

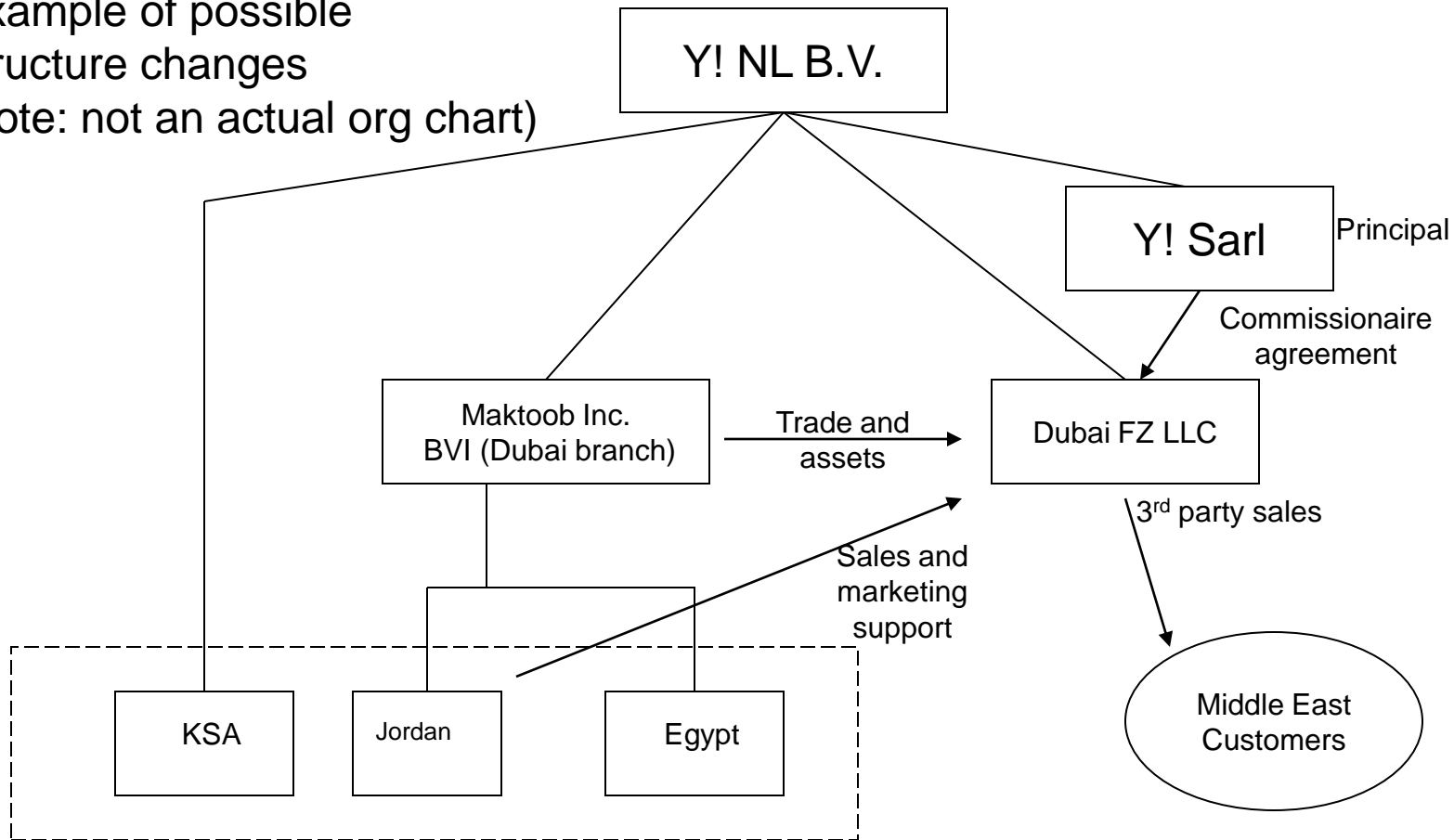
Mitigating strategic risk – case studies

- Using corporate structure to mitigate risk
- “Old Skool” approach
- Conclusions from case studies
 - Keys to success with OS
 - What corporate structuring can/cannot achieve

Case Study 1 – Y! enters a new market

- Y! acquires a company trading in Middle East
- How do we manage risk?
- Can corporate structure help?
- OS process for mitigation

Example of possible structure changes
(note: not an actual org chart)



Case Study 2 – Y! builds a data centre

- Significant investment
- Potential legal issue
 - *Law of Sovereignty*: Illegal to assist foreign governments or parties by actions taken on Swiss soil that are reserved for the Swiss government
 - *Telecommunications Law*: Communications providers must keep all information relating to a communication secret

Conclusions From Case Studies

- Keys to success with OS
 - Identify a decision maker and make a decision
 - Identify correct stakeholders
 - Get into the detail
- What corporate structuring can/cannot achieve
 - Reflect optimum business structure
 - Forum for all structuring discussion
 - Corporate veil
 - Recent exceptions and local assets
 - Cannot stand alone