

Proposal for amendment to the articles of association **Sequa Petroleum N.V.**

Date: 15 July 2015

	Current article to be amended	Proposed amendment	Comments
1.	Article 1.1	<p>Article 1. Definitions and Construction</p> <p>It is proposed to add a new definition of “dependent company” after the definition of “Company” in article 1.1:</p> <p><u>New definition to be included in article 1.1 that will read as follows:</u> “Dependent Company means: a. a legal person to which the Company or one of its Dependent Companies has provided, for its own account, either solely or jointly, at least one-half of the issued share capital; b. a commercial partnership of which an enterprise is registered in the commercial register and in which the Company or its Dependent Company participates as a partner who is fully liable towards the creditors of that commercial partnership for all debts;”</p>	This definition is added in relation to the new reserved matters of article 12.
2.	Article 6.1	<p>Article 6. Issuance of shares</p> <p>It is proposed to amend the last sentence of article 6.1 in such a way that a resolution to issue or to delegate the issue authority can be adopted only if first proposed by the Management Board.</p> <p><u>Last sentence of article 6.1 to be amended as follows:</u></p> <p>“Resolutions of the General Meeting or of another body of the Company as referred to in this Article 6.1 can be adopted only if first approved by the Supervisory Board.”</p>	The proposal of the Management Board shall be subject to the approval of the Supervisory Board (pursuant to article 12.1 (c) (new)).
3.	Article 6.6	<p>Article 6. Issuance of shares</p> <p>It is proposed to amend the last sentence of article 6.6 in such a way that a resolution to exclude or limit the pre-emptive rights can be adopted only if first proposed by the Management Board.</p> <p><u>Last sentence of article 6.6 to be amended as follows:</u></p>	The proposal of the Management Board shall be subject to the approval of the Supervisory Board (pursuant to article 12.1 (c) (new)).

		<p>“A resolution of the General Meeting or of another body of the Company to limit or exclude rights of pre-emption as referred to in this Article 6.6 can be adopted only if first approved by the Supervisory Board.”</p>	
4.	Article 12.1	<p>Article 12. Approval of Management Board Resolutions</p> <p>It is proposed to add the approval of the Supervisory Board for the resolutions contained in this paragraph.</p> <p><u>T</u> <u>The first part of the first sentence of article 12.1 to be amended as follows:</u> “Resolutions of the Management Board entailing a significant change in the identity or character of the Company or its business are subject to the approval of the Supervisory Board as well as the General Meeting,…”</p>	<p>Currently, the reserved matters contained in this paragraph are only subject to approval of the general meeting.</p>
5.	Article 12.2	<p>Article 12 Approval of Management Board Resolutions</p> <p>It is proposed to amend the reserved matters list in article 12.2.</p> <p><u>Article 12.2 to be amended as follows:</u> 12.2 Without prejudice to any other applicable provisions of the law or these Articles of Association, the Management Board shall require the prior approval of the Supervisory Board for resolutions relating to:</p> <ul style="list-style-type: none"> (a) the adoption or amendment of the Business Plan; (b) the entering into or amendment of any agreements between the Company and/or its group companies (<i>groepsmaatschappijen</i>) at one hand and (one of) the Founders and/or Related Parties thereof at the other hand; (c) the issuance or acquisition of shares and debentures (debt certificates) by the Company or debentures (debts certificates) issued by a limited partnership (<i>commanditaire vennootschap</i>) or general partnership (<i>vennootschap onder firma</i>) of which the Company is a 	<p>The proposed reserved matters that will be subject to the prior approval of the Supervisory Board consist of reserved matters that are commonly used by public companies as these are in line with the Dutch Large Company Regime. Three of the current reserved matters (article 12.1 (a), (e) and (f) of the current articles of association are maintained under the proposed list as (a), (b) and (o)).</p>

