



# AXA Management Board Report

## on proposed resolutions

To the Shareholders of AXA:

We have called you to this ordinary and extraordinary General Meeting with the intention of submitting to your approval a number of resolutions pertaining to:

- Approval of the parent Company and consolidated financial statements of AXA for the year ended December 31, 2008, determination of the dividend, and approval of the Statutory Auditors' Special Report on regulated agreements (I);
- Appointment and re-appointment of members to the Supervisory Board (II);
- Renewal of the authorizations granted to the Management Board relative to the share repurchase program and the cancellation of shares (III);
- Renewal of the delegations of authority granted to the Management Board in order to increase the share capital (IV);
- Renewal of the delegation of authority granted to the Management Board in order to issue securities without a claim to the share capital (V);
- Renewal of the delegations of authority granted to the Management Board in order to issue ordinary shares or other types of securities with a claim to ordinary shares of the Company through the Company savings plans (VI);
- Granting delegations of authority to the Management Board so as to increase the share capital by issues of preferred shares (VII).

## I – APPROVAL OF ANNUAL FINANCIAL STATEMENTS

### Ordinary resolutions 1 to 4

The first items on the agenda pertain to the approval of AXA's parent Company (1<sup>st</sup> resolution) and consolidated (2<sup>nd</sup> resolution) financial statements. AXA's parent Company financial statements for the year ended December 31, 2008 show a loss of €1,253 million, compared to a profit of €1,765 million for the preceding fiscal year. The consolidated financial statements for fiscal year 2008 show a net income Group share of €923 million, compared with €5,666 million for the preceding fiscal year. For more information on AXA's financial statements for 2008 and on the business of the Company during the 2008 and since the beginning of 2009, please refer to the Management Board Report that is included in the 2008 Annual Report (*Document de Référence*) filed with the AMF (*Autorité des marchés financiers*) and which is made available in accordance with applicable laws and regulations, in particular on AXA's website ([www.axa.com](http://www.axa.com)).

The purpose of the 3<sup>rd</sup> resolution is to resolve the appropriation of earnings for the fiscal year 2008 that reveals losses amounting to €1,253 million. Accordingly, the Management Board of your Company recommends to balance these losses by charging the sum of €17,248,117 on the beneficiary retained amounts and the sum of €1,235,518,823 on the reserve for contingencies (*réserve pour éventualités diverses*).

The Management Board has further decided to recommend the payment of a dividend of €0.40 per share this year, representing a global distribution of €835,663,267.60, that is a decrease of 66% compared to the previous fiscal year. This dividend will be charged on the reserve for contingencies which is at the free disposal of your Meeting.

This dividend would be paid out on May 12, 2009 and the ex-dividend date would be on May 7, 2009. In accordance with the AXA Bylaws, this proposal for appropriation of earnings and the date for the dividend payout were approved by the Supervisory Board of your Company at its meeting on February 18, 2009.

The proposed dividend entitles eligible recipients to the 40% tax relief set forth in paragraph 2° of Article 158.3 of the French General Tax Code (*Code Général des Impôts*). It applies to all natural persons deemed to be French resident for tax purposes, and it amounts to €0.16 per share. As a reminder, Article 117 quater of the French General Tax Code, as it results from the 2008 Finance Act (*loi de finances pour 2008*), provides that natural persons who are deemed to be French resident for tax purposes, and whose income is eligible for the 40% tax relief may, barring certain exceptions, opt to have an 18% flat deduction at source, calculated on the basis of the gross amount of income received.

Exercising the option for a flat deduction at source is binding and has to be renewed at each payment. However, this option leads the loss of the 40% tax relief mentioned hereinbefore, of the lump-sum abatement of €1,525 or €3,050, depending on the marital status and the tax credit upper limit resulting from other distributions received by the natural person in the course of the same calendar year.

The flat deduction at source, which is completed immediately, is paid by the institution responsible for payment within the first two weeks following the date of the dividend payout. The welfare taxes (CSG, CRDS and welfare deduction) due by the persons who are deemed to be French residents for tax purposes are, in any case, paid at the date of the dividend payout.

Pursuant to the relevant provisions of Article 243 *bis* of the French General Tax Code, the table below summarizes dividend payout information, with and without the 40% tax relief, in the previous three fiscal years.

	Fiscal year 2005	Fiscal year 2006	Fiscal year 2007
<b>Dividend per share</b>	<b>€0.88</b>	<b>€1.06</b>	<b>€1.20</b>
<b>Dividend with tax relief</b>	<b>€0.88</b>	<b>€1.06</b>	<b>€1.20</b>
<b>Dividend without tax relief</b>	<b>0</b>	<b>0</b>	<b>0</b>

In the 4<sup>th</sup> resolution, you are being asked to approve the special report of the Statutory Auditors on the so-called “regulated agreements”. It is specified under this resolution that no new regulated agreements were entered into during the fiscal year 2008. Two regulated agreements which were authorized in years prior to 2008 remained in force in 2008: (i) the shareholders agreement with the BNP Paribas Group and (ii) the shareholders agreement with the Schneider Group.

