

# Articles of Association

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## **Articles of Association of Georg Fischer Ltd, Schaffhausen (Holding of the Corporation)**

*In case of discrepancies, the German text of the Articles of Association shall be governing.*

### **I. Name, Registered Office, Purpose and Duration of the Company, Publications**

#### **§ 1**

##### 1.1 The company bearing the name

Georg Fischer AG  
Georg Fischer SA  
Georg Fischer Ltd

is a joint-stock company constituted with unspecified duration and registered office and jurisdiction in Schaffhausen.

##### 1.2 Branch offices may be established through resolutions passed by the Board of Directors.

#### **§ 2**

##### 2.1 The purpose of the Company - either directly or through corporate subsidiaries - is the development, production and sale of ferrous and non-ferrous metal castings, plastic products, machines and plants, as well as the provision of services associated therewith.

##### 2.2 The Company may acquire interests in other companies in the same area of business and conduct business transactions which, in the opinion of the Board of Directors, are related to the purpose of the Company or are in its interest.

#### **§ 3**

##### 3.1 In the event that publication is required by law, it shall appear in the Swiss Commercial Gazette.

##### 3.2 The Board of Directors may designate further official news organs.

### **II. Share Capital**

#### **§ 4**

##### 4.1 The share capital of the company amounts to CHF 82 017 960 and is divided into 4 100 898 bearer shares with a par value of CHF 20.

##### 4.2 All shares are fully paid-in.

##### 4.3 The shares and share certificates bear the facsimile signatures of the Chairman of the Board and a member of the Executive Committee.

4.4a) [revoked]

4.4b) [revoked]

4.4c) The purchase of registered shares by exercising stock options or warrants and / or by conversion rights, as well as the further transfer of registered shares, are subject to the registration limitations according to § 4.9 of the Articles of Association.

4.5 Registered shares are entered in a share register at the Company's registered office. The owner and beneficiary of the registered shares are recorded with name and address.

4.6 In regard to registered shares, the Company may waive the printing and delivery of share certificates. The shareholder may, however, request the printing and delivery of share certificates from the Company at any time free of charge.

4.7 Registered shares not embodied in deeds, and the resulting rights, are only transferable by assignment. The Company must be notified of the assignment in order for it to become valid. Shares which are not embodied in deeds and which are managed by a bank on behalf of a shareholder, and the resulting rights shall be transferred in collaboration with the corresponding bank.

4.8 Registered shares not embodied in deeds and the resulting proprietary interest, may only be pledged in favour of the bank keeping the pertinent shares by written pledge agreement. In such cases, the Company must not be notified. The claim to delivery of a certificate may be transferred to the bank serving as pledgee.

4.9 In relation to the Company, only persons or entities entered in the share register shall be regarded as registered shareholders or as beneficiaries of registered shares.

The entry as either a registered shareholder with the right to vote or as a beneficiary with the right to vote is subject to approval by the Board. Until the entry has been approved by the Board, and in the event of an entry refusal, the shareholder or beneficiary is entered in the share register without the right to vote.

The approval of the entry in the share register requires the following:

- a) An individual or corporate body may - subject to the following provisions regarding evidence required by law - directly or indirectly hold a maximum of 5 % of the registered share capital. Applications for entry of amounts exceeding this limit will be refused. Persons which are bound by capital or voting rights, by consolidated management or in another similar manner, or who have come to an agreement for the purpose of circumventing this rule, shall be deemed as one person. The Board may grant exceptions to this rule.
- b) The Board may remove the entry in the share register following consultation with the party concerned when the entry is based on false information.
- c) [revoked]
- d) The Board of Directors may deny entries in the share register which may hinder the Company in furnishing evidence required by law.

- e) Persons who do not expressly state that they are holding shares on their own account when applying for entry in the register (hereinafter: nominees), shall only then be entered in the share register with voting rights when the nominee is willing to present a written statement which includes the names, addresses and shareholdings of those persons for whom he or she is holding shares. § 4.10 is applicable for nominees who are affiliated with one another through capital or voting rights, by consolidated management or in any other manner.
  - f) The entry may only occur upon proof of the proper formal transfer of shares. Registered shareholders can only exercise their voting right following their entry in the share register.
- 4.10 No person, when exercising its voting rights, may with its own shares and the shares it represents accumulate more than 5 % of the voting rights of the entire share capital. Persons which are bound by capital or voting rights, by consolidated management or in another similar manner, or who have come to an agreement for the purpose of circumventing this rule, shall be deemed as one person. The Board may grant exceptions to this rule.
- 4.11 [revoked]
- 4.12 The General Meeting of Shareholders is entitled to convert registered shares into bearer shares and bearer shares into registered shares.

