

ARTICLES OF ASSOCIATION of:

**Koninklijke Ten Cate N.V.,**

having its registered offices at Almelo.

Consecutive text of the articles of association of Koninklijke Ten Cate N.V., a public company (*naamloze vennootschap*) under the laws of the Netherlands, having its registered offices at Almelo.

The articles of association of the company were most recently amended by notarial deed of amendment, executed before R. van Bork, civil law notary in Amsterdam, the Netherlands, on April 11, 2006, for which the ministerial "Declaration of No Objections" was granted on April 10, 2006 under number N.V. 59262.

The Company is registered with the Commercial Register of the Chamber of Commerce and Industry for Veluwe en Twente, under number 06016321.

**Name and registered office.****Article 1.**

1. The name of the company is:  
Koninklijke Ten Cate N.V. The company may use a translation of its name abroad.
2. The registered office of the company is in Almelo.

**Object.****Article 2.**

The object of the company is to participate in, to manage and to finance and to provide services to companies and enterprises, and to engage in any activity which may be related or conducive to the above purpose, all such in the widest sense.

**Duration.****Article 3.**

The company has been established for an indefinite period of time.

**Capital and shares.****Article 4.**

1. The authorized capital of the company amounts to two hundred million euro (€ 200,000,000,-), divided into eighty million (80,000,000) shares with a nominal value two euro and fifty eurocents (€ 2,50) each.
2. The shares are registered shares. No share certificates will be issued for registered shares.

**Issue of shares.****Article 5.**

1. The issue of shares takes place by virtue of a resolution of the executive board after the approval of the supervisory board has been obtained. The scope of this authority of the executive board will be determined by virtue of a resolution of the general meeting of shareholders, hereinafter also referred to as: the 'general meeting' – and relates to no more than all the shares not yet issued in the authorized capital, as it stands currently or at any time in the future. The duration of this authority will be determined by virtue of a resolution of the general meeting and shall not exceed five years. The resolution of the general meeting can only be adopted upon the joint proposal of the executive board and the supervisory board.
2. The appointment of the executive board as the body authorized to issue shares can be extended each time by a period not exceeding five years by virtue of an amendment to the Articles of association or by virtue of a resolution of the general meeting. The resolution of the general meeting can only be adopted upon the joint proposal of the executive board and the supervisory board. Together with this appointment, the amount of shares and the class of shares that may be issued will also be determined. Appointments made by virtue of the Articles of association can only be cancelled through amendment to the Articles of association. Appointments made by virtue of a resolution of the general meeting cannot be withdrawn, unless determined otherwise in the appointment.

3. If the executive board's authority ends, the issue of shares shall henceforth take place by virtue of a resolution of the general meeting, unless the general meeting appoints another corporate body. The resolution of the general meeting to appoint another corporate body authorized to issue shares can only be adopted upon the joint proposal of the executive board and the supervisory board.
1. A resolution by a body other than the executive board to issue shares can only be adopted upon the joint proposal of the executive board and supervisory board.
5. Within eight days of a resolution to issue shares or to make an appointment as referred to in the present Article, the company will deposit the full text of such resolution at the office of the companies register.
6. Within eight days of each issue of shares, the company will report this to the office of the companies register, stating the number and class of the shares issued.
7. The provisions of the present Article apply by analogy to the granting of rights to subscribe to shares, but do not apply to the issue of shares to a person exercising a previously obtained right to subscribe to shares.

**Terms and conditions for issue of shares.**

**Article 6.**

1. The company body authorized to pass a resolution to issue shares, will also determine the issue price and other terms and conditions. The issue price for shares will not be below par value, subject to the provisions of Section 80, paragraph 2, Book 2 of the Netherlands Civil Code.
2. In the event that the amount to be issued has been announced and only a smaller amount can be placed, this latter amount will only be placed if this is explicitly provided for in the terms and conditions of issue.
3. In the issue of shares, each holder of shares will have a preferential right in proportion to the combined amount of his shares.  
He will however have no preferential right to shares issued for a consideration other than cash, nor will he have a preferential right to shares issued to employees of the company or a group company.
4. The company will announce the issue with preferential right and the period in which this right can be exercised in the Staatscourant (official journal), the Price list of Euronext Amsterdam N.V. and in a national newspaper, unless written notice is given to all shareholders at the addresses they have stated.
5. The preferential right may be exercised during at least two weeks after the day of notification in the Staatscourant.
6. The preferential right may be limited or excluded by the company body authorized to decide to issue shares, provided that this authority has been explicitly granted to said body. The authority of a company body to limit or exclude the preferential right ends in the event that this company body's authority to issue ends. The provisions of Article 5, paragraphs 1, 2, 3 and 4 apply correspondingly, without prejudice to the provisions of paragraph 8. In

other cases, the authority to limit or exclude the preferential right will rest with the general meeting of shareholders.

7. In the event that a proposal to limit or exclude the preferential right is put to the general meeting, the reasons for the proposal and the choice of the proposed issue price must be explained in writing in the proposal.
8. A resolution of the general meeting to limit or exclude the preferential right or to appoint a company body authorized to do so will require a majority of at least two-thirds of the votes cast in the event that less than half of the issued capital is represented at the meeting. Within eight days of the resolution, the full text of this resolution will be filed at the office of the companies register.
9. The shareholders will have a preferential right if rights to take shares are granted; paragraphs 3 to 8 apply correspondingly. Shareholders will have no preferential right to shares issued to a person exercising a previously obtained right to take shares.

