

## New Regime Enacted for French-Qualified Restricted Stock Units

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September 2, 2015

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On August 7, 2015, France's "Law on Growth and Economic Activity" (also known as the "**Macron Law**") was enacted, effective as of the same date. Among other changes, the Macron Law revised certain aspects of the tax and legal regime applicable to French-qualified restricted stock units (**RSUs**) by decreasing the applicable employer social tax percentage (payable under the new regime at vesting), reducing the minimum vesting period from two years to one year, reducing the acquisition and sale restriction periods, and providing for more favorable employee tax treatment. Importantly, the Macron Law provides that qualified RSUs can be granted under the new regime only if pursuant to an equity plan that is approved by shareholders after the August 7, 2015, effective date. It remains uncertain whether the new regime could apply to RSUs granted under a sub-plan to a shareholder-approved plan if the sub-plan is adopted by a company's board of directors (or compensation committee) after August 7, 2015.