



ARTICLES OF ASSOCIATION (STATUTES)

NAME, SEAT AND DURATION

Article 1

1. The name of the association shall be: "Koninklijke Vereniging van Nederlandse Reders"; (Royal Association of Netherlands Shipowners).
2. The association will be established at Rotterdam;
3. The association shall continue for an indefinite period of time.

OBJECTIVES

Article 2

1. The objective of the association shall be to represent the interests of its members' shipping affairs, in the broadest sense.
2. The association intends to achieve this objective by the following:
 - a. Promoting the establishment of a common view for its members with regard to questions which may be considered appropriate as well as joint consultation with regard to measures and regulations involving the interests of its members;
 - b. Presenting the interests of its members to, and entering into consultation with national and/or international government bodies, institutions and/or persons whose insight and voice may play a part in determining national and international shipping policy;
 - c. Maintaining contacts, consultation, and cooperation with and, if necessary, (jointly) setting up institutions and organisations in the Netherlands and abroad which may be conducive to the achievement of the object of the association;
 - d. Delegating persons, either with or without authority to take decisions, in the interest of the association or its members to take part in meetings, congresses and conferences and similar events in respect of subjects connected with the object of the association;
 - e. Performing activities deemed appropriate by the board on behalf of employer' organisations within the shipping industry, or causing such activities to be performed; in this respect the association shall not be authorised to act as a party to a collective bargaining agreement and/or other agreements serving to regulate the legal position of employees in the shipping industry;
 - f. Promoting interests in connection with maritime vocational training courses;
 - g. Providing advice and information to its members, as well as building up and maintaining documentation, arranging for the execution of research and development work and promoting the establishment of facilities which it must be deemed better to realise collectively rather than individually;
 - h. Any other legal means available to the association.



MEMBERSHIP

Article 3

1. The association shall have:
 - a. regular members
 - b. honorary members
 - c. associated members.
2. Only regular members shall be members in the legal sense of the term. Unless otherwise stated in these Articles of Association, both honorary and associated members shall have the same rights and will be subject to the same obligations as regular members.

REQUIREMENTS

Article 4

1. Regular members of the association may be natural persons or legal entities being owner or operator of one or more seagoing ships or other seagoing material as referred to in paragraph 3 of this article.
2. Persons who have rendered exceptionally meritorious services to the association may, upon a proposal of the board, be appointed as honorary members by the general meeting.
3. Every member is obliged to report all the ships under the Netherlands flag, whether owned or operated by it directly or indirectly, and all the ships under foreign flag, whether managed by it directly or indirectly, if this management takes place from the Netherlands or if they have crew members in their service who are of Dutch nationality and/or possess Dutch seafaring certificates.

ASSOCIATED MEMBERSHIP

Article 5

1. Associated members may be natural persons and legal entities that have the same (partial) interests in the aims and purposes of the association as regular members or who are interested in the endeavours of the association.
2. Natural persons and/or legal entities that own or manage ships –either directly or indirectly- as per article 4 paragraph 3, shall not be eligible for associated membership
3. Natural persons or legal entities that no longer satisfy the requirements for regular membership because they are no longer an owner or operator of a seagoing vessel as referred to in article 4, paragraph 1, are obliged to report this immediately to the board.
4. Natural persons or legal entities which no longer satisfy the requirements for regular membership because they are no longer owners and/or operators of seagoing vessels may be granted the status of "associated member" as from the date they cease to meet the requirements mentioned in article 4, paragraph 1.



ACQUISITION OF MEMBERSHIP **ASSOCIATED MEMBERSHIP STATUS**

Article 6

1. The application for regular membership must be made in writing. The board shall decide on the admission.
2. The board shall inform the applicant in writing and within six weeks of receipt of the application whether membership has been approved or denied. In the event of denial, the reasons shall be stated.
3. Membership shall commence on a date to be determined by the board.
4. The board shall maintain a register of members in which the names and addresses of the members are included. Every member is obliged to inform the board in writing of his address and any changes in this. The board can send legally valid notices convening meetings to the addresses of the members which are known to it.
5. The method of applying for regular membership and the treatment of the applications by the board shall be further regulated in the House Rules.
6. Natural persons or legal entities which are eligible for the status of associated membership may be invited to apply for this by the board, without prejudice to the provision in article 5, paragraph 3.

