

## **1. FORM, NAME AND NUMBER OF SHAREHOLDERS**

### **1.1 Form and name**

There exists a public limited liability company (*société anonyme*) under the name of "Stabilus S.A." (the **Company**).

### **1.2 Number of shareholders**

The Company may have one shareholder (the **Sole Shareholder**) or several shareholders. The Company shall not be dissolved upon the death, suspension of civil rights, insolvency, liquidation or bankruptcy of the Sole Shareholder.

Where the Company has only one shareholder, any reference to the shareholders in the articles of association of the Company (the **Articles**) shall be a reference to the Sole Shareholder.

## **2. REGISTERED OFFICE**

### **2.1 Place and transfer of the registered office**

The registered office of the Company is established in Luxembourg. It may be transferred within such municipality by a resolution of the management board of the Company (the **Management Board**). The registered office may also be transferred to any other place in the Grand Duchy of Luxembourg by a resolution of the general meeting of the shareholders of the Company (the **General Meeting**) adopted in the manner provided for in Article 10 with respect to the amendments of the Articles.

### **2.2 Branches, offices, administrative centres and agencies**

The Management Board shall further have the right to set up branches, offices, administrative centres and agencies wherever it shall deem fit, either within or outside the Grand Duchy of Luxembourg.

## **3. DURATION**

### **3.1 Unlimited duration**

The Company is formed for an unlimited duration.

### **3.2 Dissolution**

The Company may be dissolved, at any time, by a resolution of the General Meeting adopted in the manner provided for in Article 10 with respect to the amendments of the Articles.

## **4. PURPOSE**

The purpose of the Company is (i) the acquisition, holding and disposal, in any form, by any means, whether directly or indirectly, of participations, rights and interests in, and obligations of, Luxembourg and foreign companies, including but not limited to any entities forming part of the Stabilus group, (ii) the acquisition by purchase, subscription, or in any other manner, as well as the transfer by sale, exchange or in any other manner of stock, bonds, debentures, notes and other securities or financial instruments of any kind (including notes or parts or units issued by Luxembourg or foreign mutual funds or similar undertakings) and receivables, claims or loans or other credit facilities and agreements or contracts relating thereto, and (iii) the ownership, administration, development and management of a portfolio of assets (including, among other things, the assets referred to in (i) and (ii) above).

The Company may borrow in any form. It may enter into any type of loan agreement and it may issue notes, bonds, debentures, certificates, shares, beneficiary parts, warrants and any kind of debt or equity securities including under one or more issuance programmes. The Company may lend funds including the proceeds of any borrowings and/or issues of securities to its subsidiaries, affiliated companies or any other company.

The Company may also give guarantees and grant security interests over some or all of its assets including, without limitation, by way of pledge, transfer or encumbrance, in favour of or for the benefit of third parties to secure its obligations or the obligations of its subsidiaries, affiliated companies or any other company.

The Company may enter into, execute and deliver and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending and similar transactions. The Company may generally use any techniques and instruments relating to investments for the purpose of their efficient management, including, but not limited to, techniques and instruments designed to protect it against credit, currency exchange, interest rate risks and other risks.

The descriptions above are to be construed broadly and their enumeration is not limiting. The Company's purpose shall include any transaction or agreement which is entered into by the Company, provided it is not inconsistent with the foregoing matters.

In general, the Company may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its purpose.

The Company may carry out any commercial, industrial, and financial operations, which are directly or indirectly connected with its purpose or which may favour its development.

## **5. SHARE CAPITAL**

### **5.1 Outstanding share capital**

The share capital is set at EUR 207,232.56 (two hundred and seven thousand two hundred and thirty-two Euro and fifty-six Cents), represented by 20,723,256 (twenty million seven hundred and twenty-three thousand two hundred and fifty-six) shares having a nominal value of EUR 0.01 (one Cent) each.

### **5.2 Share capital increase and share capital reduction**

The share capital of the Company may be increased or reduced by a resolution adopted by the General Meeting in the manner required for amendment of the Articles, as provided for in Article 10.

### **5.3 Pre-emptive rights**

In the case of an issuance of shares in consideration for a payment in cash or an issuance in consideration for a payment in cash of those instruments covered in article 32-4 of the law dated 10 August 1915 on commercial companies, as amended (the **Companies Act**), including, without limitation, convertible bonds that entitle their holders to subscribe for or to be allocated with shares, the shareholders shall have *pro rata* pre-emptive rights with respect to any such issuance in accordance with the Companies Act.

### **5.4 Contributions to a "capital surplus" account**

The Management Board is authorised to approve capital contributions without the issuance of new shares by way of a payment in cash or a payment in kind or otherwise, on the terms and conditions set by the Management Board, within the limit prescribed by Luxembourg law. A capital contribution without the issuance of new shares shall be booked in a "capital surplus" account in accordance with Luxembourg law.

In addition, the General Meeting is also authorised to approve capital contributions without the issuance of new shares by way of a payment in cash or a payment in kind or otherwise, on the terms and conditions set by the General Meeting, within the limit prescribed by Luxembourg law and which shall be booked in the "capital surplus" account referred to in the above paragraph.

## **5.5 Authorisation for the Management Board to increase the share capital**

### **(a) Size of the authorisation**

The authorised capital of the Company is set at EUR 315,000 (three hundred and fifteen thousand Euros) represented by maximum of 31,500,000 (thirty-one million five hundred thousand) shares, each with a nominal value of EUR 0.01 (one Cent).

### **(b) Terms of the authorisation**

The Management Board is authorised, during a period starting on the date of the publication in the Luxembourg Official Gazette (*Mémorial C, Recueil des Sociétés et Associations*) of the General Meeting approving the authorisation of the Management Board under this Article 5.5, and expiring on the fifth anniversary of such date (the **Period**), to increase the current share capital up to the amount of the authorised capital, in whole or in part from time to time, (i) by way of issuance of shares in consideration for a payment in cash, (ii) by way of issuance of shares in consideration for a payment in kind and (iii) by way of capitalisation of distributable profits and reserves, including share premium and capital surplus, with or without an issuance of new shares.

The Management Board is authorised to determine the terms and conditions attaching to any subscription and issuance of shares pursuant to the authority granted under this Article 5.5, including by setting the time and place of the issue or the successive issues of shares, the issue price, with or without a share premium, and the terms and conditions of payment for the shares under any documents and agreements including, without limitation, convertible loans, option agreements or stock option plans.

