

Articles of Association, 27 April 2006

Contents

	Page
Name, seat and objects (Articles 1 and 2)	3
Capital (Article 3)	3 and 4
The Board of Directors (Articles 4 through 8)	4 to 9
A. Composition of the Board of Directors (Articles 4 and 5)	4 to 6
B. Board meetings and board resolutions (Article 6)	7 and 8
D. Board authority (Article 7) and board representation (Article 8)	9
Financial year and annual report and accounts (Article 9)	9
Committees (Article 10)	10
Advisory council (Article 11)	10
Director (Article 12)	10
Council of Arbitrators (Article 13)	11 to 14
A. General	11
B. Expert-members	12
C. Lawyer- members	14
D. Transition provision (Article 14)	14
Official secretaries (Article 15)	14
Arbitration Rules (Article 16)	14 and 15
Standing orders and other regulations (Articles 17 and 18)	15
Amendment of Articles of Association (Article 19)	15 and 16
Dissolution and liquidation (Article 20)	16
Final provision (Article 21)	16
Date of the deed	17

ARTICLES OF ASSOCIATION

NAME AND SEAT

Article 1.

1. The name of the association is "Stichting Raad van Arbitrage voor de Bouw". The association also operates under the name "Raad van Arbitrage voor de Bouw" (*Arbitration Board for the Building Industry in the Netherlands*) within the scope of the settlement of disputes. The Stichting will hereinafter be referred to in this deed as the Arbitration Board.
2. It has its registered office in the municipality of Amsterdam, the Netherlands.

OBJECTS

Article 2.

1. The objects of the Arbitration Board are the settlement of disputes in the building sector along with all that which is related thereto.
2. The Arbitration Board realises these objects by:
 - a. maintaining an Council of Arbitrators; b. adopting and maintaining Arbitration Rules for proceedings before the Council of Arbitrators;
 - c. providing facilities related to supporting the members of the Council of Arbitrators in the settlement of disputes;
 - d. distributing publications related to the work performed by the Arbitration Board and its Council of Arbitrators by, among other things, maintaining a website;
 - e. all other means that can contribute to the realisation of the Arbitration Board's objects.

CAPITAL

Article 3.

The capital of the Arbitration Board will be formed by:

- that which the association already owns at the time of conversion;
- all assets and liabilities acquired during the existence of the Arbitration Board.

THE BOARD OF DIRECTORS

Article 4.

1. The Board of Directors of the Arbitration Board comprises ten members.
2. The Board of Directors is comprised as follows:
 - a. three board members will be appointed by the board of the "Bouwend Nederland" association, hereinafter referred to as a1, a2 and a3;
 - b. three board members will be appointed by consultancy and engineering associations, specifically as follows:
 - b1. one board member will be appointed by the board of the Royal Institute of Dutch Architects, BNA;
 - b2. one board member will be appointed by the board of the Royal Institute of Engineers KIVI-NIRIA;
 - b3. one board member will be appointed by the board of the ONRI association of consulting engineers;
 - c. three board members will be appointed by customer organisations, specifically:
 - c1. one board member will be appointed by the Ministry of Transport, Public Works and Water Management;
 - c2. one board member will be appointed by the Board of Directors of the Association of Netherlands Municipalities;
 - c2. one board member will be appointed by the board of AEDES, Association of Housing corporations;
 - d. the chairman will be appointed by the Board of Directors of the Arbitration Board.
3. Individuals who have reached the age of sixty-six cannot be appointed to the Board of Directors and individuals who have reached the age of seventy cannot be reappointed to the Board of Directors.