TERMINATION OF MEMBERSHIP

Article 7

Membership will be terminated:

- a. By the death of any member who is a natural person; transfer of membership under the law of inheritance is not permitted;
- b. By the dissolution of the legal entity which is a member;
- c. Because a member has been granted a moratorium or if any member has been irrevocably declared bankrupt;
- d. As a result of any members' resignation;
- e. As the result of termination by the association;
- f. As a result of expulsion by the association.

PERIOD OF NOTICE

Article 8

1. Notice of resignation by members or of termination by the association must be given in writing and can only take place towards the end of an association year, subject to three months' notice. Membership may, however, be terminated immediately if the member in question or the association cannot reasonably be required to allow the membership to continue.



2. Resignation or termination in conflict with the provision in the previous paragraph shall cause membership to be terminated at the earliest permissible time following the date on which the notice was given.
3. If membership should be terminated in the course of a financial year of the association, membership due shall remain payable for the whole year.

TERMINATION BY THE ASSOCIATION

Article 9

1. Termination of membership by the association shall be carried out by the board in accordance with the provision in article 8 of these Articles of Association.
2. Termination by the board may take place:
 - a. If and when members have ceased to comply with the requirements for membership laid down in the Articles of Association;
 - b. If and when members have failed to fulfil their obligations to the association;
 - c. If and when the association cannot reasonably be required to allow the membership to continue.

EXPULSION

Article 10

1. Expulsion from membership shall be carried out by the board. The member in question must be informed of the expulsion in writing, and a statement of reasons for the expulsion must be provided.
2. Expulsion may only be decided upon if any member's actions are in conflict with the Articles of Association, the rules or resolutions of the association, or unreasonably harmful to the association.
3. If the actions which are a reason for the expulsion from membership have inflicted damage on the association or its members in any way whatsoever, then three arbitrators, appointed in accordance with the procedure described in article 31, paragraph 2, may impose a fine on the member who has been expelled.

RIGHT OF APPEAL

Article 11

In the event of a decision for non-admission to membership, as referred to in article 6, paragraph 2, termination of the membership by the association by virtue of the fact that any member fails to fulfil their obligations to the association as referred to in article 9, paragraph 2b, or the fact that the association cannot reasonably be required to allow the membership to continue as referred to in article 9, paragraph 2c, and in the event of a decision for expulsion from membership as referred to in article 10, the person concerned may lodge an appeal with the general meeting within one



month of receiving notification of the decision.

For this purpose he shall receive written notification of the decision as quickly as possible, together with a statement of reasons. In the case of a decision for termination or expulsion the member shall be suspended during the period of appeal and pending the appeal.

The general meeting shall decide on the appeal within six months of the appeal being lodged. The member shall be entitled to explain his case at the general meeting, at which the appeal referred to in this paragraph is dealt with.

MEMBERS' DUTIES

Article 12

1. Members are bound by the decisions passed, having due regard to the provisions of these Articles of Association and of the House Rules.
2. Upon the infringement of a decision as a result of which damage is inflicted on the association in any way whatsoever the board may impose a fine to the maximum amount of TWO THOUSAND AND THREE HUNDRED EURO (€ 2.300) for each infringement. Within one month after the imposition of a fine, the member fined shall have the right of appeal at the general meeting which shall decide within six months after the appeal. In the event of expulsion in accordance with article 10, instead of the imposition of a fine as described here, the board may choose to impose the fine in accordance with the procedure described in article 10, paragraph 3.
3. Upon termination of membership, members remain bound by the decisions which have been passed prior to the termination of the membership until the end of membership, in so far as the law does not prescribe otherwise.
4. During the time when a former member is still bound by the decisions of the association in accordance with paragraph 3 of this article, paragraph 2 of this article shall equally continue to apply.

