – and a comment, if any, by the management at

<http://www.telekom.com/gegenantraege>

providing they reach the company at least 14 days before the shareholders' meeting, not including the day of receipt or the day of the meeting, and therefore by midnight, Central European Summer Time on Sunday April 18, 2010, to

Gegenanträge zur Hauptversammlung DTAG  
Postfach 1929  
53009 Bonn, Germany

or by fax to +49 (0) 228 181 – 88259

or by e-mail at the e-mail address [gegenantraege.bonn@telekom.de](mailto:gegenantraege.bonn@telekom.de)

and all other prerequisites for the company's obligation to public disclosure pursuant to § 126 and § 127 AktG are met. Shareholders enjoy a right which corresponds to this duty: the right that their counter-motions and nominations for election must be published. In addition to submitting the counter-motions/nominations in good time and to the aforementioned address stated in the notice of convocation for this purpose, it is a condition for the obligation to public disclosure which applies to counter-motions in the sense of § 126 AktG, but not to nominations for election in the sense of § 127 AktG, that within the stated period not only the actual counter-motion but also the reasons behind it should be sent to the address mentioned above. A duty to make counter-motions and nominations for election public does not exist, even if the conditions mentioned previously have been fulfilled, if the facts described in § 126 (2) AktG apply, and in the case of nominations for election additionally if § 127 sentence 2 AktG applies.

**This translation is for courtesy purposes only. The German original prevails.**

The provisions in the Stock Corporation Act which form the basis of this right of shareholders, and which also specify the conditions under which the publication of counter-motions and nominations for election is not required, are as follows:

#### § 126 Propositions by shareholders

“(1) Information on shareholders’ propositions, including the name of the shareholder, the reasons and the management’s position, shall be given to those entitled pursuant to § 125 (1) to (3) under the terms stipulated therein, if the shareholder submits to the company, to the address stated in the notice of convocation, his counter-motion to a motion of the Board of Management and the Supervisory Board on a specific item on the agenda, stating his reasoning, two weeks before the shareholders’ meeting at the latest. The date of receipt is not included in this calculation. For listed companies, publication shall be on the company website. § 125 (3) shall apply accordingly.

(2) Information on a counter-motion and the grounds therefore need not be given

1. if the Board of Management would by reason of giving such information become criminally liable;
2. if the counter-motion would result in a resolution of the shareholders’ meeting which would be unlawful or in breach of the articles;
3. if the grounds contain statements which are manifestly false or misleading in material respects or which are defamatory;
4. if a counter-motion by the shareholder based on the same facts has already been communicated to a shareholders’ meeting of the company pursuant to § 125;
5. if the same counter-motion by the shareholder on essentially identical grounds has already been communicated pursuant to § 125 to at least two shareholders’ meetings of the company within the past five years and at such shareholders’ meetings less than one-twentieth of the share capital represented voted in favor of such a counter-motion;
6. if the shareholder indicates that he will neither attend nor be represented at the shareholders’ meeting; or
7. if within the past two years at two shareholders’ meetings the shareholder failed to move or cause to be moved on his behalf a counter-motion communicated by him.

The statement of grounds need not be communicated if it exceeds 5,000 characters.

(3) If several shareholders make counter-motions in respect of the same resolution, the Board of Management may combine such counter-motions and their statements of grounds.

#### § 127 Nominations by shareholders

“<sup>1</sup>§126 shall apply analogously to a nomination by a shareholder for election of members of the Supervisory Board or external auditors. <sup>2</sup>Such a nomination need not be supported by a statement of grounds. <sup>3</sup>Nor need the Board of Management give notice of such a nomination if it fails to contain the particulars required by §124 (3) sentence 4 and §125 (1) sentence 5.”

#### § 124 Publication of demands for supplements; proposals for resolutions (extract)

“(3) ... The proposal for the election of members of the Supervisory Board or auditors shall state their names, professions and places of residence. ...”

#### § 125 Communications to shareholders and members of the Supervisory Board (extract)

“(1) ... In the case of stock exchange listed companies there shall be included with the nominations for election of Supervisory Board members information as to their membership of other Supervisory Boards which are to be formed pursuant to statutory provisions; details of their membership in comparable domestic and foreign supervision authorities of commercial enterprises shall be given.”