#### **Payments on shares.**

##### **Article 7.**

1. Subject to the provisions of Section 80, paragraph 2, Book 2 of the Netherlands Civil Code, the full nominal amount must be paid up on each share taken, and also, if the share is taken for a higher amount, the difference between these amounts.
2. Payments on shares must be made in cash in so far as no other consideration has been agreed.
3. With the permission of the company, the payment obligation can be met through payments in foreign currencies to the amount at which the amount paid can be freely changed into euro.
4. With the approval of the supervisory board, the executive board is authorized to enter into legal transactions concerning considerations on shares other than in cash and the other legal transactions referred to in Section 94, Book 2 of the Netherlands Civil Code, without the prior approval of the general meeting.
5. Sections 80b and 94b of Book 2 of the Netherlands Civil Code apply to considerations other than in cash.

#### **Collective Depositary. Giro Depositary.**

##### **Article 8.**

1. For the application of the provisions of these Articles of association:
  - "**Wge**" shall mean: Securities Giro Transactions Act (*Wet giraal effectenverkeer*);
  - "**Necigef**" shall mean: Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (using the business name: "Euroclear Netherlands"), the central institution within the meaning of the Wge;
  - "**Associated Institution**" shall mean: an associated institution within the meaning of the Wge;
  - "**Collective Depositary**" shall mean: a collective depositary (*verzameldepot*) within the meaning of the Wge, held by an Associated Institution;

"**Giro Depositary**" shall mean: a giro depositary (*girodepot*) within the meaning of the Wge.

2. In the event of the issue of a share, transfer is effected by the company for inclusion in the Giro Depositary or for inclusion in a Collective Depositary without the cooperation of the other Associated Institutions and of the other parties in the Collective Depositary. It will be sufficient if the company records the share in its register of shareholders in the name of Necigef or of the Associated Institution concerned, stating that the share will form part of the Giro Depositary or a Collective Depositary respectively and stating the data as meant by Article 9, paragraphs 1 and 2 of these Articles of association and Necigef of the Associated Institution concerned has accepted the transfer.
3. For the application of the provisions of these Articles of association, shareholders are also understood to mean participants in a Collective Depositary. (and explicitly not Necigef).

#### **Register of shareholders.**

##### **Article 9.**

1. The executive board will keep a register in which the names and addresses of all shareholders are entered, stating the date on which they acquired the shares, the date of acknowledgement or service and the amount paid up on each share. The names and addresses of those who have a right of usufruct or pledge on shares shall also be entered in the register of shareholders, in as far as the shares concerned do not belong to a Collective Depositary or the Giro Depositary, stating the date on which they acquired their right, the date of acknowledgment or service and stating to which rights connected to the shares in accordance with Article 10 paragraph 6 they are entitled.
2. If a share is transferred to a Associated Institution for inclusion in a Collective Depositary or transferred to Necigef for inclusion in the Giro Depositary, the name and address of the Associated Institution or Necigef, as the case may be, shall be recorded in the register of shareholders, stating the date on which such shares belong to a Collective Depositary or the Giro Depositary respectively and the date of acknowledgement or service.
3. At the request of a shareholder, usufructuary or pledge-holder, the executive board will issue, free of charge, an extract from the register relating to his right to a share. If there is a right of usufruct or pledge on this share, the extract will state who is entitled to the rights referred to in Article 10 paragraph 6. The extract will be non-negotiable.
4. The executive board will keep the register available at the office of the company for inspection by the shareholders and the usufructuaries and pledge-holders with the rights referred to in Article 10 paragraph 6.
5. The provisions of Section 85, Book 2, Netherlands Civil Code are applicable to the register of shareholders.

#### **Transfer of shares. Establishment of a right of pledge. Establishment of and transfer of a right of usufruct on shares.**

##### **Article 10.**

1. Without prejudice to relevant provisions of the law, the delivery of shares will require a deed of transfer and the written acknowledgement of the delivery by the company, except when the company is a party to the delivery. The acknowledgement will be made in the deed or by means of a dated statement containing the acknowledgement on the deed or on a copy or extract from this deed executed by a notary or certified by the seller.  
The acknowledgement is equivalent to the service of this deed or this copy or extract on the company. If the delivery of non-paid up shares is concerned, the acknowledgement can only be made if the deed has an officially recorded date.
2. The provisions of paragraph 1 apply correspondingly to the establishment and delivery of usufruct and to the establishment of a pledge on shares, with the proviso that a pledge can also be established by means of an authentic or registered private deed without acknowledgement by or serving on the company; in that case the undisclosed pledge becomes a pledge with notification to the debtor through the acknowledgement or serving.
3. If a share is transferred for inclusion in a Collective Depositary, transfer is accepted by the Associated Institution concerned. If a share is transferred for inclusion in the Giro Depositary, transfer is accepted by Negicef. Transfer and acceptance can be effected without the cooperation of the other parties in the Collective Depositary and without the cooperation of the other Associated Institutions. In the event of the issue of a share, transfer is effected by the company for inclusion in the Giro Depositary or for inclusion in a Collective Depositary at Negicef or the Association Institution concerned without the cooperation of the other parties in the Collective Depositary and of the other Associated Institutions.
4. Pursuant to a resolution of the executive board which is subject to the approval of the supervisory board, the company can render impossible delivery of shares within the meaning of Section 26 of the Wge. The resolution for that purpose cannot be invoked against a party earlier than six months after its publication in at least one national newspaper. By a resolution of the executive board which is subject to the approval of the supervisory board, the company can revoke such a resolution. In such a case delivery is possible from the day following that on which such a resolution has been announced in at least one national newspaper. A notification as meant in this paragraph shall also be made in the official price list of Euronext Amsterdam N.V.
5. An Associated Institution is authorized to transfer shares for inclusion in the Giro Depositary and, in so far as delivery has not been made impossible, to deliver shares from a Collective Depositary without the cooperation of the other parties. In so far as delivery has not been made impossible, Necigef is authorized to deliver shares from the Giro Depositary for inclusion in a Collective Depositary without the cooperation of the other parties.
6. The shareholder has the voting right for shares on which usufruct or a pledge has been established. The voting right will accrue to the usufructuary or pledgeholder if this has been determined in the establishment of the right concerned.