PATRONESS / PATRON

Article 13

The general meeting is empowered to proclaim one or more persons as a patroness/patron of the association.

FUNDS

Article 14

1. The funds of the association consist of membership dues and all other benefits accruing to the association.
2. Regular membership and associated membership dues shall be set by the annual general meeting in accordance with the rules to be included in the House Rules.



3. The general meeting may authorise the board to deviate from the rules on this matter included in the House Rules.
4. Anyone joining as a member in the course of the association year shall pay a pro rata amount of membership dues calculated over the remaining part of the year.
5. Payment of membership dues must be made by the members within thirty days of receipt of the invoice.
If a member neglects to do so legal action may be taken. After the above-mentioned period has expired such a member is liable to pay the legal interest rate on the amount of membership dues payable by him. The costs incurred by the association in this respect shall be payable by the member.

THE BOARD

Article 15

1. Management of the association rests with the board which shall be composed of at least seven and at most fourteen members. The number of board members is determined by the general meeting if necessary, upon a proposal for this from the board.
2. Board members are appointed by the general meeting. A majority of the board members, at least, must be appointed from among the membership. Any board member appointed from the membership will have to be employed at senior management level at least.
3. The appointment of members of the board may result from nominations submitted by either the board itself or one or more members. Should the board submit its own nomination, the various subsectors as represented in the membership will be taken into account.
4. Any board member may be suspended or dismissed at any time by the general meeting. A decision for dismissal or suspension requires a two-thirds majority of the valid votes cast. A suspension shall terminate if dismissal has not been decided upon within three months after it has been imposed.
5. An incomplete board shall continue to be authorised to act for as long as the vacancies have not been filled. The board will be obliged to take measures to fill the vacancies as soon as possible, unless the board decides to keep one or more seats vacant in order to any potential expansion by a new market segment. The decision to keep one or more seats on the board vacant is to be approved by the general meeting.

Article 16

1. The president and one or more deputy presidents shall be elected by the general meeting. In deviation from the provision in the previous sentence, the general meeting has the option of appointing two people to the position of president, in which case there shall be



no deputy president. Any potential president who is not a current member of the board shall have the relevant managerial experience in the maritime industry. The other positions, including those of secretary and treasurer, can be divided by the board amongst its members.

2. The president(s) shall hold office for the period of two or three years, the exact term to be determined at the time of appointment. In order to safeguard continuity, the president(s) and the optional deputy president will not retire from the board simultaneously and the term of office for one of them shall be three years. Any deputy president, if and when appointed shall be immediately eligible for re-election. The president(s) and any other members of the board will not receive any remuneration for their activities. They will be entitled to reimbursement of any expenses incurred during the performance of their duties.
3. Should the general meeting decide to appoint two people to the position of president, said presidents will regulate the division of duties within the co-presidency.
4. All other members of the board shall serve four-years terms but shall be immediately eligible for re-election
5. Board members are not subject to a maximum term of office served on the board.
6. In addition, membership of the board ends:
 - a. As the result of resignation;
 - b. As the result of termination of membership of the association;
 - c. As the result of the cessation of free management of his assets.

BOARD MEETINGS

Article 17

1. The board shall meet as frequently as the president or at least one-third of the number of board members deems desirable. A notice convening a meeting shall be issued in writing at least eight days beforehand, not counting the day on which the notice is issued and that of the meeting, stating the place of the meeting and the subjects to be dealt with. In urgent cases this period may be reduced at the discretion of the president.
2. The board meetings shall be conducted by one of the presidents, and in the event of his or her absence or failure to attend, by the other president or the deputy president if and when one has been appointed. In the event of both of them being unable to attend, the meeting itself shall appoint a chairperson.
3. A written report of every board meeting shall be drawn up, which will be approved in the next meeting.