The Management Board is authorised to (i) during the Period, (a) issue convertible bonds, or any other convertible debt instruments, bonds carrying subscription rights or any other instruments entitling their holders to subscribe for or be allocated with shares, such as, without limitation, warrants (the **Instruments**), and (b) issue shares subject to and effective as of the exercise of the rights attached to the Instruments, until, with respect to both items (a) and (b), the amount of increased share capital that would be reached as a result of the exercise of the rights attached to the Instruments is equal to the authorised share capital, and (ii) issue shares pursuant to the exercise of the rights attached to the Instruments until the amount of increased share capital resulting from such issuance of shares is equal to the authorised share capital, at any time, whether or not during the Period; provided that the Instruments are issued during the Period. The shares to be issued following the exercise of the rights attached to the Instruments may be carried out by a payment in cash, a payment in kind or a capitalisation of distributable profits and reserves, including share premium and capital surplus.

The Management Board is authorised to determine the terms and conditions of the Instruments, including the price, the interest rate, the exercise rate, conversion rate or the exchange rate, and the repayment conditions, and to issue such Instruments.

### **(c) Authorisation to cancel or limit the pre-emptive rights**

The Management Board may, during the Period, cancel or limit the pre-emptive rights of the shareholders set out in the Companies Act, as reflected in Article 5.3, in connection with an issue of new shares and Instruments under the authorisation set out in this Article 5.5.

### **(d) Recording of capital increases in the Articles**

Article 5 of the Articles shall be amended so as to reflect each increase in share capital pursuant to the use of the authorisation granted to the Management Board under this Article 5 and the Management Board shall take or authorise any person to take any necessary steps for the purpose of the recording of such increase and the consequential amendments to the Articles before a notary.

## **6. SHARES**

### **6.1 Form of the shares**

The shares of the Company are in registered form or are bearer shares, at the option of the shareholder. They shall be in registered form until they are fully paid-up.

### **6.2 Share register and share certificates**

The terms of this Articles 6.2 are applicable to shares in registered form only.

A share register will be kept at the registered office, where it will be available for inspection by any shareholder. Such register shall set forth the name of each shareholder, its residence or elected domicile, the number of shares held by it, the nominal value or accounting par value paid in on each such share, the issuance of shares, the transfer of shares and the dates of such issuance and transfers. The ownership of the shares will be established by the entry in this register.

Certificates of these entries may be issued to the shareholders and such certificates, if any, will be signed by the chairman of the Management Board or by any other two members of the Management Board.

### **6.3 Ownership and co-ownership of shares**

The Company will recognise only one holder per share. In the event that a share is held by more than one person, the Company has the right to suspend the exercise of all rights attached to that share until one person has been appointed as sole owner in relation to the Company.

### **6.4 Share repurchases**

The Company may repurchase its own shares within the limits set forth by law.

### **6.5 Deposit**

Notwithstanding the foregoing in this Article 6, where (i) registered shares are registered in the share register on behalf of one or more persons (the **Indirect Holders**) in the name of a securities settlement system or the operator of such a system or in the name of a financial institution or other professional depositary of securities or any other depositary (such systems, professionals or other depositaries being referred to hereinafter as **Depositaries**) or of a sub-depositary designated by one or more Depositaries, or (ii) bearer shares are deposited with any such Depositary or sub-depositaries (subject to and in accordance with applicable mandatory law), the Company shall, subject to applicable law and the terms, conditions and limitations of any applicable deposit or similar agreement, and upon presentation of a confirmation from such Depositary or sub-depositary (issued in accordance with such formal requirements as the Management Board may from time to time determine) certifying the name of the person on whose behalf the shares are held and the number of shares recorded in such person's account with the Depositary or sub-depositary, permit such person to exercise the rights attaching to those shares, including the person's admission and voting at General Meetings, and shall consider such person to be a shareholder for all purposes in these Articles.

Notwithstanding the foregoing in this Article 6, the Company will make any and all payments (including any dividend payments and any other distributions) in respect of shares recorded in the name of a Depositary or sub-depositary, or deposited with any of them, as the case may be, whether in cash, shares or other assets, only to

such Depositary or sub-depositary, or otherwise in accordance with such Depositary's or sub-depositary's instructions, and that payment shall release the Company from any and all obligations for such payments.

## **6.6 Reporting requirements**

If and for so long some or all of shares of the Company are admitted to trading on a regulated market as defined in the markets in financial instruments law dated 31 July 2007, established or operating within a Member State of the European Economic Area, any natural or legal person, acting alone or in concert with others, who would come to acquire or dispose of shares of the Company, or any other securities of the Company targeted by applicable law, shall comply with applicable reporting requirements within the timeframe set forth by applicable law.

## **7. TRANSFER OF SHARES**

### **7.1 Shares in registered form**

A transfer of shares in registered form may be effected by a written declaration of transfer entered in the share register of the Company, such declaration of transfer to be executed by the transferor and the transferee or by persons holding suitable powers of attorney, and in accordance with the provisions applying to the transfer of claims provided for in article 1690 of the Luxembourg civil code.

The Company may also accept as evidence of transfer other instruments of transfer evidencing the consent of the transferor and the transferee satisfactory to the Company.

### **7.2 Shares in bearer form**

The transfer of bearer shares shall be made in accordance with Luxembourg law.

### **7.3 Indirect Holders**

Articles 7.2 and 7.3 are without prejudice to the transfers by Indirect Holders, in the case provided for in article 6.5 of the Articles, in accordance with the applicable rules and procedures applicable to such transfers.

## **8. POWERS OF THE GENERAL MEETING**

As long as the Company has only one shareholder, the Sole Shareholder has the same powers as those conferred on the General Meeting. In such a case, any reference in these Articles to decisions made or powers exercised by the General Meeting shall be a reference to decisions made or powers exercised by the Sole Shareholder. Decisions made by the Sole Shareholder are documented in the form of minutes or written resolutions, as the case may be.

In the case of a plurality of shareholders, any regularly constituted General Meeting shall represent the entire body of shareholders of the Company.

In accordance with article 9.1 of the law dated 19 May 2006 on public takeover bids (the Takeover Law), the Company opts for the application of articles 9.2 and 9.3 in connection with articles 10.2 and 10.3 of the Takeover Law (obligations of the board of the offeree company) resulting in the fact that no authorisation of the General Meeting as mentioned in Articles 10.2 and 10.3 of the Takeover Law shall be necessary.

