

**Regulations of the  
Executive Board of**

**OctoPlus N.V.**

## **INTRODUCTION.**

The Executive Board of OctoPlus N.V. deems it useful that its tasks and responsibilities be further regulated by Regulations.

These Regulations supplement that which is provided for in the law and the Company's Articles of Association concerning the duties, composition, procedures and decision-making of the Executive Board and its relation with the Supervisory Board.

These Regulations were adopted in the Executive Board meeting of 1 September 2006 by a unanimous vote of all members of the Executive Board and approved in the Supervisory Board meeting of 1 September 2006 by a unanimous vote of all members of the Supervisory Board.

Capitalised terms used herein have the meaning set forth in the List of Definitions attached as Annex 1.

## **CHAPTER I. DUTIES AND RESPONSIBILITIES EXECUTIVE BOARD.**

### **Article 1. Duties and Responsibilities.**

- 1.1 The role of the Executive Board is to manage the Company, which means, among other things, that it is responsible for achieving the Company's aims, strategy and policy, and results. The Executive Board shall perform its activities under the supervision of the Supervisory Board. The Executive Board is accountable for this to the Supervisory Board and to the General Meeting of Shareholders.
- 1.2 In discharging its role, the Executive Board shall be guided by the interests of the Company and its affiliated enterprise, taking into consideration the interests of the Company's stakeholders.
- 1.3 The Executive Board and the Supervisory Board are responsible for the corporate governance structure of the Company and compliance with the Corporate Governance Code as well as compliance with other (foreign) applicable laws and regulations.
- 1.4 The Executive Board shall provide the Supervisory Board timely with all information necessary for the exercise of the duties of the Supervisory Board.
- 1.5 The Executive Board is responsible for complying with all relevant legislation and regulations, for managing the risks associated with the Company's activities and for financing the Company.
- 1.6 The Executive Board shall report related developments to and shall discuss the internal risk management and control systems with the Supervisory Board and its Audit Committee.

- 1.6 The Executive Board shall ensure that employees have the possibility of reporting alleged irregularities of a general, operational and financial nature in the Company to the Chairman of the Executive Board or to an official designated by him, without jeopardising their legal position. Alleged irregularities concerning the functioning of members of the Executive Board shall be reported to the Chairman of the Audit Committee. The arrangements for whistleblowers shall in any event be posted on the Company's website.
- 1.7 All transactions between the Company and legal persons or individuals who hold at least 10% of the shares in the Company shall be agreed on terms that are customary in the sector concerned. Decisions to enter into transactions in which there are conflicts of interest with such persons that are of material significance to the Company and/or to such persons require the approval of the Supervisory Board and shall be published in the Annual Report, together with a declaration that this Article 1.7 has been observed.

## **Article 2. Corporate Strategy and Risks.**

The Executive Board shall be responsible for ensuring that the Company has internal risk management and control systems that are suitable for the Company. The Executive Board shall in any event employ as instruments of the internal risk management and control systems:

- (a) risk analyses of the operational and financial objectives of the Company;
- (b) a code of conduct, which should, in any event, be published on the Company's website;
- (c) guides for the layout of the financial reports and the procedures to be followed in drawing up the reports; and
- (d) a system of monitoring and reporting.

## **CHAPTER II. COMPOSITION EXECUTIVE BOARD. CEO, CFO AND EXECUTIVE COMMITTEE.**

### **Article 3. Composition and Division of Tasks.**

- 3.1 The members of the Executive Board are appointed by the General Meeting of Shareholders in accordance with the relevant provisions of Dutch law and the Articles of Association.
- 3.2 Members of the Executive Board shall be appointed or reappointed for a period of four years, unless provided otherwise in the resolution to (re-)appoint the Executive Board member concerned. This rule does not apply to the members of the Executive Board who were in function at the time these Regulations were adopted (1 September 2006) They were, and shall remain, appointed for an unlimited period. Any future re-appointment of any of them shall however be subject to this rule.
- 3.3 The Executive Board consists of one or more members, as determined in accordance with the Articles of Association.
- 3.4 The Executive Board may determine the duties with which each member of the Executive Board will be charged in particular. The allocation of duties shall require the approval of

the Supervisory Board. The current division of duties between the members of the Executive Board is set out in Annex 2.