DECISION-MAKING BY THE BOARD

Article 18

1. Valid decisions may only be passed if at least two-thirds of the number of board members



are present or represented and with a full majority of the valid votes cast at the meeting. Blank and invalid votes shall be deemed not to have been cast. If there is a tied vote, the proposal shall be rejected. The chairman of the meeting shall decide upon the method of voting.

2. In deviation from the provision in paragraph 1 of this article, the decision to nominate a president will be made with a two-thirds majority of the valid votes cast at the board meeting. It is to be noted that all board members shall either be present or represented. If and when any member of the board is unable to participate, representation by proxy shall be arranged.
3. Members of the board are entitled to have themselves represented in writing by a fellow board member at any meeting, on the understanding that an authorised board member cannot act as such for more than one board member at any one time. In addition, legally valid decisions can be taken outside a meeting, provided none of the board members opposes this method of decision-making and provided it is done in writing, by telex, fax or telegram and by a unanimous vote of all board members.
4. At least one-third of the number of board members is entitled to request that a decision shall be presented for annulment to the general meeting. Such a meeting shall be convened within a period of fourteen days. The operation of a decision thus presented for annulment shall be suspended until the above-mentioned meeting takes place.
5. The directors and other members of the office staff may be invited by the board to attend its meeting.

DUTIES AND POWERS OF THE BOARD

Article 19

1. The board's duty is to manage the association and to strive to achieve its objects.
2. The board shall draw up a strategic plan for a period of no less than three years, which shall be reviewed and/or amended annually. The strategic plan is to be approved by the general meeting
3. Without prejudice to the provisions laid down elsewhere in these Articles of Association and in the House Rules, the board requires the approval of the general meeting for:
 - a. Entering into contracts to purchase, alienate or encumbrance registered goods, concluding contracts whereby the association binds itself as a guarantor or as a joint and separate debtor, answers for a third party or commits itself as security for a debt of a third party;
 - b. Entering into contracts other than those mentioned in points a and b, in respect of which the sum of money involved exceeds more than ONE HUNDRED THOUSAND EURO (€ 100,000)

REPRESENTATION



Article 20

1. The association shall be represented by:
 - a. The board acting jointly;
 - b. Two board members acting jointly, one of whom must be the president or the vice president.

3. The board may authorise one or more board members or other officials to represent the association within the limits of the powers described in the said authorisation.

COMMITTEES AND WORKING GROUPS

Article 21

1. The board may establish committees and entrust or delegate to them such activities as it deems desirable. For preference, every committee should have a board member as its chairman.

2. The committees may establish working groups and entrust or delegate such activities to them as they deem desirable. For preference, such a working group should have a member of the committee by which it has been established as its chairman.

THE OFFICE

Article 22

1. The board, the committees and the working group shall be supported by office staff.

2. The office shall be headed by a management consisting of a manager and a deputy manager. The management shall be appointed, suspended and dismissed by the board.

3. Other office personnel shall also be appointed, suspended and dismissed by the board.

4. The salary of the management and other personnel shall be determined by the board.

5. The position, duties and powers of the manager and deputy manager shall be laid out in a set of management regulations, to be determined by the board.

GENERAL MEETING

Article 23

1. All the powers which are not entrusted to other bodies by law or by the Articles of Association shall belong to the general meeting.



2. The annual general meeting shall be held annually within six months of the end of the association year, except if this period has been extended by the general members' meeting. The items addressed at the annual general meeting will include the following:
 - a. The annual report on the course of business in the association and on the policy pursued;
 - b. The financial report, at least comprising the balance sheet and the income and expenditure account with notes, and the auditor's report;
 - c. The election of new board members;
 - d. Setting the rate of membership dues for the current association year;
 - e. Any other business proposed by the board and/or the membership.
3. Other general meetings shall be held as frequently as the board deems desirable.
4. In addition, at the written request of such a number of members as are entitled to cast one-tenth of the number of votes which may be cast in a plenary general meeting, the board is obliged to convene a general meeting within a period of no more than four weeks. If there is no response to the request within a period of fourteen days, the persons presenting the request may proceed to convene the meeting themselves by giving notice in the manner stipulated in Article 27 of these Articles of Association.