## **9. ANNUAL GENERAL MEETING OF THE SHAREHOLDERS – OTHER MEETINGS**

The annual General Meeting shall be held, in accordance with Luxembourg law, in Luxembourg at the address of the registered office of the Company or at such other place within the municipality of the registered office, specified in the convening notice of the meeting, on the third Wednesday in February of each year at 10 am

Luxembourg time. If such a day is not a business day in Luxembourg, the annual General Meeting shall be held on the following business day, at the same hour.

The annual General Meeting may be held abroad if the Management Board or the supervisory board of the Company (the **Supervisory Board**), as the case may be, decides that exceptional circumstances so require.

Other General Meetings may be held at such a place and time as are specified in the respective convening notices of the meeting.

## **10. NOTICE, QUORUM, CONVENING NOTICES, POWERS OF ATTORNEY AND VOTE**

### **10.1 Right and obligation to convene a General Meeting**

The Management Board, the Supervisory Board as well as the statutory auditors, if any, may convene a General Meeting. They shall be obliged to convene it so that it is held within a period of one month, if shareholders representing one-tenth of the capital require this in writing, with an indication of the agenda.

### **10.2 Quorum, majority requirements and reconvened General Meeting for lack of quorum**

Except as otherwise required by law or by these Articles, resolutions at a General Meeting will be passed by the majority of the votes expressed by the shareholders present or represented, no quorum of presence being required.

However, resolutions to amend the Articles may only be passed in a General Meeting where at least one half of the share capital is represented (the **Presence Quorum**) and the agenda indicates the proposed amendments to the Articles and, as the case may be, the text of those which pertain to the purpose or the form of the Company. If the Presence Quorum is not reached, a second General Meeting may be convened in accordance with applicable law. Such convening notice shall reproduce the agenda and indicate the date and the results of the previous General Meeting. The second General Meeting shall deliberate validly regardless of the proportion of the capital represented. At both meetings, resolutions, in order to be passed, must be carried by at least two-thirds of the votes expressed at the relevant General Meeting.

In calculating the majority with respect to any resolution of a General Meeting, votes relating to shares in which the shareholder abstains from voting, casts a blank (*blanc*) or spoilt (*nul*) vote or does not participate are not taken into account.

The nationality of the Company may be changed and the commitments of its shareholders may be increased only with the unanimous vote of the shareholders and bondholders.

### **10.3 Shareholders Rights Law**

If and for so long as the shares of the Company are admitted to trading on a regulated market as defined in the markets in financial instruments law dated 31 July 2007, established or operating in a Member State of the European Union, the Company is subject to the provisions of the law on the exercise of certain rights of shareholders at general meetings of listed companies dated 24 May 2011 (the **Shareholders Rights Law**).

The terms of this Article 10.3 shall be applicable if and for so long as the Company is subject to the Shareholders Right Law.

#### **(a) Convening Notice**

Convening notices for every General Meeting (the **Convening Notice**) shall be published at least thirty (30) days before the date of the General Meeting in:

(a) the Luxembourg Official Gazette (*Mémorial C, Recueil des Sociétés et Associations*) and in a Luxembourg newspaper; and

(b) in such media which may reasonably be expected to be relied upon for the effective dissemination of information to the public throughout the European Economic Area, and which are accessible rapidly and on a non-discriminatory basis (the **EEA Publication**).

In the event that the Presence Quorum is required to hold a General Meeting, If the Presence Quorum is not met on the date of the first convened General Meeting, another General Meeting may be convened by publishing the Convening Notice in the Luxembourg Official Gazette (*Mémorial C, Recueil des Sociétés et Associations*), a Luxembourg newspaper and the EEA Publication seventeen (17) days prior to the date of the reconvened meeting provided that (i) the first General Meeting was properly convened in accordance with the above provisions; and (ii) no new item has been added to the agenda.

The Convening Notice shall indicate precisely the date and location of the General Meeting and its proposed agenda and contain any other information required under the Shareholders Right Act.

The Convening Notice must be communicated on the date of publication of the Convening Notice to the registered shareholders, the members of the Management Board, the members of the Supervisory Board, and the independent auditor(s) (*réviseur(s) d'entreprises agréé(s)*) (the **Addressees**). This communication shall be sent by letter to the Addressees, unless the Addressees (or any one of them) have expressly and in writing agreed to receive communication by other means, in which case such Addressee(s) may receive the convening notice by such other means of communication.

Where all the shares are in registered form and represent the entire share capital, the Convening Notice needs to be sent only by registered letters to the Addressees, unless the Addressees (or any one of them) have expressly and in writing agreed to receive communication by other means, in which case such Addressee(s) may receive the Convening Notice by such other means of communication.

### **(b) Shareholders' rights**

Shareholders representing at least five per cent (5%) of the Company's share capital may (i) request the adjunction of one or several items to the agenda of any General Meeting and (ii) table draft resolutions for items included or to be included on the agenda of a General Meeting.

Such requests must:

(i) be in writing and sent to the Company by post or electronic means to the address provided in the Convening Notice and be accompanied by a justification or draft resolution to be adopted in the General Meeting;

(ii) include the postal or electronic address at which the Company may acknowledge receipt of the requests;

(iii) be received by the Company at least twenty two (22) days before the date of the relevant General Meeting.

The Company shall acknowledge receipt of requests referred to above within forty-eight (48) hours from receipt. The Company shall publish a revised agenda including such additional items on or before the fifteenth (15th) day before the date of the relevant General Meeting.

### **(c) Right to ask questions**

Every shareholder shall have the right to ask questions related to items on the agenda of the General Meeting. The Company shall answer questions put to it by shareholders subject to measures which it may take to ensure the identification of shareholders, the good order of general meetings and their preparation and the protection of confidentiality and the Company's business interests. The Company may provide one overall answer to questions having the same content. Where the relevant information is available on the

website of the Company in a question and answer format, the Company shall be deemed to have answered the questions asked by referring to the website.

As soon as the Convening Notice is published, shareholders have the right to ask questions in writing regarding the items on the agenda. Shareholders wishing to exercise this right must submit their questions in writing, including by electronic mail on the address indicated in the Convening Notice, to the Company so that they are received at least six (6) days before the relevant General Meeting, along with a certificate proving that they are shareholders at the Record Date (as defined below).