On December 15, 2005 the AXA Group and the BNP Paribas Group entered into an agreement concerning minimal and stable cross-shareholdings. The parties have agreed to a reciprocal repurchase option in the event of a hostile takeover attempt, by a third party, over the share capital of either AXA or BNP Paribas. In these circumstances, and pursuant to the agreement, the AXA Group would be entitled to repurchase, partly or entirely, the outstanding shareholding of BNP Paribas in AXA on the date it exercises its repurchase option. Reciprocally, the BNP Paribas Group will enjoy the same repurchase option over the outstanding shareholding of AXA in BNP Paribas.

On May 15, 2006 the AXA Group and the Schneider Group entered into an agreement concerning minimal cross-shareholdings. The parties have agreed to a reciprocal repurchase option in the event of a hostile takeover attempt, by a third party, over the share capital of either AXA or Schneider. In these circumstances, and pursuant to the agreement, the AXA Group would be entitled to repurchase, partly or entirely, the outstanding shareholding of Schneider in AXA on the date it exercises its repurchase option. Reciprocally, the Schneider Group will enjoy the same repurchase option over the outstanding shareholding of AXA in Schneider.

## II – APPOINTMENT AND RE-APPOINTMENTS OF MEMBERS TO THE SUPERVISORY BOARD

### Ordinary resolutions 5 to 9

You are being proposed to re-appoint Mrs. Dominique Reiniche and Messrs. Jacques de Chateaufieux, Anthony Hamilton and Michel Pébereau, whose terms of office expire at the end of this General Meeting, as members of the Supervisory Board for a four-year term, pursuant to Article 10 of the Company’s Bylaws. If re-appointed, their term of office would expire at the end of the General Meeting of Shareholders called in 2013 to approve the financial statements of the preceding fiscal year. Short biographies of Mrs. Dominique Reiniche and of Messrs. Jacques de Chateaufieux, Anthony Hamilton and Michel Pébereau, appear in the exhibits to this report.

The term of office of Mr. Henri Lachmann as a member of the Supervisory Board, is set to expire at the close of this Meeting.

Accordingly, you are asked to appoint Mr. Ramon de Oliveira for a term of four years to replace Mr. Lachmann, pursuant to Article 10 of the Bylaws of your Company. If appointed, Mr. de Oliveira’s term of office would therefore expire at the close of the Shareholders’ Meeting in 2013 to approve the Company’s financial statements for the fiscal year ending on December 31, 2012. The Supervisory Board, on the recommendation of its Selection, Ethics, Governance and Human Resources Committee, has rendered a favorable opinion on the appointment of Mr. Ramon de Oliveira, managing partner of the consulting firm Logan Pass Partners, to serve as a member of AXA’s Supervisory Board. The Supervisory Board and its Selection Committee considered Mr. de Oliveira’s significant knowledge of the financial and insurance sectors acquired, in particular, during his 25-year career at JP Morgan (in Paris, New York and London) and through his directorships (director of The Hartford Insurance Company since 2005) together with his very international profile. The Supervisory Board has assessed the independence of Mr. Ramon de Oliveira on the basis of both the recommendations contained in the AFEP/MEDEF Code of corporate governance dated December 2008 and the Sarbanes-Oxley Act and came to the conclusion that Mr. de Oliveira is qualified as independent in accordance with these criteria. A brief biography of Mr. de Oliveira appears in the exhibits to this report.

## III – AUTHORIZATION ENABLING THE COMPANY TO BUY SHARES OF ITS OWN STOCK AND, AS THE CASE MAY BE, TO CANCEL THESE SHARES

### Ordinary resolution 10 and extraordinary resolution 22

The Management Board requests that Shareholders once again authorize it to purchase up to 10% of the Company’s outstanding share capital, or 5% of the total number of shares comprising the share capital at any given time in the case of shares acquired by the Company for the purpose of holding them for subsequent payment or tender in a merger, spin-off or contribution. It is specified that the preferred shares that may be issued by the Company pursuant to the 23<sup>rd</sup> to 25<sup>th</sup> resolutions are excluded from this authorization to the extent that the terms and conditions of their repurchase are set forth in specific provisions of the Bylaws.

These shares may be acquired for the purpose of: a) optimizing the liquidity of AXA securities, notably to foster regular and liquid trading in the securities through a liquidity contract that complies with the *Association française des marchés financiers* (AMAFI) Code of conduct approved by the AMF, b) (i) hedging stock options offered to some or all employees or eligible corporate officers of the Company and/or affiliated entities or economic interest groups as defined in Article

L.225-180 of the French Commercial Code, (ii) granting free shares to some or all eligible corporate officers, employees, former employees and general insurance agents enrolled in a company savings plan sponsored by the Company or the AXA Group, (iii) granting free shares to some or all employees or eligible corporate officers of the Company or the AXA Group pursuant to the provisions of Articles L.225-197-1 *et seq.* of the French Commercial Code, or, (iv) assigning shares to some or all employees, former employees, eligible corporate officers and general insurance agents of the Company or the AXA Group in connection with the implementation of a employee savings plan pursuant to the applicable laws and regulations, or any other employee savings plan, c) holding shares for the purpose of subsequent payment or in exchange in the event of potential external growth acquisitions, in compliance with market practice accepted by the AMF, d) delivering shares upon exercise of rights attached to securities representing debt instruments giving a claim on the Company's share capital, e) canceling some or all of these shares, provided that the Management Board is duly authorized by the Shareholders, in an extraordinary resolution, to reduce the capital through the cancellation of the shares acquired pursuant to a share repurchase program, or f) in general, performing all operations admissible by the laws and regulations in force, provided that the Shareholders are beforehand informed, by any means admitted by the regulations, in the case the Management Board wish to use this share repurchase authorization for any other objective that has not been expressly listed above.

