



SEC Exempts “Foreign Issuer” From Filing a Preliminary Proxy Statement for Routine Proposals Required Under Foreign Law

March 25, 2014

On January 31, 2014, the Securities and Exchange Commission (“SEC”) issued a no-action letter to Schlumberger Ltd. (“Schlumberger” or “the Company”), permitting the Company not to file a preliminary proxy statement under Rule 14a-6(a) when the only matters to be acted upon by stockholders at the Company’s annual meeting were either specifically excluded from the filing requirements by Rule 14a-6(a) or were certain ordinary and routine matters required to be submitted for stockholder approval under Curaçao law on an annual basis.

In its request for no-action relief from the SEC, Schlumberger, which is organized under the laws of Curaçao, but does not qualify as a “foreign private issuer,” explained that it is required by Curaçao law and its Articles of Incorporation “to submit a proposal to stockholders, at annual general meetings on an annual basis, to report on the course of business during the preceding year and to approve Schlumberger’s financial statements and the declaration of dividends by the board of directors, each as reflected in Schlumberger’s Annual Report to Stockholders.” Schlumberger took the position that this legally mandated stockholder vote is routine and ordinary for Curaçao issuers. The Company, therefore, argued that because “exclusions to preliminary filing requirements are designed to relieve issuers and the Commission of unnecessary administrative burdens and processing costs associated with the filing and processing of proxy materials that deal with ordinary matters that are not generally selected for review,” an exclusion is warranted where the matters to be voted on are routine matters required under foreign law. The SEC concurred with the Company, stating that it would not object if Schlumberger were to file a definitive proxy statement without first filing a preliminary proxy statement for the proposals. The SEC added that its letter may be relied upon by other foreign issuers organized under the laws of Curaçao, with respect to the proposals described in Schlumberger’s no-action request letter.

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If you have any questions or would like additional information, please do not hesitate to contact [Yafit Cohn](mailto:yafit.cohn) at (212) 455-3815 or yafit.cohn@stblaw.com, or any other member of the Firm’s Public Company Advisory Practice.

This memorandum is for general information purposes and should not be regarded as legal advice. Please contact your relationship partner if we can be of assistance regarding these important developments. The names and office locations of all of our partners, as well as our recent memoranda, can be obtained from our website, www.simpsonthacher.com.

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