



Pension Plan rules Philips flex pension

January 2009

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Stichting Philips Pensioenfonds
Gebouw VS-4A, Vredeoord 105
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January 2009

Core amounts Philips flex pension

AO-limit amount (article 1, paragraph 4)	Date	AO-limit amount
	01-01-2009	€ 48,447
Offset (article 1, paragraph 10)	Date	Amount
	01-01-2009	€ 15,300
Collective salary scale adjustment	Date	Percentage
	01-01-2009	3.50%
Bridging benefit (article 7, paragraph 2 and 3)	Date	Amount
	01-01-2009	€ 17,595
ANW shortfall insurance (article 10, paragraph 2)	Date	Amount
	01-04-2008	€ 15,192
	01-04-2009	€ 15,600
Surrender value (article 19, 19a and 19b, paragraph 1)	Date	Amount
	01-01-2009	€ 417.74
Indexation inactives (article 23, paragraph 1)	Date	Percentage
	01-04-2009	1.45%
Premiums (article 4, paragraph 1)		
1. Pension premium	(in % terms of the pensionable salary): 0%	
2. ANW shortfall premium		
Age	Monthly premium from 01-04-2008	Monthly premium from 01-04-2009
-35	€ 20.26	€ 10.40
35-40	€ 29.12	€ 15.60
40-45	€ 37.98	€ 20.80
45-50	€ 48.11	€ 29.90
50-55	€ 60.77	€ 39.00
55-60	€ 70.90	€ 44.20
60-65	€ 67.10	€ 40.30

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I Definitions

Article 1

All concepts defined start with a capital letter. The meaning of all concepts defined in the Trust Deed (*comparable to Articles of Association*) of Stichting Philips Pensioenfondsen shall be identical for the purposes of these Plan rules, unless otherwise has been provided. Additionally, the following terms shall be taken to mean the following in these Pension Plan rules:

1.1 Member 1*

The person employed by Philips to whom the version of the Pension Plan rules Philips flex pension January 2005 is applicable on 31 December 2005 and who was born before 1 January 1950.

1.2 Member 2*

- 1) The person who entered the employment of Philips on or following 1 January 2006;
- 2) The person employed by Philips to whom the version of the Pension Plan rules Philips flex pension January 2005 is applicable on 31 December 2005 and who was born on or after 1 January 1950.

* If any provisions in the Plan rules apply to 'Member 1' as well as 'Member 2', reference is made to 'Member' in these Plan rules. If any provision specifically applies to Member 1 or Member 2, such shall be indicated explicitly in the Plan rules.

1.3 ANW

Surviving dependants benefits act.

1.4 AO (occupational disability) limit amount

An amount equal to a one twelfth part of € 48,447 increased from 1 January 2009 simultaneously and in line with the percentage of the full collective salary scale adjustment at Philips, multiplied by the Part-time factor valid in the month previous to the first day of illness. Alternatively, if the average Part-time factor in the 36 months preceding the first day of illness exceeds the Part-time factor in the month preceding the first day of illness, the higher average Part-time factor will be applied.

1.5 Part-time factor

A factor, the numerator of which is the number of hours of the actual working time as specified in the Member's contract of employment with Philips, and the denominator of which is the full working time as laid down in the collective labour agreement (CLA). If no fixed number of hours is recorded in the employment contract, the numerator of the above calculation will be the number of hours actually worked during the period over which the Part-time factor is determined.

1.6 Final pay Plan rules

The pension Plan rules of the Final pay pension plan (the 'Final pay plan') of Philips.

1.7 Deferred member

The Member whose employment with Philips has ended before the Retirement age other than by death or disability, with the exception of those Members on whose behalf a pension is still being accrued by virtue of the Philips flex pension Plan rules despite the termination of their employment with Philips.

1.8 Monthly AOP (Disability pension) base figure

The base figure for the calculation of a Disability pension as referred to in article 14 which is equal to the Monthly gross base figure in the month preceding the first day of illness or, if after the first day of illness an individual salary increase has occurred, to the Monthly gross base figure in the month during which the individual salary increase took place, increased by the percentage of the full collective salary scale adjustments which took place in the period between the first day of illness, the month during which the individual salary increase occurred, respectively, and the start date of the Disability pension, on the understanding that:

- 1) For the determination of the variable income components which are part of the Monthly gross base figure instead of the amount mentioned in paragraph 9, under b of this article, the average is used of the variable income components to which the Member was entitled in the 36 months preceding the first day of illness in accordance with the employment contract with Philips, increased by the percentage of the collective salary increases which took place between the moment the entitlement to payment of the components referred to arose and the first day of illness;
- 2) If the average Part-time factor in the 36 months preceding the first day of illness exceeds the Part-time factor in the month preceding the first day of illness, the amounts mentioned in paragraph 9 under a of this article are multiplied by a fraction, the numerator of which is the average Part-time factor in the 36 months preceding the first day of illness and the denominator of which is the Part-time factor in the month preceding the first day of illness.

If the employment with Philips on the first day of illness lasted less than 36 months, for the purposes of the above mentioned calculation, instead of the average taken over 36 months, the average is taken over the number of full months the employment lasted up to the first day of illness.

In this context, the first day of illness is understood to mean the day on which the waiting time for the WAO/WIA commenced.

1.9 Monthly gross base figure

An amount equal to the sum of the following amounts:

- a) The fixed gross salary components which in any month are due to the Member on account of his/her employment contract with Philips and which qualify for the Monthly gross base figure in accordance with the employment contract/CLA;
- b) The variable gross salary components which for any month are owed by Philips to the Member on account of his/her employment contract and which qualify for the Monthly gross base figure in accordance with the employment contract/CLA.

For those Members to whom the shift work allowance guarantee plan as included in the CLA is applicable, the amount referred to under a is increased by the shift work guarantee amount.

1.10 Monthly offset

For the period from 1 January 1997 until 1 April 1999:

A monthly amount equal to a one twelfth part of € 15,045 multiplied by the Part-time factor valid for the month in question, increased simultaneously with and in line with the increase of the benefits by virtue of the old age pensions act (AOW).

For the period from 1 April 1999 until 1 April 2001:

A monthly amount equal to a one twelfth part of € 12,350 multiplied by the Part-time factor valid for the month in question, in the period from 1 April 1999 until 1 April 2000 increased simultaneously with and in line with the increase of the benefits by virtue of the AOW and in the period from 1 April 2000 until 1 April 2001 increased simultaneously with and in accordance with the CLA applicable at Philips at any time.

For the period from 1 April 2001 until 1 January 2005:

A monthly amount equal to a one twelfth part of € 13,848 multiplied by the Part-time factor valid for the month in question, increased simultaneously with and in line with the percentage of the full collective salary scale adjustment as resulting from the CLA applicable at Philips.

For the period from 1 January 2005:

A monthly amount equal to a one twelfth part of € 14,100 multiplied by the Part-time factor valid for the month in question, increased simultaneously with and in line with the percentage of the full collective salary scale adjustment as resulting from the CLA applicable at Philips.

For the period from 1 July 2007:

A monthly amount equal to one twelfth part of € 14,280 multiplied by the Part-time factor applicable in the month concerned, increased simultaneously and according to the percentage of the full collective scale adjustment as laid down in the CLA applicable with Philips.

For the period from 1 January 2008:

A monthly amount equal to one twelfth part of € 14,784 multiplied by the Part-time factor applicable in the month concerned, increased simultaneously and according to the percentage of the full collective scale adjustment as laid down in the CLA applicable with Philips.

For the period from 1 January 2009:

A monthly amount equal to one twelfth part of € 15,300 multiplied by the Part-time factor applicable in the month concerned, increased simultaneously and according to the percentage of the full collective scale adjustment as laid down in the CLA applicable with Philips.

1.11 Monthly pensionable salary

The Monthly gross base figure, reduced by the Monthly offset.

1.12 NP (Survivor's pension) base figure

The base figure for the calculation of a Survivor's pension as referred to in article 9, equal to the Monthly pensionable salary that would have been valid in the month of death had the Member survived, on the understanding that:

- 1) For determining the variable income components which form part of the Monthly gross base figure, instead of the amount stated in paragraph 9 under b of this article, the average is taken of the variable income components to which the Member in the 36 months preceding the death, including the month of death, was entitled by virtue of the employment contract with Philips, increased by the percentage of the full collective scale adjustments that took place between the time the entitlement to payment of the components referred to was created and the time of death;
- 2) If the average Part-time factor in the 36 months preceding the death, including the month of death, exceeds the Part-time factor that would have applied in the month of death had the Member survived;
 - a) The amounts mentioned in paragraph 9 of this article under a are multiplied by a fraction the numerator of which is the average Part-time factor in the 36 months preceding the death and the denominator the Part-time factor in the month of death,
 - b) For the determination of the Monthly offset, the average Part-time factor in the 36 months preceding the death is assumed.

If the employment contract with Philips has lasted less than 36 months at the time of death, for the purposes of the above instead of the average over 36 months, the average is taken over the number of full months the employment lasted until the death.

- 3) Insofar as required according to The Board of Trustees' reasonable judgment for performing the Pension agreement, it is authorised to determine the Survivor's pension base figure in specific case, under the conditions to be set by the Board at an amount different from that resulting from the subparagraphs 1 and 2 of paragraph 12 of article 1.

1.13 Partner

The spouse of the (Deferred) Member, the person who has entered into a registered partnership with the (Deferred) Member as referred to in Book 1 of the Civil Code, which partnership has not ended, as well as the single person without a registered partner who is not a relative by blood or affinity to the first degree of the Member, who runs a joint household with the (Deferred) Member who is single and also without a registered partner. A joint household shall be understood to mean a joint household as defined in the ANW.

1.14 Retirement age

The age on which the Retirement pension takes effect partly or in full.

For a Member 1, this is the Normal retirement age of 62.5 unless a different Retirement age applies in accordance with that provided in article 5 or 6.

For a Member 2, this is the Normal retirement age of 65, unless a different Retirement age applies in accordance with that provided in article 5 or 6.

For a Deferred member 1, the age of 62.5 is the Retirement age.

For a Deferred member 2, the age of 65 is the Retirement age.

- 1.15 **Pension year**
A one year period of continuous Fund membership, multiplied by the average Part-time factor over that year.
- 1.16 **Pension capital**
The amount as defined in article 1 of Chapter A of the Pre-retirement scheme rules Stichting Philips Pensioenfond.
- 1.17 **Pension contribution**
The contribution due by the Member for insuring the pension entitlements arising from these Plan rules, with the exception of the entitlements referred to in article 10.
- 1.18 **Pension agreement**
The agreements on pension made between Philips and its employees in the CLA and/or the individual Employment contract.
- 1.19 **Normal retirement age**
For a (Deferred) Member 1 this is the age of 62.5.
For a (Deferred) Member 2 this is the age of 65.
- 1.20 **Premium ANW shortfall insurance**
The premium due by the Member for the ANW shortfall insurance as referred to in article 10.
- 1.21 **Pre-retirement scheme**
The scheme as referred to in article 16.
- 1.22 **Defined contribution agreement**
A Pension agreement with respect to a fixed contribution that is converted into pension payments upon retirement at the latest.
- 1.23 **PW**
Pension act.
- 1.24 **Supervisor**
The Financial Markets Authority or De Nederlandsche Bank N.V., each in so far as charged with the supervision by or by virtue of article 151 of the PW.
- 1.25 **Defined benefit agreement**
A Pension agreement with respect to fixed pension payments.
- 1.26 **Administration agreement**
The agreement between Philips and Stichting Philips Pensioenfond about the performance of the Pension agreement.
- 1.27 **WAO**
Occupational disability act.

1.28 **WIA**

Work and Income according to Labour Capacity Act.

1.29 **WZP (Orphan's pension) base figure**

The base for the calculation of an Orphan's pension as referred to in article 13, which is equal to the Monthly gross base figure that would have applied in the month of death had the Member survived, on the understanding that:

- 1) For determining the variable salary components which form part of the Monthly gross base figure, instead of the amount stated in paragraph 9 under b of this article, the average will be taken of the variable salary components to which the Member was entitled in the 36 months preceding the death, including the month of death, by virtue of his employment contract with Philips, increased by the percentage of the full salary scale adjustments which took place between the moment the entitlement to payment of the components referred to was created and the death;
- 2) If the average Part-time factor in the 36 months preceding the death, including the month of death, exceeds the Part-time factor which would have applied in the month of death had the Member survived, the amounts mentioned in paragraph 9 of this article under section a will be multiplied by a fraction the numerator of which is the average Part-time factor in the 36 months preceding the death and the denominator of which is the Part-time factor in the month of death.

If the employment with Philips at the time of death has lasted less than 36 months, for the purposes of the above instead of the average taken over 36 months, the average will be taken over the number of full months the employment lasted until the time of death.

2 Pensions

Article 2

Subject to that provided in these Plan rules, the (Deferred) Members and their surviving relatives are entitled, have a right, respectively, to:

- Retirement pension (article 5)
- Survivor's pension on a risk basis before 65 years (article 9)
- Benefits by virtue of the ANW shortfall insurance (article 10)
- Survivor's pension after the Retirement age (article 11)
- Special survivor's pension (article 12)
- Orphan's pension (article 13)
- Disability pension (article 14)
- Non-contributory accrual of pension/ Insurance of Survivor's pension upon disability (article 15)

Subject to that provided in these Plan rules, the Members 1 and their surviving relatives are additionally entitled, have a right, respectively, to:

- Bridging benefit (article 7)
- Benefits by virtue of the Pre-retirement scheme (article 16)

Subject to that provided in these Plan rules, the Members 2, as referred to in article 1.2 under 2 of these Plan rules and their surviving relatives are additionally entitled, have a right, respectively, to:

- Pension benefits accrued before 65 years (article 29, paragraph 14)
- Benefits by virtue of the Pre-retirement scheme (article 16)

3 Determination of base figures

Article 3

After every month the Monthly gross base figure, the Monthly offset, the Part-time factor and the Monthly pensionable salary applicable to that month are determined for each Member, as well as the Monthly AOP base figure, the NP base figure and the WZP base figure insofar as necessary.

4 Financing

Article 4

- 4.1 On the basis of the actuarial base figures and financing methods decided upon by the Board of Trustees, the Board of Trustees annually, on 1 January, determines the total amount which Philips owes to the Fund in that year subject to the Administration agreement within the scope of the financing of rights and entitlements laid down in these Plan rules. The percentages of the Pension premium and the premium for the ANW shortfall insurance are also annually determined.
- 4.2 Philips undertakes towards the Fund by agreement to pay the total annual amount as referred to in paragraph 1 of this article, decreased by the sum of the Pension premiums and ANW shortfall insurance premiums due over the year in question by the Members, such under the reservation that Philips may diminish its contribution should a radical change of circumstances occur.
- 4.3 The Pension premium is due from the date of employment at Philips, or, if the employment did not start on the first day of the month, from the first day of the month following the date of employment at Philips, up to and including the month during which the Retirement age is reached, however, until the Normal retirement age at the latest.
- 4.4 The ANW shortfall insurance premium is due from the effective date of the insurance until the first day of the month following the termination date of the insurance.
- 4.5 The Pension premium and the ANW shortfall insurance premium due from a Member who is a Philips employee, is withheld monthly from the salary by Philips and transferred to the Fund. The ANW shortfall insurance premium due from a Member entitled to a Retirement pension is withheld monthly by the Fund from the pension to be paid to the Member.

- 4.6 The entitlement to a proportional Retirement pension as referred to in article 55, paragraph 1 of the PW, must be financed in full for the Member at the end of every calendar year, or, if such is sooner, upon termination of the participation.