The shareholder with no voting right and the usufructuary or pledge-holder with a voting right have the rights granted by law to holders of depositary receipts for shares issued with the cooperation of the company.

The usufructuary and pledge-holder without voting rights will not have the rights referred to in the preceding sentence.

7. If usufruct has been established on a share, the shareholder will have the rights resulting from the share in respect of the acquisition of shares, with the proviso that he must reimburse the usufructuary for the value of these rights, in so far as the usufructuary is entitled to such reimbursement by virtue of his usufruct.

#### **Acquisition of own shares or depositary receipts for shares.**

##### **Article 11.**

1. The company may not take shares in its own capital. The company may acquire fully paid up shares or depositary receipts for shares in its capital but only for no consideration or in the event that:
  - a. the equity capital, less the acquisition price, is not lower than the paid up and called-in part of the capital plus the reserves that must be maintained by law, and
  - b. the nominal value of the shares or depositary receipts for shares in its capital to be acquired, held or held in pledge by the company or those held by a subsidiary amounts to no more than one-tenth of the issued capital.
2. The requirements referred to in paragraph 1 under a. are determined by the amount of the equity capital according to the most recent balance sheet, less the acquisition price of shares or depositary receipts for shares in the capital of the company and payments to others from profits or reserves which the company and its subsidiaries owed after the balance sheet date. In the event that more than six months of a financial year have elapsed without the annual accounts' having been adopted, acquisition under the terms of paragraph 1 is not permitted.
3. Acquisition other than for no consideration may only take place if the general meeting has authorized the executive board to do so, without prejudice to the provisions of Article 17, paragraph 2 under a. This authorization will be valid for no more than eighteen months. The general meeting shall stipulate in the authorization how many shares or depositary receipts in respect thereof may be acquired, how they may be acquired, and the price range.
4. The authorization referred to in the preceding paragraph will not be required if it concerns shares acquired by the company to be transferred to persons employed by the company or a group company by virtue of a scheme that applies to them.
5. The provisions in paragraphs 1 to 3 do not apply to shares or depositary receipts for shares acquired by the company under universal title.
6. The company may only hold shares or depositary receipts for shares in its capital in pledge if these shares have been fully paid up, the nominal value of the shares or depositary receipts for shares to be held in pledge and the shares

and depositary receipts for shares in its capital already held or held in pledge amount to no more than one-tenth of the issued capital and the general meeting of shareholders has approved the pledge agreement.

7. In the general meeting, no votes may be cast on shares held by the company or a subsidiary, nor on shares for which the company or a subsidiary holds the depositary receipts or has a right of usufruct or pledge. The voting rights of usufructuaries and pledge-holders of shares held by the company and its subsidiaries are not excluded however if the usufruct or pledge was established before the share was held by the company or a subsidiary.
8. Shares on which no vote may be cast will not be included in establishing the proportion of shareholders who vote, are present or represented.
9. In consideration of the taking or acquisition by others of shares or depositary receipts for shares in the capital of the company, the company may not grant loans, put up security, guarantee prices, make any other guarantees or bind itself severally or otherwise with or for others. This prohibition also applies to its subsidiaries. The prohibition will not apply if shares or depositary receipts for shares are taken or acquired by persons employed by the company or a group company, provided that the shares are quoted in a stock exchange price list.

#### **Capital reduction.**

##### **Article 12.**

1. Subject to the provisions of Section 99, Book 2 of the Netherlands Civil Code, the general meeting may decide, but only if proposed by the executive board with the approval of the supervisory board, to decrease the issued capital by withdrawing shares or by reducing the value of the shares in an amendment to the Articles of association.  
A partial repayment or exemption from the obligation to pay must take place proportionally for all shares concerned.
2. In the event that less than half of the issued capital is represented, the general meeting may only pass a resolution to reduce the capital with a majority of at least two-thirds of the votes cast. The notice of a meeting in which the resolution referred to in paragraph 1 is to be passed will state the purpose of the capital reduction and the manner in which this will be carried out.

#### **Jointly owned shares**

##### **Article 13.**

1. In the event that the rights from a share are jointly owned by more than one person, the company is authorized to allow only the person appointed for that purpose in writing by all rightful claimants of that share to exercise the rights attaching to that share.
2. The provisions of paragraph 1 are not applicable if it concerns a joint ownership pursuant to the Wge.