		<p>fully liable partner, the delegation of the authority to issue shares as provided in article 6.1, as well as the exclusion or limitation of the pre-emption rights as provided in article 6.6;</p> <p>(d) the cooperation in the issuance of depository receipts for shares in the Company;</p> <p>(e) the application for the admission of shares, debt certificates or depository receipts as meant under (c) and (d) to a regulated market or multilateral trading facility as referred to in Article 1:1 of the Financial Supervision Act (<i>Wet financieel toezicht</i>) or to a system comparable with such regulated markets or multilateral trading facilities in a State that is not a EU Member State, or the application for a withdrawal of such admission;</p> <p>(f) the entering into or termination by the Company or a Dependent Company of a long-term cooperation with another legal entity or commercial partnership, or as fully liable partner in a limited partnership (<i>commanditaire vennootschap</i>) or general partnership (<i>vennootschap onder firma</i>), where such cooperation or termination is of fundamental importance for the Company;</p> <p>(g) the acquisition of a participating interest with a value of at least one-quarter of the Company's issued share capital plus its reserves, to be determined according to the Company's balance sheet with explanatory notes, by the Company itself or a Dependent Company, in the capital of another company, or any significant increase or decrease of such participating interest;</p> <p>(h) investments which require an amount equal to at least one-fourth of the issued share capital plus reserves of the Company, to be determined according to its balance sheet with explanatory notes;</p> <p>(i) a proposal to amend the Company's Articles of Association;</p> <p>(j) a proposal to dissolve the Company;</p> <p>(k) a declaration of bankruptcy (<i>faillissement</i>) or an application for an official moratorium on payment (<i>surséance van betaling</i>) for the Company itself;</p> <p>(l) the termination of the employment agreements of a</p>	
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6.	Article 15.1	<p>Article 15.1 Supervisory Directors</p> <p>It is proposed to add the sentence that the Supervisory Directors will be appointed by the General Meeting in article 15.1.</p> <p><u>Article 15.1 to be amended as follows:</u> “The Company has a Supervisory Board consisting of at least three and no more than five Supervisory Directors. Only individuals may be Supervisory Directors. Supervisory Directors will be appointed by the General Meeting.”</p>	This addition clarifies that the Supervisory Directors are appointed by the General Meeting.
7.	Article 15.5	<p>Article 15.5 Supervisory Directors</p> <p>It is proposed to change the period for appointment of a Supervisory Director from four to two years in the first sentence of Article 15.5.</p> <p><u>Article 15.5 first sentence to be amended as follows:</u> “The Supervisory Directors will retire periodically in accordance with a rotation plan to be drawn up by the Supervisory Board. However, a Supervisory Director will retire not later than the day on which the annual General Meeting of Shareholders is held in the second calendar year after the calendar year in which such member was last appointed, without prejudice to the provisions of Article 15.4”</p>	

8.	Article 17.4	<p>Article 17. Chairperson and Secretary</p> <p>Technical amendment. It is proposed to delete the entire article 17.4:</p> <p>17.4 The foregoing provisions of this Article 17 need not be complied with if only one Supervisory Director is in office.</p>	As article 15.1 provides that the Supervisory Board must consist of at least three Supervisory Directors, this paragraph may be deleted.
9.	Article 19.5	<p>Article 19. Decision-making Process</p> <p>Technical amendment. It is proposed to amend the reference in the last sentence of article 19.5.</p> <p><u>The last sentence of article 19.5 to be amended as follows:</u> “Otherwise, the provisions of Articles 13.2 through 13.4 apply by analogy.”</p>	The last sentence of paragraph 5 of article 19 should refer to the provisions of conflict of interest at Board level, which are contained in article 13 and not in article 14.
10.	Article 25.5	<p>Article 25. Profits and Distributions</p> <p>Technical amendment. It is proposed to amend the reference in the first sentence article 25.5 to: “...designated by the General Meeting pursuant to Articles .6.1 and 6.6.”</p> <p><u>The first sentence of article 25.5 to be amended as follows:</u> “The Management Board may, with the approval of the Supervisory Board, decide that a distribution on Shares shall not take place as a cash payment but as a payment in Shares, or decide that the Shareholders shall have the option to receive a distribution as a cash payment and/or as a payment in Shares, out of the profit and/or at the expense of reserves, provided that the Management Board is designated by the General Meeting pursuant to Articles .6.1 and 6.6.”</p>	References should be updated to paragraphs 6.1 and 6.6 in article 6 instead of paragraphs 6.2 and 6.3.
11.	Article 27.2	<p>Article 27 General Meetings of Shareholders</p> <p>It is proposed to add a new sentence at the end of article 27.2 to state explicitly that the agenda of the annual meeting does not have to contain the items mentioned in this paragraph under (i) up to and</p>	The current wording mentions which agenda items should be put on the agenda of the annual meeting without making an exception in case the period for drawing up the annual accounts will be