#### **(d) Right to attend a General Meeting**

The rights of a shareholder to participate in a General Meeting and to vote in respect of any of his shares are not subject to any requirement that his shares be deposited with, or transferred to, or registered in the name of, another natural or legal person before the General Meeting

The rights of a shareholder to sell or otherwise transfer his shares during the period between the Record Date (as defined below) and the General Meeting to which it applies are not subject to any restriction to which they are not subject to at other times.

The right of a shareholder to participate in a General Meeting and exercise voting rights attached to its shares are determined by reference to the number of shares held by such shareholder at midnight (00:00) on the day falling fourteen (14) days before the date of the General Meeting (the **Record Date**). Each shareholder shall, on or before the Record Date, indicate to the Company its intention to participate at the General Meeting. The Company determines the manner in which this declaration is made. For each shareholder who indicates his intention to participate in the shareholders' meeting, the Company records his name or corporate denomination and address or registered office, the number of shares held by him on the Record Date and a description of the documents establishing the holding of shares on that date.

Proof of the qualification as a shareholder may be subject only to such requirements as are necessary to ensure the identification of shareholders and only to the extent that they are proportionate to achieving that objective.

The Management Board may adopt all other regulations and rules concerning the participation in General Meetings and the availability of access cards and proxy forms in order to enable shareholders to exercise their right to vote.

#### **(e) General Meeting held by electronic means**

If provided for in the relevant Convening notice, shareholders may participate in a General Meeting by electronic means, ensuring, notably, any or all of the following forms of participation: (a) a real-time transmission of the General Meeting; (b) a real-time two-way communication enabling shareholders to address the shareholders' meeting from a remote location; and (c) a mechanism for casting votes, whether before or during the General Meeting, without the need to appoint a proxy who is physically present at the meeting. Any shareholder which participates in a General Meeting through such means shall be deemed to be present at the place of the General Meeting for the purposes of the quorum and majority requirements. The use of electronic means allowing shareholders to take part in a General Meeting may be subject only to such requirements as are necessary to ensure the identification of shareholders and the security of the electronic communication, and only to the extent that they are proportionate to achieving that objective.

### **10.4 Waiver of convening notice formalities**

If all the shareholders of the Company are present or represented at a General Meeting, and consider themselves as being duly convened and informed of the agenda of the General Meeting set by the Management Board or by the statutory auditors, as the case may be, the General Meeting may be held without prior notice. In addition, if

all the shareholders of the Company are present or represented at a General Meeting and agree unanimously to set the agenda of the General Meeting, the General Meeting may be held without having been convened by the Management Board or by the statutory auditors, as the case may be.

#### **10.5 Voting rights attached to the shares**

Each share entitles its holder to one vote.

#### **10.6 Participation by proxy**

A shareholder may act at any General Meeting by appointing another person, who need not be a shareholder, as its proxy in writing, subject to the applicable provisions of the Shareholders Right Law (if applicable). Copies of written proxies that are transmitted by telefax or e-mail may be accepted as evidence of such written proxies at a General Meeting.

If and for so long as the Shareholders Rights Act is applicable, the proxies must be notified in writing to the Company in the form provided by the Company or any other form deemed acceptable by the Company, so that they are received at least six days at least before the General Meeting, duly completed and signed, along with or, as the case may be, followed by the evidence of shareholder status at the Record Date.

#### **10.7 Vote by correspondence**

If provided for in the relevant Convening Notice, the shareholders may vote in writing (by way of a voting bulletin) provided that the written voting bulletins include (i) the name, first name, address and signature of the relevant shareholder, (ii) an indication of the shares for which the shareholder will exercise such right, (iii) the agenda as set forth in the Convening Notice with the proposals for resolutions relating to each agenda item and (iv) the vote (approval, refusal, abstention) on the proposals for resolutions relating to each agenda item. The voting bulletins in which it is not indicated in which way the votes shall be cast or if the vote is to be withheld are considered void. Copies of voting bulletins that are transmitted by telefax or e-mail may be accepted as evidence of such voting bulletins at a General Meeting.

In order to be taken into account, the voting bulletins (i) must be received by the Company 72 (seventy-two) hours) before the relevant General Meeting or (ii), if and for so long as the Shareholders Rights Act is applicable to the Company, must be received at least six days before the General Meeting, along with or, as the case may be, followed by the evidence of shareholder status at the Record Date.

#### **10.8 Participation in a General Meeting by conference call, video conference or similar means of communications**

If provided for in the relevant Convening Notice, a shareholder may participate in a General Meeting by conference call, video conference or similar means of communication whereby (i) the shareholders attending the meeting can be identified, (ii) all persons participating in the meeting can hear and speak to each other, (iii) the transmission of the meeting is performed on an on-going basis and (iv) the shareholders can properly deliberate. Participation in a meeting by such means shall constitute presence in person at such meeting.

#### **10.9 Bureau**

The shareholders shall elect a chairman of the General Meeting. The chairman shall appoint a secretary and the shareholders shall appoint a scrutineer. The chairman, the secretary and the scrutineer together form the bureau of the General Meeting.

## **10.10 Minutes and certified copies**

The minutes of the General Meeting will be signed by the members of the bureau of the General Meeting and by any shareholder who wishes to do so.

However, where decisions of the General Meeting have to be certified, copies or extracts for use in court or elsewhere must be signed by the chairman of the Management Board or by any two other members of the Management Board.

## **11. MANAGEMENT BOARD**

### **11.1 Management**

The Company is managed by the Management Board under the supervision of the Supervisory Board.

### **11.2 Minimum number of members of the Management Board and term of office**

The Management Board must be composed of at least two members.

The members of the Management Board shall be elected for a term of (i) four years for the member of the Management Board designated by the Supervisory Board as Chief Executive Officer, (ii) three years for the member of the Management Board designated by the Supervisory Board as Chief Financial Officer and (iii) one year for any other member of the Management Board. The members of the Management Board shall be eligible for re-appointment.

### **11.3 Permanent representative**

Where a legal person is appointed as a member of the Management Board (the **Management Board Legal Entity**), the Management Board Legal Entity must designate a natural person as permanent representative (*représentant permanent*) who will represent the Management Board Legal Entity as a member of the Management Board in accordance with articles 60bis-4 of the Companies Act.