#### **Management**

##### **Article 14.**

1. The management of the company is entrusted to an executive board.

2. The supervisory board determines the number of members of the executive board and appoints one member as the chairman.
3. An executive board member shall be appointed for a maximum period of four years, provided that, unless this executive board member resigns at an earlier date, his appointment term ends on the day of the next general meeting to be held in the fourth year after the year of his appointment. An executive board member can be reappointed, with due observance of the provisions in the preceding sentence. The supervisory board can draw up a rotation schedule for the executive board members who have been appointed for a maximum period.
4. The members of the executive board shall be appointed by the general meeting from a nomination of at least two persons for each vacancy, to be made by the supervisory board. The general meeting is free in the appointment if the supervisory board has not made a nomination within three months after the vacancy arose. A nomination made in good time by the supervisory board shall be binding. The general meeting can, however, always lift the binding nature from the nomination by virtue of a resolution adopted by a majority of at least two thirds of the votes cast, representing more than half the issued capital.
5. Every member of the executive board may be suspended or dismissed by the general meeting at any time. A member of the executive board can also be suspended by the supervisory board. A suspension by the supervisory board can be lifted by the general meeting at all times. The general meeting can only resolve to suspend or dismiss a member of the executive board, other than upon proposal of the supervisory board, by a majority of at least two-thirds of the votes cast, representing more than half of the issued capital.  
Any suspension may be extended one or more times, but may not last longer than three months in the aggregate. If at the end of that period no decision has been taken on lifting the suspension or dismissal, the suspension shall cease.
6. The general meeting determines the policy concerning the remuneration of the executive board. The remuneration policy shall at any rate address the issues described in Book 2, Sections 383c, 383d and 383e, Netherlands Civil Code, insofar as relevant to the executive board.
7. The remuneration of the executive board members shall be determined by the supervisory board with due observance of the policy referred to in paragraph 6, while any arrangements in the form of shares or rights to subscribe to shares shall be subject to the approval of the general meeting. The request for approval shall at least determine the number of shares or rights to subscribe for shares that may be awarded to the members of the executive board and what criteria apply to award or change.
8. The lack of approval by the general meeting shall not affect the authority of the supervisory board by virtue of paragraph 7.

**Representation.**

**Article 15.**

1. The company is represented by the executive board, in so far as not otherwise provided by law. Each member of the executive board is also authorized to represent the company.
2. If the company has a conflict of interest with one or more members of the executive board, the company shall be represented by the member of the supervisory board designated for that purpose by the supervisory board. The general meeting shall at all times be authorized to designate one or more other persons for this purpose.

**Absence or incapacity.**

**Article 16.**

1. In the event of the incapacity or absence of one or more members of the executive board, the other members of the executive board or the other sole member of the executive board will be charged with the management.
2. In the event of the incapacity or absence of all members of the executive board, the supervisory board will be charged with the management; the supervisory board will fill the resulting vacancies as soon as possible.
3. If a supervisory board member is designated to temporarily perform the management, he shall retire from the supervisory board in order to assume the management duty.

**Restrictions of management authority.**

**Article 17.**

1. With due observance of the provisions in Article 22, paragraph 5, the executive board shall submit the following to the supervisory board for approval:
  - a. the operational and financial objectives of the company;
  - b. the strategy that must lead to the realization of these objectives;
  - c. the preconditions to be used for the strategy, for example with regard to the financial ratios.
2. Without prejudice to the other provisions in these Articles of association, the following resolutions of the executive board will be subject to the approval of the supervisory board:
  - a. the issue and acquisition of shares in and debentures payable by the company or debentures payable by a limited partnership or *vennootschap onder firma* (partnership) in which the company is a fully liable partner;
  - b. cooperation in the issue of depositary receipts for shares;
  - c. the application for a quotation or the cancellation of the quotation of the documents referred to under a. and b. in the price list of any stock exchange;
  - d. entering into or terminating permanent cooperation between the company or a dependent company and another legal entity or company or in the capacity of a fully liable partner in a limited partnership or *vennootschap onder firma*, if this cooperation or termination has far-reaching consequences for the company;

- e. the taking of holdings by the company or a dependent company in the capital of another company with a value of at least one-fourth of the amount of the issued capital plus reserves as per the company's balance sheet with the notes, as well as substantially increasing or decreasing such holdings;
  - f. investments requiring an amount equal to at least one-fourth of the company's issued capital plus reserves as per its balance sheet with the notes;
  - g. a proposal to amend the Articles of association;
  - h. a proposal to dissolve the company;
  - i. applying for the bankruptcy or moratorium of the company;
  - j. the termination of the employment of a substantial number of employees of the company or a dependent company simultaneously or within a short period;
  - k. far-reaching changes in the working conditions of a substantial number of employees of the company or a dependent company;
  - l. a proposal to decrease the issued capital;
  - m. acquisition, alienation and encumbrance of goods subject to compulsory registration, in so far as this involves a substantial interest;
  - n. a proposal for statutory merger or statutory demerger within the meaning of Title 7, Book 2, Dutch Civil Code.
3. The resolutions of the executive board concerning an important change in the identity or the character of the company or the enterprise within the meaning of Book 2, Section 107a, Dutch Civil Code, shall be subject to the approval of the general meeting. These resolutions relate in any case to:
- a. transfer of the enterprise or virtually the entire enterprise to a third party;
  - b. entering into, or breaking off, long-lasting cooperation of the company or a subsidiary with another legal entity or company, or as a fully liable partner in a limited partnership or a general partnership, if this cooperation or breaking-off is of substantial significance to the company;
  - c. acquiring or selling off a participating interest in a company's capital amounting to at least one-third of the amount of the assets according to the balance sheet with the explanatory notes, or, if the company draws up a consolidated balance sheet, according to the consolidated balance sheet with explanatory notes in accordance with the most recently adopted annual accounts of the company, by the company or one of its subsidiaries.
4. In the event that the supervisory board fails to approve a resolution referred to in paragraph 2, or if the general meeting fails to do approve a resolution referred to in paragraph 3, this will not affect the representation authority of the executive board and the members of the executive board.