The maximum unit price of purchase may not exceed €30.

The acquisition, sale or transfer of these shares may be completed and paid for by all appropriate means in accordance with applicable laws and regulations, including through open market transactions or private agreements, over-the-counter and in particular through block trades, by using financial derivatives or warrants or, more generally, through securities with a claim on shares of the Company, or through public offer, at such time as the Management Board shall decide.

In the event of a public offer on the Company's shares, the Company may pursue the execution of its share repurchase program in accordance with Article 232-17 of the AMF General Regulation, but only if (i) the offer to purchase the Company's shares is paid for exclusively and entirely in cash and if (ii) the repurchase transactions are carried out pursuant to a program in progress are consistent with the objectives above-mentioned in points b) and d) and are not likely to compromise the success of the offer. In this respect, the Management Board believes it is important that the Company may, if need be, repurchase the Company's shares, even in the event of a public offer, in order to comply with its obligations *vis-à-vis* securities owners of securities representing debt instruments giving a claim on the Company's share capital (above-mentioned objective d)) or for the purpose of hedging employees and corporate officers' profit sharing plans (above-mentioned objective b)).

The Management Board recommends that this authorization, which replaces and renders null and void the unused portion of the authorization granted by the Shareholders at their Meeting of April 22, 2008, under the 15<sup>th</sup> resolution, shall be granted for a period of 18 months, starting from the date of your Meeting.

In compliance with Article 12 of the Bylaws of your Company, this resolution was approved by the Supervisory Board of AXA at its Meeting on February 18, 2009.

In the 22<sup>nd</sup> resolution, the Management Board also requests from your General Meeting to grant full authority, for a period of 18 months, to the Management Board, which may delegate such authority, to reduce the Company's share capital through the cancellation, in one or more times, of the shares acquired by the Company by virtue of Article L.225-209 of the French Commercial Code, within the limit of 10% of the Company's share capital in any given 24-month period. This resolution would replace and render null and void the unused portion of the resolution that has been presented by the Shareholders at their General Meeting on April 22, 2008 under the 20<sup>th</sup> resolution.

## IV – AUTHORIZATIONS TO BE GRANTED TO THE MANAGEMENT BOARD TO INCREASE THE SHARE CAPITAL

### Extraordinary resolutions 11 to 18

Pursuant to the regulatory provisions pertaining to capital increases, your Management Board reported on the business of the Company in 2008 and since the beginning of the 2009 fiscal year in the Management Board Report that is presented to your Meeting. This Report is included in the 2008 Annual Report filed with the AMF and is made available in accordance with applicable laws and regulations, in particular on AXA's website ([www.axa.com](http://www.axa.com)).

The Shareholders, at their Meeting of May 14, 2007, granted to the Management Board, by delegation of authority, the necessary financial authorizations allowing it to increase the share capital. These authorizations expire in July 2009.

Therefore, the Management Board proposes, in the 11<sup>th</sup> to 18<sup>th</sup> resolutions, to renew, for a period of 26 months, the delegations of authority allowing it to issue shares or other securities with a claim on the share capital and to choose, in the most appropriate manner with respect to market conditions, the most suitable means for the financing of the Group development. These new authorizations would replace and render null and void the unused portion of the authorizations bearing the same objective that have been granted by the Shareholders at their Meeting on May 14, 2007.

The upper limits of capital increases that may result from the 11<sup>th</sup> to 18<sup>th</sup> resolutions detailed hereinafter are the followings:

- **€1 billion** in nominal for capital increases by means of capitalization of reserves, earnings or premiums (11<sup>th</sup> resolution), which represents, for reference only, approximately 20.9% of the share capital as at January 21, 2009, provided that this upper limit is separate and distinct from the upper limits that may result from the other resolutions submitted to your Meeting;
- **€2 billion** in nominal value that is, for reference purpose only, approximately 41.80% of the share capital as at January 21, 2009, for capital increases by issue of ordinary shares or securities with a claim on ordinary shares, with preferential subscription rights of Shareholders (12<sup>th</sup> resolution);

- **20% of the share capital** as at the date of this General Meeting within the limit of a nominal amount of €1 billion for capital increases by issue of ordinary shares or securities with a claim on ordinary shares, without preferential subscription rights for the Shareholders, provided that (i) this upper limit is common to the issues that may be carried out pursuant to the 13<sup>th</sup> resolution and 16<sup>th</sup> to 18<sup>th</sup> resolutions (issue of securities in the event of a public exchange offer initiated by the Company, in return for contribution in kind, up to the limit of 10% of the share capital, outside the event of a public exchange offer, or as a result of the issue of securities giving a claim to the AXA's share capital by the subsidiaries of the Company) and (ii) is to be deducted from the upper limit of €2 billion that is provided for in the event of a capital increases with preferential subscription rights of Shareholders.