5 Retirement age / Retirement pension / Final pay guarantee / High-Low plan

Article 5

- 5.1 Unless a different Retirement age has been selected under application of paragraph 2 of this article, the Retirement age is equal to the Normal retirement age applicable to the Member.
- 5.2 Without prejudice to that provided in paragraph 8 of this article, the Member is entitled to select a Retirement age once that varies from the Normal retirement age, on the understanding that the Retirement age may not fall before the age of 60 and not after the age of 65 of the Member. If the Member exercises this right, he/she must inform the Fund in writing by 12 months before the intended Retirement age at the latest, however upon reaching the age of 58 at the earliest, about the selected Retirement age. Without prejudice to that provided by the previous full sentence, it applies that if a Retirement age between 62.5 and 65 years has been selected, the Fund must have been informed of this choice upon the age of 62.5 being reached at the latest.
- 5.3 For the member who is a Philips employee, as well as for those who in spite of the termination of their employment at Philips are still accruing a pension by virtue of these Plan rules, an entitlement to Retirement pension is accrued every month that is equal to 2% of the Monthly pensionable salary of that month. For the Member the pension accrual terminates upon reaching the Retirement age, or upon reaching the Normal retirement age applicable to the Member at the latest. The retirement pension is a Defined benefit agreement in nature within the meaning of the PW.
- 5.4 The entitlement to Retirement pension accrued by a Member is periodically and conditionally indexed in the period until 1 April 2001, simultaneously and in line with the percentage of the collective salary development at Philips, in the period from 1 April 2001 until 1 January 2005 simultaneously and in line with the percentage of the full collective salary scale adjustment as resulting from the CLA in force at Philips, from 1 January 2005 until 1 January 2009, in the manner and under the conditions and limitations as included in article 23, paragraph 3, in conjunction with article 29, paragraph 8 of the Pension Plan rules Philips flex pension applicable until 1 January 2009 and from 1 January 2009 in the manner and under the conditions and restrictions as included in article 23, paragraph 3. The indexation of the entitlement by virtue of this article's paragraph ends on the date the Retirement pension takes effect.

- 5.5 The Member, as well as the holder of a paid-up policy with an entitlement to Retirement pension as referred to in article 18, is entitled to a Retirement pension upon reaching the Retirement age. The Retirement pension takes effect from the first day of the month following the month during which the Retirement age is reached and is paid up to and including the month of death of the person entitled. In derogation of that provided in the preceding full sentence, the Retirement pension takes effect from an earlier date should such be required by virtue of statutory provisions relevant to this matter.
- 5.6 Subject to that provided in article 8, the monthly Retirement pension amounts to the sum of the amounts referred to in paragraph 3 of this article, indexed in accordance with paragraph 4 of this article, divided by 12, unless article 29, paragraphs 1 up to and including 4 is applicable, resulting in a higher amount. In that case, the monthly Retirement pension is equal to this higher amount.
- 5.7 Insofar as in agreement with the statutory provisions relevant to this matter, the Member and the holder of a paid-up policy as referred to in article 63 of the PW are entitled at the Retirement age to convert the Retirement pension then taking effect into a Retirement pension which during the period until the first day of the month following their 65th or 70th birthday is higher than the original Retirement pension and in the next period is lower than the original Retirement pension. Calculation takes place on the basis of the actuarial factors included in appendix 2 to these Plan rules.
- 5.8 If the employment at Philips is terminated other than by death and the Member is also entitled to a continuation of the regulatory pension accrual after termination of the employment, the Normal retirement age applicable to the Member always applies as the Retirement age.
- 5.9 Every year, an additional entitlement to Retirement pension is accrued for the Member 2 who is an employee of Philips, which is equal to 0.6% of the Offset applicable in that year, multiplied by the Part-time factor and is to be indexed annually in the manner and under the conditions and restrictions as set forth in article 23, paragraph 3. The indexation of the entitlement according to this article's paragraph terminates on the start date of the Retirement pension. The pension accrual terminates upon the Retirement age being reached, however upon reaching the Normal retirement age at the latest. This retirement pension is a Defined benefit agreement in nature within the meaning of the PW.

6 Partial retirement

Article 6

- 6.1 The Member who is a Philips employee may opt for Partial retirement prior to full retirement under the conditions set forth in the CLA. If the Member wishes to take this option, he/she must inform the Fund in writing 12 months before the effective date of the Partial retirement at the latest, however upon reaching the age of 58 at the earliest, about the date(s) on which he/she wishes to (partially) retire and what the remaining working hours will be after Partial retirement. Without prejudice to that provided in the previous full sentence it applies that if an intended effective date of the part-time pension at an age between 62.5 and 65 is selected, the Fund must have been informed of this choice at least 12 months before the desired effective date of the part-time pension, however upon reaching the age of 62.5 at the latest.
- 6.2 Upon reaching the date of Partial retirement referred to in the preceding paragraph, the Member is entitled to a Retirement pension calculated in accordance with article 5 paragraphs 6 and 9, in conjunction with article 8, multiplied by a factor the numerator of which is the number of hours the volume of the employment diminishes upon Partial retirement, and the denominator of which is the volume of the Member's employment expressed in hours immediately preceding the Partial retirement.
- 6.3 Upon reaching the date of Partial retirement as referred to in the previous paragraph, the Members 1 and 2 as referred to in article 1.2 under 2 of these Plan rules are entitled to a Bridging benefit, calculated in accordance with article 7 in conjunction with article 8, or article 29, paragraph 14 in conjunction with article 8, multiplied by the factor mentioned in the previous paragraph.
- 6.4 Upon Partial retirement, with respect to the remaining employment with Philips, that provided in these Plan rules with respect to the Member who is a Philips employee remains applicable unimpaired, with the exception of that provided in the next full sentence. That provided in the penultimate full sentence of article 9, paragraph 1 applies by analogy to Partial retirement, on the understanding that instead of 'retirement' 'Partial retirement' shall be read.

7 Bridging benefit

Article 7

- 7.1 The member 1 who has not yet reached the age of 65 is entitled to a Bridging benefit at the Retirement age. The Bridging benefit takes effect from the first day of the month following the month in which the Retirement age is reached and is paid up to and including the month during which the age of 65 is reached, or up to and including the month of the Member 1's previous death. The bridging benefit is a Defined benefit agreement in nature within the meaning of the PW.

- 7.2 During the period from the age of 50 until the age of 60, an entitlement to the Bridging benefit is accrued every month for the Member 1, which is equal to 9.5% of a base figure which is equal to 115% of the Monthly offset valid for the month in question. During the period from the age of 60 until the Retirement age, however until the Normal retirement age at the latest, an entitlement to the Bridging benefit is accrued for the Member 1 every month, which is equal to 2% of the base figure referred to in the preceding full sentence.
- 7.3 The entitlement to the Bridging benefit accrued by a Member 1 is annually increased simultaneously and in line with the percentage of the full collective salary scale adjustment as resulting from the CLA applicable at Philips. The indexation of the entitlement ends at the Retirement age, however at the Normal retirement age at the latest.
- 7.4 The (monthly) Bridging benefit is determined on the Retirement age, unless it falls after the Normal retirement age, in which case it is determined on the Normal retirement age. If the Retirement age falls after the Normal retirement age, the Bridging benefit in the period between the date of determination and the date it becomes payable – by virtue of paragraph 1 of this article - is indexed conditionally insofar as is necessary in derogation of that provided in paragraph 3 of this article, in the manner and under the conditions and limitations as included in article 23, paragraph 1 in conjunction with article 29, paragraph 7.
- 7.5 Subject to that provided by article 8, paragraphs 1 and 3, the monthly Bridging benefit amounts to a one twelfth part of the sum of the amounts referred to in paragraph 2 of this article, indexed in accordance with paragraph 3 and, if the Retirement age falls after the Normal retirement age, paragraph 4 of this article.

Advancement, deferral, when selecting the Retirement age

Article 8

- 8.1 If the Retirement age falls before the Normal retirement age, the pension calculated in accordance with article 5 is reduced on the basis of the actuarial factors included in appendix 2 to these Plan rules, insofar as it relates to the payment period until 65 years. Advancement is possible exclusively if and in so far as the employment with Philips is terminated.
- 8.2 If the Retirement age of the Member 1 falls later than the Normal retirement age, the pension calculated in accordance with article 5 is increased on the basis of the actuarial factors included in appendix 2 to these Plan rules. Deferment is possible exclusively if and in so far as the employment with Philips is continued.
- 8.3 That provided in paragraph 1 of this article applies by analogy to the Bridging benefit as referred to in article 7 for the Member 1, or article 29, paragraph 14 for the Member 2, as referred to in article 1.2 under 2 of these Plan rules.

- 8.4 If the Retirement age of the Member 1 falls after the Normal retirement age, the Bridging benefit is not increased. Instead, the accrued unpaid Bridging benefit is appropriated for increasing the Retirement pension accrued by virtue of article 5. Such is effected on the basis of actuarial factors included in appendix 2 to these Plan rules.
- 8.5 In special cases upon request of the Member, the Board of Trustees may have the Retirement pension take effect from a later point in time than the latest possible Retirement age of 65 years, insofar as in agreement with the statutory provisions relevant to this matter. The Retirement pension as determined at the Retirement age is increased in this case on the basis of actuarial factors included in appendix 2 to these Plan rules.

Survivor's pension on a risk basis before 65 years

Article 9

- 9.1 After the death of a Member, who on the date of death had not yet reached the age of 65, the person who at that time was his/her Partner is entitled to a Survivor's pension amounting to 50% of the NP base figure. If the Member has already retired on the date of death, the Survivor's pension is calculated in derogation of the above over the NP base figure which would have been valid in the month preceding the retirement had the Member died in that month, and indexed conditionally in the manner and under the conditions and limitations included in article 23, paragraph 1 in conjunction with article 29, paragraph 7. This Survivor's pension is a Defined benefit agreement in nature within the meaning of the PW.
- 9.2 The Survivor's pension takes effect from the first day of the month during which the Member dies and is paid up to and including the month of death of the person entitled.
- 9.3 The Survivor's pension referred to in this article is decreased by 2.5% for each full year the Partner was more than 20 years younger than the Member.
- 9.4 The Board of Trustees is authorised insofar as necessary for fulfilling the Pension agreement according to its reasonable judgment, to declare paragraph 1 of this article also applicable to the death of a Deferred member who at the time of death had not yet reached the age of 65.

ANW shortfall insurance

Article 10

- 10.1 a) The Member who is a Philips employee, whose Partner 1) was born in 1950 or later and 2) has not yet reached the age of 65, is entitled in the following cases – such under the conditions as laid down in these Plan rules – to take out an ANW shortfall insurance with the Fund:
- 1) Upon commencement of the employment with Philips;
 - 11) If he/she either by birth, adoption or on other grounds enters into a legally binding family relationship with a child, as defined in the Civil Code.
- b) The Member who is a Philips employee and who has no Partner is entitled, such under the conditions as laid down in these Plan rules, to take out an ANW shortfall insurance with the Fund, if he/she enters into a partnership with a Partner who meets the conditions referred to under a, number 1) and 2) of this article's paragraph.
- 10.2 The Member who is entitled to take out an ANW shortfall insurance, has the choice between an ANW shortfall insurance with an insured amount per year of 8/7 of the most recent uncut annual ANW benefit as applicable from 1 April of a survivor as referred to in article 14 of the ANW without children younger than 18 years, or an insured amount per year of 2/3 or 1/3 of this amount. The request for taking out an ANW shortfall insurance must have been received by the Fund 2 months after the event which created the entitlement to take out an insurance set forth in paragraph 1 of this article at the latest. Any requests received by the Fund after this period, will not be considered. The ANW shortfall insurance is a Defined benefit agreement in nature within the meaning of the PW.
- 10.3 An ANW shortfall insurance in force may at any time be decreased or terminated. Increasing an existing ANW shortfall insurance is exclusively possible in those cases where taking out an ANW shortfall insurance would also be possible, except for insurances taken out before 1 July 2001, which may be increased at all times. That provided by paragraph 2 of this article applies by analogy to any request for increasing the amount insured by an ANW shortfall insurance that took effect on or after 1 July 2001.
- 10.4 For the ANW shortfall insurance the Member must pay a premium, the level of which is determined by the Board of Trustees on the basis of the actuarial factors included in appendix 2 to these Plan rules. The obligation to pay a premium commences on the effective date of the insurance and ends on the first day of the month following the month during which the insurance is due to end. The premium owed by the Member who is an employee of Philips is withheld from the salary by Philips in monthly instalments and transferred to the Fund. The premium owed by the Member who is entitled to a pension from the Fund, is withheld by the Fund monthly from the pension to be paid.
- 10.5 A request for taking out an ANW shortfall insurance must be submitted to the Fund in writing, using the appropriate form. The Member must inform the Fund in the same manner when terminating an insurance or adjusting the amount insured. The insurance referred to in this article and/or the termination of the insurance or an adjustment of the amount insured takes effect from the latest of both the following dates: 1) the desired date

indicated by the Member in the appropriate form, or 2) the date of receipt by the Fund of the above-mentioned form. If no desired effective date is indicated in the form, the insurance, the termination of the insurance, or the adjustment of the amount insured takes effect in all circumstances from the date of receipt of the form referred to in the above by the Fund.

Other than at the request of the Member, the insurance ends at the earliest of the following points in time:

- a) The date of termination of the Member's employment contract with Philips, other than in connection with retirement;
- b) The Member's 65th birthday, unless that provided in paragraph 10 or 11 of this article applies;
- c) The Member's Partner's 65th birthday;
- d) The date on which the partnership ended other than by the death of the Member's Partner;
- e) The date on which the Member's Partner died.

10.6 After the death of a Member who has taken out an ANW shortfall insurance, his/her Partner at the time of death is entitled to a monthly benefit of a one twelfth part of the amount insured, as referred to in paragraph 2 of this article.

10.7 The monthly payment by virtue of the ANW shortfall insurance takes effect from the first day of the month during which the Member has died and ends on the first day of the month following the month during which the person entitled attains the age of 65, or on the first day of the month following his/her earlier death.

10.8 That provided by article 9, paragraph 3 applies by analogy.

10.9 That provided by this article applies by analogy to the Member who is entitled to a Retirement pension from the Fund and who has not yet reached the age of 65, with the exception of the Member who has continued his/her ANW shortfall insurance under application of paragraph 11 of this article after termination of his/her employment contract with Philips.

10.10 The Member who is entitled to a Retirement pension from the Fund, who has reached the age of 65 and who at that time has an ANW shortfall insurance, is entitled to continue this insurance after having reached the age of 65 at an adjusted, individual premium until the time the insurance ends by operation of law in accordance with paragraph 5 under c, d or e of this article. An insurance thus continued may not be increased, but may at any time be decreased or terminated. That provided in this article's paragraph does not apply to a Member who has continued his/her ANW shortfall insurance under application of this article's paragraph 11 after the termination of his/her employment with Philips.

10.11 The Member for whom after termination of his/her employment with Philips a pension is still being accrued by virtue of the Pension Plan rules Philips flex pension and who at the time of termination of his/her employment with Philips has an ANW shortfall insurance, is entitled to continue this insurance until the moment the insurance ends by operation of law in accordance with paragraph 5 under c, d or e of this article. If an insurance thus continued continues beyond the Member's 65th birthday, the Fund is entitled to charge an adjusted, individual premium from that date. Any insurance continued in accordance with this article's paragraph may not be increased or decreased, but may be terminated at any time.

- 10.12 The Board of Trustees is authorised, insofar it holds to be necessary according to its reasonable judgment for fulfilling the Pension agreement, to offer the possibility of taking out an ANW shortfall insurance or to continue an existing insurance to others besides those entitled by virtue of this article, under the conditions to be set by the Board. The Board of Trustees is also authorised to deny specific categories of Members the right to take out an ANW shortfall insurance insofar as in accordance with the Pension agreement, in derogation of that provided in paragraph 1 of this article.
- 10.13 For terminating an ANW shortfall insurance or decreasing the amount insured written approval of the Member's Partner is required.