### **11.4 Appointment, removal and co-optation**

The members of the Management Board shall be appointed by the Supervisory Board. The Supervisory Board shall also determine the number of members of the Management Board, their remuneration (including any variable remuneration under any form) and the terms of their office (including without limitation any notice period regarding their resignation). A member of the Management Board may be removed with or without cause and/or replaced, at any time, by a resolution adopted by the Supervisory Board.

In the event of one or more vacancy in the office of members of the Management Board because of death, resignation or otherwise, the remaining members of the Management Board may appoint one or more members of the Management Board, as the case may be, to fill any such vacancy until the following meeting of the Supervisory Board.

## **12. MEETINGS OF THE MANAGEMENT BOARD**

### **12.1 Chairman**

The Management Board shall appoint a chairman (the **Chairman**) from among its members and may choose a secretary, who need not be a member of the Management Board, and who shall be responsible for keeping the minutes of the meetings of the Management Board. The Chairman will chair all meetings of the Management Board. In his/her absence, the other members of the Management Board will appoint another member of the Management Board as chairman *pro tempore* who will chair the relevant meeting.

## **12.2 Procedure to convene a Management Board meeting**

The Management Board meets as often as the business and interests of the Company require.

The Management Board shall meet upon call by the Chairman or any two members of the Management Board at the place indicated in the meeting notice.

Written meeting notice of the Management Board shall be sent to all the members of the Management Board at least 72 (seventy-two) hours in advance of the day and the hour set for such meeting, except in circumstances of emergency, in which case the nature of such circumstances shall be set forth briefly in the convening notice of the meeting of the Management Board. Convening notices may be sent by telefax or e-mail to the members of the Management Board.

No such written meeting notice is required if all the members of the Management Board are present or represented during the meeting and if they state they have been duly informed and have had full knowledge of the agenda of the meeting. In addition, if all the members of the Management Board are present or represented during the meeting and they agree unanimously to set the agenda of the meeting, the meeting may be held without having been convened in the manner set out above.

A member of the Board may waive the written meeting notice by giving his/her consent in writing. Copies of consents in writing that are transmitted by telefax or e-mail may be accepted as evidence of such consents in writing at a meeting of the Board. Separate written notice shall not be required for meetings that are held at times and at places determined in a schedule previously adopted by a resolution of the Management Board; provided that all the members of the Management Board that were not present or represented at such meeting must be informed reasonably in advance of any such scheduled meeting.

## **12.3 Participation by conference call, video conference or similar means of communication**

Any member of the Management Board may participate in a meeting of the Management Board by conference call, video conference or by similar means of communication whereby (i) the members of the Management Board attending the meeting can be identified, (ii) all persons participating in the meeting can hear and speak to each other, (iii) the transmission of the meeting is performed on an on-going basis and (iv) the members of the Management Board can properly deliberate. Participation in a meeting by such means shall constitute presence in person at such meeting. A meeting of the Management Board held by such means of communication will be deemed to be held in Luxembourg.

## **12.4 Proceedings**

### **(a) Quorum and majority requirements**

The Management Board may validly deliberate and make decisions only if at least one half of its members is present or represented. Decisions are made by the majority of the votes of the members present or represented. If a member of the Board abstains from voting or does not participate to a vote in respect of a proposed resolution, this abstention or non-participation is taken into account in calculating the majority as a vote against the proposed resolution.

### **(b) Participation by proxy**

A member of the Management Board may act at any meeting of the Management Board by appointing in writing another member as his or her proxy. A member of the Management Board may represent more than one member of the Management Board by proxy, under the condition however that at least two members of the Management Board are present at the meeting. Copies of written proxies that are transmitted by telefax or by e-mail may be accepted as evidence of such written proxies at a meeting of the Management Board.

### **(c) Casting vote of Chairman**

In the case of a tied vote, the Chairman or the chairman *pro tempore*, as the case may be, shall not have a casting vote.

### **(d) Conflict of interest**

In the event of a conflict of interest as described in Article 24, where at least one member of the Management Board is conflicted with respect to a certain matter, (a) the Management Board may validly debate and make decisions on that matter only if at least one-half of its members who are not conflicted are present or represented and (b) decisions are made by a majority of the remaining members of the Management Board present or represented who are not conflicted. In the event that the quorum requirement set out under item (a) cannot be reached because of the conflict of interests of members of the Management Board in respect of any such matter, the Management Board may submit that matter to the General Meeting and the General Meeting has the power to make a decision on such matter.

## **12.5 Written resolutions**

Notwithstanding the foregoing, a resolution of the Management Board may also be passed in writing. Such resolution shall consist of one or more documents containing the resolutions, signed by each member of the Management Board, manually or electronically by means of an electronic signature which is valid under Luxembourg law. The date of such resolution shall be the date of the last signature.

## **13. MINUTES OF MEETINGS OF THE MANAGEMENT BOARD**

### **13.1 Signature of Management Board minutes**

The minutes of any meeting of the Management Board shall be signed by the Chairman or the chairman *pro tempore*, as the case may be. In addition, any other member of the Management Board present or represented at such meeting may sign the minutes.

### **13.2 Signature of copies or extracts of Management Board minutes**

Copies or extracts of minutes or resolutions in writing from the Management Board, as the case may be, which may be produced in judicial proceedings or otherwise shall be signed by the Chairman, or any two members of the Management Board, as the case may be.

## **14. POWERS OF THE MANAGEMENT BOARD**

The Management Board is vested with the broadest powers to perform or cause to be performed any actions necessary or useful in connection with the purpose of the Company. All powers not expressly reserved by the Companies Act or by the Articles to the General Meeting or the Supervisory Board fall within the authority of the Management Board.

At least every three months, the Management Board will submit a written report to the Supervisory Board, in which it describes the status of the Company's business activities and the provisional development. In addition, the Management Board will inform the Supervisory Board of any events that might have a noticeable influence on the Company's situation.

## **15. PRIOR CONSENT MATTERS**

The Management Board must require the consent of the Supervisory Board for the following transactions and measures. Such consent will generally have to be obtained by the Management Board from the Supervisory Board in writing prior to the execution of the respective transaction or measure. However, in exceptional cases where the Management Board is required to act immediately in order to prevent a significant harm to the

Company, the Management Board may execute such transactions and measures without the prior written consent of the Supervisory Board but must obtain the written consent of the Supervisory Board as soon as possible after the execution of such transaction or measure. The Supervisory Board may also release the Management Board in advance from obtaining its prior written consent for certain individual or general business transactions or measures.

