

Plan At A Glance.

How do the two offers compare?

If you choose to participate in the 2008 Employee Share Plan, you can make a choice between putting your money into the Leveraged Offer or the Classic Offer. You may also choose to participate in both offers.

The following table compares the basic features of each of the two offers:

	Leveraged Offer	Classic Offer
Employee Offer	For every one share you buy at a discount, nine additional shares are purchased on your behalf through a non-recourse bank loan at no cost to you.	Receive a 15% discount for every share you buy.
Investment Guarantee	Your personal contribution is 100% guaranteed in U.S. dollars. You will get this money back even if the share price falls.	None — You can lose money if the share price falls below the level of the discount.
Minimum Investment	One share	One share
Maximum Investment	2.5% of eligible pay or \$4,500 if less.	25% of eligible pay
Payment Method	Choice of: <ul style="list-style-type: none"> • Payroll deductions up to \$4,500, or • Paying entire reservation by cashier's check. 	Choice of: <ul style="list-style-type: none"> • Payroll deductions up to \$10,000; excess amount must be paid by a cashier's check, or • Paying entire reservation by cashier's check.
Holding Period	Five years (or less in the case of a qualified Early Exit Event).	Five years (or less in the case of a qualified Early Exit Event)
Taxation	No tax upon purchase. Taxed on any gain at the end of the five-year Holding Period (or upon an Early Exit Event).	Taxed on discount upon purchase, and taxed on any gain when shares are sold.
Potential Gain	Based on the gain, if any, between the 2008 average market price and the 2013 average market price. For every share you buy with your own money, you will receive 4.4 times the amount of the gain on that share.	Based on the difference between the 2008 subscription price (15% discount) and market price upon sale.
Dividend Payouts	No — The dividends on the shares are retained by the bank during the Holding Period.	Yes — You are paid dividends each year they are declared by Schneider Electric.

What are some important dates that I need to know?

	Reservation Period	Price-Setting Period	Cancellation Period	Cash-Collection Period
Employee meetings	Reserve your shares	Price is determined	Cancel your reservation (if desired)	Pay for your reservation by cashier's check, if elected or required
March 12 – March 30	March 25 – April 18	May 2 – May 29	June 3 – June 9	June 17 – June 30