#### **Shareholders' right to information in accordance with § 131 (1) AktG**

In accordance with § 131 (1) each shareholder will upon oral request be provided with information at the shareholders' meeting by the Board of Management regarding the Company's affairs, including the Company's legal and business relationships with associated companies, the situation of the Group and the companies included in the consolidated financial statements, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda and provided no right of non-disclosure applies. The rights of non-disclosure are listed in § 131 (3) AktG. In addition, in relation to items 11 and 12 on the agenda, in accordance with § 293g (3) AktG each shareholder will upon oral request be provided with information at the shareholders' meeting by the Board of Management regarding all significant matters relating to Erste DFMG Deutsche Funkturm Vermögens-GmbH and T-Mobile Global Holding Nr. 2 GmbH that are relevant to the conclusion of agreements. In line with the prevailing opinion in the literature on stock corporation law, a right of the Board of Management to non-disclosure pursuant to § 131 (3) AktG should apply in this case as well.

**This translation is for courtesy purposes only. The German original prevails.**

The provisions in the Stock Corporation Act underlying this right of shareholders, which also determine the conditions under which the provision of information is not required, are as follows:

#### § 131 Right of Shareholders to Information

“(1) <sup>1</sup>Each shareholder shall upon request be provided with information at the shareholders’ meeting by the Board of Management regarding the company’s affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. The duty to provide information shall also extend to the company’s legal and business relations with any affiliated companies. If a company makes use of the simplified procedure pursuant to § 266 (1) sentence 3, § 276 or § 288 of the German Commercial Code (HGB), each shareholder may request that the annual financial statements be presented to him at the shareholders’ meeting on such annual statements in the form which would have been used if such provisions on simplified procedure had not applied. A parent enterprise’s Board of Management’s duty to inform (§ 290 (1) and (2) of the Commercial Code) in the shareholders’ meeting that considers the consolidated financial statement and consolidated management report shall extend to the position of the Group and the enterprises included in the consolidated financial statement.

(2) The information provided shall comply with the principles of conscientious and accurate accountability. The Articles of Incorporation or the Rules of Procedure pursuant to § 129 may authorize the chairperson of the meeting to limit the number of questions and speaking time of shareholders as appropriate and to lay down general rules thereon.

(3) The Board of Management may refuse to provide information,

1. to the extent that providing such information is, according to sound business judgment, likely to cause material damage to the company or an affiliated enterprise;
2. to the extent that such information relates to tax valuations or the amount of certain taxes;
3. with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the shareholders’ meeting is to approve the annual financial statements;
4. with regard to the accounting policies, if disclosure of such methods in the notes suffices to provide a clear view of the actual condition of the company’s assets, financial position and profitability within the meaning of § 264 (2) of the Commercial Code; the foregoing shall not apply if the shareholders’ meeting is to approve the annual financial statements;

**This translation is for courtesy purposes only. The German original prevails.**

5. if provision thereof would render the Board of Management criminally liable;
6. if in the case of a bank or financial services institution, information about the applied balance sheet and accounting policies made in the annual financial statements, the management report, the consolidated financial statements or the Group management report need not be given;
7. if the information is continuously available on the company's internet page seven or more days prior to the shareholders' meeting as well as during the meeting.

The provision of information may not be denied for other reasons.

(4) If information has been provided outside a shareholders' meeting to a shareholder by reason of his status as a shareholder, such information shall upon request be provided to any other shareholder at the shareholders' meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. The Board of Management may not refuse to provide such information on the grounds of (3) sentence 1, Nos. 1 to 4. <sup>3</sup>Sentences 1 and 2 shall not apply if a subsidiary (§ 290 (1), (2) HGB), a joint venture (§ 310 (1) HGB) or an affiliate (§ 311 (1) HGB) provides the information to a parent company (§ 290 (1), (2) HGB) for the purpose of inclusion in the consolidated annual financial statements of the parent company and the information is required for this purpose.

(5) If a shareholder has been denied information, he may request that his question and the reason for which the information was denied be recorded in the minutes of the meeting."

#### § 293g Execution of the annual shareholders' meeting (extract)

"(3) Each shareholder shall upon request also be provided with information at the shareholders' meeting regarding all matters relating to the other party to the agreement that are relevant to the conclusion of the agreement."

In addition, the chairperson of the shareholders' meeting is entitled to undertake various measures to direct and ensure order at the meeting. This also includes the right to restrict the amount of time for shareholders to ask questions and speak. The underlying provision in § 17 (2) of the Articles of Incorporation of the company which is making use of the authorization contained in the previously quoted § 131 (2) AktG, is as follows:

“(2) The chairperson shall conduct the meeting. He shall determine the order of discussion of agenda items as well as the manner and order of voting. He may set an appropriate time limit for shareholders’ rights to speak and ask questions; he can, in particular, appropriately determine the length of the shareholders’ meeting and the time allotted for discussing items on the agenda or for any individual questions or comments.”