The Management Board shall procure that, with respect to the Company's Subsidiaries, the consent of the Supervisory Board is required and obtained via the Management Board and the management of its respective subsidiary for all transactions and measures listed in this Article 15.

The transactions and measures subject to the prior consent of the Supervisory Board are the following:

- (a) the acquisition and disposal of participations in other companies or any consolidation or amalgamation with any other company as well as the acquisition and disposal of businesses or enterprises or parts thereof which has or is expected to have a significant effect on the business of the Group;
- (b) the entry into any joint venture, partnership, consortium or other similar arrangement which has or is expected to have a significant effect on the business of the Group;
- (c) the entry into, surrender or material variation of any unusual or onerous contract which has or is expected to have a significant effect on the business of the Group;
- (d) the giving of any guarantee or indemnity which has or is expected to have a significant effect on the business of the Group;
- (e) the entry or amendment of any credit agreement or other financing transaction which has or is expected to have a significant effect on the business of the Group;
- (l) dealing in a way (including the acquisition or disposal, whether outright or by way of licence or otherwise howsoever) with intellectual property other than in the ordinary course of business which has or is expected to have a significant effect on the business of the Group; and
- (m) real estate transactions which have an significant impact on the Group.

For the purpose of this Article 15,

**Group** means the Company and its Subsidiaries; and

and

**Subsidiary** shall have the meaning set out in article 309 (2) of the Companies Act, as applied in conjunction with article 310 of the Companies Act.

**16.** Notwithstanding the above, the Supervisory Board may include in internal regulations of the Supervisory Board a list of transactions and measures of the Management Board (and the Companies' Subsidiaries as set out in paragraph 2 above) that require the prior consent of the Supervisory Board, and the Management Board shall be informed accordingly of those restrictions. The restrictions set out in these internal regulations shall not be binding towards third parties. **DELEGATION OF POWERS OF THE MANAGEMENT BOARD**

### **16.1 Daily management**

The Management Board may appoint one or more persons (*délégué à la gestion journalière*), who may be a shareholder or not, or who may be a member of the Management Board or not, to the exclusion of any member of the Supervisory Board, who shall have full authority to act on behalf of the Company in all matters pertaining to the daily management and affairs of the Company.

### **16.2 Permanent representative of the Company**

The Management Board may appoint a person, who may be a shareholder or not, and who may be a director or not, to the exclusion of any member of the Supervisory Board, as permanent representative for any entity in which the Company is appointed as a member of the board of directors. This permanent representative will act with all discretion, in the name and on behalf of the Company, and may bind the Company in its capacity as a member of the board of directors of any such entity.

### **16.3 Delegation to perform specific functions and committees**

The Management Board is also authorised to appoint a person, either a director or not, to the exclusion of any member of the Supervisory Board, for the purposes of performing specific functions at every level within the Company.

The Management Board may also appoint committees or sub-committees in order to deal with specific tasks, to advise the Management Board or to make recommendations to the Management Board and/or, as the case may be, the General Meeting, the members of which may be selected either from among the members of the Management Board or not, to the exclusion of any member of the Supervisory Board.

## **17. BINDING SIGNATURES**

### **17.1 Signatory powers of directors**

The Company shall be bound towards third parties in all matters by the joint signatures of any two members of the Management Board.

### **17.2 Signatory powers in respect of the daily management**

In respect of the daily management, the Company will be bound by the sole signature of any person appointed to that effect in accordance with Article 16.1.

### **17.3 Grant of specific powers of attorney**

The Company shall be bound by the joint signatures of any persons or by the sole signature of the person to whom specific signatory power is granted by the Company, but only within the limits of such power.

## **18. SUPERVISION**

### **18.1 Supervisory Board**

The Company's management by the Management Board is supervised by the Supervisory Board.

## **18.2 Minimum number of members of the Supervisory Board and term of office**

The Supervisory Board must be composed of at least three members.

The members of the Supervisory Board shall be elected for a term not exceeding 6 (six) years and shall be eligible for re-appointment.

## **18.3 Permanent representative**

Where a legal person is appointed as a member of the Supervisory Board (the **Supervisory Board Legal Entity**), the Supervisory Board Legal Entity must designate a natural person as permanent representative (*représentant permanent*) who will represent the Supervisory Board Legal Entity as a member of the Management Board in accordance with article 60bis-14 and 51bis of the Companies Act.

## **18.4 Appointment, removal and co-optation**

The members of the Supervisory Board shall be appointed by the General Meeting. The General Meeting shall also determine the number of members of the Supervisory Board, their remuneration and the terms of their office (including without limitation any notice period regarding their resignation). A member of the Supervisory Board may be removed with or without cause and/or replaced, at any time, by a resolution adopted by the General Meeting.

The General Meeting may award a total sum as fees for the members of the Supervisory Board. In this case, the Supervisory Board shall allocate the total sum awarded among its members.

In the event of one or more vacancy in the office of a member of the Supervisory Board because of death, resignation or otherwise, the remaining members of the Supervisory Board may appoint one or more members of the Supervisory Board, as the case may be, to fill any such vacancy until the following meeting of the General Meeting.

## **19. Meetings of the Supervisory Board**

### **19.1 Supervisory Board Chairman**

The Supervisory Board shall appoint a chairman (the **Supervisory Board Chairman**) from among its members and may choose a secretary, who need not be a member of the Supervisory Board, and who shall be responsible for keeping the minutes of the meetings of the Supervisory Board. The Supervisory Board Chairman will chair all meetings of the Supervisory Board. In his/her absence, the other members of the Supervisory Board will appoint another member of the Supervisory Board as chairman *pro tempore* who will chair the relevant meeting.

### **19.2 Procedure to convene a Supervisory Board meeting**

The Supervisory Board shall meet upon call by the Supervisory Board Chairman or any two members of the Supervisory Board at the place indicated in the meeting notice. The Supervisory Board Chairman must call a meeting of the Supervisory Board as soon as reasonably practicable upon receipt of a written request from the Management Board with an indication of the agenda.

The Supervisory Board meets as often as the business and interests of the Company require. In addition, meetings of the Supervisory Board shall take place at least four times per accounting year.