These upper limits are separate and distinct from the upper limits provided for the issues of preferred shares that may be carried out pursuant to the 23<sup>rd</sup> to 25<sup>th</sup> resolutions set at €1 billion in nominal value limited to an issue gross income (inclusive of the share premium) of €2 billion.

The global nominal upper limit of capital increase by issues of ordinary shares and preferred shares that may be carried out pursuant to the delegations of authority proposed to your General Meeting accordingly amount to €3 billion (excluding capital increases that may be carried out pursuant to Company savings plans by virtue of the 20<sup>th</sup> and 21<sup>st</sup> resolutions, those capital increases being limited to €150 million).

Finally, the maximum nominal amount of debt instruments giving a claim to the Company's share capital and issued pursuant to the 12<sup>th</sup> to 17<sup>th</sup> resolutions shall not exceed €6 billion.

In the 15<sup>th</sup> resolution, the Management also requests from your General Meeting, pursuant to the provisions of Article L.225-135-1 of the French Commercial Code, an authorization to increase the initial amount of a capital increase (carried out with or without preferential subscription rights of Shareholders in application of the 12<sup>th</sup> to 18<sup>th</sup> resolutions) within the limit of 15% of the initial issue and at the same price as the one set for the initial issue. This authorization may apply, in particular, if the Management Board notices an extra demand for subscriptions, and, as a consequence, resolves to grant a "green shoe" option conforming to market practice. The additional amount of capital increase likely to result from the 15<sup>th</sup> resolution being deducted from the respective upper limits of the 12<sup>th</sup> to 18<sup>th</sup> resolutions, could not, under any circumstance, lead to increase the upper limits detailed hereinbefore.

The upper limits of capital increase specified in the resolutions shall be appraised without taking into account the additional amount of ordinary shares to be issued in order to safeguard, as required by law and applicable contractual terms providing for other cases of adjustment, the rights of owners of securities or other rights giving a claim to the share capital of your Company.

Within the limits of the delegations proposed to your General Meeting, the Management Board would have the necessary powers to set the methods of the securities issue, acknowledge the completion of the capital increases and amend the Company's Bylaws accordingly. However, pursuant to Article 12 of the Company's Bylaws, the issues of securities

giving directly or indirectly a claim on the share capital that may be carried out by the Management Board, pursuant to the delegations proposed to your General Meeting, would have to be submitted to your Supervisory Board for prior approval.

The Management Board would establish in accordance with the law, at the time it use your delegations, an additional Report detailing the definite and final conditions of such issue. This report, as well as the Statutory Auditors' Special Report, would be subsequently made available at the Company's registered office and then reported to you on the occasion of the following Ordinary General Meeting.

Delegations of authority submitted to the vote of your General Meeting are detailed hereinafter:

#### **Capital increase by means of capitalization of reserves, earnings or premiums (11<sup>th</sup> resolution)**

In the 11<sup>th</sup> resolution, your Management Board requests from your General Meeting, having fulfilled the quorum and majority requirements pertaining to ordinary general meetings, a delegation of authority to increase the capital by means of capitalization of reserves, earnings or premiums, within the upper limit of a maximum nominal amount of €1 billion. This upper limit is separate and distinct from the upper limits of the others resolutions submitted to the vote of your Meeting. The capital increases that may result from this resolution could be achieved, at the discretion of the Management Board, either by freely allotting shares or by increasing the nominal value of existing shares.

It is specified that in the event the Management Board would implement of the delegations of authority resulting from the 23<sup>rd</sup> to 25<sup>th</sup> resolutions relative to the issue of preferred shares, the owners of such preferred shares would be deprived from all rights in the capital increases carried out by virtue of this resolution, except in the event of a capital increase by mean of capitalization of reserves, in which case any free allotment of new shares to their benefit would give rise to the allotment of preferred shares from the same category as the preferred shares entitling to the free allotment.

In the event of a capital increase by free allotment of shares, the Management Board could resolve that the odd lot of the allotment rights shall not be negotiable nor assignable, and that the corresponding shares shall be sold, with the proceeds of such sale being distributed among the owners of the allotment rights in accordance with the conditions set forth in the applicable laws and regulations.

#### **Issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, with preferential subscription rights of Shareholders (12<sup>th</sup> resolution)**

In the 12<sup>th</sup> resolution, your Management Board requests from your General Meeting a delegation of authority to issue ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, with preferential subscription rights. The maximum nominal amount of the capital increases that may be carried out by virtue of this resolution would not exceed €2 billion.

The securities giving a claim to ordinary shares of the Company or a subsidiary that would be issued by virtue of this resolution

may, in particular, consist in debt instruments, be combined with the issue of such debt instruments, or consist in instruments enabling the issue of such debt instruments.