4. Each of the appointed organisations is authorised to be replaced by another organisation of a similar nature, provided the Board of Directors of the Arbitration Board approves that in a resolution adopted for that purpose that satisfies the provisions in Article 19. In that event, an appendix to that resolution will be drawn up, also to be executed before a civil-law notary.
5. The appointed organisations will appoint the board members such that at least one board member of each of the board groups referred to under A, B and C is also a member of the Council of Arbitrators, and the number of members who are also a member of the Council of Arbitrators comprises at least half the Board of Directors.
6. As required, the Board of Directors will appoint a new chairman based on a nomination by the Raad voor de Rechtspraak (*Council for the Judiciary*) of at least three (former) members of the judiciary. If this nomination has not been made within three months after a written request to that end, the Board of Directors may appoint a member of the Council of Arbitrators chairman of the Board of Directors of the Arbitration Board.
7. The Board of Directors will appoint a deputy chairman from among the members of the Council of Arbitrators, who will replace the chairman in the event he is absent or unable to perform his duties. The Board of Directors may also appoint a second deputy chairman from among the members of the Council of Arbitrators, who will replace the first deputy chairman in the event he is absent or unable to perform his duties.
8. The Board of Directors may be assisted by a director appointed by the Arbitration Board's Board of Directors, who will have an exclusively advisory role on the Board of Directors.
9. The Board of Directors will appoint a secretary and a treasurer. The Board of Directors will appoint these officers from among its members, including the director.
10. Every two years, roughly half the board members will resign, with the exception of the chairman, according to the following roster, insofar as this has been requested in writing at least two months in advance by the organisation that appointed the board member in question. The board members referred to in paragraph 2 above as a1, a3, b2, c1 and c3 resign for the first time effective one January two thousand and eight. The board members referred to in paragraph 2 above as a2, b1, b3 and c2 resign for the first time effective one January two thousand and ten.
11. Board members who are also members of the Council of Arbitrators will resign when they are no longer a member of the Council of Arbitrators.
12. In the event of one or more vacancies on the Board of Directors, the Board of Directors will write to the organisation eligible to make a new nomination no later than three months after the occurrence of the vacancy/vacancies, requesting the nomination of one or more successors. In the event the vacancy is not filled within three months after the date of the written request, the Board of Directors will appoint the successor(s) by a majority of the votes cast.
13. If, for any reason, one or more of the members are absent, the remaining board members or the remaining board member will nonetheless constitute a valid board.
14. In the event the entire Board is absent or if it is not plenary for more than a year because of one and the same vacancy, the Public Prosecutions Department and/or each interested party can fill the vacancy/vacancies through the appointment of a board member(s) by the Amsterdam District Court.

END OF BOARD MEMBERSHIP

Article 5.

Board membership ends:

- upon the death of the member;
- through the passage of the calendar year in which the member has reached the age of seventy;
- in the event the member loses the right to dispose of his assets;
- by written resignation (declining appointment);
- through dismissal on the basis of Book 2, Section 298 of the Dutch Civil Code;
- by a board resolution adopted by the other board members by unanimous vote;

- by a resolution adopted by the competent board of the appointing organisation, but not before the successor(s) has/have been appointed;
- as a result of the instances provided for in Article 4 (10 and 11).

BOARD MEETINGS AND BOARD RESOLUTIONS

Article 6.

1. At least two board meetings will be held each year.
2. Meetings will also be held when the chairman deems this necessary or if at least two of the other board members send a written request to that end to the chairman, including a statement of the business to be conducted, and the chairman complies with such request.
3. If the chairman does not comply with a request as referred to in paragraph 2 such that the meeting can be held within one calendar month after the request, the requestors themselves will be authorised to convene a meeting with due observance of the formalities referred to in paragraphs 4 and 5.
4. The notice convening the meeting will be sent by the chairman or the requesters referred to in paragraph 3 at least seven days in advance in writing, not including the date the convening notice is sent and the date of the meeting.
5. The convening notices will state the location, date and time of the meeting and the business to be conducted.
6. If the rules given in the Articles of Association for convening and holding meetings have not been observed, valid resolutions can still be adopted in a board meeting regarding all business conducted, provided all the members in office are present at the meeting in question and the relevant resolutions are adopted by unanimous vote.
7. The meetings will be led by the chairman of the Board of Directors. In the absence of the chairman and the deputy chairman/chairmen, the meeting itself will appoint its chairman.

8. The secretary or one of the other individuals present asked to do so by the chairman of the meeting will take minutes of the business conducted at the meeting. The minutes will be adopted and signed in evidence thereof by the chairman and another board member at the next meeting.
9. A board member may be represented by a fellow board member at a meeting, upon submission of a written proxy. A board member can only act as proxy for one fellow board member.
10. The Board of Directors can also adopt resolutions outside a meeting, provided all board members have been given an opportunity to give their opinion in writing, by fax or by e-mail. The secretary will draw up a report of a resolution thus adopted, which includes the replies received, and which will be added to the minutes of the next board meeting after it has been co-signed by the chairman.
11. Each board member has the right to cast a single vote.