#### **Article 4. CEO, CFO AND EXECUTIVE COMMITTEE.**

- 4.1 In the event that two or more members of the Executive Board are in office the Supervisory Board may grant specific members with a title, such as Chief Executive Officer ("CEO"), Chief Financial officer ("CFO") or Chief Operating Officer ("COO").
- 4.2 It shall primarily be the responsibility of the CEO to see to it that the Executive Board acts as a coherent team. In all cases the CEO shall strive for unanimity being achieved within the Executive Board with regard to the resolutions to be passed.
- 4.3 By means of a division of duties the Executive Board may determine with which duty each member of the Executive Board shall be entrusted more in particular. The division of duties may not be contrary to the law, the Articles of Association or these Regulations. The division of duties shall, at the Supervisory Board's decision, require the prior approval of the Supervisory Board.
- 4.4 Each member of the Executive Board who is entrusted with a specific duty shall be empowered to make decisions in that respect, such within limits to be determined by the Executive Board.
- 4.5 The Executive Board is entitled, subject to the prior approval of the Supervisory Board, to install an Executive Committee. Such Executive Committee shall be composed of all members of the Executive Board and one or more members (not being members of the Executive Board of the Company) of the (senior) management of the Company, to be designated by the Executive Board. The Executive Committee shall be responsible for the day to day business of the Company.
- 4.6 The Executive Board may establish rules for the internal procedures for the Executive Committee.

### **CHAPTER III. FINANCIAL REPORTING. ANNUAL ACCOUNTS. EXTERNAL AUDITOR.**

#### **Article 5. Financial Reporting.**

- 5.1 The Executive Board is responsible for the quality and completeness of publicly disclosed financial reports. The Supervisory Board shall see to it that the Executive Board fulfils this responsibility.
- 5.2 The preparation and publication of the Annual Report, the Annual Accounts, the quarterly and/or half-yearly figures and ad hoc financial information require careful internal procedures. The Supervisory Board shall supervise compliance with these procedures.

- 5.3 The Audit Committee shall determine how the External Auditor should be involved in the content and publication of financial reports other than the Annual Accounts.
- 5.4 The Executive Board is responsible for establishing and maintaining internal procedures which ensure that all major financial information is known to the Executive Board, so that the timeliness, completeness and correctness of the external financial reporting are assured. For this purpose, the Executive Board ensures that the financial information from business divisions and/or Subsidiaries is reported directly to it and that the integrity of the information is not compromised. The Supervisory Board shall see to it that the internal procedures are established and maintained.
- 5.5 Annually, not later than five months after the end of the financial year, unless by reason of special circumstances this term is extended by the General Meeting of Shareholders by not more than six months, the Executive Board shall draw up Annual Accounts (consisting of the balance and the profit and loss account with explanatory notes). The Annual Accounts shall be signed by all the members of the Executive Board and the Supervisory Board. If the signature of one or more of them is lacking, this shall be stated and reasons given. The Executive Board shall draw up an Annual Report within the aforementioned period of time.
- 5.6 The Executive Board shall ensure that the items required by the Corporate Governance Code shall be included in the Annual Report.

#### **Article 6. External Auditor.**

- 6.1 The Executive Board shall report its dealings with the External Auditor to the Supervisory Board through the Audit Committee on an annual basis, including the External Auditor's independence in particular (for example, the desirability of rotating the responsible partners of the External Auditor in both auditing and non-audit work to the Company). The Supervisory Board shall take this into account when deciding its nomination for the appointment of an External Auditor, which nomination shall be submitted to the General Meeting of Shareholders.
- 6.2 At least once every four years, the Supervisory Board and the Audit Committee shall conduct a thorough assessment of the functioning of the External Auditor within the various entities and in the different capacities in which the External Auditor acts. The main conclusions of this assessment shall be communicated to the General Meeting of Shareholders for the purposes of assessing the nomination for the appointment of the External Auditor.