### **Supervisory board**

#### **Article 18.**

1. The company shall have a supervisory board, consisting of three or more supervisory board members. Should the number of members of the supervisory board be less than three, the supervisory board will immediately take steps to complete the board. Only natural persons can be supervisory board members.
2. The supervisory board shall draft a profile for its size and composition, taking into account the nature of the company's enterprise, its activities and the desired expertise and background of the supervisory board members. The supervisory board will discuss the profile for the first time at the time of adoption and subsequently, whenever it is changed, in the general meeting and with the works council.
3. Without prejudice to the provisions in paragraph 8 of this Article and Article 19, the supervisory board members shall be appointed by the general meeting on the recommendation of the supervisory board.
4. The general meeting and the works council may recommend persons to the supervisory board for nomination as a supervisory board member. For this purpose, the supervisory board will notify those bodies in good time of when, why and in accordance with which profile a vacancy on the supervisory board has to be filled. If the right of recommendation referred to in paragraph 6 is applicable to the vacancy, the supervisory board will also inform them of this. The supervisory board shall announce the nomination simultaneously to the general meeting and to the works council. The nomination and recommendation for appointment or reappointment of a supervisory board member shall also state reasons.
5. When a person is nominated or recommended as referred to in paragraph 4, the candidate's age and his profession shall be stated, as well as the amount of shares held by him in the company and the offices he holds or has held insofar as they are of importance in connection with the performance of the duties of a member of the supervisory board. Furthermore it shall be stated which companies he is already associated with as a supervisory board member; if they include companies belonging to one and the same group, an indication of this group shall suffice. In the event of reappointment, how the candidate performed his duties as a supervisory member in the past will be taken into account.
6. It applies to one-third of the number of the supervisory board members that the supervisory board places a person on the nomination list who has been recommended by the works council, unless the supervisory board objects to the recommendation based on the expectation that the recommended person will be unsuitable for the performance of a supervisory board member's duties or that the supervisory board's composition will not be correct if the appointment is made as recommended. If the number of supervisory board members cannot be divided by three, the next lower number that can be divided by three will be considered for the determination of the number of members to whom this reinforced right of recommendation applies.

7. If the supervisory board objects to a recommendation as referred to in paragraph 6, it shall inform the works council of the objection and also state the reasons. The supervisory board shall immediately start consultations with the works council with a view to achieving agreement about the nomination. If the supervisory board establishes that no agreement can be reached, a representative of the supervisory board designated for this purpose will request the Enterprise Section of the Amsterdam Court of Appeals to declare the objection to be well-founded.

The request will not be filed until four weeks have lapsed after commencement of the consultations with the works council. The supervisory board shall place the recommended person on the nomination list if the Enterprise Section declares the objection to be unfounded. If the Enterprise Section declares the objection well-founded, the works council can make a new recommendation in accordance with the provisions of paragraph 6.

8. The general meeting may reject a nomination as referred to above in this Article 18, by an absolute majority of the votes cast representing at least one-third of the issued capital. If the general meeting rejects the nomination, but the minimum of one-third of the issued capital was not represented at the meeting, a new meeting may be convened, at which the nomination can be rejected by an absolute majority of the votes cast. In that case, the supervisory board shall draw up a new nomination list. The provisions in paragraphs 4, 6 and 7 shall then apply by analogy. If the general meeting does not appoint the nominated person and does not decide to reject the nomination, the supervisory board shall appoint the nominated person.

9. Both making a recommendation as referred to in paragraph 4 and the appointment of the supervisory board members as referred to in paragraph 3 can be discussed in one and the same general meeting, provided that the agenda for that general meeting contains at least the following items:

- a. the time at which the vacancy will occur or has occurred and the cause;
- b. the opportunity for the general meeting to make a recommendation;
- c. on the contingent condition that no other person is recommended by the general meeting: the announcement by the supervisory board of the person this board intends to nominate;
- d. the appointment of one or more supervisory board members by the general meeting.

The explanation to the agenda of this general meeting shall contain, among other things, the name of the person the supervisory board intends to nominate, the other information as referred to in paragraph 5 and the reasons for the nomination. The notice of this general meeting of shareholders may only be given after it has been established that the works council has made a recommendation supported by the supervisory board as referred to in paragraph 4 or has indicated that it will not make such a recommendation or that the reasonable term set by the supervisory board for making a recommendation as referred to above has expired.

10. For the purposes of these Articles of association, the works council is understood to mean the works council of the company's enterprise or of the enterprise of a dependent company. If there is more than one works council, the powers by virtue of these Articles of association will be exercised by these councils individually; if there is nomination as referred to in paragraph 6, the powers by virtue of that paragraph will be exercised jointly by these councils. If a central works council has been set up for the enterprise or enterprises concerned, the powers of the works council pursuant to these Articles of association shall accrue to the central works council.

**Absence of all supervisory board members.**

**Article 19.**

1. In the absence of all supervisory board members, other than pursuant to Book 2, Section 161a, Netherlands Civil Code, the appointment shall be made by the general meeting.
2. Also in the case referred to in paragraph 1, the works council may recommend persons for appointment as a supervisory board member. The person who convenes the general meeting of shareholders will inform the works council in time that the appointment of supervisory board members will be an item on the agenda for the general meeting of shareholders, stating whether the appointment of a supervisory board member is taking place in accordance with the right of recommendation of the works council pursuant to the provisions in Article 19, paragraph 6. The provisions in Article 18, paragraphs 6 and 7 shall then apply by analogy.

**Incompatibility of functions.**

**Article 20.**

Supervisory board members may not be:

- a. persons employed by the company;
- b. persons employed by a dependent company;
- c. managers and persons employed by a workers' organization usually involved in the laying down of the employment conditions of the persons referred to under a and b.