## **§ 5**

[revoked]

## **§ 6**

- 6.1 If the share capital is increased, the shareholders have the right to subscribe to new shares in accordance with their previous participation unless the resolution regarding the increase in share capital provides otherwise.
- 6.2 The conditions regarding the assertion of this right and the offering terms for newly issued shares are to be determined by the Board and published in the official news organs of the Company.

### **III. Organisation of the Company**

## **§ 7**

The corporate bodies of the Company are:

- A. The General Meeting of Shareholders
- B. The Board of Directors;
- C. The Executive Committee;
- D. The Auditors and Group Auditors.

## **A. The General Meeting of Shareholders**

### **§ 8**

- 8.1 The General Meeting of Shareholders shall be convened by the Board of Directors. The location of the Meeting is also determined by the Board. The convocation shall be published once in the official news organs at least 20 days prior to the date of the Meeting.
- 8.2 The agenda as well as the proposals by the Board shall be announced in the convocation.
- 8.3 Shareholders representing at least 0.3% of the share capital may request matters to be included on the agenda. The request shall be made in written form listing the matters and motions at least 60 days prior to the Meeting.
- 8.4 The Board determines in which manner the proof of identity regarding shareholding is to be presented.

### **§ 9**

- 9.1 Each share entitles the shareholder to one vote at the General Meeting.
- 9.2 Shareholders may delegate their voting rights at the General Meeting by written power of attorney to another shareholder entitled to vote, to a member of the corporate body, to the independent representative, or to a custodian bank representative.
- 9.3 Single owner enterprises may be represented by an owner or an authorised signatory, corporate bodies by one of their lawful or statutory representatives, married persons by their spouse, persons under tutelage by their guardian, and minors by their lawful representative, even if these persons are not shareholders.

### **§ 10**

- 10.1 The Chairman or another member designated by the Board shall chair the meeting.
- 10.2 The Board shall designate the Secretary for the minutes. The scrutineers are elected by the Shareholders' Meeting. The Minutes shall record the following:
  - number, type, par value and category of the shares represented at the Meeting,
  - the resolutions and election results,
  - the request for information and the resulting responses,
  - shareholders' statements for the record.

The Minutes are signed by the Chairman, Secretary and scrutineers and are thereby deemed to be generally binding.

### **§ 11**

The General Meeting of Shareholders forms a quorum irrespective of the number of shares represented at the meeting provided it is convoked according to the Articles of Association.

## **§ 12**

12.1 The General Meeting of Shareholders shall pass its resolutions and carry out its elections with an absolute majority of the valid votes cast. In the event of votes being equal, the Chairman casts the deciding vote.

A resolution passed by at least two thirds of the votes represented and the absolute majority of the par value of the shares represented shall be required for:

1. the cases listed in art. 704 para. 1 CO,
2. the alleviation or withdrawal of limitations upon the transfer of registered shares (§ 4.9),
3. the creation, extension, alleviation or withdrawal of the voting restrictions (§ 4.10),
4. the conversion of registered shares into bearer shares,
5. the removal of a quarter or more members of the board of directors,
6. the amendments to § 16.1 of the Articles of Association concerning the election and term of office of the Board of Directors,
7. the removal of restrictions concerning the passing of resolutions by the General Meeting of the Shareholders, particularly those of this § 12.

12.2 In general, elections and votes shall take place openly. A written or electronic ballot shall take place if ordered by the Chairman or if requested by the majority of the shareholders present.

12.3 [revoked]

## **§ 13**

13.1 The ordinary General Meeting takes place annually, within 6 months after the close of the business year, to approve the annual report, the financial statements, as well as to attend to other matters of business which lie within the competence of the General Meeting of the Shareholders.

13.2 The financial statements with the auditors' report, as well as the annual report and the motions concerning the distribution of profits, shall be available to the shareholders for scrutiny at the Company headquarters and at the branch offices at least 20 days prior to the General Meeting.

## **§ 14**

Extraordinary General Meetings are convened:

1. if the Shareholders' Meeting or the Board of Directors take such a decision,

2. upon request of the auditors,
3. upon request of one or more shareholders representing together at least one tenth of the share capital.

## **§ 15**

The scope of competence of the General Meeting of Shareholders includes:

1. the adoption of and amendments to the Articles of Association,
2. the election of members to the Board of Directors and the auditors,
3. the approval of the annual report and the consolidated statements of account,
4. the approval of the annual financial statement as well as the resolution on the appropriation of the balance sheet profit, in particular the declaration of dividend,
5. the release of the members of the Board of Directors,
6. the passing of resolutions on all matters which by law or by the Articles of Association are reserved to the General Meeting.

## **B. The Board of Directors**

### **§ 16**

16.1 The Board of Directors consists of 7 to 10 members.

Board members are elected for a four-year term of office at the General Meeting. Every year, approximately one quarter of the Board shall be up for re-election.