Written meeting notice of the Supervisory Board shall be sent to all the members of the Supervisory Board at least 72 (seventy-two) hours in advance of the day and the hour set for such meeting, except in circumstances of

emergency, in which case the nature of such circumstances shall be set forth briefly in the convening notice of the meeting of the Supervisory Board. Convening notices may be sent by telefax or e-mail to the members of the Supervisory Board.

No such written meeting notice is required if all the members of the Supervisory Board are present or represented during the meeting and if they state they have been duly informed and have had full knowledge of the agenda of the meeting. In addition, if all the members of the Supervisory Board are present or represented during the meeting and they agree unanimously to set the agenda of the meeting, the meeting may be held without having been convened in the manner set out above.

A member of the Supervisory Board may waive the written meeting notice by giving his/her consent in writing. Copies of consents in writing that are transmitted by telefax or e-mail may be accepted as evidence of such consents in writing at a meeting of the Supervisory Board. Separate written notice shall not be required for meetings that are held at times and at places determined in a schedule previously adopted by a resolution of the Board; provided that all the members of the Supervisory Board that were not present or represented at such meeting must be informed reasonably in advance of any such scheduled meeting.

### **19.3 Participation by conference call, video conference or similar means of communication**

Any member of the Supervisory Board may participate in a meeting of the Supervisory Board by conference call, video conference or by similar means of communication whereby (i) the members of the Supervisory Board attending the meeting can be identified, (ii) all persons participating in the meeting can hear and speak to each other, (iii) the transmission of the meeting is performed on an on-going basis and (iv) the members of the Supervisory Board can properly deliberate. Participation in a meeting by such means shall constitute presence in person at such meeting. A meeting of the Supervisory Board held by such means of communication will be deemed to be held in Luxembourg.

### **19.4 Proceedings**

#### **(a) Quorum and majority requirements**

The Supervisory Board may validly deliberate and make decisions only if at least one half of its members is present or represented. Decisions are made by the majority of the votes of the members present or represented. If a member of the Supervisory Board abstains from voting or does not participate to a vote in respect of a proposed resolution, this abstention or non-participation is taken into account in calculating the majority as a vote against the proposed resolution.

#### **(b) Participation by proxy**

A member of the Supervisory Board may act at any meeting of the Supervisory Board by appointing in writing another director as his or her proxy. A member of the Supervisory Board may represent more than one member of the Supervisory Board by proxy, under the condition however that at least two members of the Supervisory Board are present at the meeting. Copies of written proxies that are transmitted by telefax or by e-mail may be accepted as evidence of such written proxies at a meeting of the Supervisory Board.

#### **(c) Casting vote of Supervisory Board Chairman**

In the case of a tied vote, the Supervisory Board Chairman or the chairman *pro tempore*, as the case may be, shall have a casting vote.

#### **(d) Conflict of interest**

In the event of a conflict of interest as described in Article 24, where at least one member of the Supervisory Board is conflicted with respect to a certain matter, (a) the Supervisory Board may validly debate and make

decisions on that matter only if at least one-half of its members who are not conflicted are present or represented and (b) decisions are made by a majority of the remaining members of the Supervisory Board present or represented who are not conflicted. In the event that the quorum requirement set out under item (a) cannot be reached because of the conflict of interests of members of the Supervisory Board in respect of any such matter, the Supervisory Board may submit that matter to the General Meeting and the General Meeting has the power to make a decision on such matter.

## **19.5 Written resolutions**

Notwithstanding the foregoing, a resolution of the Supervisory Board may also be passed in writing. Such resolution shall consist of one or more documents containing the resolutions, signed by each member of the Supervisory Board, manually or electronically by means of an electronic signature which is valid under Luxembourg law. The date of such resolution shall be the date of the last signature.

## **20. Minutes of meetings of the Supervisory Board**

### **20.1 Signature of Supervisory Board minutes**

The minutes of any meeting of the Supervisory Board shall be signed by the Supervisory Board Chairman or the chairman *pro tempore*, as the case may be. In addition, any other member of the Supervisory Board present or represented at such meeting may sign the minutes.

### **20.2 Signature of copies or extracts of Supervisory Board minutes**

Copies or extracts of minutes or resolutions in writing from the Supervisory Board which may be produced in judicial proceedings or otherwise shall be signed by the Supervisory Board Chairman, or any two members of the Supervisory Board, as the case may be.

## **21. Powers of the Supervisory Board**

The Supervisory Board permanently controls the management of the Company by the Management Board without interfering in the management.

The Supervisory Board may require the Management Board to provide information of any kind which it needs to exercise its supervision. The Supervisory Board may undertake or arrange for any investigations necessary for the performance of its duties.

In addition, the Supervisory Board grants the Management Board or any Subsidiaries its consent to carry out the transactions and measures set out in Article 15.

The Supervisory Board shall have the right to examine all the activities of the Company. Its members shall have access, at the Company's registered office, to the Company's books, accounts, correspondence, minutes and in general, to any documents of the Company. At the request of the Supervisory Board, the Management Board shall give any information that is necessary for the Supervisory Board's control of the management. In addition, the Supervisory Board can proceed to or require any verifications in relation to its function.

## **22. DELEGATION OF POWERS OF THE SUPERVISORY BOARD**

The Supervisory Board may appoint one or more of its members for the performance of one or more specific tasks.

It may also decide to form committees within the Supervisory Board. The composition and the activities of such committees will be determined by the Supervisory Board and they will act under its control. However, the Supervisory Board cannot delegate to any committee the powers which are expressly attributed to the

Supervisory Board itself by the Companies Act or the Articles, and such delegation to any committee cannot result in a reduction or limitation of the powers of the Management Board.

If and for so long as the shares of the Company are admitted to trading on a regulated market as defined in the markets in financial instruments law dated 31 July 2007, established or operating in a Member State of the European Union, the Supervisory Board must establish: (i) an audit committee, which is responsible for the consideration and evaluation of all material questions concerning the auditing and accounting policies of the group and its financial controls and systems, together with related recommendations to be made to the Management Board and (ii) a remuneration committee, which is responsible for making recommendations to the Supervisory Board and the Management Board on the terms of appointment and the benefits of the managers of the Company for each financial year of the Company, as well as for making recommendations on bonus payments to be made to all employees based on recommendation from the Management Board..