**Resignation, suspension and dismissal.**

**Article 21.**

1. Supervisory board members shall be appointed for a period of four years, provided that, unless a supervisory board member retires earlier, his appointment term expires on the day of the next general meeting to be held in the fourth year after the year of his appointment. A supervisory board member may be reappointed with due observance of the provisions in the previous sentence.

The supervisory board shall draw up a schedule for retirement by rotation. Changes in the schedule for retirement by rotation may not cause a sitting supervisory board member to retire against his wishes before the term for which he was appointed has expired. A supervisory board member appointed to fill a

premature vacancy will retire at the time when the person whose position he has taken would have retired, unless the general meeting decides otherwise.

2. The Enterprise Chamber of the Court of Justice in Amsterdam may, on a request to this effect, dismiss a supervisory board member for neglecting his duties, for other serious reasons or for a far-reaching change in the circumstances, on account of which the company may not reasonably be required to retain the supervisory board member. The request may be submitted by the company, represented in this matter by the supervisory board, and by a representative of the general meeting of shareholders or the works council appointed for this purpose.
3. A supervisory board member may be dismissed by the supervisory board; the suspension will legally end in the event that the company fails to submit a request as referred to in the preceding paragraph with the Enterprise Chamber within one month of the start of the suspension.

#### **Duties, powers, resolutions and remuneration of the supervisory board.**

##### **Article 22.**

1. It shall be the duty of the supervisory board to supervise the management of the executive board and the general course of affairs in the company and in the business connected with it. The supervisory board advises the executive board. In the fulfilment of their duties, the supervisory board members will be guided by the interests of the company and the business connected with it, and to that end, shall weigh the relevant interests of parties involved with the company.
2. The supervisory board will elect from among its members a chairman and deputy chairman and is authorized to appoint one or more of its members as delegate member(s) of the supervisory board. The delegation shall be of a temporary nature. The delegate member(s) of the supervisory board will maintain more regular contacts with the executive board and may be charged board by the supervisory board with the more regular supervision of the actions of the executive, without prejudice to this board's responsibility.
3. The supervisory board will at any time have access to the offices, plants, warehouses, books, documents and cash of the company and is authorized to demand all information from the executive board as deemed necessary. The supervisory board may delegate these powers to one or more of its members.
4. The executive board shall supply the supervisory board in due time with the information required for the performance of its duties.
5. At least once a year, the executive board shall inform the supervisory board in writing of the outlines of the strategic policy, the general and financial risks, and the management and control system of the company. The executive board will then ask the supervisory board for approval for the matters referred to in Article 17, paragraph 1.
6. The supervisory board will convene as often as it deems necessary and also whenever the chairman, two other members of the supervisory board or the executive board deems necessary.

7. A member of the supervisory board may be represented at meetings by another member of the supervisory board by means of a written proxy. A written proxy will include each proxy transmitted via common communication channels and received in writing.
8. The supervisory board may pass resolutions in a meeting at which at least half of the supervisory board members in office are present or represented and by an absolute majority of votes; in the event of a tied vote, the chairman will decide in the case of business and the decision will be by lot in the case of persons.
9. Resolutions may also be passed in writing, but only in cases that are urgent in the opinion of the chairman. In that case, a resolution will have been passed if all members of the supervisory board have expressed their opinion on the proposal and none of them objects to this manner of passing resolutions. Resolutions passed in writing will also include resolutions passed in documents transmitted using common communication channels and received in writing.
10. Minutes will be made of the proceedings of the meeting.
11. The general meeting of shareholders shall determine the remuneration of the supervisory board members; the general meeting may grant an extra remuneration to the chairman and the deputy chairman of the supervisory board. No shares and/or rights to shares shall be granted to a supervisory board member by way of remuneration.
12. With reference to the provisions of Article 18, paragraph 1, the supervisory board will remain legally in office, even if the supervisory board is not complete and also when the number of members is less than three.
13. The supervisory board shall appoint from its midst an audit committee, a remuneration committee, and a selection and appointment committee. The supervisory board may combine two or more committees into one combined committee.

**Directors, assistant directors, proxy holders.**

**Article 23.**

The executive board may appoint officers with the authority to represent the company, such as directors, assistant directors and proxy holders. Their titles will be determined by the executive board.

**Financial year and annual accounts.**

**Article 24.**

1. The financial year of the company will run concurrently with the calendar year.
2. Within five months of the end of each financial year, the executive board will draw up the annual accounts, unless this period is extended by no more than six months by the general meeting on the grounds of exceptional circumstances.
3. The annual accounts will be signed by all members of the executive board and all supervisory board members. In the event that any signature is missing, the reasons for this will be stated on the documents.

4. The annual accounts, the annual report and the information to be added by virtue of Section 392, paragraph 1, Book 2 of the Netherlands Civil Code will be presented to the general meeting within the term referred to in paragraph 2.
5. The documents referred to in the preceding paragraph will at the same time be presented to the works council for discussion.
6. The company will ensure that the documents referred to in paragraph 4 are available at the offices of the company and in Amsterdam in a location to be determined in the convocation to the meeting from the day of the convocation to the general meeting in which these documents will be dealt with. The holders of shares in the company, holders of depositary receipts for shares issued with the cooperation of the company and persons having the same rights as the above certificate holders may inspect the documents at these locations and obtain a copy free of charge. Third parties can obtain copies of these documents at cost price, which right will lapse as soon as the documents have been filed with the office of the companies register.

