

Appendix VII-3

Rule 153A. Definition of “Preceded by a Prospectus” as used in Section 5(b)(2), in relation to certain transactions requiring approval of security holders

The term “preceded by a prospectus,” as used in section 5(b)(2) of the Securities Act of 1933, as amended, in respect of any requirement of delivery of a prospectus to security holders of a corporation, where there is submitted to the vote of such security holders a plan or agreement for a statutory merger, consolidation or reclassification of securities or a proposal for the transfer of assets of such corporation to another person, shall mean sending of a prospectus, prior to such vote, to all security holders of record of such corporation entitled to vote on such plan, agreement or proposal, at their addresses of record on the transfer records of such corporation.