II Survivor's pension beyond the Retirement age

Article II

- 11.1 Upon reaching the age of 65, the Member is entitled to exchange part of his/her (entitlement accrued up to that time by virtue of article 5 to) Retirement pension for an entitlement to Survivor's pension providing a benefit to the Member's Partner upon the Member's death after the Retirement age, by submitting a written request to this effect to the Fund. The Member has the choice between a Survivor's pension on a monthly basis of 75%, 50% or 25% of the Retirement pension after the above-mentioned exchange. The person who at the time of the above-mentioned exchange is the Member's Partner, is entitled to the Survivor's pension acquired as a result of the exchange.
- 11.2 The exchange as referred to in paragraph 1 of this article takes place on the basis of the actuarial factors included in appendix 2 to these Plan rules.
- 11.3 The Survivor's pension on a monthly basis is equal to the part of the Retirement pension determined in accordance with paragraph 1 of this article at the time of the Member's death.
- 11.4 The Survivor's pension as referred to in this article takes effect from the first day of the month during which the Member dies and will be paid up to and including the month during which the person entitled dies.
- 11.5 That provided in article 9, paragraph 3 applies by analogy.
- 11.6 With effect from 1 January 2009 it applies in addition to paragraph 1 that the Fund offers the Member the right of exchange as referred to in paragraph 1 as standard upon reaching the age of 65. If the Member fails to respond, or a request as referred to in paragraph 1 is not received by the Fund, the Fund shall process the exchange if there is a Partner. In that case the entitlement to Survivor's pension shall, following the above-mentioned exchange, amount to 75% of the retirement pension.

I 2

Special survivor's pension

Article 12

- 12.1 If the marriage of a Member is terminated by divorce or dissolved by a legal separation after his/her Retirement age and the Member, in accordance with that provided in article 11, paragraph 1 and 6 has exchanged part of his/her Retirement pension for a Survivor's pension, the person who at the time of the choice referred to in article 11, paragraph 1 and 6 was his/her Partner receives a non-contributory entitlement to a Special Survivor's pension in accordance with the aforementioned choice. The Member is obliged to immediately notify the Fund in writing of the termination of his/her marriage by divorce or dissolution by legal separation.
- 12.2 That provided in the preceding paragraph applies by analogy if the registered partnership or the joint household as referred to in article 1, paragraph 13 of a Member terminates after his/her Retirement age. The Member is obliged to immediately notify the Fund in writing of the termination of the registered partnership or the joint household as referred to in the preceding full sentence.
- 12.3 The former Partner of the Member receives proof of the non-contributory entitlement to a Special Survivor's pension as referred to in paragraphs 1 and 2 of this article.
- 12.4 That provided by the preceding paragraphs does not apply if (1) the Member and the Partner agree/have agreed otherwise by marital or registered partnership terms or by a cohabitation contract executed before a civil-law notary or by a written agreement with relation to the divorce, on the termination of the registered partnership or the joint household as referred to in article 1, paragraph 13, and (2) the Fund has declared in writing that it agrees and is willing to cover any risk resulting from the deviation or to adjust the level of the payments. A written request for receiving a declaration as referred to in the previous full sentence under 2 must be submitted to the Fund by both parties.
- 12.5 That provided by article 11, paragraph 3, 4 and 5 applies by analogy to the Special Survivor's pension.

I 3

Orphan's pension

Article 13

- 13.1 After the death of the Member, the children of the Member as defined in the Civil Code are entitled to an Orphan's pension. The Orphan's pension takes effect from the first day of the month during which the Member dies and is paid up to and including the month during which the orphan attains the age of 21 or previously dies.
- 13.2 The Orphan's pension on a monthly basis for each child amounts to 10% of the WZP base figure. The Orphan's pension is a Defined benefit agreement in nature within the meaning of the PW.

- 13.3 The Orphan's pension will increase to double the amount referred to in paragraph 2 of this article if both parents have died or if the orphan was a child as defined by the Civil Code of a Member without a Partner.
- 13.4 If justified according to the judgment of the Board of Trustees, the Orphan's pension may also be granted to other children of (Deferred) Members who do not meet the conditions set forth in paragraph 1 of this article. The Board of Trustees may double the Orphan's pension referred to in this paragraph if it holds the opinion that such is justified.
- 13.5 If and for as long as more than 5 orphans are entitled to an Orphan's pension by virtue of this article, the amount of the Orphan's pension referred to in this article is decreased per child by multiplication by a factor the numerator of which is equal to 5 and the denominator of which is equal to the number of orphans entitled to an Orphan's pension by virtue of this article.
- 13.6 The Orphan's pension for underage children is paid to their legal representative.

14 Disability pension

Article 14

- 14.1 A Member whose employment with Philips has (partially) terminated due to disability is entitled to a Disability pension if the disability within the meaning of the WAO is at least 15%, or the disability within the meaning of the WIA is at least 35%. This Disability pension is a Defined benefit agreement in nature within the meaning of the PW.
- 14.2 The Disability pension takes effect on the first day of the month following the month during which the employment with Philips was (partially) terminated due to disability.
The Disability pension ends on the earliest of the following dates:
- The date of the Normal retirement age applicable to the Member being reached;
 - The date on which the disability within the meaning of the WAO falls below 15% or the date on which the disability within the meaning of the WIA falls below 35%;
 - The date of death of the Member.
- 14.3 If a Disability pension has terminated on the basis of that provided in the preceding paragraph under b, the entitlement to a Disability pension is revived if the disability within the meaning of the WAO has increased to over 15%, or the disability within the meaning of the WIA has increased to over 35%, provided such increase results from the same illnesses and/or ailments which lead to the earlier granting of a Disability pension by virtue of this article.
- 14.4 The Disability pension on a monthly basis is calculated as follows:
- If, on the effective date of the Disability pension the Monthly AOP base figure of the Member does not exceed the AO-limit amount on that date, the Disability pension on a monthly basis for a disability within the meaning of the WAO / WIA of at least 80%, amounts to a sum equal to 5% of the Monthly AOP base figure.

If, on the effective date of the Disability pension, the Monthly AOP base figure of the Member exceeds the AO-limit amount on that date, the Disability pension on a monthly basis amounts to a sum equal to 5% of the AO-limit amount, increased by an amount equal to 75% of the part of the Monthly AOP base figure exceeding the AO-limit amount.

14.5 a. WAO

Upon a disability within the meaning of the WAO of less than 80%, the monthly Disability pension amounts to a percentage of the Disability pension as calculated in accordance with paragraph 4 of this article.

This percentage is equal to:

72.5% for disability from 65 - 80%

60% for disability from 55 - 65%

50% for disability from 45 - 55%

40% for disability from 35 - 45%

30% for disability from 25 - 35%

20% for disability from 15 - 25%

b. WIA

Upon a disability within the meaning of the WIA of less than 80%, the monthly Disability pension amounts to a percentage of the Disability pension as calculated in accordance with paragraph 4 of this article.

This percentage is equal to:

72.5% for disability from 65 - 80%

60% for disability from 55 - 65%

50% for disability from 45 - 55%

40% for disability from 35 - 45%

14.6 Upon a review of the percentage of disability within the meaning of the WAO/WIA, the Disability pension granted on the basis of this article is adjusted under application of paragraph 4 or 5 of this article with effect from the first day of the month following the effective date of the review.

The Member is obliged to immediately notify the Fund in writing of any change in the disability percentage within the meaning of the WAO or WIA as referred to in this article.

14.7 The Board of Trustees may attach such conditions as it deems reasonable and advisable to the granting, review and continuation of the Disability pension. The Board of Trustees observes relevant legislation and regulations on the authority of pension funds to grant supplements to a continuation benefit or a wage supplementation benefit as referred to in article 60 of the WIA. Relevant legislation and regulations shall also be taken to include any policy rules and directions from the Supervisor.

15 Non-contributory accrual of pension / Insurance Survivor's pension upon disability

Article 15

- 15.1 In accordance with that provided in paragraph 3 of this article, a Member whose employment with Philips is (partially) terminated due to disability is entitled to a full or partial non-contributory (continuation of the) accrual of Retirement pension upon a disability within the meaning of the WAO of at least 15% or a disability within the meaning of the WIA of at least 35%. For as long as a loss of income benefit or follow-up benefit by virtue of the WAO or a pay-related benefit, pay supplement, or follow-up benefit by virtue of the WIA is received, and for the part the membership is continued due to disability, the Member is considered to be a disabled Member.
- The (continuation of the) accrual of pension takes place under application of article 5, on the understanding that in that article 'Monthly pensionable salary' shall be read as: 'the most recently determined Monthly AOP base figure, decreased by the Monthly offset, on the understanding that for the calculation of the Monthly offset the Part-time factor applicable in the month preceding the first day of illness shall be assumed, or, if the average Part-time factor in the 36 months preceding the first day of illness exceeds the Part-time factor in the month preceding the first day of illness, that higher average Part-time factor.'
- 15.2 The (partially) non-contributory (continuation of the) accrual of pension set forth in paragraph 1 of this article, takes effect from the first day of the month following the month in which the employment with Philips is (partially) terminated due to disability and ends at the Normal retirement age applicable to the Member at the latest, or at the Retirement age, the date on which the disability within the meaning of the WAO falls below 15%, or the date on which the disability within the meaning of the WIA falls below 35%, or the date of the Member's death, should this be earlier.
- 15.3 Upon a disability within the meaning of the WAO/WIA of at least 80%, the Member is entitled to a full non-contributory (continuation of the) accrual of pension. Upon a disability of less than 80%, the Member is entitled to a partially non-contributory (continuation of the) accrual of pension. The level of the partially non-contributory (continuation of the) accrual of pension is calculated according to the percentages referred to in article 14, paragraph 5.
- 15.4 Upon a review of the percentage of disability within the meaning of the WAO/WIA, the (partially) non-contributory (continuation of the) accrual of pension is adjusted under application of the preceding paragraph with effect from the first day of the month following the effective date of the review.
- 15.5 If after a review of the percentage of disability within the meaning of the WAO/WIA the entitlement to (partially) non-contributory (continuation of the) accrual of pension is terminated fully or partially, the Member will be granted a paid-up policy for the part of the accrual of pension which is terminated by virtue of article 18.

- 15.6 That provided in the previous paragraphs applies to a Member 1 by analogy to the (continuation of the) accrual of a Bridging benefit, as referred to in article 7. For a Member 2, to whom the version of the Pension Plan rules Philips flex pension January 2005 applies on 31 December 2005, and who is 25 years or over on 1 January 2006, that provided in the previous paragraphs applies by analogy to the (continuation of the) accrual of the conditional supplementary allowance as referred to in article 29, paragraph 13.
- 15.7 A Member as referred to in paragraph 1 of this article with a Partner is insured for a Survivor's pension as referred to in article 9 in accordance with that provided in paragraph 9 of this article.
- 15.8 The Survivors' Insurance as referred to in the preceding paragraph takes effect simultaneously with the non-contributory (continuation of the) accrual of pension.
- 15.9 Upon disability within the meaning of the WAO/WIA of at least 80%, the Member as referred to in paragraph 7 of this article is insured for the full Survivor's pension as referred to in article 9.

Upon a disability of less than 80%, the Member as referred to in paragraph 7 of this article is insured for a part of the Survivor's pension as referred to in article 9. The level of the insured Survivor's pension will be calculated according to the percentages referred to in article 14, paragraph 5. In derogation of that provided by Article 9, the amount payable upon the Member's death is calculated over the NP base figure in the month preceding the first day of illness as referred to in article 1, paragraph 8, or, if after the first day of illness an individual salary increase has taken place, over the NP base figure during the month of this individual salary increase, increased by the percentage of the collective salary increases and/or the full collective salary scale adjustments at Philips which took place in the period between the first day of illness, the month of the individual salary increase, respectively and the date of death.

- 15.10 Upon a review of the percentage of disability within the meaning of the WAO/WIA, the level of the cover of the survivors' insurance under application of the previous paragraphs is adjusted with effect from the first day of the month following the effective date of the review.
- 15.11 A Member, for the benefit of whom a non-contributory pension is being accrued by virtue of this article and for whom a Survivor's pension has been insured, is obliged to notify the Fund immediately of any change in the degree of disability within the meaning of the WAO/WIA.
- 15.12 The Board of Trustees may attach conditions to the granting and the continuation of the (non-contributory continuation of the) accrual of pension, to the insurance of the Survivor's pension, respectively as it deems reasonable and advisable.

16 Pre-retirement scheme

Article 16

16.1 The Pre-retirement scheme is intended for forming the Pension capital for purchasing a temporary monthly pension at the Retirement age which is paid out between the Retirement age and the Normal retirement age and which amounts to the sum of the monthly pension benefits accrued as a maximum by virtue of these Plan rules by the Member 1 and the Member 2, as referred to in article 1.2 under 2 of these Plan rules (hereinafter jointly to be referred to in this article as: 'Member') upon reaching the age of 62.5. The Member 1, who is an employee of Philips, is entitled to make Employee contributions to the Pre-retirement scheme. This Pre-retirement scheme is a Defined contribution agreement in nature within the meaning of the PW. In derogation of the above, the Board of Trustees may also allow the purchase (using the Pension capital) of other pensions or pension entitlements, or combinations thereof as set forth in these Plan rules, with or without any conditions being set.

For the Member 2, as referred to in article 1.2 under 2 of these Plan rules on 31 December 2005, who by virtue of the Pension Plan rules Philips flex pension applicable at that time accrued a Pension capital, the accrued Pension capital is released on a paid-up basis for his/her Pre-retirement. With due observance of the provisions in the Pension Plan rules Philips flex pension applicable on 31 December 2005 the Member referred to in the previous full sentence may administer the Pension capital accrued up to 31 December 2005 for his/her Pre-retirement in the same way as during the period before 1 January 2006, with the exception of making Employee contributions as provided in article 3 of the Pre-retirement scheme rules Stichting Philips Pensioenfond.

If the Retirement age falls on or after the Normal retirement age, the Pension capital must be appropriated at the Retirement age for purchasing the pensions or entitlements to pensions as set forth in these Plan rules. Insofar as the Pension capital results from the application of article 28, paragraph 3 of the Pension Plan rules Philips flex pension as it read on 1 January 1997, the Board of Trustees may make the purchase (using this Pension capital) of specific pensions or pension entitlements, or combinations thereof compulsory. Additionally, the Board of Trustees may set further rules with respect to this purchase.

16.2 Further rules and conditions with respect to the Pre-retirement scheme have been included in the Pre-retirement scheme rules Stichting Philips Pensioenfond as adopted by the Board of Trustees, which is attached to these Plan rules as appendix 1 and forms an integral part thereof.

16.3 The participation in the Pre-retirement scheme ends in the following cases:

- a) In the event of the Member's death;
- b) Upon termination of the Member's employment with Philips, other than by death;
- c) On the first day of the second month preceding the month during which the Member attains the Retirement age;
- d) Upon dissolution of the Fund in accordance with article 21 of the Trust Deed.