#### **Audit.**

##### **Article 25.**

1. The company will instruct a chartered accountant to examine the annual accounts. The general meeting is authorized to give these instructions. In the event that the general meeting fails to give these instructions, the supervisory board or, in the absence of this board or its failure to give said instructions, the executive board will be authorized to do so.  
The general meeting of shareholders will be entitled to authorize a company body to issue the above instructions.  
The appointment of a chartered accountant is not restricted by any recommendation whatsoever; the instructions can at any time be revoked by the general meeting and by the person who has issued the instructions; the instructions issued by the executive board may also be revoked by the supervisory board.
2. The chartered accountant will report on his examination to the supervisory board and the executive board.
3. The chartered accountant will report the results of his examination in a statement.
4. The chartered accountant may be questioned by the general meeting about his audit opinion with regard to the trueness and fairness of the annual accounts. The chartered accountant will therefore be invited to attend the general meeting and will be authorized to speak at this meeting.

#### **Adoption of the annual accounts.**

##### **Article 26.**

1. The annual accounts shall be adopted by the general meeting.
2. The annual accounts may not be adopted in the event that the general meeting has been unable to inspect the auditor's opinion of the chartered accountant referred to in Article 25, paragraph 3, unless a legal ground is given in the information required to be added by law for the lack of the auditor's opinion.

**Profit and loss. Dividend.****Article 27.**

1. Distribution of profits may only take place in as far as the equity of the company exceeds the amount of the paid up and called-in part of the issued capital plus the legal reserves.
2. Subject to the approval of the supervisory board, the executive board is authorized to determine the part of the profit that will be reserved.
3. The profit remaining after reservation pursuant to paragraph 2 is at the disposal of the general meeting of shareholders.
4. Shares held by the company in its capital are not included in the calculation of the distribution of profits.
5. Subject to the approval of the supervisory board, the executive board may decide to pay an interim dividend, provided that the requirements of paragraph 1 have been complied with, as will appear from interim financial statements as per the statutory provisions.
6. The dividend to be paid out will be made payable within thirty days of the adoption of the annual accounts by the general meeting. Distributions shall only be made in favour of the beneficiaries to the person who has the legal title to the shares. By making these distributions the company shall be released from making further distributions to beneficiaries.
7. In calculating the amount of any distribution on Shares, Shares held by the Company shall be disregarded.

**General meeting of shareholders.****Article 28.**

1. The general meetings of shareholders will be held in Almelo, Amsterdam, Arnhem, Enschede or Utrecht.
2. The annual general meeting will each year be held in the month of June at the latest.
3. The agenda for the meeting referred to in paragraph 2 shall state, inter alia, the following items:
  - a. discussion of the annual report;
  - b. discussion and adoption of the annual accounts;
  - c. the policy concerning reserves and dividends of the company;
  - d. appropriation of profits;
  - e. release from liability of and granting of discharge to the members of the executive board;
  - f. release from liability of and granting of discharge to the members of the supervisory board;
  - g. discussion of every substantial change in the corporate governance structure of the company;
  - h. filling of any vacancies;
  - i. any other matters brought up for discussion by the supervisory board, the executive board announced with due observance of Article 29 of these Articles of association, such as proposals to designate a body authorized

to resolve to issue shares or to grant rights to subscribe for shares or to grant the executive board authorization to realize the acquisition by the company of shares in its own capital or depository receipts thereof.

4. General meetings of shareholders will otherwise be held when deemed necessary by the executive board or the supervisory board or pursuant to an authorization from the President of the Court of Justice at the request of one or more shareholders, representing at least one-tenth of the issued capital.

**Convocation. Meeting rights.**

**Article 29.**

1. The convocation to the general meeting will be made by the executive board after consultation with the supervisory board or by the supervisory board by means of an announcement in a national newspaper and in the official price list of Euronext Amsterdam N.V., stating the place and time of the meeting and subject to a term of at least fourteen days, not including the day of the convocation and that of the meeting. Subject to the above term, holders of registered shares may also be convened by means of a convocation notice, directed to their address as shown in the register of shareholders.
2. The convocation notice will state the agenda of the meeting or that the agenda is available for inspection by the shareholders and other persons entitled to vote and attend the meeting at the offices of the company and in Amsterdam at a location to be determined in the convocation to the meeting. The persons referred to in the preceding sentence can, upon request, obtain copies of all documents available for inspection free of charge.
3. The executive board and supervisory board shall inform the general meeting of all the facts and circumstances relevant to the proposals on the agenda by means of a shareholders circular or explanation to the agenda.
4. In the convocation to a general meeting, the executive board may provide that those entitled to vote and to attend the meeting will be deemed to be those who have these rights on a date specified therein and are registered as such in a register designated for this purpose by the executive board. The latest date of registration must not be earlier than the earliest date permitted in accordance with the law. Should the case arise, the convocation to the meeting must include the date of registration as well as the way those entitled to vote and to attend the meeting can register and the way they may exercise their rights. The executive board must be authorized for this purpose by the general meeting of shareholders for a period not exceeding five years.
5. In the event that no register is designated in accordance with paragraph 4 to register those entitled to vote and attend the meeting, shareholders may only exercise their voting and meeting rights if, prior to the meeting, they have filed a statement from an Associated Institution to the effect that the quantity of shares indicated in this statement is part of their Collective Depository and that the person mentioned in the statement is in their Collective Depository and will remain so until after the meeting. Filing must take place on such a date that

there is a period of at least four days between the day of filing and that of the meeting.

The convocation to the meeting must indicate where and the latest date on which the filings must be carried out.