12. In the event of a vacancy in one of the board groups A, B or C, the remaining members of the group in question will be authorised to jointly cast an additional vote. In the event of two vacancies in one of the board groups A, B or C, the remaining member will be authorised to cast two additional votes.
13. The adoption of valid resolutions in meetings requires the attendance of more than half the members of the Board of Directors. If this quorum is not present, a new meeting will be convened within one month. Valid resolutions can be adopted in this meeting regardless of the number of board members present. The adoption of valid resolutions outside a meeting requires that more than two-thirds of the active members of the Board of Directors have expressed their opinion in writing.
14. Insofar as these Articles of Association do not prescribe a greater majority, all board resolutions will be adopted by an absolute majority of the valid votes cast. In the event of a tie, the proposal is considered to have been rejected.
15. All votes at the meeting will be by acclamation, unless the chairman of the meeting requires a written vote or if two individuals with voting rights so require for the vote. Written votes are cast by unsigned, sealed ballots.
16. Abstentions will be considered not to have been cast.
17. The chairman of the meeting decides on all disputes not provided for in these Articles of Association.

BOARD POWERS AND REPRESENTATION

Article 7

1. The Board of Directors is charged with managing the association.
2. The Board of Directors is authorised to enter into agreements to acquire, alienate and encumber registered property and to enter into agreements whereby the association binds itself as guarantor or joint and several co-debtor, promotes the interests of a third party, or stands surety for the debts of another.

Article 8

1. The association is represented by the Board of Directors insofar as the law does not stipulate otherwise. The association can also be represented by two members of the Board of Directors acting jointly, with the exception of the resolutions referred to in Article 7 (2).
2. The Board of Directors can authorise a board member and others to represent the association at law and otherwise within the limits given in the power of attorney.

FINANCIAL YEAR AND ANNUAL REPORT AND ACCOUNTS

Article 9.

1. The association's financial year coincides with the calendar year.
2. At the end of each financial year, the treasurer will draw up a statement of income and expenditure for the financial year ended, which annual report and accounts, including an auditor's report, will be presented to the Board of Directors within six months after the end of the financial year.
3. The annual report and accounts are adopted by the Board of Directors.
The adoption of the annual report and accounts by the Board of Directors serves to discharge the treasurer from liability for the management conducted by him.

COMMITTEES

Article 10.

The Board of Directors is authorised to install one or more committees, the duties and powers of which can then be established by standing orders to be drawn up for that purpose.

ADVISORY COUNCIL

Article 11.

An Advisory Council can be created within the Arbitration Board, serving as a sounding board for signals from the relevant community in all matters that can pertain to the Arbitration Board. This Advisory Council is intended for the organisations having an interest in the functioning of the arbitration in the building sector in the broadest sense of the word, but not already participating in the Arbitration Board's Board of Directors. This Advisory Council is authorised to advise the Board of Directors of the Arbitration Board upon request or of its own volition. The setup of this Advisory Council and how it may exercise its advisory powers will be established in standing orders to be drawn up for that purpose.

DIRECTOR

Article 12.

1. The Board of Directors can appoint a director, who will be charged with the daily management of the Arbitration Board.
2. If a director has been appointed, he can be suspended by the chairman. In that event, the chairman will convene a board meeting at which the person involved can be heard as soon as possible, but in any event, within a month. The suspension will be deemed to have ended if the Board of Directors has not converted it to dismissal within three months.
3. The director will be responsible for registering the Arbitration Board's details in the trade register.
4. Externally, the director has no more powers than those ensuing from a power of attorney granted to him and entered in the trade register of the Chamber of Commerce.

THE COUNCIL OF ARBITRATORS

Article 13

1. The Council of Arbitrators comprises at least seventy-two and a maximum of one hundred and two expert-members, and at least ten and a maximum of twenty lawyer-members. The Arbitration Board will fill the vacancies arising as a result of the end of the membership of members of the Council of Arbitrators.
2. Individuals who have reached the age of sixty-six cannot be appointed as members of the Council of Arbitrators.
3. Members of the Council of Arbitrators of the Arbitration Board can be dismissed by the ordinary court upon nomination by the chairman based on serious underperformance or such conduct that tarnishes the good name of the Arbitration Board. A judgment entailing leave for dismissal will be equated with a judgment entailing dismissal. The dismissal takes effect when the judgment pronouncing the dismissal or granting leave therefor becomes final and conclusive.
4. The chairman can also suspend the membership based on serious underperformance or such conduct that tarnishes the good name of the Arbitration Board. If the chairman proceeds to do so, he will make the nomination as referred to in paragraph 3 of this Article within three months. The suspension is lifted if the nomination is not made, is withdrawn or otherwise by the judgment of the ordinary court referred to in paragraph 3 becoming final and conclusive.
5. Membership in the Council of Arbitrators ends:
 - by death;
 - through the passage of the calendar year in which the age of seventy is reached;
 - in the event the member loses the right to dispose of his assets;
 - by resignation (declining appointment);
 - through the passage of three years after the date of the appointment and by a board resolution to withdraw the nomination adopted within that period;
 - dismissal as referred to in paragraph 3 of this Article.