The total nominal amount of debt instruments that may be issued by virtue of this resolution shall not exceed €6 billion at the date of the decision to issue, provided that this upper limit is separate and distinct from the amount of securities entitling to the allotment of debt instruments that would be issued by virtue of the 19<sup>th</sup> resolution submitted to this General Meeting, as well as from the amount of the debt instruments issued upon decision or authorization of the Management Board in accordance with Article L.228-40 of the French Commercial Code.

The Shareholders have the right to exercise, under the conditions set forth in the law, their preferential subscription rights in order to subscribe to issued shares or securities, on the basis of their exact right and as of a right, if applicable and provided for by the Management Board.

Pursuant to this financial authorization, the Management Board would determine the category of the securities issued and would set their subscription price, with or without payment of a premium, the method of paying up, the date – even retroactive – as of which they shall earn dividends, and the conditions according to which the securities issued by virtue of this delegation shall give a claim to ordinary shares of the Company or a subsidiary.

In the event the issues of ordinary shares or securities giving a claim to the share capital being undersubscribed, the Management Board may implement, without prejudice to its option to restrict the capital increase to the subscribed amount if the unsubscribed shares or securities giving a claim to the share capital represent less than 3% of the share capital, in the order it considers appropriate, one and/or several of the following options:

- limit the capital increase to the amount of subscriptions, provided that such amount is at least equal to the three quarters of the increase resolved;
- freely allocate some or all of the unsubscribed securities;
- offering all or a portion of the unsubscribed securities to the public.

#### **Issue of ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights of Shareholders (13<sup>th</sup> and 14<sup>th</sup> resolutions)**

Your Management Board requests from your General Meeting a delegation of authority to issue, through a public offer and/or a private placement to qualified investors or a restricted circle of investors under the meaning of the French Monetary and Financial Code (*Code monétaire et financier*), ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, without preferential subscription rights.

Indeed, in order to be able to seize the opportunities offered on the market and to optimize the collection of the Company's own-funds, your Management Board considers useful to have the possibility to carry out capital increases, without preferential rights of subscription of the Shareholders. In this regard, your Management Board would like to bring your attention on the Ordinance n°2009-80 dated January 22, 2009 relative to public offers and containing various finance-related provisions

(*Ordonnance n° 2009-80 du 22 janvier 2009 relative à l'appel public à l'épargne et portant diverses dispositions en matière financière*). This Ordinance expressly provides, from now on, for the possibility to conduct private placements to qualified investors or a restricted circle of investors under the meaning to the French Monetary and Financial Code, concurrently to a public placement or exclusively, in the case of preferential subscription rights being suppressed. The provision of the Ordinance will enter into force on April 1<sup>st</sup>, 2009 and since your General Meeting is convened on April 30, 2009, the 13<sup>th</sup> resolution takes into account the new provisions such as resulting from the Ordinance.

The nominal amount of the capital increases that may be carried out by virtue of this resolution could not exceed 20% of the share capital as at the date of your Meeting under the limit of €1 billion, in deduction of the global upper limit of €2 billion referred to in the 12<sup>th</sup> resolution. It is further specified that, pursuant to the new provisions of Article L.225-136 of the French Commercial Code resulting from the Ordinance, the nominal amount of immediate or deferred capital increases resulting from issues that would be carried out exclusively through private placement shall not exceed the upper limit set forth in the laws and regulations in force at the time of the issue. At the present time, this upper limit is set at 20% of the share capital per year.

The Management Board would be able to issue, through a public offer and/or a private placement, ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, which may consist, in particular, in debt instruments, be combined with the issue of such debt instruments, or consist in instruments enabling the issue of such debt instruments, under the same conditions as those referred to in the 12<sup>th</sup> resolution. The total nominal amount of debt instruments that may be issued by virtue of this delegation, likewise the 12<sup>th</sup> resolution, shall not exceed €6 billion at the date on which the decision to issue is made, provided that this upper limit is separate and distinct from the amount of securities giving the right to an allotment of debt instruments that would be issued by virtue of the 19<sup>th</sup> resolution submitted to this General Meeting, as well as from the amount of the debt instruments issued upon decision or authorization of the Management Board in accordance with Article L.228-40 of the French Commercial Code.

The Management Board could establish a priority subscription period on the basis of their exact right and/or as of a right to the benefit of the Shareholders, within the conditions set forth in the laws and regulations.

In the event the issues of ordinary shares or securities giving a claim to the share capital being undersubscribed, the Management Board may implement, without prejudice to its option to restrict the increase to the subscribed amount if the unsubscribed shares or securities giving a claim to the share capital represent less than 3% of the share capital, in the order it considers appropriate, one and/or several of the following options:

- limit the capital increase to the amount of subscriptions, provided that such amount is at least equal to the three quarters of the increase resolved;
- freely allocate some or all of the unsubscribed securities;
- offering all or a portion of the unsubscribed securities to the public.

The issue price of the securities issued pursuant to this resolution would be set in compliance with the laws and

regulations in force at the time of the issue. Currently applicable laws and regulations provide for a price at least equal to the volume-weighted average quoted price of the share over the last three trading days preceding the setting of the price, with a maximum discount of 5%.