6. Shareholders may only exercise their voting and meeting rights if they have notified the executive board in writing beforehand of their intention to do so.
7. Before the start of the meeting shareholders or their proxies must sign the attendance list.
8. Shareholders representing, either individually or jointly, at least one percent (1%) of the issued capital or holding shares with a value of at least the amount referred to in Book 2, Section 114a (2), Netherlands Civil Code, shall be authorized to make a request to the supervisory board or executive board to put issues on the agenda for the general meeting of shareholders. If their proposals have been submitted to the executive board or supervisory board in such timely fashion, that the executive board can put them on the agenda of the next meeting or can still announce the discussion of these proposals prior to that meeting by means of an additional convocation notice with due observance of the term set for the convocation in a corresponding manner as referred to herein-after, then the executive board or supervisory board shall be obliged to do so, unless substantial interests of the company oppose this.
9. For the purposes of this Article, shareholders shall also include other persons entitled to vote and attend the meeting.

### **Chairmanship and voting**

#### **Article 30.**

1. The chairman of the supervisory board will chair the general meeting of shareholders; in his absence, this task will be taken over by the substitute chairman and, if he is absent as well, by one of the other supervisory board members.
2. Shareholders may be represented at the general meeting by written proxy, without prejudice to their filing obligation as referred to in Article 29, paragraph 4 or to give notice as referred to in Article 29 paragraph 5. Written proxy shall also include a proxy recorded electronically. The company may set limits or additional requirements on the use of electronically recorded proxies. These limits or additional requirements shall be stated, either by including them in the convocation to the general meeting, or in a document to be filed for inspection at the offices of the company, provided that this filing is mentioned in the convocation notice.
3. Each share confers the right to one vote.
4. In as far as the law or the Articles of association do not stipulate any greater majority all resolutions by the general meeting will be passed by an absolute majority of the votes cast.
5. Elections of persons will be made by ballot by an absolute majority of votes, unless this is demanded by no one and the election is done by acclamation.
6. In the event that no absolute majority of votes is obtained in the election of

persons, a further vote will be held between the two people who obtained the most votes. In the event that this applies to more than two people, it will be decided by lot which two people should go forward to the further vote. In the event that only one person obtained the largest number of votes, a further vote will be held between this person and the person who obtained the number of votes closest to the largest number of votes and if this applies to a number of people, it will be decided by lot which of these people should go forward to the further vote. The person who obtains the most votes in the further vote will be elected. In the event of a tied vote, the decision will be by lot.

7. Valid votes can be cast on the shares of the person who, in a capacity other than as a shareholder, will be granted any right on the company or who will be dismissed from any obligation towards the company by virtue of the resolution to be passed.
8. The members of the supervisory board and the members of the executive board shall, as such, have an advisory role in the general meeting.
9. The chairman shall decide whether persons other than those who have access pursuant to the provisions above in Articles 29 and 30, will be admitted to the meeting.
10. The opinion of the chairman of the general meeting expressed at the meeting in respect of the outcome of a vote will be decisive. The same applies to the contents of a resolution that is passed, in as far as the voting was done on a proposal not made in writing. However, should the correctness of the opinion referred to in the first sentence of this paragraph be disputed, a new vote will be held if this is required by the majority of the meeting or, if the original vote was not done by poll or in writing, by a person entitled to vote. The legal consequences of the original vote will be annulled by this new vote.
11. Minutes shall be kept of the proceedings at any general meeting by a secretary to be designated by the chairman. The minutes shall be drawn up no later than three months after the end of the general meeting and made available upon request to the shareholders and other persons entitled to vote and attend the meeting, after which they have the opportunity to respond to the minutes during the next three months. Subsequently, the minutes shall be confirmed by the chairman and the secretary and shall be signed by them as proof thereof.
12. The supervisory board or the chairman may determine that notarial minutes will be drawn up of the proceedings at the meeting. The notarial minutes shall be co-signed by the chairman.

#### **Amendments to the Articles of association.**

##### **Article 31.**

1. If a proposal to amend the Articles of association is to be put to the general meeting of shareholders, this must always be stated in the convocation to the general meeting.
2. The general meeting of shareholders may only resolve to amend the provisions of the Articles of association on a proposal from the executive board approved by the supervisory board; the resolution to amend the Articles of association

may only be passed by a majority of at least two-thirds of the votes cast in the event that less than half of the issued capital is represented at the meeting.

**Dissolution of the company.**

**Article 32.**

1. If a proposal to dissolve the company is to be put to the general meeting, this must always be stated in the convocation to the general meeting. The provisions of Article 31, paragraph 2, apply by analogy to a resolution to dissolve the company.

In the event of the dissolution of the company, the liquidation will be performed by the executive board under the supervision of the supervisory board, unless the general meeting appoints other liquidators upon a proposal by the executive board, which has been approved by the supervisory board.

2. During the liquidation procedure, these Articles of association will, as far as possible, remain in force.

3. The general meeting shall determine the remuneration of the liquidator(s) and, if applicable, of those supervising the liquidation.

4. Any capital remaining after the debts and the costs of liquidation have been paid will be paid to the shareholders pro rate to their nominal shareholdings.

5. All convocations and notifications for the shareholders will be made in the manner as laid down in Article 29.

**Final Provision.**

**Article 33.**

The general meeting of shareholders will decide in all cases not provided for in these Articles of association.

**Transitory Provisions.**

**Article 34.**

In connection with the forgoing amendment to the articles of association, in the future all shares shall be registered shares.

Shareholders, usufructuaries and pledge holders cannot exercise their rights attached to their shares, as long as they:

- a. are not registered in the shareholders' register of the company; or
- b. have not delivered the shares for admission to a Collective Depositary of an Associated Institution.

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