ADMISSION TO AND RIGHT TO VOTE AT THE GENERAL MEETING

Article 24

1. The members of the association shall be admitted to the general meeting. Members of the association who have been suspended as such shall not be admitted.
2. All regular members shall have the right to vote at the general meetings, therefore honorary members and associated members are not eligible to vote. Suspended members have no voting rights.
3. If any member wishes to participate in any vote, at the request of the AGM chairperson they will have to register with the polling booth that has been set up for that meeting, prior to the start of the vote in question.
4. Every member eligible to vote may have himself represented in writing by another member who is eligible to vote. Board members cannot act as authorised persons. No one, acting for himself and as an authorised person, can cast the votes for more than two members.
5.
 - a. If any member is represented by several persons who are in his employment only one of them can vote.
 - b. The polling committee, consisting of three persons appointed by the board, shall supervise the voting procedure used, count the votes cast and announce the result of the vote to the meeting.
6.
 - a. Members may have multiple votes. The number of votes will be calculated on the basis of the amount of members' most recently paid membership dues. For each one thousand euro, (€ 1.000,--) paid -to be adjusted upwards from five hundred euro (€ 500,--) members will receive one vote. Each member shall receive at least one vote.
 - b. No member shall have more votes than twenty-five per cent (25%) of the number of votes present at the meeting, including the votes cast on behalf of another member as an authorised person, in accordance with paragraph 4 of this Article.

CHAIRMANSHIP, MINUTES OF THE GENERAL MEETING

Article 25

1. The general meeting shall be conducted by (one of) the president(s) of the board and in the event of his or her absence or failure to attend, by the other president or the deputy president if and when one has been appointed. If both are unavoidably absent the meeting shall be conducted by another board member, appointed for this purpose by the board, who shall act as temporary chairperson. If no board members are present the meeting itself shall provide for the chairmanship
2. The minutes of the business dealt with at any general meeting shall be kept by a person appointed by the president for this purpose. The minutes shall be formally adopted at the



next general meeting.

DECISION-MAKING BY THE GENERAL MEETING

Article 26

1. Any verdict of the AGM chairman announced at the general meeting, stating that a decision has been passed by the meeting, shall be binding. The same applies to the content of a decision which has been passed in so far as a proposal not laid down in writing has been voted upon.
2. If, however, the correctness of a verdict as referred to in paragraph one of this article is contested immediately after it has been announced, a new vote shall take place if this is requested by the majority of the meeting or, if the original vote did not take place severally or in writing, by a member present with a voting right. The legal consequences of the original vote shall be cancelled as a result of this new vote.
3. Unless stipulated otherwise in the Articles of Association or the law, any decision made by the general meeting shall be passed with an absolute majority of the votes cast.
4. Invalid and blank votes shall be deemed not to have been cast.
5. If in the case of an election of persons no one has obtained the absolute majority, a second vote shall take place. If once again no one has obtained the absolute majority, repeated ballots shall take place until either one person has obtained the absolute majority, or a vote has taken place between two persons and there is a tied vote. In the case of the said repeated ballots (which shall not include the second ballot) voting shall take place each time between the persons voted for in the previous ballot, but with the exception of the person for whom the lowest number of votes has been cast in the previous ballot. If in the previous ballot the lowest number of votes has been cast for more than one person, then the persons for whom votes can no longer be cast in the new ballot shall be decided by lot. If there is an equality of votes in a ballot between two persons, it shall be decided by lot which of the two has been elected.
6. If there is a tied vote on a proposal not relating to the election of persons, the proposal shall be rejected.
7. All voting shall take place verbally unless the chairman deems a written vote to be desirable. Voting in writing shall be done by unsigned closed ballot slips. Decision-making by acclamation is possible, unless a member entitled to vote requests a poll.
8. A unanimous decision of all the regular members, even if these are not assembled in a meeting, shall have the same force as a decision of the general meeting, provided it is taken with the prior knowledge of the board and has been passed in writing.