In the 14<sup>th</sup> resolution, in accordance with the provisions of Article L.225-136 of the French Commercial Code, you are however proposed to authorize the Management Board to set the issue price as follows, within the limit of 10% of the share capital for each 12-month period:

The issue price may not be less than, at the discretion of the Management Board, (a) the volume-weighted average quoted price of the share on Euronext Paris over the trading day preceding the setting of the issue price or (b) the volume-weighted average quoted price of the share on Euronext Paris set over the trading day at the time the issue price is set, in each case minus a maximum discount of 5%.

As regard markets volatility, the exercise of the option detailed hereinabove would allow your Company to take advantage of potential opportunities to realize an issue of securities when the market conditions would not allow the carrying out of an issue in the conditions set forth in the 13<sup>th</sup> resolution.

In the event this option would be put into effect, the Management Board would establish a complementary report, certified by the Statutory Auditors, and detailing the definite and final conditions of such operation and containing information for an assessment of its actual impact on the Shareholders' situation.

#### **Issue of ordinary shares or securities giving a claim to ordinary shares of the Company in the event of a public exchange offer initiated by the Company (16<sup>th</sup> resolution)**

In the 16<sup>th</sup> resolution, your Management Board requests from your General Meeting a delegation of authority in order to issue ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, in the event of a public exchange offer initiated by the Company over securities of a company which shares are traded on a regulated market of a European Economic Area (EEA) or Organisation for Economic Co-operation and Development (OECD) Member State. The total nominal amount of the capital increases that may be carried out by virtue of this resolution would not exceed 20% of the share capital as at the date of this General Meeting under the limit of €1 billion, in deduction of the upper limit referred to in the 13<sup>th</sup> resolution.

This decision would entail a waiver by the Shareholders of their preferential subscription rights to shares or securities, in favor of the owners of the securities tendered in the public exchange offer.

#### **Issue of ordinary shares and securities giving a claim to ordinary shares in return for contributions in kind up to a maximum of 10% of the share capital (17<sup>th</sup> resolution)**

In the 17<sup>th</sup> resolution, your Management Board requests from your General Meeting a delegation of authority in order to issue ordinary shares or securities giving a claim to ordinary shares of the Company or one of its subsidiaries, in return for

the contributions in kind made to the Company in the form of capital shares or securities giving a claim to the capital. The nominal amount of a capital increase, immediately or in the future, that may be carried out by virtue of this resolution would not exceed 10% of the share capital, in deduction of the upper limit referred to in the 13<sup>th</sup> resolution.

This delegation would entail a waiver by the Shareholders of their preferential subscription rights to shares or securities issued, in favor of the owners of the securities which result from the contributions in kind.

#### **Issue of ordinary shares as a result of an issue of securities by subsidiaries of the Company (18<sup>th</sup> resolution)**

In the 18<sup>th</sup> resolution, the Management Board requests from your General Meeting a delegation of authority in order to issue ordinary shares of the Company, as a result of issue of securities giving a claim to the Company's ordinary shares by subsidiaries of the Company. The total nominal amount of issues carried out by virtue of this resolution would not exceed 20% of the share capital as at the date of your Meeting under the limit of €1 billion, in deduction of the upper limit referred to in the 13<sup>th</sup> resolution.

This decision would result in the waiver, in favor of the owners of securities issued by the subsidiaries, by the Shareholders of their preferential subscription rights to the Company's ordinary shares to which the securities issued by the subsidiaries may give a claim to. The Shareholders would not have a preferential subscription rights to these securities.

The issue of such securities would be authorized by the extraordinary Meeting of Shareholders of the concerned subsidiary, and the issue of shares of the Company to which these securities would entitle to would be resolved concurrently by your Management Board on the basis of this financial resolution, after prior approval by the Supervisory Board in accordance with Article 12 of the Bylaws.

## **V – AUTHORIZATIONS GRANTED TO THE MANAGEMENT BOARD TO ISSUE SECURITIES WITHOUT A CLAIM ON THE SHARE CAPITAL**

### **Extraordinary resolution 19**

#### **Issue of securities that entitle to an allotment of debt instruments without a claim on the Company's share capital (19<sup>th</sup> resolution)**

In the 19<sup>th</sup> resolution, your Management Board requests from your General Meeting a delegation of authority in order to issue securities that entitle to an allotment of debt instruments, without capital increase. The total nominal amount of this issue would not exceed €2 billion, this upper limit being distinct and separate from the debt instruments that would be issued pursuant to the 12<sup>th</sup> to 17<sup>th</sup> resolutions or in accordance with Article L.228-40 of the French Commercial Code. This delegation of authority covers the securities entitling to an

allotment of debt instruments that are not referred to by the 12<sup>th</sup> to 17<sup>th</sup> resolutions and that consist in securities entitling to the allotment of debt instruments such as, for example, bonds with bond warrants attached.