The term of office for newly elected Board members shall be determined in concordance to the periodicity of re-elections.

Members whose term has expired are eligible for immediate re-election.

16.2 The Board of Directors is self-constituting.

### **§ 17**

17.1 Board meetings are held by invitation of the Chairman or Vice Chairman at least four times a year, as often as required for business matters, or upon request of a member of the Board. Minutes of Board meetings are to be recorded, and signed by the Chairman and the Secretary.

17.2 Resolutions by the Board of Directors are passed by majority vote. In the event of votes being equal, the Chairman casts the deciding vote.

- 17.3 Valid resolutions passed at Board meetings are subject to the attendance of at least half the members of the Board. No quorum regarding attendance is required at Board meetings if the sole business to be transacted is the establishment of a capital increase and the subsequent revision of the Articles of Association.

## **§ 18**

- 18.1 The Board of Directors has supreme authority over the Company and the supervision of management. To this purpose the Board is regularly informed by the management on the course of business.
- 18.2 The Board of Directors designates those members of the Board who are entitled to represent the Company and who have signatory powers.
- 18.3 The Board determines the scope of signatory powers.
- 18.4 The Board of Directors is responsible for all matters with the exception of those reserved by law or by the Articles of Association of the General Meeting, or of those conferred otherwise by these Articles of Association and the current rules.

## **§ 19**

In particular the Board has the following responsibilities:

1. the ultimate management of the Company and issuance of the necessary directives,
2. the establishment of the internal organisation of the Company,
3. the organisation of the accounting system, the financial control, as well as the financial planning, as far as the latter is necessary for the management of the Company,
4. the appointment and dismissal of persons entrusted with the management of the Company,
5. the ultimate supervision of persons entrusted with the management, in particular with respect to compliance with the law, the Articles of Association, corporate rules and directives,
6. the drawing up of the annual report, as well as preparation of the General Meeting and implementation of its resolutions,
7. the notification of the judge in case of overindebtedness.

## **§ 20**

The Board of Directors may confer a portion of its function to a Board Committee, to one or more delegates from the Board, as well as to the Executive Committee. Details concerning the particulars are determined by the Organisation and Business Rules.

## **§ 21**

[revoked]

**§ 22**

The Board determines the meeting attendance fee and a fixed compensation which corresponds to the task and responsibility of its members, its committees and delegate(s), as well as the remuneration for the auditors.

**C. The Executive Committee****§ 23**

- 23.1 The Executive Committee, consisting of one or more persons, bears the direct responsibility for the management of the Company. It shall take all appropriate steps in determining the course of business which corresponds to the beneficial interest of the Company.
- 23.2 The Executive Committee, which presides over all personnel, implements Board resolutions and acts independently within its scope of competence designated by the Articles of Association, Corporate Rules and contracts.
- 23.3 The Executive Committee further represents the Company in judicial and extrajudicial matters regarding third parties, and is legally authorised to act in all matters involving the objectives of the Company.

**D. The Auditors and Group Auditors****§ 24**

- 24.1 The General Meeting of Shareholders shall elect the auditors and the group auditors, who must fulfil the required legal qualifications.
- 24.2 Auditors and group auditors shall be elected for a tenure of office of one business year. Re-election is permitted.

**IV. Accounting Principles and Distribution of Profit****§ 25**

The annual and the consolidated accounts shall be drawn up in accordance with the provisions of the Swiss Code of Obligations.

The business year corresponds to the calendar year, unless the Board of Directors provides otherwise.

**§ 26**

- 26.1 A balance sheet profit resulting after depreciation allowances and provisions determined by the Board of Directors shall be distributed as follows:
1. Firstly, 5 % shall be allocated to the general reserve until it has reached (again) one fifth of the share capital;

2. Thereafter, the shareholders shall receive a dividend of up to 5 % of the par value of each share;
3. Should more than 5 % of dividends be subject to distribution, then 10 % of the further distribution to shareholders and beneficiaries shall be allocated to the general reserve;
4. The remaining balance sheet profit, including profit carried forward from the previous year, is at the free disposition of the General Meeting of the Shareholders.

26.2 Dividends which have not been cashed in within 5 years following the maturity date shall be accrued to the Company.

## **V. Transitional Provisions**

### **§ 27**

27.1 This version of the Articles of Association comes into effect upon adoption by the General Meeting of Shareholders and supersedes the former version.

27.2 As approved today at the ordinary General Meeting of Shareholders.

Schaffhausen, March 19, 2008

The Chairman of the Board of Directors

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Martin Huber

## **Confirmation**

The undersigned hereby certifies that the aforementioned text is a correct translation of the Articles of Incorporation ("Statuten") of Georg Fischer Ltd.

Schaffhausen, March 19, 2008

The Translator

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Dr. Richard Furrer  
General Counsel