- 16.4 Upon termination of the participation in the Pre-retirement scheme on the grounds as stated in paragraph 3 under b., c., and d. of this article, the Pension capital of the Member accrued under the application of the Pre-retirement scheme, taking into account the maximum referred to in paragraph 1 of this article and also taking into account the statutory provisions relevant to this matter, is appropriated for purchasing (entitlements to) pension(s) as set forth in these Plan rules. Upon termination of the participation in the Pre-retirement scheme on the ground stated in paragraph 3 under c. of this article, the Member's Pension capital accrued during the period between the moment of termination of the participation in the Pre-retirement scheme and the Retirement age, is increased by interest payments over that Pension capital as determined by the Board of Trustees. At the Retirement age, the Pension capital thus increased is appropriated for purchasing (entitlements to) pension(s) as set forth in these Plan rules, taking into account the maximum referred to in paragraph 1 of this article and the statutory provisions relevant to this matter.
- 16.5 Upon termination of the participation in the Pre-retirement scheme due to the death of the Member prior to the Normal retirement age, the Pension capital accrued at the time of death is appropriated for purchasing a Survivor's pension and/or Orphan's pension as set forth in these Plan rules. If there are no surviving relatives as referred to in the previous full sentence, the Pension capital of the deceased Member is credited to the other participants in the Pre-retirement scheme as an extra investment return.
- 16.6 The purchase of (entitlements to) a pension by virtue of this article takes place on the basis of the actuarial factors included in appendix 2 to these Plan rules. The Board of Trustees may set further rules with respect to the purchase of (entitlements to) a pension as referred to in the above.
- 16.7 In derogation of that provided in paragraph 1 of this article, the Board of Trustees is authorised to exclude specific Member categories from participating in the Pre-retirement scheme, insofar as in agreement with the Pension agreement from Philips.

Additional voluntary contributions

Article 17

- 17.1 The Member 1 who is an employee of Philips is entitled to purchase an additional entitlement to Retirement pension on the dates to be defined in more detail by the Board of Trustees, against payment of a one-off single premium, provided such is in agreement with the statutory provisions relevant to this matter. The Board of Trustees is authorised to determine that entitlements to other pension types than the ones stated in the previous full sentence may be purchased, provided these pension types have been included in these Plan rules. This voluntary purchase of a pension is a Defined benefit agreement in nature within the meaning of the PW.
- 17.2 Purchase by virtue of this article takes place on the basis of the actuarial factors included in appendix 2 to these Plan rules.

- 17.3 The Board of Trustees is authorised to set further rules regarding the purchase by virtue of this article.
- 17.4 To the person who exercised the right as described in this article to purchase, a paid-up policy is granted stating the entitlement to pension resulting from the purchase. This entitlement is indexed conditionally on an annual basis in the way and under the conditions and limitations as included in article 23, paragraph 1 in conjunction with article 29, paragraph 7.
- 17.5 The pension purchased by virtue of this article takes effect simultaneously with the regular Retirement pension by virtue of these Plan rules. In all other respects as well, the provisions of these Plan rules apply by analogy to the purchased pension.
- 17.6 In derogation of that provided in paragraph 1 of this article, the Board of Trustees is authorised to deny specific Member categories the opportunity of voluntary purchase of a pension, insofar as in agreement with the Pension agreement.

18 Premature termination of employment

Article 18

- 18.1 Upon termination of employment with Philips, other than due to death or disability before the Retirement age is reached, a paid-up policy is granted to the Deferred member with an entitlement to Retirement pension, Orphan's pension, and insofar as accrued by the Deferred member a Bridging benefit. If the Deferred member participated in the Pre-retirement scheme, the paid-up policy also includes the entitlements purchased with the Pension capital by virtue of article 16. With respect to the holder of a paid-up policy, that provided in article 11 and 12 applies by analogy.
- 18.2 The non-contributory entitlements to Retirement pension and Bridging benefit of Member 1 are calculated according to that provided in articles 5 and 7 on the date of the termination of the employment with Philips. The non-contributory entitlement to Retirement pension of Member 2 is calculated according to that provided in article 5 on the date of the termination of the employment with Philips.
- 18.3 The non-contributory entitlement to Orphan's pension per child amounts to 15% of the Retirement pension as calculated in accordance with article 5, before the exchange as referred to in paragraph 7 of this article. That provided in article 13, paragraph 5 applies by analogy.
- 18.4 Upon a written request by the holder of a paid-up policy as referred to in this article, the effective date of the pension(s) to which an entitlement exists under that policy is advanced or deferred, if and insofar as such is in accordance with the statutory provisions relevant to this matter. In such a case that/these entitlement(s) to pension(s) are decreased, increased, respectively, on the basis of the actuarial factors included in appendix 2 to these Plan rules. The effective date of the pensions referred to in this paragraph may not be situated before

the 55th birthday. Advancement is possible exclusively in so far as the person involved is no longer working in an employment situation. Deferment is possible exclusively in so far as the person involved continues working in a present employment situation. The Board of Trustees may set further conditions with respect to the possibility of advancement or deferment.

- 18.5 The Survivor's pension as referred to in article 9 and the ANW shortfall insurance as referred to in article 10 have no paid-up value.
- 18.6 Upon termination of employment with Philips, the Deferred member whose employment with Philips has terminated other than due to death, is entitled to exchange part of the entitlement to Retirement pension accrued until that date by virtue of article 5, for an entitlement to Survivor's pension, which provides a benefit to the Partner of the Deferred member upon death of the Deferred member after termination of employment with Philips. The Deferred member must submit the written request for the above-mentioned exchange to the Fund within 3 months of the termination of the employment. The entitlement to Survivor's pension amounts to 75% of the Retirement pension after the above-mentioned exchange. That provided in article 11, paragraphs 2, 4 and 5 applies by analogy, in addition to mutatis mutandis article 12, paragraphs 1 and 4.
- 18.7 If a Deferred member dies within 3 months of the termination of the employment and before a request for exchange as referred to in the previous paragraph has been submitted to the Fund, a Survivor's pension shall nevertheless be granted to the Partner of the Deferred member in accordance with the previous paragraph.
- 18.8 The Deferred member who under application of paragraph 6 of this article exchanged a part of his/her entitlement to Retirement pension for an entitlement to Survivor's pension, is entitled upon reaching the Retirement age - insofar as such is in agreement with the statutory provisions relevant to this matter - to exchange the entitlement to Survivor's pension thus obtained once again for an entitlement to Retirement pension, provided the beneficiary of this entitlement to Survivor's pension agrees in writing. This exchange takes place on the basis of the actuarial factors determined for that purpose by the Fund which have been included in appendix 2 to these Plan rules.
- 18.9 The Deferred Member who, following termination of the employment, is entitled to a benefit by virtue of the Unemployment act (or is entitled to an unemployment benefit from his/her country of residence) and who does not exercise the right to conversion as set forth in paragraph 6 of this article, is entitled to survivor's pension for his/her partner during the period he/she is receiving a benefit by virtue of the Unemployment act. This entitlement to survivor's pension amounts to 75% of the retirement pension, assuming a fictitious exchange of retirement pension for survivor's pension.
- 18.10 The Deferred Member who, following termination of the employment other than due to death did not exercise the right to conversion of retirement pension into survivor's pension referred to in paragraph 6 of this article, may still exercise this right upon reaching the retirement age. This conversion takes place on the basis of the actuarial factors determined for this purpose by the Fund as included in appendix 2 of these Plan rules.

19

Surrender value

Article 19

- 19.1 The Fund is entitled to surrender the accrued pension benefits of a Deferred Member by no sooner than two years after termination of participation, if, on the basis of the entitlement to retirement pension accrued until the time of termination, the payment of the retirement pension on an annual basis shall amount to less than € 417.74 a year (level of 1 January 2009) on the regular effective date, unless the Deferred Member has started a procedure for transfer of value as referred to in article 71 PW within two years after termination of the participation.
- 19.2 If the regular start date of the retirement pension is situated before the expiry date of the two years' term referred to in paragraph 1, the Fund is entitled to surrender any entitlement to retirement pension and any other entitlements for the pensioner or his/her surviving dependants upon the start of the retirement pension if the payment of the retirement pension amounts to less than € 417.74 a year (level of 1 January 2009) on the start date.
- 19.3 If the Fund exercises the right referred to in the first paragraph, it shall inform the Deferred Member about its decision within six months after the period of two years following termination of participation has expired, and proceed to paying the surrender value within that term of six months.
- 19.4 If the Fund exercises the right referred to in the second paragraph, it informs the person involved about its decision within six months following the regular start date of the pension and proceeds to paying the surrender value within that term of six months.
- 19.5 The Fund makes the surrender value of the accrued pension benefits available to the person entitled.
- 19.6 The Fund makes the payment of the surrender amount on the day the entitlements or rights lapse in connection with the surrender.
- 19.7 The Fund may surrender after the term of two years and six months referred to in the third paragraph if:
- a) The person entitled agrees; and
 - b) The level of the retirement pension on an annual basis is lower as from 1 January of that year than the ceiling amount referred to in the first paragraph.
- 19.8 The amount mentioned in the first and second paragraph is adjusted annually in accordance with that provided in article 66 paragraph 8 PW.
- 19.9 The factors operated for surrender in accordance with this article have been laid down in appendix 2.

Surrender of small survivor's pension upon start of pension

Article 19a

- 19a.1 The Fund is entitled vis-à-vis the surviving dependants to surrender any entitlement to survivor's pension or orphan's pension for the surviving dependants of the same (Deferred) Members if the payment of the survivor's pension or orphan's pension on the start date amounts to less than € 417.74 (level of 1 January 2009) on an annual basis.
- 19a.2 If the Fund exercises the right referred to in the first paragraph it shall inform the surviving dependant within six months following the effective date and proceed to paying the surrender value to the surviving dependant within that term.
- 19a.3 The Fund may surrender the survivor's pension or orphan's pension after the term referred to in the second paragraph if:
- a) The surviving relative agrees; and
 - b) The level of the survivor's pension or orphan's pension on an annual basis is less than the ceiling amount mentioned in the first paragraph as from 1 January of that year.
- 19a.4 The factors operated for surrender in accordance with this article have been laid down in appendix 2.
- 19a.5 The amount mentioned in the first paragraph is adjusted annually in accordance with that provided in article 66 paragraph 8 PW.
- 19a.6 Article 19, paragraph 6, shall apply by analogy.

Surrender of small special survivor's pension

Artikel 19b

- 19b.1 The Fund is entitled vis-à-vis the former Partner to surrender any entitlement to special survivor's pension if the payment of the survivor's pension on the start date amounts to less than € 417.74 (level of 1 January 2009) on an annual basis.
- 19b.2 If the Fund exercises the right referred to in the first paragraph it shall inform the former Partner within six months following the notification of the divorce, dissolution of the marriage by a legal separation, termination of the registered partnership, or termination of the joint household and proceed to paying the surrender value to the former Partner within that term.
- 19b.3 The Fund may surrender after the term referred to in the second paragraph if:
- a) The former Partner agrees; and
 - b) The level of the special survivor's pension on an annual basis is less than the ceiling amount mentioned in the first paragraph on 1 January of that year.

- 19b.4 The factors operated for surrender in accordance with this article have been laid down in appendix 2.
- 19b.5 The amount mentioned in the first paragraph is adjusted annually in accordance with that provided in article 66 paragraph 8 PW.
- 19b.6 Article 19, paragraph 6 shall apply by analogy.

20 Transfer of value / Acceptance value

Article 20

- 20.1 The Fund shall:
- a) Upon written request of a Deferred member transfer any entitlements to a pension to another authorized pension administrator in the case of a statutory right to transfer of value, if such transfer of value enables the person entitled to acquire pension entitlements from another institution under appropriation of that transfer amount;
 - b) Upon written request of a Member appropriate a transfer amount offered within the scope of the statutory right to transfer of value for acquiring entitlements to a retirement pension for that Member by virtue of these Plan rules.

All this takes place if the requirements set by or by virtue of the PW are met.

- 20.2 If the statutory right to transfer of value as referred to in paragraph 1 of this article is not applicable, the Fund is authorised to transfer a pension or an entitlement to pension to another authorised pension administrator at the written request of the person entitled if the requirements referred to in article 75 of the PW are met, such with due observance of any rules set by the Board of Trustees pertaining to this matter.
- 20.3 If the statutory right to transfer of value as referred to in paragraph 1 of this article is not applicable, the Fund is authorised to appropriate at the written request of the Member a transfer amount offered by another authorised pension administrator, to acquire entitlements to a pension for that Member, such with due observance of any rules set by the Board of Trustees pertaining to this matter.
- 20.4 All transfers of value by virtue of this article take place on the basis of the actuarial factors included in appendix 2 to these Plan rules with due observance of the rules set by or by virtue of the law subject to any changes the Board of Trustees may decide on from time to time.

21

Maximising due to concurrence with other benefits

Article 21

- 21.1 Should the pensions granted by virtue of these Plan rules jointly with any statutory benefits due to disability insofar as resulting from the employment with Philips and/or any statutory benefits held to be equal by the Board of Trustees on an annual basis, exceed 100% of the most recently determined Monthly gross base figure restated to an annual salary, these pensions are decreased for the duration of the excess by such an amount that the total of these pensions and the said benefits does not exceed 100% of the most recently determined Monthly gross base figure restated to an annual salary.
- 21.2 If and for as long as the surviving relative who is entitled to a Survivor's pension or Orphan's pension by virtue of these Plan rules is also entitled to a Survivor's pension or Orphan's pension by virtue of the Final pay Plan rules as these read on 31 December 2004, which entitlement is derived from the death of a Member who by virtue of article 27.3 of the Final pay Plan rules as they read on 31 December 2004 moved over on 1 January 2005 from the Final pay Plan rules to the Pension Plan rules Philips flex pension, the Survivor's pension or Orphan's pension by virtue of the Pension Plan rules Philips flex pension shall only reach payout insofar as that pension exceeds the Survivor's pension or Orphan's pension by virtue of the Final pay Plan rules as these read on 31 December 2004. Any entitlements to Survivor's pension or Orphan's pension by virtue of the Final pay Plan rules that are derived from a paid-up policy granted before 31 December 2004 are not taken into account for the application of this article's paragraph.
- 21.3 A pension debited to the Fund shall not exceed the maximum amounts as referred to in article 18a of the Wages and Salaries Tax Act 1964 or other maximum amounts resulting from tax law and legislation. In the event of a statutory maximum being exceeded the pension to be debited to the Fund is decreased by the amount of the excess. If the Member is both entitled to a Retirement pension and a Bridging benefit to be debited to the Fund, the excess shall first be deducted from the Bridging benefit and afterwards from the Retirement pension. The actuarial value of the amount by which the Bridging benefit is reduced, is appropriated for purchasing an additional entitlement to Retirement pension, subject to the amounts allowed as a maximum by the tax authorities as referred to in this article and any other fiscal maximum amounts, with effect from the first day of the month following the month during which the Member attains the age of 65. The calculation of the actuarial value and the additional entitlement to Retirement pension as referred to in the preceding full sentence takes place on the basis of the actuarial factors included in appendix 2 to these Plan rules.
- 21.4 In derogation of that provided in paragraph 1, any pensions purchased with the Pension capital within the context of the administration of the Pre-retirement scheme shall never be reduced.
- 21.5 Paragraph 3 of this article is only applied to a pension granted by virtue of these Plan rules after it has either been determined that paragraph 1 of this article is not applicable or does not result in a reduction of that pension, or that the pension reduced under application of paragraph 1 is still eligible for being reduced by virtue of paragraph 3.

22 Payment of pensions

Article 22

- 22.1 All pensions granted by virtue of these Plan rules are paid monthly at the beginning of every month.
- 22.2 At the request of the Fund the persons entitled are obliged to submit a declaration of being alive according to a form drawn up for that purpose by the Fund.
- 22.3 Any legal action brought against the Fund for making a pension payment shall not lapse during the lifetime of the person entitled to a pension.