## VI – SPECIFIC AUTHORIZATIONS TO BE GRANTED TO THE MANAGEMENT BOARD TO ISSUE ORDINARY SHARES OR OTHER SECURITIES WITH A CLAIM ON ORDINARY SHARES OF THE COMPANY THROUGH EMPLOYEES SAVINGS PLANS

### Extraordinary resolutions 20 to 21

Under the 20<sup>th</sup> resolution, the Shareholders are requested to grant full authority to the Management Board, for a 18-month period and with the option of sub-delegation to any person authorized by law, to issue ordinary shares or securities giving a claim to the Company's ordinary shares reserved to corporate officers, employees, former employees or general insurance agents enrolled in the employer-sponsored savings plan(s) of the Company or the AXA Group, pursuant to the provisions of Articles L.225-138-1 and L.225-129-6 of the French Commercial Code, and Articles L.3332-1 *et seq.* of the French Labor Code. The total nominal amount of this issue would not exceed €150 million. This authorization would also entail a suppression of the preferential subscription rights of Shareholders to shares or securities, possibly on free allotment, in favor of corporate officers, employees or general insurance agents. It also entails a waiver of their preferential subscription rights on the shares to which such securities may give a claim to.

In accordance with the laws and regulations in force, the subscription price of the issued shares shall not be more than 20% lower than the average quoted price of the AXA's share on Euronext Paris over the twenty trading days prior to the day on which the Management Board formally determines the opening date of the subscription period, nor be higher than this average.

However, if you authorize it, the Management Board could reduce or waive the aforementioned discount, as it deems appropriate, in particular to take into account new international accounting standards, or, *inter alia*, locally applicable legal, accounting, tax or social provisions.

For further information concerning the use, by your Management Board, of the authorization to issue shares or securities giving a claim on the Company's share capital pursuant to employee savings plan approved by your General Meeting on April 22, 2008, please see Section 3.2 "Full disclosure on executive compensation and share ownership" and Appendix VII (Supplementary Management Board Report – Capital increase reserved for AXA Group employees (November 28, 2008)) of the Annual Report for 2008 filed with the AMF and made available to the Shareholders in accordance with the laws and regulations, in particular on the AXA's website ([www.axa.com](http://www.axa.com)).

As continuation of the 20<sup>th</sup> resolution, the 21<sup>st</sup> resolution proposes to authorize the Management Board, for a period of 18 months, to proceed to one or several capital increases reserved to a bank or a subsidiary of such bank which, at the request of the Company, participates in the implementation of a structured offer for employees, corporate officers or general insurance agents of entities affiliated to the Company within the meaning of Articles L.225-180 of the French Commercial Code and L.3344-1 as well as L.3344-2 of the French Labor Code, incorporated outside France.

Such capital increase would allow employees, corporate officers or general agents of the AXA Group's affiliated entities, who are residents in certain countries outside France, to benefit from an offer as close as possible, in terms of economic profile, to the offer which would be offered to the other employees of the Group pursuant to the 20<sup>th</sup> resolution.

The total nominal amount of shares that may be issued by virtue of this authorization would be limited to €150 million, it being specified that this maximum amount would be common to the 20<sup>th</sup> and 21<sup>st</sup> resolutions in such way that the amount capital increase resulting from the 20<sup>th</sup> and 21<sup>st</sup> resolutions would not exceed €150 million in nominal.

The subscription price of the shares issued pursuant to this 21<sup>st</sup> resolution shall not be more than 20% lower than the average quoted price of the Company's share on Euronext Paris over the twenty trading days preceding the decision setting the opening date of subscriptions to the capital increase, nor higher than this average. In addition, the Management Board shall be entitled to decide the reduction or cancellation of any discount so granted in order to take into account, *inter alia*, legal, social, tax and accountancy regulations applicable locally.

At the time the Management Board use the authorizations hereinbefore, complementary reports will be established by the Management Board and the Statutory Auditors, in compliance with the legal provisions in force.

## VII – AUTHORIZATIONS TO BE GRANTED TO THE MANAGEMENT BOARD TO INCREASE THE SHARE CAPITAL BY ISSUES OF PREFERRED SHARES

### Extraordinary resolutions 23 to 26

To provide the Company with the required flexibility to reinforce its core capital as necessary, the Management Board requests, in the 23<sup>rd</sup> to 25<sup>th</sup> resolutions, a delegation of authority from your General Meeting to issue preferred shares without voting rights, as governed by Articles L.228-11 *et seq.* of the French Commercial Code. These preferred shares shall be eligible without limit in the consolidated solvency margin. **Such preferred shares shall in no event be convertible into ordinary shares of AXA.**

It is proposed to grant to the Management Board three delegations of authority to carry out (i) one or several issues of preferred shares with preferential subscription rights for existing shareholders (24<sup>th</sup> resolution), (ii) one or several issues of

preferred shares without preferential subscription rights (25<sup>th</sup> resolution) and (iii) one or several issues of preferred shares reserved for the sole benefit of AXA Mutuelles (AXA Assurances IARD Mutuelle and AXA Assurances Vie Mutuelle) (23<sup>rd</sup> resolution). With respect to the delegations of authority under (ii) and (iii) above relating to issues without preferential subscription rights for existing shareholders, it is proposed that you waive such preferential subscription rights. In accordance with applicable law, the delegation of authority relating to issues reserved for the AXA Mutuelles is subject to an independent auditor's report reviewing the particular advantages (*avantages particuliers*) relating to the preferred shares.