		<p>including (iv) if a proposal to extend the period for drawing up the annual accounts has been put on the agenda.</p> <p><u>At the end of article 27.2 a new sentence to be added that will read as follows:</u> “The agenda of the annual meeting does not have to contain the items mentioned in this paragraph under (i) up to and including (iv) if a proposal to extend the period for drawing up the annual accounts has been put on the agenda.”</p>	<p>extended.</p>
12.	Header of Article 28 and Article 28.4	<p>Article 28. Notice, Agenda and Venue of Meetings</p> <p>It is proposed to delete “and Venue of Meetings” from the header of article 28 in combination with the proposed amendments set out below in article 29.</p> <p>It is furthermore proposed to amend the reference in article 28.4 to 34.1 (technical amendment).</p> <p><u>Header of article 28 to be amended as follows:</u> “Article 28. Notice and Agenda”</p> <p><u>Article 28.4 to be amended as follows:</u> “The notice is given in accordance with Article 34.1.”</p>	<p>Reference should be updated as the current reference is incorrect.</p>
13.	Article 29	<p>Article 29. Admittance and Rights at Meetings</p> <p>It is proposed to delete the content of this article in so far as is already contained in article 32 and renumber article 28.6 to a new article 29 (including new header).</p> <p><u>Article 29 to be amended as follows:</u> “Article 29. Venue of Meetings General Meetings of Shareholders are held in the municipality in which, according to these Articles of Association, the Company has its official seat or at Schiphol Airport (municipality of Haarlemmermeer). General Meetings of Shareholders may also be held elsewhere, in which case valid resolutions of the General Meeting may only be adopted if all of the Company’s issued capital is represented.”</p>	<p>In order not to renumber the entire articles of association as of article 29, we would propose to renumber article 28.6 to a new article 29 (Venue of Meetings).</p> <p>See also the addition in article 32.6 (below).</p>

14.	Article 32.2	<p>Article 32. Rights at Meetings and Admittance</p> <p>It is proposed to add to article 32.2 that the record date will be the 28th day prior to the day of the meeting (or as the case may be, the day that at any time is set by law as record date).</p> <p><u>Article 32.2 to be amended as follows:</u> “The Management Board is authorised and obliged to set a record date for each General Meeting of Shareholders in accordance with Section 2:119 of the Dutch Civil Code, being the twenty-eighth day prior to the day of the meeting (or as the case may be, the day that at any time is set by law as record date), in order to determine to which persons voting rights and Meeting Rights are vested. The record date and the manner in which persons holding Meeting Rights can register and exercise their rights will be set out in the notice of the meeting.”</p>	The addition clarifies the term for the record date.
15.	Article 32.6	<p>Article 32. Rights at Meetings and Admittance</p> <p>It is proposed to add the provisions of article 29.3 to article 32.6..</p> <p><u>At the end of article 32.6 a new sentence to be added that will read as follows:</u> “The chairperson of the meeting may determine that each person with voting rights present at a meeting must sign the attendance list. The chairperson of the meeting may also decide that the attendance list must be signed by other persons present at the meeting as well.”</p>	The provisions of article 29.3 are not contained in article 32. Therefore it is proposed to insert the provisions of article 29.3 after the third sentence in article 32.6.
16.	Article 34.3	<p>Article 34. Notices and Announcements</p> <p>Technical amendment. It is proposed to delete the reference to article 34.3 in article 34.3.</p> <p><u>Article 34.3 to be amended as follows:</u> “The provisions of Articles 34.1 and 34.2 apply by analogy to other announcements, notices and notifications to Shareholders and other persons holding Meeting Rights.”</p>	The reference to article 34.3 is superfluous.
17.	Article 35	<p>Article 35. Amendment of the Articles of Association</p>	The proposal of the Management Board is

		<p>It is proposed to amend the proposed by the Supervisory Board in the second sentence of article 35 to a proposal of the Management Board.</p> <p><u>The second sentence of article 35 to be amended as follows:</u> "A resolution of the General Meeting to amend these Articles of Association can be adopted only if first approved by the Supervisory Board."</p>	<p>subject to the approval of the Supervisory Board (pursuant to article 12.1 (i) (new)).</p>
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