Expert-members

6. The expert-members of the Council of Arbitrators will be appointed by the Arbitration Board's Board of Directors following a nomination by the organisations referred to in

Article 13 (7). The nominating organisations are free to nominate members also from outside their number.

7. Twenty-four of these members will be nominated by the board of the association Bouwend Nederland and upon their appointment, will be included on the members' list as contractor members;

One-sixth of these twenty-four members will be nominated by the board of the Royal Institute of Engineers KIVI-NIVRA, two-sixths by the board of the ONRI association of consulting engineers, and half by the board of the Koninklijke Maatschappij tot bevordering der Bouwkunst Bond van Nederlandse Architecten (**Royal Institute of Dutch Architects**) BNA, and upon their appointment, will be included on the members' list as consultant-members.

One-third of these twenty-four members will be nominated by the Minister of Transport, Public Works and Water Management, one-third by the Board of Directors of the Association of Netherlands Municipalities, and one-third by the board of the association AEDES, and upon their appointment, will be included on the members' list as principal-members.

8. The nominating organisations are authorised to delegate their nomination rights ad hoc or systematically in writing to the board members they appointed to the Arbitration Board, provided these board members are required to announce their nominations in writing.
9. In the event of a change as referred to in Article 4 (4), the organisations referred to in paragraph 7 of this Article must be interpreted to refer to the replacing organisations as referred to in the notarial appendix.
10. The Board of Directors of the Arbitration Board can increase the numbers referred to in paragraph 7 for one or more of the aforementioned categories from twenty-four to thirty-four. In that event, the Board of Directors of the Arbitration Board will maintain the balance in the composition of the Council of Arbitrators as referred to in paragraph 7 of this Article as much as possible.
11. Whenever required, the Board of Directors of the Arbitration Board will invite the Board of Directors of the relevant organisation to make a nomination within the period of at least six weeks and no more than three months stated in the invitation letter.
12. The Arbitration Board's Board of Directors will decide regarding the appointment of the nominated member within six months after the nomination. In the event that individual is not appointed, the organisation in question will be invited to make a new nomination.
13. In the event no nominations are made by the organisation in question within the period stated in the invitation, and a reminder sent also does not lead to a nomination within a period of at least four weeks and no more than two months, the Board of Directors will be authorised to make a nomination at its discretion, on the

understanding that the nomination will approximate the nature of the defaulting organisation as much as possible. Members thus appointed will be included on the members' list in the category of the organisation that failed to make a nomination.

14. The Arbitration Board's Board of Directors can grant one or more organisations involved in the building sector, not part of the organisations referred to in paragraph 7 of this article, the right to make several nominations for a number of expert-members to be determined by the Board of Directors. Upon their appointment, they will be included on the list, including the name of the nominating organisation.
15. As required, the chairman of the Arbitration Board will invite the boards of the organisations referred to in paragraph 14 of this Article to nominate individuals who, in the opinion of the Board of Directors in question, are eligible for appointment as expert-member, within a period of at least six weeks and no more than three months as stated in the invitation. This nomination will contain at least twice as many names as the number of vacancies to be filled by said organisation. The Board of Directors will make a choice from said nomination and effect appointment within six months after the nomination at the latest. If the Board of Directors decides not to appoint any of the individuals included in a multiple nomination, the Arbitration Board's Board of Directors will give the Board of Directors of the organisation in question at least one more opportunity to make a new, double nomination.

Lawyer-member

16. As required, the chairman will invite the board of the Netherlands Lawyers' Association to prepare a nomination of lawyers, preferably judges or former judges who, in the opinion of said Association, are eligible for appointment as lawyer-member, within a period of at least six weeks and no more than three months to be stated in the invitation letter. This nomination will contain at least twice as many names as the number of vacancies in this category. The Board of Directors will make a choice from the nominations and effect appointment. In the event no nomination is effected following a reminder within a period of at least four weeks and no more than two months, the Board of Directors will be free to appoint a lawyer-member at its own discretion.
17. In his capacity as chairman, the chairman is both chairman and member of the Council of Arbitrators apart from the number of members referred to in paragraph 1 of this Article. A chairman appointed based on the nomination referred to in Article 4 (6) will also act as lawyer-member.