23 Indexation

Artikel 23

23.1 Benchmark

The pensions in payment, the non-contributory pension entitlements and the entitlements to a Retirement pension referred to in article 5, paragraph 4 may, if and insofar as the financial resources of the Fund allow, such to be assessed by the Board of Trustees, be periodically increased by a percentage of the Price inflation to be determined by the Board of Trustees (for the pensions in payment and the non-contributory entitlements), a percentage of the Wages inflation (for the entitlements to Retirement pension referred to in article 5, paragraph 4) respectively, both concepts (Price inflation and Wages inflation) as defined hereinafter. This percentage (hereinafter: 'the Realisation percentage') is determined subject to the Indexation margin as defined in paragraph 4 of this article and the other provisions in this article. The indexation policy has been further detailed in the following paragraphs of this article.

23.2 Wages and Price inflation

The term Price inflation means: the percentage by which the 'Consumer Price Index Figure of all households derived' from the CBS over the month of January of the current calendar year has increased compared to the month of January of the previous calendar year.

The term Wages inflation means: the full collective scale adjustment as showing from the CLA in force at Philips in the period from 1 January of the preceding calendar year up to 1 January of the current calendar year.

23.3 Conditionality

The indexation of the pensions in payment, the non-contributory entitlements and the entitlements to Retirement pension referred to in article 5, paragraph 4 is conditional. Annually, the Board of Trustees decides to what extent the pensions and entitlements to a pension referred to in the previous full sentence shall be indexed. There is no existing right to indexation and for the longer term it is unsure if and to what extent any indexation shall

take place. Any decision to grant an indexation in any year on the basis of this article forms no guarantee for any indexations to be granted in future years and does not constitute any restriction for the policy freedom vested in the Board of Trustees with respect to this matter.

23.4 Indexation margin and Realisation percentage

On 1 January of each year, the Board of Trustees determines the Indexation margin. The Indexation margin as from 1 January of any calendar year is equal to the Indexation margin as from 1 January of the preceding calendar year, increased (if the amount is positive) or decreased (if the amount is negative) by an amount equal to one third of the sum of the Derived insurance technical result, as defined in appendix 3 to these Plan rules, over the three calendar years preceding the year of determination of the Indexation margin. On the basis of the Indexation margin determined by the Board of Trustees and subject to the Wages and Price inflation, the financial situation of the Fund, the developments in this financial situation expected by the Board of Trustees, the requirements set by or by virtue of the law and all other factors and circumstances deemed relevant by the Board of Trustees, the Realisation percentage is determined also on 1 January of each year, which shall apply to the period from 1 April of the current year up to and including 31 March of the following year. This percentage, which may vary between 0 and 125%, is identical for the pensions in payment, the non-contributory entitlements to a pension, and the entitlements to a Retirement pension referred to in article 5, paragraph 4. It applies to all indexations taking place in the period concerned, regardless whether the indexation of the pensions in payment, the non-contributory entitlements to a pension, or the entitlements to a Retirement pension referred to in article 5, paragraph 4 are concerned. A detailed elaboration of that provided in this article's paragraph has been included in appendix 3 to these Plan rules.

23.5 Indexation component in the Pension premium

An indexation component is included in the Pension premium on the basis of the Actuarial and Business Technical Memorandum. This indexation component in the Pension premium intends to create a financial margin for conditional indexation to a level of half the expected inflation. No (technical) provision or any (special) reserve for the indexation is held by the Fund.

23.6 Equal treatment

Indexations as referred to in the preceding paragraph, with the exception of the indexations of the entitlements to a Retirement pension referred to in article 5, paragraph 4, shall apply equally to all pensions in payment and non-contributory entitlements to a pension of (Deferred) Members, holders of non-contributory entitlements in connection with divorce or termination of a registered partnership or joint household as referred to in article 1, paragraph 13, respectively.

23.7 Indexation and funding ratio

If the funding ratio of the Fund, calculated on the basis of Fair Value, is lower than 105%, no indexation takes place. The indexation may not be determined at such a level that the funding ratio as a result from such indexation would fall below 105%. If the funding ratio were to fall under 105% by any intended indexation, it shall at least be limited in such a way that a fall of the funding ratio below 105% is prevented. In appendix 3 to these Plan rules the calculation of the funding ratio on the basis of Fair Value is explained further.

23.8 Exceptions

That provided in the preceding paragraphs of this article does not apply to any pension entitlements for which a different way of indexation has been provided elsewhere in these Plan rules.

24 Amendments to the Plan rules and pension reduction

Article 24

- 24.1 The Board of Trustees is authorised to change these Plan rules, with due observance of that provided in the Trust Deed. In the event of any amendment to these Plan rules the pension entitlements accrued for the (Deferred) Members until the time of amendment shall not be adjusted, with the exception of that provided in the articles 76, 78, 83 and 134 of the PW.
- 24.2 The Board of Trustees is authorised subject to article 134 of the PW to reduce the pension entitlements and/or the pensions in payment if:
- The provision for pension obligations and the solvency capital requirement are no longer fully covered by the value of the assets; and
 - Such cannot be realised in the short term without the interests of the (Deferred) Members, other parties entitled to a pension, or Philips being disproportionately harmed; and
 - All other management tools available, with the exception of the investment policy, have been deployed as outlined in the short-term recovery plan, as referred to in article 140 of the PW.

25 Special provisions

Article 25

- 25.1 Philips is authorised to make extra contributions to the Fund to improve the pensions indicated for this purpose by Philips and described in these Plan rules.
- 25.2 The Board of Trustees is authorised in those cases where a strict application of these Plan rules would lead to unfairness, to deviate from that provided by these Plan rules in favour of the person concerned. In those cases not provided for by these Plan rules the Board of Trustees will decide.
- 25.3 Any amendments to these Plan rules resulting in a decrease of pensions, inter alia as referred to in article 16 of the Trust Deed and article 24 of these Plan rules shall in all reasonableness and fairness apply to all Members. Any amendments as referred to in the previous full sentence shall not result in a decrease of the Pension capital of participants in the Pre-retirement scheme.

- 25.4 If Philips notifies the Fund in writing that Philips shall reduce or terminate its contribution as referred to in article 4, paragraph 2 due to a radical change of circumstances, the Board of Trustees supplies the Members with a copy of this statement.
- 25.5 Upon joining, the Members are informed in writing of the contents of the applicable Trust Deed and Plan rules. Annually, the Members are informed in writing of any amendments. Within three months following their joining the Members receive a start letter including a summary of the pension plan subject to that provided by and by virtue of article 21 of the PW.
- 25.6 Without prejudice to that provided elsewhere in these Plan rules, the Fund supplies the holder of a (non-contributory) entitlement to a pension upon his/her request with a statement on the level of the accrued pension benefits by virtue of the present Plan rules within 3 months. The Fund may request a fee for the costs involved in this statement.
- 25.7 Annually, a statement is supplied to all Members of the pensions attainable under the Plan rules, the pension accrued, as well as of the increase in value of the accrued pension benefits to be allocated to the preceding calendar year in accordance with article 3.127 of the Income Tax Act 2001 and the provisions provided therein. In addition, all Members receive information about the indexation annually. The statements and information are made available with due observance of the requirements set by the PW. In the event of premature termination of the participation as referred to in article 18, and afterwards once every five years, the Deferred Members receive at least the information as required by and set forth in the PW. Upon joining and annually after that, the Fund provides those entitled to a pension with at least the information required by and set forth in the PW. The Fund provides the Partner with at least the information as required by and set forth in the PW at the time when the Partner acquires the status of Former Partner as referred to in article 12, and after that once every five years.
- 25.8 Any entitlements to a pension by virtue of these Plan rules may not be surrendered, alienated or abandoned, or constitute formal or de facto collateral, other than in those cases provided by or by virtue of the PW.
- 25.9 By virtue of the PW, the Supervisor is authorised to inter alia issue instructions to the Fund. Such instruction may obligate the Board of Trustees to deviate from that provided in these Plan rules, or to interpret the policy freedom vested in the Board by virtue of these Plan rules in a specific manner.

Pension settlement / Conversion

Article 26

With respect to pension settlement or conversion by virtue of the Settlement of pension rights in the event of divorce act, the Board of Trustees is authorised to set further rules.

Complaints procedure

Article 27

Anyone objecting to a decision made (or the failure to make a decision) in accordance with these Plan rules, by which he/she is directly affected in his/her interests, must notify the Board of Trustees in writing of his/her complaint before turning to the competent judge. The Board of Trustees decides on the complaint as soon as possible.

Liquidation of the Fund

Article 28

- 28.1 If the Fund is dissolved in accordance with article 21 of the Trust Deed, all Members who are Philips employees shall be deemed to have left the employment of Philips at the time of the dissolution and shall be granted non-contributory entitlements to a pension, determined in accordance with article 18 of these Plan rules.
- 28.2 The Fund that is being wound up guaranteed the rights of the persons entitled to a pension, the holders of (non-contributory) entitlements to a pension and their respective surviving relatives. In the event of winding up, the Fund is obliged to transfer its obligations to an authorised pension administrator, as referred to in article 1 of the PW.

Transitional provisions

Article 29

- 29.1 If the monthly Retirement pension calculated in accordance with article 5 (before exchange as referred to in article 5, paragraph 7 and in article 11, paragraph 1) of a Member who was an employee of Philips on 1 January 2005, increased by the non-contributory entitlement as referred to in paragraph 4 of this article, is lower than a twelfth part of the guaranteed amount calculated in accordance with that provided in the following paragraph, the monthly Retirement pension is increased to the level of a twelfth part of that guaranteed amount.
- 29.2 The guaranteed amount referred to in the preceding paragraph is equal to the number of Guarantee years as defined hereinafter, multiplied by 1.75% and multiplied by the most recently determined Monthly pensionable salary determined before the date of termination of the employment, restated as an annual amount, on the understanding that for determining the above-mentioned Monthly pensionable salary, the Monthly offset shall be a monthly amount equal to a one twelfth part of € 21,048, multiplied by the Part-time factor valid for that month. For the determination of the Monthly pensionable salary, the amount referred to in article 1, paragraph 9 under a. is decreased by the fixed supplements in accordance with the employment contract/CLA, and the amount referred to in article 1, paragraph 9 under b is not taken into account.

For application of this article's paragraph, Guarantee years shall be understood to mean: For those to whom the Pension Plan rules Philips flex pension were already applicable on 31 December 2004:

The number of pension years between 1 April 1997 and the date of retirement, the date of granting of a paid-up policy, increased by the number of Pension years resulting from the internal transfer of value of the pension entitlements from the Final pay plan to the Pension Plan rules Philips flex pension as from 1 April 1997, respectively.

For those to whom the Pension Plan rules Philips flex pension became applicable on 1 January 2005 and who as from that date have transferred their pension entitlements internally from the Final pay plan to the Pension Plan rules Philips flex pension:

The number of Pension years between 1 January 2005 and the date of retirement, the date of granting of a paid-up policy, increased by the number of Pension years resulting from the internal transfer of value of the pension entitlements from the Final pay plan to the Pension Plan rules Philips flex pension as from 1 January 2005, respectively.

For those to whom the Pension Plan rules Philips flex pension became applicable on 1 January 2005 and who did not transfer their pension entitlements internally from the Final pay plan to the Pension Plan rules Philips flex pension:

The number of Pension years between 1 January 2005 and the date of retirement, the date of granting of a paid-up policy, respectively.

- 29.3 With effect from 1 January 2009 the amount of € 21,048 referred to in the preceding paragraph is indexed simultaneously with and in accordance with the percentage of the full collective scale adjustment at Philips.
- 29.4 If the monthly pension entitlement, calculated in accordance with that provided in article 5, paragraph 6 of the Pension Plan rules Philips flex pension as they read on 31 December 2004, is lower on this date than one twelfth part of the guaranteed amount as referred to in article 5, paragraph 7 and 8 of those Plan rules as they read on 31 December 2004, the Member 1 and Member 2 referred to in article 1.2 under 2 of these Plan rules shall, upon meeting the conditions in this paragraph, be granted a non-contributory entitlement to Retirement pension based on the difference between both amounts as from 1 January 2005. This non-contributory entitlement is periodically and conditionally indexed in the manner and under the conditions and limitations as included in article 23, paragraph 3 in conjunction with article 29, paragraph 8 of the Pension Plan rules Philips flex pension applicable until 1 January 2009 and from 1 January 2009 in the manner and under the conditions and restrictions as laid down in article 23, paragraph 3.
- 29.5 The Member who immediately before 1 April 1999 accrued an entitlement to a premium compensation allowance in accordance with article 8 of the Plan rules Philips flex pension applicable at the time is granted a non-contributory entitlement to that accrued premium compensation allowance with effect from 1 April 1999. This entitlement is periodically and conditionally indexed in the manner and under the conditions and limitations as included in article 23, paragraph 3 in conjunction with article 29, paragraph 8 of the Pension Plan rules Philips flex pension applicable until 1 January 2009 and from 1 January 2009 in the manner and under the conditions and restrictions as laid down in article 23, paragraph 3.

- 29.6 All entitlements to a Retirement pension and a Bridging benefit as referred to in article 5, paragraph 4, article 7, paragraph 3, respectively accrued on a April 2001 by the Member who is a Philips employee on that date are increased with effect from that date by 1.6%.
- 29.7 In derogation of that provided in article 23, paragraph 1, the indexation provision applicable to the pensions in payment and non-contributory entitlements, during the period from 1 January 2006 up to and including 31 December 2007, reads as follows:
In its policy, the Board of Trustees shall pursue a periodical adjustment of pensions in payment and non-contributory entitlements to a pension in connection with a potential increase in the costs of living.
- 29.8 In derogation of that provided in article 5, paragraph 4 in conjunction with article 23, paragraph 3, the entitlement to a Retirement pension accrued by a Member is indexed during the period from 1 January 2006 up to and including 31 December 2007 periodically and conditionally simultaneously and in accordance with the percentage of the full collective scale adjustment as resulting from the applicable Philips CLA.
- 29.9 In derogation of that provided in article 1, paragraph 10 the Monthly offset shall not be increased during the period from 1 January 2006 up to and including 31 December 2006. During the period referred to in the previous full sentence the accrued entitlement to a Bridging benefit and the conditional supplementary allowance as provided in paragraph 13 of this article shall not be increased either.
- 29.10 If a Member who transferred on 1 January 2005 from the Final pay plan to the Pension Plan rules Philips flex pension, opted for internally transferring the entitlements accrued under the Final pay plan to the Pension Plan rules Philips flex pension and if a part of the surrender amount involved in accordance with article 27, paragraph 3 of the Final pay plan as it read on 1 January 2005 is deposited in the Pre-retirement scheme as referred to in article 16, the spread over the Investment funds shall be as referred to in article 4, paragraph 3 of the Pre-retirement scheme rules Stichting Philips Pensioenfondsen on the basis of the Passive investment profile and therefore in accordance with the Dymix table as referred to in Chapter A, article 6, paragraph 1 of the above-mentioned Plan rules. Up to and including 31 March 2005 the Member is entitled to change this Investment profile without Switch costs with due observance of article 4, paragraph 5 of these Plan rules. From 1 April 2005 any change may only be made on the dates and in the manner as indicated in the previously mentioned Plan rules.
- 29.11 The Member who is a Philips employee, who on 1 January 2005 was 50 years or older and who on 31 December 2004 in accordance with the Final pay plan had a Retirement age of 65, is deemed on 1 January 2005 to have already accrued an entitlement to a Bridging benefit over the period between reaching the age of 50 and 1 January 2005. Per month, for this whole period an accrual percentage applies of 9.5% of a base figure which for every month in the period concerned is equal to 115% of the Monthly offset over the month of January 2005, regardless of the Part-time factor in that period. The entitlement referred to in this paragraph is adjusted in accordance with that provided in article 7.3. For the application of this article's paragraph the Retirement age is the Retirement age as determined in the most recent employment contract with Philips of the person concerned.