The maximum aggregate amount of share capital increases which may be raised through issues of preferred shares without voting rights pursuant to the delegations provided for in resolutions 23 to 25 shall not exceed, in addition to the limits provided by law, gross issue proceeds of €2 billion, subject to such amount not exceeding €1 billion in total nominal amount, without taking into account the nominal value of ordinary shares to be issued in order to safeguard the rights of owners of securities or other rights giving access to the Company's capital, in compliance with the laws and regulations, and if applicable, the contractual terms providing for other cases of adjustment. For reference purpose only, this maximum nominal amount represents 20.9% of the statutory share capital as at January 21, 2009 and is therefore less than the maximum legal limit applicable to companies whose shares are listed on a regulated market, *i.e.* 25% of the share capital to date (Article L.228-11 paragraph 3 of the French Commercial Code).

We draw to your attention that these limits are separate and distinct from those set in relation to share capital increases by way of issues of ordinary shares provided for in resolutions 11 to 21.

**Any preferred share issued as a result of these delegations shall not have voting rights at the General Meetings of Shareholders nor preferential subscription rights in relation to future capital increases in cash.**

Preferred shares shall have the right to a preferential dividend and shall rank senior to ordinary shares in the event of a winding up. In addition, there may be different categories of preferred shares with different financial rights according to their date of issue.

Subject to certain conditions, the preferred shares may be repurchased at the option of AXA.

A full description of the preferred shares is set out in the amended Bylaws attached to this report. Their principal financial characteristics are summarised below.

### Issue Price

The issue price of any issue of preferred shares shall be determined by the Management Board in its decision to issue any preferred shares in accordance with the provisions of the Bylaws. The issue price shall be equal to the volume-weighted average quoted price of the AXA ordinary share over the twenty trading days preceding the decision to issue and/or, in the event of issues of preferred shares that are fungible with existing listed preferred shares, shall be at least equal to the minimum price authorized by applicable laws and regulations.

The nominal value of the preferred shares shall be the same as that of the ordinary shares.

### Preferred Dividend

Pursuant to the resolutions proposed relating to preferred shares, a preferred dividend payable to holders of preferred shares shall be proposed to the Annual Shareholders' Meeting each year. The preferred dividend shall be determined by the Management Board in its decision to issue any preferred shares, in accordance with the provisions of the Bylaws. This dividend shall be determined within a range of a multiple of 1.2 to 1.8 of the dividend paid on ordinary shares in respect of the prior fiscal year.

In addition, the preferred dividend may not be lower than the minimum dividend nor higher than the maximum dividend. The minimum dividend shall be between 6% and 8% of the current amount of the relevant preferred shares determined by reference to the prior fiscal year (such current amount corresponding to the issue price of the relevant preferred shares, as reduced in the event of any loss absorption), and the maximum dividend shall be between 10% and 14% of the same amount. The minimum dividend and maximum dividend applicable to each issue of preferred shares shall be determined by the Management Board at its discretion in its decision to issue such shares.

In all cases, the total preferred dividend distributed to holders of preferred shares in a fiscal year shall not exceed 90% of the earnings available for distribution for such fiscal year.

If no dividend is paid on any preferred shares, in part or in full, in respect of a given fiscal year, the preferred dividend cannot be carried forward to future fiscal years.

No dividend may be paid to the holders of ordinary shares if the preferred dividend for the relevant fiscal year has not been paid in full.

### Repurchase

Preferred shares may be repurchased by AXA in accordance with the Bylaws, in particular at any time after the fifth anniversary of their issue date, subject to the prior approval of the French insurance regulator (*Autorité de Contrôle des Assurances et des Mutuelles*). Such shares may be repurchased at their issue price, increased in certain cases by an amount calculated by reference to the minimum dividend payable (between 6% to 8% of the current amount) and decided by the Management Board in its decision to issue such preferred shares

### Modifications to the Bylaws

According to the 26<sup>th</sup> resolution, the Management Board proposes to your General Meeting that upon any issue of preferred shares, the Bylaws be modified to include the characteristics of the relevant preferred shares. Applicable law requires that the characteristics of preferred shares be described in full in the Bylaws.

The modifications to the Bylaws relating to the creation of different categories of preferred category B shares (which can give rise to new categories of preferred shares in the case of successive share issues) are set out in the annex to this

report. Category A shares shall consist of all existing ordinary shares of the Company.

Within the limits of the proposed delegations, the Management Board shall use its authority as necessary, and in particular to determine the amount of any issue, the number of preferred shares to be issued, the applicable issue price, the amount of the preferred dividend, to create new categories of preferred shares as necessary, to determine the measures necessary to complete any such increase of capital and to implement the necessary changes to the Bylaws. In accordance with Article 12 of the Company's Bylaws, the issuance of any preferred shares shall be subject to the prior authorization of the Supervisory Board.

Furthermore, additional reports shall be prepared by the Management Board and the Statutory Auditors in accordance with applicable law at the time that the Management Board uses the above delegations of authority.

## VIII – FORMALITIES

### **Extraordinary resolution 27**

The 27<sup>th</sup> resolution proposed to your approval is intended to grant full authority to carry out all formal publication, filing and other requirements as the case may be, following this Annual Meeting.