Article 14

Upon the conversion referred to in the heading of this deed, the members of the old Arbitration Board will become members of the Arbitration Board's Council of Arbitrators. They will be included on the members' list in the category determined by the Board of Directors.

Article 15

The Arbitration Board will keep a record of lawyers, employed by the Board on a permanent or temporary basis, to be assigned to the Arbitration Tribunal as official secretary.

THE ARBITRATION RULES

Article 16

1. The Arbitration Board has drawn up Arbitration Rules that are applicable to the adjudication of the disputes submitted to the Arbitration Board. Said Arbitration Rules were adopted as per the date on which this deed was executed, added to this deed and filed on the same day with the court registry of the Amsterdam District Court.

2. A resolution to effect an amendment requires a board resolution that satisfies the requirements stated in Article 19.

THE STANDING ORDERS

Article 17

The standing orders to be adopted by the Board of Directors related to the Council of Arbitrators and the Arbitration Board's Board of Directors will contain rules related to:

- a. the fee for the chairman of the Arbitration Board and the members of the Arbitration Tribunal;
- b. the compensation for travel and accommodation expenses for the chairman and the other board members;
- c. all that which the Board of Directors finds necessary to regulate in the standing orders.

OTHER REGULATIONS

Article 18

1. The Board of Directors is authorised to adopt one or more different regulations, regulating the matters not included in these Articles of Association.
2. The regulations may not be in contrariety of the law or these Articles of Association.
3. The Board of Directors is at all times authorised to amend or rescind these regulations.

AMENDMENT OF ARTICLES OF ASSOCIATION

Article 19.

The Board of Directors is authorised to amend these Articles of Association.

The resolution to amend these Articles of Association must be adopted by a majority of at least seventy-five percent of the votes cast in a meeting at which at least seventy-five percent of the incumbent members of the Board of Directors are present or represented and, in the event of a new meeting as referred to in Article 6 (13), by a majority of at least seventy-five percent of the number of board members presented and represented, regardless of their number.

DISSOLUTION AND LIQUIDATION

Article 20.

1. The Board of Directors is authorised to dissolve the Arbitration Board.
The provisions in Article 19 apply mutatis mutandis to the resolution to be adopted in that respect.
2. Following dissolution, the Arbitration Board will continue to exist insofar as necessary for the liquidation of its assets.
3. The liquidation is performed by the Board of Directors.
4. The liquidators will ensure that the dissolution of the Arbitration Board is entered in the register referred to in Book 2, Section 289 of the Dutch Civil Code.
5. During liquidation, the provisions in these Articles of Association will remain in force as far as possible.

6. To the extent possible, the liquidators will apply any positive balance of the association dissolved in accordance with the objects of the Arbitration Board, and the remainder will be paid out to the State.

7. After the finalisation of the liquidation, the books and records of the dissolved association will be retained by the youngest liquidator for a period of seven years.

FINAL PROVISION

Article 21.

The Board of Directors will decide in all events not provided for by the law or these Articles of Association.

TRANSITIONAL PROVISION

Article 22

When the present amendment of the Articles of Association takes effect, the Arbitration Board's Board of Directors will comprise the following individuals:

1. *mr.* **Peter Paul Lampe**, residing in Banholt, the Netherlands, as chairman;
2. Mr **Hendrikus Maria Winkelman**, residing in Rotterdam, the Netherlands;
3. Mr **Adrianus Voogt**, residing in Smilde, the Netherlands;
4. *ir.* **Nicolaas Jan de Vries**, residing in Utrecht, the Netherlands;
5. *mr. ir.* **Jan Jacob Willem Maria Smeets**, residing in Merkelbeek, the Netherlands;
6. *ir.* **Willibrordus Maria Faas**, residing in Laren, the Netherlands;
7. *ir.* **Paulus Johannes Maria IJsselmuiden**, residing in Zoeterwoude, the Netherlands;
8. *ir.* **Martinus Antonius Maria Beljaars**, residing in Kerkdriel, the Netherlands;
9. *drs.* **Jakob Wienen**, residing in Katwijk, the Netherlands;
10. Mr **Bernhard Gesinus Johannes Kempink**, residing in Gorssel, the Netherlands.

Deed dated 27 April 2006