

TABLE I: VALIDITY OF THE CONTRACT AND CREATION FACTORS

	EXECUTION FORMALITIES			RESTRICTIONS			
	<i>Writing</i>	<i>By Deed</i>	<i>Notarisation</i>	<i>Certainty in identifying the sects</i>	<i>Substitution risk</i>	<i>Pledgee's liability to be secured</i>	<i>Possession of the sects</i>
England	no	no	no	yes (but no formal requirement for collateral agreement)	yes	yes	yes (only pledge) no(charges/mortgages)
Italy	yes (for pledge)	yes notarial one for shares	no	yes (for reg/irreg pledge) no(with new floating lien)	yes (some advantg with new lien)	yes	yes(regular pledg) no necessary with the irregular
France	yes	no	no	yes(old declarat.of pledge) no (with new pledge account).	yes no with new pledgd.accnt.	yes	yes/no (no for the new pledge account)
Belgium	yes (written/oral)	no	no	yes no (with special sects account).	yes with some considerations	yes	yes /no no for special sects account
Germany	Normally no common practice for the pledge	no	Normally no (except shares in a GmbH)	yes (important for pledges assignment by security)	yes	yes	yes (for pledge)
Spain	no	yes public deed	no	yes	yes	yes	yes
Portugal	?	?	?	yes	yes	yes	yes