29.12 The starting date for the calculation of the Indexation margin is 1 January 2003. As from that date the Indexation margin is set to nil. On 1 January 2009 the Indexation margin amounts to € 2,236.3 million.

29.13 **Conditional supplementary allowance**

The Member 2 who is employed by Philips and

- a) to whom the version of the Pension Plan rules Philips flex pension January 2005 applied on 31 December 2005; and
- b) to whom the version of the Pension Plan rules Philips flex pension January 2006 applied on 1 January 2006; and
- c) who was 25 years or older on 1 January 2006, is conditionally entitled to a supplementary allowance.

Level of the conditional supplementary allowance

The conditional supplementary allowance is calculated as follows:

- 1) First the number of years and months between the age of the Member 2 on 31 December 2005 and the age of 25 is determined.
- 2) The result under item 1 is multiplied by 2.667% of the full Bridging benefit (€ 16,215) which applied to the Member 2 in 2005 on the basis of the Pension Plan rules Philips flex pension as applicable on 31 December 2005. No Part-time factor applicable at any time is taken into account.
- 3) The result under item 2 yields the conditional supplementary allowance for those who did not accrue an entitlement to a Bridging benefit on 1 January 2006. For those who had already accrued a partial Bridging benefit on 1 January 2006 it applies that the Bridging benefit (without any Part-time factor applicable at any time being taken into account) is deducted from the conditional supplementary allowance to be accrued.

Accrual and financing

- a) The accrual and financing of the supplementary allowance takes place during a period of 15 years as a maximum. The accrual percentage amounts to 6.67% per year.
- b) The supplementary allowance is a conditional allowance. The full supplementary allowance is granted under the condition that the Member 2 shall be employed uninterruptedly by Philips for another 15 years as from 1 January 2006. If the period from 1 January 2006 up to the Retirement age of the Member 2 is shorter than 15 years, the accrual and financing of the amount lacking takes place in full on the Normal retirement age. If the Member 2 decides to advance the Retirement age, and if as a result the accrual period becomes shorter than 15 years, that provided in the previous full sentence shall apply by analogy.

During the period the supplementary allowance is accrued, the entitlement is annually increased simultaneously with and in accordance with the percentage of the full collective scale adjustment as showing from the CLA applicable at Philips. The indexation of the entitlement as set forth in the previous full sentence ends on the Retirement age, however on the Normal retirement age at the latest.

- c) If the employment of the Member 2 terminates before the Normal retirement age other than due to retirement as referred to under b. of this paragraph, the part of the supplementary allowance already accrued and financed on the date of termination is granted to the Deferred member in the form of a non-contributory pension. The non-contributory pension referred to in the previous full sentence is indexed conditionally in the manner and under the conditions and limitations as included in article 23, paragraph 1 in conjunction with article 29, paragraph 7.

29.14 Pension entitlements accrued before the age of 65

If the Member 2 as referred to in article 1.2 under 2 of these Plan rules has accrued pension entitlements on 31 December 2005 by virtue of the Pension Plan rules Philips flex pension applicable at that time, which relate to the period before the age of 65, these entitlements accrued up to 31 December 2005 are converted to paid-up entitlements and annually indexed conditionally in the same manner as the entitlements to Retirement pension referred to in article 5, paragraph 4 under the conditions and limitations as included in article 23, paragraph 3 in conjunction with article 29, paragraph 8.

3 Applicability and commencement

Article 30

- 30.1 This version of the Pension Plan rules Philips flex pension takes effect from 1 January 2009. This version of the said Plan rules is, with the exclusion of all previous versions, applicable to:
- All Members who were employed by Philips on 1 January 2009 and to whom the Pension Plan rules Philips flex pension were applicable on 31 December 2008.
 - All Members who enter the employment of Philips on or after 1 January 2009.

In derogation of that referred to under a and b, article 30, paragraph 2 of these Plan rules apply to those who were granted a pension or a paid-up policy with an entitlement to a pension before 1 January 2009 in accordance with the Pension Plan rules Philips flex pension, as well as to those for whom despite the termination of their employment at Philips before 1 January 2009 a pension is still being accrued after that date by virtue of those Plan rules

- 30.2 To those who were granted a pension or a paid-up policy with an entitlement to a pension before 1 January 2009 in accordance with the Pension Plan rules Philips flex pension, as well as to those for whom in spite of the termination of their employment with Philips before 1 January 2009 a pension is still being accrued after that date by virtue of those Plan rules, the said Plan rules apply as they read at the time the pension or the paid-up policy was granted, the time the employment with Philips terminated, respectively, on the understanding that:

- a) The articles 23, paragraphs 1 and 2, and 29, paragraph 7 of these Plan rules as they read with effect from 1 January 2009 are also applicable with effect from 1 January 2009 to those who were granted a pension or a paid-up policy with an entitlement to a pension in accordance with these Plan rules by the Fund or one of its legal predecessors before 1 January 2008, such instead of the indexation article in the Plan rules as it read on the moment the pension or the paid-up policy was granted;
- b) The articles 23, paragraphs 1 and 2, and 29, paragraph 7 of these Plan rules as they read with effect from 1 January 2009 are also applicable to the pensions granted on or after 1 January 2009 of those for whom in spite of the termination of their employment with Philips before 1 January 2009 a pension is still being accrued after that termination in accordance with these Plan rules, such instead of the indexation article in the Plan rules as it read on the moment the employment with Philips was terminated;
- c) Article 10, paragraphs 1 up to and including 12 of these Plan rules as it reads with effect from 1 January 2009 also applies to those who were granted a pension or a paid-up policy with an entitlement to a pension in accordance with these Plan rules by the Fund or one of its legal predecessors during the period from 1 July 2001 up to 1 January 2009, as well as to those for whom in spite of the termination of their employment with Philips during the period from 1 July 2001 up to 1 January 2009 a pension is still being accrued after that date in accordance with these Plan rules, such instead of article 11 (ANW shortfall insurance – Flex Plan rules up to and including 1 January 2001) and/or article 10 (ANW shortfall insurance – Flex Plan rules 1 January 2005 and 1 January 2006) of the Plan rules as they read at the time the pension or the paid-up policy was granted, or at the time the employment with Philips was terminated;
- d) Article 10, paragraph 13 of these Plan rules as they read with effect from 1 January 2009 applies equally to those to whom a pension or a paid-up policy with an entitlement to a pension was granted by the Fund or one of its predecessors in accordance with these Plan rules in the period from 1 January 2004 up to 1 January 2009, as well as to those for whom in spite of the termination of their employment with Philips during the period from 1 January 2004 up to 1 January 2009 a pension is still being accrued after this date in accordance with these Plan rules;
- e) To article 10 of these Plan rules (Survivor's pension on a risk basis before the Retirement age), as they read on 31 December 2003, the following provision will be added for the period from 1 January 2004 up to 1 January 2006: "For the termination of a Survivor's insurance as referred to in this article after 1 January 2004 or for decreasing the amount insured after that date, the approval of the Partner of the Member is required, regardless of the date on which the insurance was taken out."
- f) Article 16 of these Plan rules, as they read with effect from 1 January 2009, and the Pre-retirement scheme rules Stichting Philips Pensioenfond as they read with effect from 1 January 2009, apply equally from 1 April 2002 to those to whom before 1 January 2009 a pension or a paid-up policy with an entitlement to a pension in accordance with these Plan rules was granted by the Fund or one of its predecessors, as well as to those to whom in spite of the termination of their employment with Philips before 1 January 2009, a pension in accordance with these Plan rules is still being accrued after this date, such instead of article 17 (Flex Plan rules up to and including 1 January 2001) and/or article 16 (Flex Plan rules 1 January 2005 and 1 January 2006) of the Plan rules and of the Pre-retirement scheme rules Stichting Philips Pensioenfond as they read on the moment the pension or the paid-up policy was granted, or the moment of termination of the employment with Philips.

Appendix 1: Pre-retirement scheme rules

Stichting Philips Pensioenfond

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Chapter A: General

Definitions

Article 1

For the application of these Plan rules the meaning of all concepts defined in the Pension Plan rules Philips flex pension is identical, unless otherwise has been provided. Additionally, in these Plan rules the below terms are understood to mean:

Investment fund(s)

The Investment funds as referred to in article 4, paragraph 3.

Investment profile

The Active and/or Passive investment profile.

Active investment profile

The Investment profile as referred to in article 4, paragraph 1, under a.

Passive investment profile

The Investment profile as referred to in article 4, paragraph 1, under b.

Financial year

The period from 1 October of any given calendar year up to and including 30 September of the following calendar year.

Participant

The participant in the Pre-retirement scheme as laid down in article 16 of the Pension Plan rules Philips flex pension and the present Plan rules.

Dymix table

The table attached to these Plan rules as referred to in article 6, paragraph 1.

Employee contribution

The amount appropriated by the Participant within the scope of the participation in the Pre-retirement scheme.

Assets of the Fund

The assets of either the Equity fund or the Bond fund or the Money Market fund.

Redistribution of units

The selling of units of participation in (an) Investment fund/Investment funds, and the purchase with the capital released of units in (a) different Investment fund/Investment funds in accordance with the conditions as set forth in article 15, paragraph 2.

Net asset value

The Net asset value as defined in article 3 of Chapters B, C and D.

Pension capital

The balance of the Employee contributions, the investment results (positive or negative) gained and the costs for the expense of the Participant by virtue of the Pre-retirement scheme, which are debited to the Pension capital.

Pension Plan rules

The Pension Plan rules of the Philips flex pension.

Switch

Any change of the Investment profile or a sub-profile in accordance with article 4, paragraph 5 article 7, paragraph 1, respectively, as well as any change in the spread of the Pension capital over the Investment funds within the sub-profile 'free choice' in accordance with article 11, paragraph 2.

Switch costs

The costs for performing a Switch as determined by the Board of Trustees.

2 Participants

Article 2

All Members 1 who are Philips employees and to whom the Pension Plan rules apply, may participate in the Pre-retirement scheme.

The Members 2, as referred to in article 1.2 under 2 of these Plan rules, may make Employee contributions no longer. With respect to the Pension capital already accrued, that provided in these Plan rules for the Member referred to in the previous full sentence continues to apply unimpaired.

3 Employee contributions (applicable to Members 1 only)

Article 3

- 3.1 The level of the Employee contributions which may be appropriated within the scope of the Pre-retirement scheme is determined by the Board of Trustees. The Employee contribution is withheld monthly from the salary by Philips and paid to the Fund.
- 3.2 The Participant is entitled to make additional Employee contributions on specific points in time to be determined by the Board of Trustees and subject to the statutory provisions relevant to this matter. The Board of Trustees determines what salary components may be appropriated for making an additional Employee contribution.

- 3.3 The Participant is entitled at all times to:
- a) Start making Employee contributions (anew);
 - b) Stop making Employee contributions;
 - c) Adjust the level of the Employee contribution subject to that provided by and by virtue of paragraph 1 of this article.
- 3.4 The (future) Participant is obliged to inform his/her salary administrator in writing, through the appropriate form, about any changes as referred to in the preceding paragraph. The effective date of the change depends on the date of receipt of the form, all this according to the guidelines of the salary administration.
- 3.5. The entitlement to make Employee contributions may be suspended or terminated by the Fund with respect to a specific Participant if it holds the opinion that the Pension capital of that Participant might prove to exceed the fiscally allowed maximum, also with a view to the anticipated investment results.

4 Investment of Employee contributions / The Pension capital

Article 4

- 4.1 The Participants' Pension capital is invested by the Fund in a sound manner on behalf of and for the expense and risk of the Participants through the Investment funds referred to in paragraph 3 of this article according to one of the following Investment profiles:
- a) Active
 - b) Passive
- 4.2 Within the Active investment profile, the following sub-profiles may be distinguished:
- a) Low risk
 - b) Medium risk
 - c) High risk
 - d) Free choice
- For the Passive investment profile there are no sub-profiles. Hence, a choice for the Passive investment profile is a choice for investing via the Dymix system as referred to in the articles 5 and 6.
- 4.3 The Investment funds referred to in paragraph 1 of this article are:
- a) Equity fund
 - b) Bond fund
 - c) Money Market fund

- 4.4 The Investment funds referred to in the previous paragraph are no investment funds within the meaning of the law. They are part of an administrative/organisational set-up within the Fund itself to realise Investment profiles that are individually tailored to the Participant. The Investment funds are no legal persons and each form a separate part of the Fund in an administrative though not legal sense. As a result, buying and selling of units and the subsequent 'deliveries' does not result in any movements of assets in a legal sense, but only to changes in the profile of the investments held by the Fund on behalf of the Participants. The conditions applicable to the Investment funds have been included in the Chapters B up to and including D of these Plan rules.
- 4.5 The Participant is entitled to change his/her Investment profile from Active to Passive and vice versa as often as shall be determined by the Board of Trustees and under further rules and conditions to be set by the Board. The effectuation of changes happens by Redistribution of units in agreement with the choice of the Participant. A Participant opting for the Active investment profile is deemed to have chosen the sub-profile 'medium' as referred to in paragraph 2, under b of this article, unless he/she indicated otherwise.
- 4.6 All costs in connection with the investment of the Pension capital, except if and insofar as determined otherwise by the Board of Trustees, are for the expense of the Participant and shall be debited to the Pension capital in a manner to be determined by the Board of Trustees. These costs are (without the below list being limitative):
- a) The costs of buying and selling of units in the Investment funds or the costs of buying and selling of financial assets (including investment funds quoted on the stock exchange or not), in which the Investment funds invest;
 - b) Transaction costs and costs of payment transactions;
 - c) Custodian fees;
 - d) Taxes and levies owed;
 - e) All costs debited by the managers of any investment funds in which the Investment funds invest, to those funds in accordance with the applicable conditions;
 - f) Switch costs.
- 4.7 The Employee contributions on behalf of a new Participant are invested according to the Passive investment profile, until the Participant indicates his/her wish that the Investment profile be adjusted in accordance with paragraph 5 of this article, under due observance of the conditions applicable by virtue of that article.
- 4.8 It is not possible to simultaneously invest a part of the Pension capital according to the Active investment profile and another part of the Pension capital according to the Passive investment profile.

5 Passive / Dymix system; principles

Article 5

- 5.1 The Dymix system ensures that, as the Retirement age of the Participant is approaching, the Pension capital is invested less and less in shares and more and more in bonds. On the first working day of the Financial year during which the Participant attains the age of 58, the Pension capital is, due to the approaching Retirement age, invested for one third part in the Money Market fund. On the first working day of the Financial year during which the Participant attains the age of 59, the Pension capital is invested for two thirds in the Money Market fund. On the first working day of the Financial year during which the Participant attains the age of 60, the Pension capital is fully invested in the Money Market fund.
- 5.2 Effecting investments within the scope of the Dymix system takes place by purchasing units of units in the Investment funds.

6 Passive / Dymix system; explanation

Article 6

- 6.1 Depending on the age of the Participant, the Employee contributions are invested in the Investment funds in accordance with the Dymix table attached to these Plan rules. The manner of investment of the Employee contributions at a specific age indicated in the Dymix table applies during the whole Financial year during which the Participant attains the age concerned.
- 6.2 The spread of the Participant's Pension capital over the Investment funds depends on the age of the Participant. The spread takes place in accordance with the Dymix table, in such a manner that the spread indicated in the table for a specific age is implemented on the first working day of the Financial year during which that age shall be reached. Implementation takes place by a Redistribution of units.
- 6.3 In the event of variances in the investment yield gained, the spread of the Pension capital over the Investment funds during the Financial year will start deviating from the percentages indicated in the Dymix table. In accordance with that provided in the preceding paragraph, the Fund ensures that the spread exactly matches (once again) the Dymix table on the first working day of the Financial year.