CONVENING A GENERAL MEETING

Article 27

1. Subject to the provision in paragraph 4 of Article 23 of these Articles of Association, general meetings shall be convened by the board. A notice convening the meeting shall be sent in writing to the addresses of the members. The period for convening the meeting shall be at least eight days.
2. If possible, the subjects to be dealt with shall be stated in the notice convening the meeting, without prejudice to the provision contained hereafter in article 29 of these Articles of Association. If it is not possible to announce the subjects to be dealt with, the notice convening the meeting shall state that the subjects to be dealt with can be requested from the office of the association.

ASSOCIATION YEAR, ANNUAL REPORT ANNUAL ACCOUNTS AND JUSTIFICATION OF THE BUDGET

Article 28

1. The association year is the same as the calendar year.
2. At the annual meeting as referred to in Article 23, paragraph 2, the board shall present its annual report on the course of business in the association and the policy pursued. It shall present the balance sheet and the annual income and expenditure account, together with notes, to the meeting for its approval. These documents shall be signed by the board members; if the signature of one or more of them is missing this shall be reported, together with a statement of the reasons for this. After the expiry of the period, every member can legally require the board members collectively to fulfil these obligations.
3. As regards the true and fair view presented in the accounts an auditor's report as referred to in article 393, paragraph 1 of Book 2 of the Dutch Civil Code, shall be presented to the general meeting.
4. The general meeting's approval of the balance sheet and the annual income and expenditure account, together with the notes, shall discharge the board with regard to its policy pursued in the past year in so far as this is shown by the documents submitted.
5. The board is obliged to keep the documents referred to in paragraph 2 of this Article for seven years.
6. The board shall arrange for an annual draft budget of income and expenditures to be drawn up and shall present this to the general meeting for adoption at the annual meeting.



AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND DISCONTINUATION

Article 29

1. A decision of the general meeting to amend the Articles of Association or to discontinue the association may only be taken with two-thirds of the votes cast in a meeting at which two-thirds of the total number of votes to be cast in the association is present or represented. If this number should not be present, then at least two and at most four weeks later a new meeting shall be convened which can pass decisions with a majority of two-thirds of the valid votes cast. On the notice convening this second meeting it must be stated that the meeting may pass legally valid decisions on the matter concerned.
2. Proposals to amend the Articles of Association or to discontinue the association may be submitted in writing by the board or by a number of members which has at least ten per cent (10%) of the votes of all the members of the association.
3. The text of the proposed amendments must be sent along with the written notice convening the general meeting at which a proposal to amend the Articles of Association will be discussed, in addition to the announcement of the proposal for the amendment of the Articles. An amendment of the Articles of Association shall not come into effect before a notaries deed has been made up relating to this.
4. In the event of the discontinuation of the association the general meeting shall decide on how the liquidation balance is to be spent.
5. Unless otherwise decided by the general meeting the liquidation shall be charged by the board.
6. After discontinuation of the association it shall continue to exist in so far as this is necessary for the liquidation of its assets. In documents and announcements issued by it the name must be followed by the words: in liquidation.

HOUSE RULES

Article 30

1. Upon a proposal from the board the general meeting may adopt House Rules.
2. A decision as referred to in paragraph 1 must be passed with a three-quarters majority of the valid votes cast.
3. The proposed text must be sent to the members simultaneously with the written notice convening the general meeting.
4. The house rules shall not be in conflict with the law, even where this does not have any obligatory force, and with these Articles of Association.



DISPUTES

Article 31

All disputes between the association and one or more of the members, including former members as far as the dispute is connected with the lost membership, shall be settled in accordance with TAMARA arbitration regulations

UNFORESEEN CIRCUMSTANCES

Article 32

1. In any and all cases which are not provided for in the Articles of Association or the House Rules, the general meeting shall decide.
2. In urgent cases the board may decide subject to approval by the general meeting.

Disclaimer: whilst every care has been taken in the translation of this text it shall not be considered legally binding. The contents are not intended as a substitute for the contents of the original text, and they are not intended as a substitute for legal advice.