## **23. MEMBERSHIP OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD**

No person can simultaneously be a member of the Management Board and a member of the Supervisory Board.

However, in the event of any vacancy at the Management Board, the Supervisory Board may appoint one of its members to act on the Management Board. During this period, the duties of this person in its capacity as a member of the Supervisory Board will be suspended.

## **24. Conflict of interests**

### **24.1 Procedure regarding a conflict of interest**

In the event that a member of the Management Board or a member of the Supervisory Board, as the case may be, has an interest opposite to the interest of the Company in any transaction of the Company that is submitted to the approval of the Management Board or the Supervisory Board, as the case may be, such member of the Management Board or the Supervisory Board shall make known to the Management Board or the Supervisory Board, as the case may be, such opposite interest at that meeting and shall cause a record of his statement to be included in the minutes of the meeting. The member of the Management Board or the member of the Supervisory Board may not take part in the deliberations relating to that transaction and may not vote on the resolutions relating to that transaction. The transaction, and the member's interest therein, shall be reported to the next following General Meeting.

In the case of a conflict of interest between a member of the Management Board and the Company in respect of a transaction, the approval of the Supervisory Board is in addition required.

### **24.2 Exceptions regarding a conflict of interest**

Article 24.1 does not apply to resolutions of the Management Board or the Supervisory Board concerning transactions made in the ordinary course of business of the Company which are entered into on arm's length terms.

### **24.3 Absence of conflict of interest**

A member of the Management Board or the Supervisory Board who serves as director, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business shall not, solely by reason of such affiliation with such other company or firm, be held as having an interest opposite to the interest of the Company for the purpose of this Article 24.

## **25. STATUTORY AUDITOR(S) (COMMISSAIRE(S)) – INDEPENDENT AUDITOR(S) (RÉVISEUR D'ENTREPRISES AGRÉÉ OR CABINET DE RÉVISION AGRÉÉ)**

### **25.1 Statutory auditor (*commissaire*)**

The operations of the Company shall be supervised by one or more statutory auditor(s) (*commissaire(s)*). The statutory auditor(s) shall be appointed for a term not exceeding 6 (six) years and shall be eligible for re-appointment.

The statutory auditor(s) will be appointed by the General Meeting, which will determine their number, their remuneration and the term of their office. The statutory auditor(s) in office may be removed at any time by the General Meeting with or without cause.

### **25.2 Independent auditor (*réviseur d'entreprises agréé or cabinet de révision agréé*)**

However, no statutory auditor(s) shall be appointed if, instead of appointing statutory auditor(s), one or more independent auditor(s) (*réviseur d'entreprises agréé or cabinet de révision agréé*) are appointed by the General Meeting to perform the statutory audit of the annual accounts in accordance with applicable Luxembourg law. The independent auditor(s) shall be appointed by the General Meeting in accordance with the terms of a service agreement to be entered into from time to time by the Company and the independent auditor(s). The independent auditor(s) may only be removed by the General Meeting for just cause.

## **26. ACCOUNTING YEAR**

The accounting year of the Company begins on the first day of October of each year and ends on the last day of September of the following year.

## **27. ANNUAL ACCOUNTS**

### **27.1 Responsibility of the Management Board**

The Management Board shall draw up the annual accounts of the Company that shall be submitted to the approval of the annual General Meeting.

### **27.2 Submission of the annual accounts to the statutory auditor(s) and the Supervisory Board**

At the latest 1 (one) month prior to the annual General Meeting, the Management Board will submit the annual accounts together with the report of the Management Board (if any) and such other documents as may be required by law to (i) the statutory auditor(s) of the Company (if any), who will thereupon draw up its (their) report(s) and (ii) the Supervisory Board, who will present to the annual General Meeting its observations on the report of the Management Board and on the annual accounts.

### **27.3 Availability of documents at the registered office**

At the latest 15 (fifteen) days prior to the annual General Meeting, the annual accounts, the report(s) of the Management Board (if any) and of the statutory auditor(s) or the independent auditor(s), as the case may be, and such other documents as may be required by law shall be deposited at the registered office of the Company, where they will be available for inspection by the shareholders during regular business hours.

## **28. ALLOCATION OF RESULTS**

### **28.1 Allocation to the legal reserve**

From the annual net profits of the Company (if any), 5% (five per cent.) shall be allocated to the reserve required by law. This allocation shall cease to be required as soon as such legal reserve amounts to 10% (ten per cent.) of

the share capital of the Company, but shall again be compulsory if the legal reserve falls below 10% (ten per cent.) of the share capital of the Company.

## **28.2 Allocation of results by the annual General Meeting**

The annual General Meeting shall decide on the allocation of the annual results and the declaration and payments of dividends, as the case may be.

## **28.3 Interim dividends**

The Management Board may decide to declare and pay interim dividends out of the profits and reserves available for distribution, including share premium and capital surplus, under the conditions and within the limits laid down in the Companies Act.

## **28.4 Payment of dividends**

Dividends may be paid in euro or any other currency chosen by the Management Board and they may be paid at such places and times as may be determined by the Management Board within the limits of any decision made by the General Meeting (if any).

## **28.5 Record date**

In the event that the General Meeting, or if applicable the Management Board, decides to make a distribution, including a dividend distribution (and in respect of the Management Board an interim dividend distribution), or to issue or otherwise issue or allot shares or other securities, the General Meeting or the Management Board, as the case may be, may fix any date, to the maximum extent permitted by Luxembourg law, as the record date for determining the shareholders entitled to receive any such distribution, including dividend distribution, allotment or issue.

## **29. DISSOLUTION AND LIQUIDATION**

### **29.1 Principles regarding the dissolution and the liquidation**

The Company may be dissolved, at any time, by a resolution of the General Meeting adopted in the manner required for amendment of these Articles, as set out in Article 10. In the event of a dissolution of the Company, the liquidation shall be carried out by one or more liquidators (who may be physical persons or legal entities) appointed by the General Meeting deciding such liquidation. Such General Meeting shall also determine the powers and the remuneration of the liquidator(s).

### **29.2 Distribution of liquidation surplus**

Under the liquidation of the Company, the surplus assets of the Company available for distribution among shareholders shall be distributed to the shareholders, by way of advance payments or after payment (or provisions, as the case may be) of the Company's liabilities.

## **30. APPLICABLE LAW**

All matters not expressly governed by these Articles shall be determined in accordance with Luxembourg law.