### **CHAPTER IV. RELATIONSHIPS AND COMMUNICATION.**

#### **Article 7. Relationship with the Supervisory Board.**

- 7.1 The Executive Board shall supply the Supervisory Board in due time with the information required for the performance of its duties.

- 7.2 The Supervisory Board shall meet jointly with the Executive Board as often as the Supervisory Board or the Executive Board requests.
- 7.3 Without prejudice to the provisions of the Articles of Association and these Regulations as to that subject, the approval of the Supervisory Board shall be required for the resolutions of the Executive Board relating to:
- a. the acquiring, alienating, encumbering, leasing, letting and in any other way obtaining and giving the use or benefit of registered property;
  - b. entering into agreements, whereby the Company is granted credit by a bank;
  - c. lending and borrowing money, with the exception of acquiring money under a credit already granted to the Company by a bank;
  - d. entering into agreements by which the Company binds itself as guarantor or as severally liable co debtor, or otherwise guarantees or agrees to bind itself as security for a debt of a third party;
  - e. the operational and financial objectives of the Company;
  - f. adoption of the annual budget;
  - g. the parameters to be applied in relation to the strategy, for example in respect of the financial ratios;
  - h. strategic issues and alliances;
  - j. long term Strategic Plans;
  - j. the sale or disposition by the Company of all, or an essential part of its assets;
  - k. the issuance and acquisition of shares and of debentures chargeable against the Company or chargeable against a limited partnership (“commanditaire vennootschap”), or a general partnership (“vennootschap onder firma”) of which the Company is the fully liable partner;
  - l. petition for quotation, or withdrawal of quotation from a price list of any stock exchange of the documents mentioned under k.;
  - m. entering into or terminating long term co-operation by the Company or a dependent company with another legal entity, company, or with a limited partnership or general partnership of which the Company is the fully liable partner, if subject co-operation or termination of co-operation is of major significance to the Company;
  - n. participating by the Company or a dependent company in the capital of another company;
  - o. investments requiring an amount equal to at least one fourth of the Company's issued capital plus reserves, according to its balance sheet and explanatory notes;
  - p. a proposal to amend the Articles of Association;
  - q. a proposal to dissolve the Company;
  - r. filing a petition for bankruptcy (“faillissement”) or for suspension of payments (“surseance van betaling”);
  - s. the termination of the employment of a considerable number of the Company's or a dependent company's employees simultaneously or within a short period of time;
  - t. a significant change in the employment conditions of a substantial number of the Company's or a dependent company's employees;
  - u. appointing staff members as officer with the general or limited power to represent the Company and determining their authority and title;

- v. making settlements;
- w. being a party to legal proceedings, including conducting arbitration proceedings, with the exception of taking legal measures that cannot be delayed;
- x. entering into and changing employment agreements, whereby remuneration is granted, which exceeds the annual maximum amount determined by the Supervisory Board and notified to the Executive Board in writing;
- y. establishing pension plans and granting pension rights in excess of those arising from existing arrangements;
- z. entering into and termination of employment agreements with (proposed) members of the management of the Company;
- aa. adoption of employee stock-option plans;
- bb. a proposal to decrease the Company's issued capital; and
- cc. a proposal for a legal merger or a legal split-up, within the meaning of Title 7, Book 2 of the Civil Code.