7

Active: General

Article 7

- 7.1 The Participant is entitled to adjust his/her sub-profile (as referred to in article 4, paragraph 2) within the Active investment profile as often as shall be determined by the Board of Trustees and subject to further rules and conditions to be set by the Board. Implementation of the adjustment takes place by a Redistribution of units in agreement with the Participant's choice.
- 7.2 It is not possible to simultaneously invest the Pension capital according to more than one sub-profile.

8

Active: Low risk

Article 8

- 8.1 67% of the Pension capital is invested in the Bond fund and 33% in the Equity fund.
- 8.2 In the event of variances in the investment yield gained, the spread of the Pension capital over the Bond fund and the Equity fund during the Financial year will start deviating from the percentages referred to in the preceding paragraph. The Fund ensures that the spread exactly matches the percentages referred to in the preceding paragraph (again) once a year, on the first working day of the Financial year. For this purpose a Redistribution of units takes place on that day insofar as necessary.

9

Active: Medium risk

Article 9

- 9.1 50% of the Pension capital is invested in the Bond fund and 50% in the Equity fund.
- 9.2 In the event of variances in the investment yield gained, the spread of the Pension capital over the Bond fund and the Equity fund during the Financial year will start deviating from the percentages referred to in the preceding paragraph. The Fund ensures that the spread exactly matches the percentages referred to in the preceding paragraph (again) once a year, on the first working day of the Financial year. For this purpose a Redistribution of units takes place on that day insofar as necessary.

I

Active: High risk

Article 10

- 10.1 33% of the Pension capital is invested in the Bond fund and 67% in the Equity fund.
- 10.2 In the event of variances in the investment yield gained, the spread of the Pension capital over the Bond fund and the Equity fund during the Financial year will start deviating from the percentages referred to in the preceding paragraph. The Fund ensures that the spread exactly matches the percentages referred to in the preceding paragraph (again) once a year, on the first working day of the Financial year. For this purpose a Redistribution of units takes place on that day insofar as necessary.

II

Active: Free choice

Article 11

- 11.1 The Pension capital is invested in one or more of the Investment funds according to the free choice of the Participant.
- 11.2 The Participant is entitled to adjust the spread of the Pension capital over the Investment funds as often as shall be determined by the Board of Trustees and subject to further rules and conditions to be set by the Board. The adjustment is implemented by a Redistribution of units in agreement with the Participant's choice.

I2

Termination of participation

Article 12

Upon termination of the participation in the Pre-retirement scheme, the Pension capital is appropriated in accordance with that provided in article 16 of the Pension Plan rules. Any withdrawal of the Pension capital in cash, or release to the Participant of securities or other financial assets in which has been invested eventually through the Investment funds, is not possible.

13 Provision of information

Article 13

- 13.1 Once every quarter the Participant receives a statement on the amount of his/her Pension capital as at the last working day of the previous quarter.
- 13.2 Once every calendar year the Participant receives a statement on the amount of his/her Pension capital as at the last working day of the previous calendar year.
- 13.3 If the Participant opted for the Active Investment profile, the Fund advises the Participant about spreading the investments according to the duration of the period until the retirement date, where the investment risk is reduced as the retirement date approaches. The Fund examines at least once a year whether the investments of the Participant are within the limits applicable on the basis of the previous full sentence and informs the Participant accordingly.

14 Unfairness / unforeseen circumstances

Article 14

The Board of Trustees is authorised in those cases where a strict application of these Plan rules would result in unfairness, to deviate from the provisions in these Plan rules in favour of those concerned. In those cases not provided for by these Plan rules, the Board of Trustees decides with due observance of the interests of all Participants involved.

15 Miscellaneous

Article 15

- 15.1 Unless otherwise has been provided by the Board of Trustees or in these Plan rules, any requests for adjustment of an Investment (sub-)profile as referred to in article 4, paragraphs 1 and 2, or for adjusting the spread of the Pension capital over the Investment funds, must be submitted in writing to the Fund using the appropriate form. The Board of Trustees is authorised to require that certain media or forms be used, also for communicating with the Fund on other matters. If any prescriptions of the Board of Trustees are lacking, all communication intended to have legal consequences between the Participants and the Fund must take place in writing.
- 15.2 Unless otherwise has been provided explicitly in these Plan rules:
- A Redistribution of units takes place against the regular buying and selling prices, as resulting from the Chapters B up to and including D of these Plan rules;
 - The Participant is only due Switch costs for a Redistribution of units if the Redistribution of units is the result of a Switch.

- 15.3 Unless explicitly indicated otherwise, all article references in this chapter refer to articles of Chapter A of these Plan rules.

16 Transitional provisions

Article 16

- 16.1 All pension accounts as referred to in these Plan rules, as they read immediately previous to 1 April 2002, are cancelled on the first working day of April 2002. The balances on those accounts are appropriated on that date for purchasing units in the Money Market fund.
- 16.2 The Pension capital of the person who immediately prior to 1 April 2002 was already a Participant in the Pre-retirement scheme, continues to be invested according to the Dymix system as described in articles 5 and 6 unimpaired after 1 April 2002 as well, unless he/she informed the Fund of the intention to change his/her Investment profile in accordance with article 4, paragraph 5 from Passive to Active.
- 16.3 For those who immediately prior to 1 April 2002 were already Participants in the Pre-retirement scheme the following applies:
in the period from 1 April 2002 until 1 October 2002:
- a) As long as investment takes place according to the Dymix system as set forth in articles 5 and 6, the payments of the Employee contributions do not take place in accordance with the table as referred to in article 6, but in accordance with table 1 as referred to in article 6, paragraph 1 of these Plan rules as they read immediately previous to 1 April 2002, and in the table instead of 'pension account' 'Money Market fund' must be read;
 - b) As long as investment takes place according to the Dymix system as set forth in articles 5 and 6, the spread of the Pension capital over the Investment funds does not take place in accordance with the table referred to in article 6, but in accordance with table 2 as referred to in article 6, paragraph 2 of these Plan rules as it read immediately previous to 1 April 2002, and in the table instead of 'pension account' 'Money Market fund' must be read.
- 16.4 In derogation of article 5, paragraph 1 of these Plan rules it applies that for those Participants who attain the age of 59 during the Financial year running from 1 October 2009 up to and including 30 September 2009 the Pension capital remains fully invested in the Money Market fund.

17 Applicability and commencement

Article 17

These Plan rules take effect from 1 January 2009. That provided in article 30 of the Pension Plan rules applies by analogy.

Chapter B: Equity fund conditions

1. **Assets, Participants, units**
 1. The Assets of the Fund are formed by the sum of all investments (including liquid assets and receivables), decreased by the debts and costs to be debited to the fund.
 2. The assets are divided in units of participation. Each unit gives an entitlement to a proportional share in the Assets of the Fund.
2. **Investments, Management, Administration**
 1. The Assets of the Fund shall be invested in a sound manner in securities quoted on the stock exchange and in other financial assets, including without being limited to, units in Investment funds quoted on the stock exchange or not, and in derived financial instruments (derivatives) under due observance of the guidelines and conditions set by the Board of Trustees.
 2. When investing the Assets of the Fund, the Fund acts solely in the interest of the Participants. The Fund is free in the choice of investments subject to that provided in the previous paragraph. It is at all times entitled to bring about all adjustments to the investments that it deems to be in the interest of the Participants. It may sell current investments and purchase others and it may decide to refrain from investing larger or smaller amounts of the Assets of the Fund (to hold in liquid assets) as it deems advisable at a given time or if it holds the opinion that investing had better be postponed until a later point in time. The Fund is entitled to purchase partly paid-up shares. The amount of the not paid-up capital may never exceed 20% of the Assets of the Fund.
 3. The Fund is entitled to hedge the currency risk on foreign stock in full or partially.
 4. The Fund ensures that there is at all times a distinct administrative separation between the Assets of the Fund and the other Assets of the Fund and records both in its annual report.
 5. The books of the Fund serve as full proof between the parties with respect to the number of units held by each Participant, subject to proof to the contrary to be supplied by the Participant.
3. **Determination of the Net asset value**
 1. The Net asset value of a unit is equal to the Assets of the Fund divided by the number of outstanding units.
 2. The investments are valued on the basis of their current value, subject to the following: Any investments quoted on the stock market are valued on the basis of the closing prices for the day preceding the day on which the valuation takes place, or, if on that day no stock market trading has taken place, on the basis of either the most recent preceding closing prices or estimate, such at the discretion of the Fund. Any non-quoted investments are valued on the basis of an estimate. Valuation on the basis of an estimate shall take place under due observance of the usual criteria for such matter.
 3. Insofar as is required, in derogation of that provided in the preceding paragraph, all receivables, liquid assets, and debts are valued on the basis of nominal value, under due observance of the usual criteria for such matter.

4. Income and expenditure are taken into account and shown in the period to which they relate. Assets and liabilities expressed in foreign currency are converted to Euros at the current exchange rates as at the balance sheet date. Income and expenditure during a period which are expressed in foreign currency are converted to Euros at the exchange rates applicable at the time these items are realised. All exchange rate differences are incorporated in the Assets of the Fund.
5. The Net asset value of the units is determined at the daily rate.

4. **Purchase price**

Units may exclusively be purchased for a Participant. The purchase of a unit for a Participant takes place by payment of the Purchase price to the fund. Payment of the Purchase price is exclusively possible by using Employee contributions and with capital released as a result of the sale of units in the Bond fund or the Money Market fund. The Purchase price of a unit is the Net asset value of that unit on the working day previous to the day of purchase, increased by a fee, to be determined by the Board of Trustees, which is credited to the fund. The date of purchase is the working day on which the Purchase price was received by the Fund.

5. **Termination of participation**

The participation in the fund ends by operation of law in those cases where the participation in the Pre-retirement scheme terminates in accordance with that provided in article 16 of the Pension Plan rules. In the event of termination of the participation in the fund, the units of the Participant involved are sold and the capital released is appropriated in accordance with that provided in article 16 of the Pension Plan rules.

6. **Selling price**

Any units held on behalf of a Participant may not be transferred and may be sold to the fund exclusively. Any sale takes place against payment of the Selling price by the fund. Payment of the Selling price by the Fund to the Participants shall take place in no circumstances whatsoever. The Selling price is appropriated for purchasing units in the Bond fund and/or the Money Market fund, or in accordance with that provided in article 16 of the Pension Plan rules. The Selling price of a unit is the Net asset value of that unit on the working day preceding the sale, decreased by a fee to be determined by the Board of Trustees, which will be credited to the fund. The date of sale is the working day on which the Selling price is paid.

7. **Costs**

The following costs may be debited to the fund by the Fund:

- a) Transaction costs and money transfer charges;
- b) All other costs which in the opinion of the Board of Trustees must come to the debit of the fund which may include inter alia costs in connection with the management, administration and holding (including collection expenses) of the Assets of the Fund;
- c) Taxes and levies imposed on the fund as such.

Chapter C: Bond fund conditions

The conditions of the Bond fund are equal to the conditions of the Equity fund, on the understanding that:

- 1) The last two full sentences of article 2, paragraph 2 of Chapter B are deleted;
- 2) The second full sentence of article 4 of Chapter B reads as follows:
Payment of the Purchase price may be made exclusively by using Employee contributions and with capital released as a result of the sale of units in the Equity fund or the Money Market fund;
- 3) The fourth full sentence of article 6 of Chapter B reads as follows:
The Selling price is appropriated for either the purchase of units in the Equity fund and/or the Money Market fund, or in accordance with that provided in article 16 of the Pension Plan rules.

Chapter D: Money Market fund conditions

The conditions of the Money Market fund are equal to the conditions of the Bond fund, on the understanding that:

1) The second full sentence of article 4 of Chapter B reads as follows:

Payment of the Purchase price may be made exclusively by using Employee contributions and capital released as a result of the sale of units in the Equity fund or the Bond fund;

2) The fourth full sentence of article 6 of Chapter B reads as follows:

The Selling price is appropriated for either the purchase of units in the Equity fund and/or the Bond fund, or in accordance with that provided in article 16 of the Pension Plan rules.

Dymix table

Age	Equity fund	Bond fund	Money Market fund	Total
18	75.00	25.00	0.00	100.00
35	75.00	25.00	0.00	100.00
36	71.59	28.41	0.00	100.00
37	68.18	31.82	0.00	100.00
38	64.77	35.23	0.00	100.00
39	61.36	38.64	0.00	100.00
40	57.95	42.05	0.00	100.00
41	54.55	45.45	0.00	100.00
42	51.14	48.86	0.00	100.00
43	47.73	52.27	0.00	100.00
44	44.32	55.68	0.00	100.00
45	40.91	59.09	0.00	100.00
46	37.50	62.50	0.00	100.00
47	34.09	65.91	0.00	100.00
48	30.68	69.32	0.00	100.00
49	27.27	72.73	0.00	100.00
50	23.86	76.14	0.00	100.00
51	20.45	79.55	0.00	100.00
52	17.05	82.95	0.00	100.00
53	13.64	86.36	0.00	100.00
54	10.23	89.77	0.00	100.00
55	6.82	93.18	0.00	100.00
56	3.41	96.59	0.00	100.00
57	0.00	100.00	0.00	100.00
58	0.00	66.67	33.33	100.00
59	0.00	33.33	67.67	100.00
60	0.00	0.00	100.00	100.00
61	0.00	0.00	100.00	100.00
62	0.00	0.00	100.00	100.00
62.5	0.00	0.00	100.00	100.00
63	0.00	0.00	100.00	100.00
64	0.00	0.00	100.00	100.00

Appendix 2: Actuarial factors

In this appendix under 'General' some general principles are stated, used in preparing the actuarial factors of the Fund which are applicable when determining the rights and entitlements of (Deferred) Members. Additionally, for a number of cases the applicable actuarial factors are stated with reference to the relevant articles of the Plan rules.

General

- In all cases where entitlements are transferred or exchanged for other entitlements in whatever way, the collective actuarial equality of value of the entitlements before and after the exchange concerned is assumed.
- The factors are equal for both men and women.
- The factors apply from 1 January 2009. The base figures used to determine the factors may vary from the base figures applicable at any time to the Fund as resulting from the ABTN.

Article 5, paragraph 7:

Pension increase up to 65 years (High/low-rule) at the age of 62.5

Before change	After change	
Lifelong Retirement pension	Retirement pension from 62.5 until 65 years	Retirement pension from 65 years
1,000	1,261	946
1,000	1,177	963
1,000	1,090	981

Pension increase up to 70 years (High/low-rule) at the age of 62.5

Before change	After change	
Lifelong Retirement pension	Retirement pension from 62.5 until 70 years	Retirement pension from 70 years
1,000	1,157	868
1,000	1,109	908
1,000	1,057	951

Pension increase up to 70 years (High/low-rule) at age 65

Before change	After change	
Lifelong Retirement pension	Retirement pension from 65 until 70 years	Retirement pension from 70 years
1,000	1,195	896
1,000	1,134	928
1,000	1,069	962

Article 8, paragraph 1:

Advancement of Retirement pension (Normal retirement age 62.5 years)

New Retirement age	Pension from 62.5 until 65 years	Pension from new Retirement age until 65 years
62	1,000	823
61	1,000	603
60	1,000	471

Advancement of Retirement pension (Normal retirement age 65 years)

New Retirement age	Retirement pension from 65 years	Retirement pension from new Retirement age
64	1,000	926
63	1,000	859
62	1,000	800
61	1,000	746
60	1,000	698

Article 8, paragraph 2:

Deferral of Retirement pension from 62.5 years

New Retirement age	Retirement pension	New Retirement pension from the Retirement age
63	1,000	1,036
64	1,000	1,116
65	1,000	1,205

Article 8, paragraph 4:

Deferral of Bridging benefit from 62.5 years

New Retirement age	Bridging benefit	Extra Retirement pension from Retirement age
63	1,000	36
64	1,000	116
65	1,000	205

Article 8, paragraph 5:

Deferral of Retirement pension after 65 years from the age of 65 *

New Retirement age	Retirement pension	New Retirement pension from Retirement age
66	1,000	1,082
67	1,000	1,175
68	1,000	1,279
69	1,000	1,396
70	1,000	1,529

* there shall be no exchange of Retirement pension for Survivor's pension at 65 years.