#### **Article 8. Relationship with the Shareholders.**

- 8.1 The Executive Board and the Supervisory Board shall provide the General Meeting of Shareholders with all information that it requires for the exercise of its powers.
- 8.2 The Executive Board and the Supervisory Board shall provide the General Meeting of Shareholders with all requested information, unless this would be contrary to an overriding interest of the Company. If the Executive Board and the Supervisory Board invoke an overriding interest, it must state its reasons.
- 8.3 If a right of approval is granted to the General Meeting of Shareholders by law or under the Articles of Association (e.g. in the case of option schemes, far-reaching decisions as referred to in Article 2:107a Civil Code), or the Executive Board or the Supervisory Board requests a delegation of powers (e.g. issue of shares or authorisation for the repurchase of shares), the Executive Board and the Supervisory Board shall inform the General Meeting of Shareholders by means of a 'shareholders circular' of all facts and circumstances relevant to the approval, delegation or authorisation to be granted. The shareholders circular shall, in any event, be posted on the Company's website.
- 8.4 The Executive Board and the Supervisory Board shall procure that each substantial change in the corporate governance structure of the Company and in the compliance of the Company with the Corporate Governance Code is submitted to the General Meeting of Shareholders for discussion under a separate agenda item.
- 8.5 The policy of the Company on additions to reserves and on dividends (the level and purpose of the addition to reserves, the amount of the dividend and the type of dividend) shall be dealt with and explained as a separate agenda item at the General Meeting of Shareholders.
- 8.6 A resolution to pay a dividend shall be dealt with as a separate agenda item at the General Meeting of Shareholders.

- 8.7 The Company shall determine a registration date for the exercise of the voting rights and the rights relating to meetings.
- 8.8 If a serious private bid is made for a business unit or a participating interest and the value of the bid exceeds one-third of the amount of the assets according to the Company's last adopted consolidated balance sheet with explanatory notes, and such bid is made public, the Executive Board shall, at its earliest convenience, make public its position on the bid and the reasons for this position.

#### **Article 9. Relationship with Analysts, Press and Investors.**

- 9.1 The Executive Board or, where appropriate, the Supervisory Board shall as much as can reasonably be expected provide all Shareholders and other parties in the financial markets with equal and simultaneous information about matters that may influence the share price. The contacts between the Executive Board on the one hand and press and analysts on the other shall be carefully handled and structured, and the Company shall not engage in any acts that compromise the independence of analysts in relation to the Company and vice versa.
- 9.2 Meetings with analysts, presentations to analysts, presentations to investors and institutional investors and press conferences shall be announced in advance on the Company's website and by means of press releases. When possible provision shall be made for all shareholders to follow these meetings and presentations in real time, for example by means of web casting or telephone lines. After the meetings, the presentations shall be posted on the Company's website.
- 9.3 Analysts' reports and valuations shall not be assessed, commented upon or corrected other than factually, by the Company in advance.
- 9.4 The Company shall not pay any fee(s) to parties for the carrying out of research for analysts' reports or for the production or publication of analysts' reports on the Company, with the exception of credit rating agencies.
- 9.5 Analysts meetings, presentations to institutional or other investors and direct discussions with investors shall not take place shortly before the publication of the regular financial information (quarterly, half-yearly or annual reports).

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

The Executive Board shall ensure that the Company shall place and update all information which it is required to publish or deposit pursuant to the provisions of company law and securities law applicable to it, on a separate part of the Company's website (i.e. separate from the commercial information of the Company) that is recognisable as such. It is sufficient for the Company to establish a hyperlink to the website of the institutions that publish the relevant information electronically pursuant to statutory provisions or the stock exchange regulations.

## **CHAPTER V. MEETINGS OF THE EXECUTIVE BOARD.**

### **Article 11. Meetings of the Executive Board.**

- 11.1 The Executive Board shall hold at least one meeting per two weeks and whenever one or more of its members have requested a meeting. The meetings shall generally be held at the office of the Company, but may also take place elsewhere.
- 11.2 The meetings of the Executive Board shall be presided over by the CEO. The CEO shall determine the agenda of the meetings and prepare these meetings. This shall include providing adequate and timely information in connection with the resolutions to be passed to all members of the Executive Board. In the event of the unavailability and/or inability of the CEO, these tasks shall be performed by another member of the Executive Board, designated by the Executive Board for that purpose.
- 11.3 Meetings of the Executive Board may be held by means of an assembly of its members in person at a formal meeting or by conference call, video conference or by any other means of communication, provided that all members of the Executive Board participating in such meeting are able to communicate with each other simultaneously. Participation in a meeting held in any of the above ways shall constitute presence at such meeting.
- 11.4 Resolutions of the Executive Board may also be adopted outside a formal meeting, in writing or otherwise, provided that the proposal concerned is submitted to all members of the Executive Board then in office and none of them objects to the proposed manner of adopting resolutions. A report with respect to a resolution adopted other than in writing shall be prepared by a member of the Executive Board. The report shall be signed by such member of the Executive Board and presented to the Executive Board for its information in the next meeting of the Executive Board. Adoption of resolutions in writing shall be effected by written statements from all members of the Executive Board then in office.
- 11.5 At the request of a member of the Executive Board and with the agreement of the majority of other members of the Executive Board, urgent matters may be discussed immediately or in an additional meeting.
- 11.6 The members of the Executive Board must attend the meetings of the Executive Board. Where they are unable to attend and the minutes require explanation, the CEO, as chairman of the meeting, shall inform them about the resolutions passed and the discussions held in the meeting in question.
- 11.7 The CEO may determine that a meeting of the Executive Committee constitutes a meeting of the Executive Board.