Article 11, paragraph 2:

Exchange of Retirement pension for Survivor's pension at 65 years

Percentage of Survivor's pension compared to Retirement pension after exchange	Retirement pension before exchange	Retirement pension after exchange	Corresponding Survivor's pension
75%	1,000	842	631
50%	1,000	889	444
25%	1,000	941	235
0%	1,000	1,000	0

Article 16, paragraph 6:

Purchase from the Pre-retirement Capital

Retirement age	Capital	Lifelong benefit taking effect forthwith	Benefit until 65 years taking effect forthwith
60	10,000	0	2,200
60.5	10,000	134	1,938
61	10,000	273	1,616
61.5	10,000	415	1,220
62	10,000	561	703
62.5	10,000	712	0

Article 17, paragraph 2:

Voluntary purchase of Retirement pension (Normal retirement age 62.5 years)

Age upon purchase	Capital	Extra Retirement pension
15	1,000	396
20	1,000	326
25	1,000	269
30	1,000	222
35	1,000	183
40	1,000	152
45	1,000	126
50	1,000	104
55	1,000	86
60	1,000	70
62.5	1,000	63

Article 18, paragraph 4:

Advancement of Retirement pension (Normal retirement age 62.5 years)

New Retirement age	Pension from 62.5 until 65 years	Pension from new Retirement age until 65 years
62	1,000	823
61	1,000	603
60	1,000	471

Advancement of Retirement pension (Normal Retirement age 65 years)

New Retirement age	Retirement pension from 65 years	New Retirement pension from Retirement age
64	1,000	926
63	1,000	859
62	1,000	800
61	1,000	746
60	1,000	698

Deferral of Retirement pension from 62.5 years

New Retirement age	Retirement pension	New Retirement pension from Retirement age
63	1,000	1,036
64	1,000	1,116
65	1,000	1,205

Deferral of Bridging benefit from 62.5 years

New Retirement age	Bridging benefit	Extra Retirement pension from Retirement age
63	1,000	36
64	1,000	116
65	1,000	205

Deferral of Retirement pension after 65 years from the age of 65*

New Retirement age	Retirement pension	New Retirement pension from Retirement age
66	1,000	1,082
67	1,000	1,175
68	1,000	1,279
69	1,000	1,396
70	1,000	1,529

* There shall be no exchange of retirement pension for survivor's pension at age 65

Article 18, paragraph 6:

Exchange of Retirement pension for Survivor's pension upon termination of the employment and a Normal retirement age of 62.5 years.

Age at termination of employment	Retirement pension (before exchange)	Retirement pension (after exchange)	Survivor's pension (after exchange)
62.5	1,000	860	645
62	1,000	858	643
61	1,000	856	642
60	1,000	855	641
59	1,000	853	639
58	1,000	852	639
57	1,000	850	637
56	1,000	849	636
55	1,000	848	636
54	1,000	847	635
53	1,000	846	634
52	1,000	845	633
51	1,000	845	633
50	1,000	844	633
49	1,000	843	632
48	1,000	843	632
47	1,000	843	632
46	1,000	842	631
45	1,000	842	631
44	1,000	842	631
43	1,000	842	631
42	1,000	842	631
41	1,000	842	631
40	1,000	842	631
39	1,000	843	632
38	1,000	843	632
37	1,000	843	632
36	1,000	843	632
35	1,000	843	632
34	1,000	844	633
33	1,000	844	633
32	1,000	844	633
31	1,000	844	633
30	1,000	844	633
29	1,000	844	633
28	1,000	844	633
27	1,000	844	633
26	1,000	844	633
25	1,000	844	633
24	1,000	844	633
23	1,000	844	633
22	1,000	844	633
21	1,000	843	632
20	1,000	843	632
19	1,000	843	632
18	1,000	843	632

Exchange of Retirement pension for Survivor's pension upon termination of the employment and a Normal Retirement age of 65 years.

Age at termination of employment	Retirement pension (before exchange)	Retirement pension (after exchange)	Survivor's pension (after exchange)
65	1,000	842	631
64	1,000	839	629
63	1,000	837	627
62	1,000	834	625
61	1,000	832	624
60	1,000	830	622
59	1,000	828	621
58	1,000	827	620
57	1,000	825	618
56	1,000	824	618
55	1,000	823	617
54	1,000	822	616
53	1,000	821	615
52	1,000	820	615
51	1,000	819	614
50	1,000	819	614
49	1,000	818	613
48	1,000	818	613
47	1,000	817	612
46	1,000	817	612
45	1,000	817	612
44	1,000	817	612
43	1,000	817	612
42	1,000	817	612
41	1,000	817	612
40	1,000	817	612
39	1,000	818	613
38	1,000	818	613
37	1,000	818	613
36	1,000	819	614
35	1,000	819	614
34	1,000	819	614
33	1,000	819	614
32	1,000	819	614
31	1,000	819	614
30	1,000	819	614
29	1,000	819	614
28	1,000	819	614
27	1,000	819	614
26	1,000	819	614
25	1,000	819	614
24	1,000	819	614
23	1,000	819	614
22	1,000	819	614
21	1,000	819	614
20	1,000	819	614
19	1,000	819	614
18	1,000	819	614

Article 18, paragraph 8:

Exchange of Survivor's pension for lifelong Retirement pension at the Retirement age of 62.5 years

Retirement age	Survivor's pension	Extra Retirement pension from 62.5 years
62.5	1,000	216

Exchange of Survivor's pension for lifelong Retirement pension at the Retirement age of 65 years

Retirement age	Survivor's pension	Extra Retirement pension from 65 years
65	1,000	248

Article 19:

Surrender of Retirement pension

Age	Retirement pension	Surrender amount retirement pension at retirement age of 62.5 years	Surrender amount retirement pension at retirement age of 65 years
18	100	250	210
19	100	260	218
20	100	270	227
21	100	280	236
22	100	292	245
23	100	303	255
24	100	315	265
25	100	327	275
26	100	340	286
27	100	354	297
28	100	367	309
29	100	382	321
30	100	397	333
31	100	412	346
32	100	428	359
33	100	445	373
34	100	462	387
35	100	479	402
36	100	498	418
37	100	517	433
38	100	537	450
39	100	557	467
40	100	578	484
41	100	600	503
42	100	623	522
43	100	647	541
44	100	671	562
45	100	697	583
46	100	723	605
47	100	751	628
48	100	780	651
49	100	810	676
50	100	841	702
51	100	874	729
52	100	908	757
53	100	944	786
54	100	981	817
55	100	1,020	849
56	100	1,060	883
57	100	1,103	918
58	100	1,148	955
59	100	1,195	993
60	100	1,245	1,034
61	100	1,298	1,077
62	100	1,354	1,123
62.5	100	1,383	1,147
63	100	N.A.	1,172
64	100	N.A.	1,223
65	100	N.A.	1,278

Surrender of bridging pension

Age	Surrender amount of bridging benefit	Bridging benefit at retirement age of 62.5 years
18	100	39
19	100	41
20	100	43
21	100	44
22	100	46
23	100	48
24	100	50
25	100	52
26	100	54
27	100	56
28	100	58
29	100	61
30	100	63
31	100	66
32	100	68
33	100	71
34	100	74
35	100	77
36	100	80
37	100	83
38	100	86
39	100	90
40	100	93
41	100	97
42	100	101
43	100	105
44	100	109
45	100	114
46	100	118
47	100	123
48	100	128
49	100	133
50	100	139
51	100	144
52	100	150
53	100	157
54	100	163
55	100	170
56	100	177
57	100	185
58	100	193
59	100	202
60	100	211
61	100	220
62	100	230
62.5	100	236

Article 20: Transfer of value

In derogation of the above, it applies that collective value transfers in accordance with this article take place on the basis of the actuarial base figures determined for this purpose by the Fund. Individual value transfers in accordance with this article take place if agreements have been made with the pension administrator to whom the transfer value is transferred, or from whom the transfer value is received about the base figures to be operated upon transfers of value, on the basis of those agreements, and in other cases on the basis of the rules set by or by virtue of the law. The base figures determined by the Fund for collective or individual transfers of value, may deviate from the base figures applicable at any time to the Fund, as resulting from the ABTN.

Appendix 3: Indexation

Step 1

Determining the Derived insurance technical result

Annually, the insurance technical result is determined. This may be described as follows:

On the basis of the assumptions used for calculating the provision for pension obligations the variances compared to these assumptions are identified following the end of each year.

The assumptions mainly concern the investments and the developments of the pension liabilities, the premium, the probability rate systems in use (mortality rates), the entries and terminations and the costs. Every variance from an assumption results in an insurance technical sub-result. The total of these variances is the insurance technical result. The insurance technical result is determined once a year in the annual accounts of the pension fund. An example of an insurance technical sub-result is a result on probability rate systems. If participants entitled to a Retirement pension become older than expected, an insurance technical loss is incurred in the element of probability rate systems: more resources are needed to finance these pensions than had previously been calculated on the basis of the age tables. This then concerns one element of the total insurance technical result.

If the funding ratio of the fund, calculated on the basis of Fair Value, is lower than 105%, there is question of a shortfall of cover. When calculating the funding ratio on the basis of Fair Value, the funding ratio is determined on the basis of the current value of the pension equity and the pension liabilities. The current value of the pension liabilities is determined on the basis of the term structure of interest rates for risk free fixed-income investments, taking into account the duration of the pension obligations. If the buffer of the fund for absorbing any financial setbacks is lower than prescribed by law, there is question of a funding shortfall.

If a shortfall of cover or funding shortfall occurs, the company is obliged to pay additional Pension premium in the form of a load on the premium. This load is intended for clearing a shortfall of cover or funding shortfall and not for indexation. Hence, the Derived insurance technical result is the insurance technical result, decreased by the load to the premium due to a shortfall of cover or funding shortfall. If there is question of a discount to the premium, the opposite applies: in that case the Derived insurance technical result is the insurance technical result increased by the discount.

The Derived insurance technical result is also determined once a year in the annual accounts of the pension fund.

Step 2

Determining the Indexation margin

The Indexation margin is determined annually on 1 January by the Board of Trustees. The Indexation margin on 1 January of a calendar year is equal to the Indexation margin on 1 January of the preceding calendar year, increased and/or decreased with an amount equal to one third of the sum of the Derived insurance technical result over the three calendar years preceding the year of determination of the Indexation margin. (See article 29.12 of the Plan rules).

In formula: $IR_t = IR_{t-1} + (AVR_{t-3} + AVR_{t-2} + AVR_{t-1}) / 3$

IR_t = Indexation margin in year t

IR_{t-1} = Indexation margin in year t-1

AVR_{t-3} = Derived insurance technical result in year t-3

AVR_{t-2} = Derived insurance technical result in year t-2

AVR_{t-1} = Derived insurance technical result in year t-1

Example:

What is the Indexation margin on 1/1/2012?

Assuming (all amounts are in millions)

$AVR_{2009} = 510$

$AVR_{2010} = -360$

$AVR_{2011} = 330$

Then $IR_{2012} = IR_{2011} + (510 - 360 + 330) / 3$

This is $IR_{2012} = IR_{2011} + 160$

If the Indexation margin on 1/1/2011 would be 220, the IR_{2012} is therefore 380 (220 + 160).

Step 3

Determining the Realisation percentage

To calculate the Realisation percentage, the ratio is established first between on the one hand the available Indexation margin and on the other hand the costs of a full compensation of the Price inflation (for the pensions in payment and the non-contributory entitlements to a pension) and the Wage inflation (for the entitlements to Retirement pension referred to in article 5, paragraph 4 of the Plan rules). This ratio is expressed as a percentage.

Depending on the outcome of this calculation, subsequently the Realisation percentage is determined as follows. If the outcome of the calculation referred to in the preceding paragraph is below 100%, no full compensation for the Price and Wage inflation may be granted. In that case it is determined, again expressed as a percentage, how much of the Price and Wage inflation can be compensated for from the Indexation margin. This percentage is equal to the Realisation percentage, unless the Board of Trustees is of the opinion that there is reason for setting the percentage at a lower level in view of the financial situation of the fund, the developments in this financial situation expected by the Board of Trustees, the requirements set by or by virtue of the law and all other facts and circumstances considered relevant by the Board of Trustees.

If a downward re-adjustment of the percentage takes place, this lower percentage is equal to the Realisation percentage.

As a system, this applies equally to the situation where the outcome exceeds 100%. In that case, more compensation may be granted than for the Price and Wage inflation only, however, it should be noted that under no circumstances whatsoever a compensation exceeding 125% of the Price and Wage inflation may be granted. Additionally, the Realisation percentage may never be less than 0%. (Also see article 23.4 of the Plan rules)

Example: (on 1/1/2012):

Assuming: Price inflation (over 2011) = 3.0%; Wage inflation (over 2011) = 3.5%.

Assuming: Costs of full compensation of Price and Wage inflation (Realisation percentage = 100): 420 million.

The Indexation margin on 1/1/2012 = 380 million (see example step 2). This means that the full Price and Wage inflation may not be compensated for and that the Realisation percentage for all indexations from 1 April 2012 up to and including 31 March 2013 is determined on 90.5% $((380 / 420) \times 100\%)$, unless the Board of Trustees is of the opinion that there is reason for setting the percentage at a lower level in view of the financial situation of the fund, the developments in this financial situation expected by the Board of Trustees, the requirements set by or by virtue of the law and all other facts and circumstances considered relevant by the Board of Trustees. Consequently, the Board might for example determine that the percentage be set to 80% in lieu of 90.5%.

Appendix 4: Disclaimer

Pursuant to the Decree of 16 July 2005, Government Gazette 2005, 391, providing rules on pension issues for the execution of a number of subject matters from the Act governing changes to the tax treatment of early retirement/pre-pension and the introduction of the life-course scheme (Decree implementing pension aspects of the Social Accord 2004) the Fund is under a statutory obligation to operate the following indemnity clause with respect to the conditional supplementary allowance as provided for in article 29, paragraph 13 of these Plan rules.

Disclaimer for extra pension over past-service years upon a 15 years' financing schedule

The pension to be purchased for you due to the fact that in the past you had one or more periods during your employment(s) where less pension was accrued than is possible under tax regulations, shall only be accrued from the moment on which and insofar as the entitlements promised have been financed. If your participation in the pension plan terminates before these entitlements have been (fully) financed, you shall only be entitled to the part of these pension entitlements that has been financed and accrued at that moment. As a result, if no pension promised over past service years has been purchased and accrued for you yet upon termination of the participation in the pension plan, you are not entitled to that part of your pension promise. If you have been promised that any pension entitlements over past service years shall be purchased, these must have been financed within fifteen years after the promise has been made at the latest. Should you retire within those fifteen years, the pension entitlements to be purchased must have been financed earlier, namely on the moment of your retirement at the latest. In principle, a promise to purchase entitlements over the past once made, may not be withdrawn or altered.

DISCLAIMER

In spite of the fact that this brochure has been produced with utmost precision, no rights may be derived from this English translation. The official (Dutch) version of the pension Plan rules is legally binding.