## **CHAPTER IV. OTHER PROVISIONS.**

### **Article 12. Remuneration of Members of the Executive Board.**

- 12.1 The remuneration and contractual terms and conditions of employment of the members of the Executive Board shall be determined by the Supervisory Board in accordance with Article 11 of the Regulations of the Supervisory Board, within the scope of the remuneration policy adopted by the General Meeting of Shareholders, provided that arrangements in the form of shares or rights to subscribe for shares are subject to the approval of the General Meeting of Shareholders.
- 12.2 The Company shall not grant its members of the Executive Board any personal loans, guarantees or the like unless in the normal course of business and on terms applicable to the personnel as a whole, and after approval of the Supervisory Board. No remission of loans shall be granted.

### **Article 13. Conflicts of Interests of members of the Executive Board.**

- 13.1 A member of the Executive Board shall:
- (a) not enter into competition with the Company;
  - (b) not demand or accept (substantial) gifts from the Company for himself or for his wife, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree;
  - (c) not provide unjustified advantages to third parties to the detriment of the Company;
  - (d) not take advantage of business opportunities to which the Company is entitled for himself or for his wife, registered partner or other life companion, foster child or relative by blood or marriage up to the second degree.
- 13.2 A member of the Executive Board shall immediately report any conflict of interest or potential conflict of interest that is of material significance to the Company and/or to him, to the Chairman and to the other members of the Executive Board and shall provide all relevant information, including information concerning his wife, registered partner or other life companion, foster child and relatives by blood or marriage upon the second degree. The Executive Board shall decide without the member of the Executive Board concerned being present, whether there is a conflict of interest.
- 13.3 A conflict of interest exists, in any event, if the Company intends to enter into a transaction with a legal entity (i) in which a member of the Executive Board personally has a material financial interest; (ii) which has a Executive Board member which has a relationship under family law with a member of the Executive Board; or (iii) in which a member of the Executive Board has a management or supervisory position.
- 13.4 A member of the Executive Board shall not take part in any discussion or decision-making that involves a subject or transaction in relation to which he has a conflict of interest with the Company.

13.5 All transactions in which there are conflicts of interest with members of the Executive Board shall be agreed on terms that are customary for arm's-length transactions in the branch of business in which the Company and its Subsidiaries operate. Decisions to enter into transactions in which there are conflicts of interest with members of the Executive Board that are of material significance to the Company and/or the relevant members of the Executive Board require the approval of the Supervisory Board. Such transactions shall be published in the Annual Report, together with a statement of the conflict of interest and a declaration that the provisions of Articles 13.2 up to and including 13.5 of these Regulations have been complied with.

#### **Article 14. Outside Positions.**

14.1 A member of the Executive Board may not be a member of the supervisory board of more than two listed companies. Nor may a member of the Executive Board be the chairman of the supervisory board of a listed company. Membership of the supervisory board of other companies within the group to which the Company belongs does not count for this purpose.

14.2 The acceptance by a member of the Executive Board of membership of the supervisory board of a listed company requires the approval of the Supervisory Board. Other important positions held by a member of the Executive Board shall be notified to the Supervisory Board.

#### **Article 15. Holding and Trading Securities.**

15.1 Any shares in the Company held by members of the Executive Board are for the purpose of long-term investment.

15.2 Members of the Executive Board are subject to regulations containing governing ownership of and transactions in securities by the Executive Board, other than securities issued by the Company, which regulations are posted on the Company's website.

#### **Article 16. Non-Compliance, Amendment.**

16.1 Without prejudice to the provisions of these Regulations and of the Articles of Association, the Executive Board may occasionally decide at its sole discretion not to comply with and adhere to these rules pursuant to a resolution of the Executive Board to that effect. Such resolutions shall be explained in the Annual Report.

16.2 Without prejudice to the provisions of these Regulations and of the Articles of Association, these Regulations may be amended by the Executive Board upon proposal of the Executive Board and the Supervisory Board jointly.

## **ANNEX 1**

### **LIST OF DEFINITIONS**

1. In the Regulations of the Executive Board, the following terms have the following meanings:

**“Annual Accounts”**

means the annual accounts of the Company as referred to in Section 2:101 of the Civil Code;

**“Annual Report”**

means the annual report of the Company, drawn up by the Executive Board, as referred to in Section 2:101 of the Civil Code;

**“Annual Supervisory Board Report”**

means the annual report of the Supervisory Board which is added to the Annual Report;

**“Articles of Association”**

means the articles of association of the Company;

**“Audit Committee”**

means the committee of the Supervisory Board referred to as such in Article 6.3 (a) of the Regulations of the Supervisory Board;

**“Budget and Business Plan”**

budget and business plan of the Company, as adopted by the Executive Board;

**“CEO”**

means the chief executive officer of the Company;

**“CFO”**

means the chief financial officer of the Company;

**“Chairperson”**

means the chairperson of the Supervisory Board;

**“Civil Code”**

means the Dutch Civil Code;

**“Corporate Governance Code”**

means the Dutch Corporate Governance Code, as published on 9 December 2003;

**“Company”**

means OctoPlus N.V.;

**“External Auditor”**

means the auditor of the Company as referred to in Section 2:393 of the Civil Code;

**“General Meeting of Shareholders”**

means the general meeting of shareholders of the Company;

**“Executive Board”**

means the Executive Board of the Company;

**“Executive Committee”**

means the Executive Committee of the Company;

**“Regulations”**

means the regulations of the Executive Board, or the Regulations of the Supervisory Board, as appears from the context;

**“Strategic Plan”**

means the strategic policy and business plan of the Company;

**“Subsidiary”**

means a subsidiary of the Company within the meaning of Section 2:24a of the Civil Code;

**“Supervisory Board”**

means the supervisory board of the Company;

**“written” or “in writing”**

means by letter, by telecopier, by e-mail, or by message which is transmitted via any other current means of communication and which can be received in written form.

## **ANNEX 2**

### **DIVISION OF DUTIES**

#### **Chief Executive Officer ("CEO")**

The CEO has been entrusted, within the parameters of the Articles of Association and these Regulations, with all Executive Board's powers, authorities and discretions in relation to the operational management of the Company. The CEO shall see to it that the Executive Board/Executive Committee acts as a coherent team and shall strive for unanimity being achieved within the Executive Board/Executive Committee with regard to the resolutions to be passed. His duties furthermore comprise of, amongst others - :

- preparation of and compliance with the Strategic Plans and Business Plans;
- development of the business and the products;
- maintaining investor and press relations; and
- conducting corporate communications.
- human resources;
- quality assurance

#### **Chief Financial Officer ("CFO")**

The CFO has been entrusted, within the parameters of the Articles of Association and these Regulations, with all Executive Board's powers, authorities and discretions in relation to the financial management of the Company. His duties comprise of, amongst others - :

- maintaining relationships with, and provide information to, the Audit Committee and the External Auditor;
- supervising the quality and completeness of (publicly disclosed) financial reports;
- preparation of and compliance with the Budgets; and
- drawing up the Annual Accounts;
- legal compliance (including Corporate Governance); and
- supporting the CEO in maintaining investor relations.