

# Articles of Incorporation

of

## A-TEC Industries AG

### General Provisions

#### Article 1

(1) The name of the Company shall be

#### **A-TEC Industries AG**

(2) The registered office of the Company shall be in Vienna, Austria.

The Company shall be authorised to establish branches and offices in Austria and abroad.

(3) The Company shall have perpetual existence.

(4) The Company's financial year shall be the calendar year.

#### Article 2

The objects of the Company shall be:

- 1) The acquisition, ownership and exploitation of interests in companies of all kinds, in particular in companies engaged in technical and industrial activities;
- 2) The formation and management of companies and businesses;

- 3) The leasing and leasing out of companies and businesses;
- 4) The acquisition and exercise of appropriate concessions, patents, licences, brands, patterns and designs, and industrial property rights;
- 5) The establishment and operation of subsidiaries in Austria and abroad;
- 6) Business and management consultancy;
- 7) The investment in interests in other, similar undertakings, and as general partner in partnerships.

The above objects shall not include activities in banking and other businesses requiring to be licensed under the Austrian Securities Supervision Act (WAG).

### Article 3

Publication of announcements by the Company shall be in the "Wiener Zeitung".

## **Share Capital and Shares**

### Article 4

- (1) The share capital of the Company is EUR 6,600,000 (six million, six hundred thousand euro) and consists of 6,600,000 (six million, six hundred thousand) no par value bearer shares.
- (2) Each bearer share participates equally in the share capital of the Company. The interest is proportionate to the number of shares in issue. The minimum interest attaching to each share must be at least one euro.

- (3) The shares will not be individually evidenced by certificates.

Article 5

- (1) The shares are bearer shares; this applies also in the case of any new issues of shares.
- (2) If in the event of a capital increase the relevant resolution does not specify whether the new shares are to be bearer or registered shares, they shall be bearer shares.

Article 6

The form and contents of share certificates, dividend warrants and talons shall be determined by the Executive Board.

**Authorised and Conditional Capital**

Article 7

- (1) The Executive Board is authorised under section 169 Austrian Companies Act (AktG) and with the approval of the Supervisory Board for a period of five years following registration of this change in the articles of incorporation in the Register of Companies to increase the share capital of the Company by up to EUR 2,500,000 (two million, five hundred thousand euro) by the issue of 2,500,000 (two million, five hundred thousand) new no par value bearer shares in one or more tranches for cash or contributions in kind. The rights of existing shareholders to participate in such issues may be restricted in whole

or in part. With the approval of the Supervisory Board, the Executive Board may determine the issue price and the terms and conditions of issue. Any restriction of the right to subscribe shall apply equally to all shareholders. The Supervisory Board is authorised to resolve on changes to the articles of incorporation to reflect the issue of shares in authorised capital.

- (2) The General Meeting of 6 November 2006 resolved in accordance with section 159 AktG on a conditional increase in the share capital of the Company by up to EUR 2,500,000 (2 million five hundred thousand euro) by the issue of up to 2,500,000 (2 million five hundred thousand) new no par value bearer shares. The purpose of the conditional capital is to provide for the rights of conversion or subscription of the holders of the interest-bearing convertible loan stock, which the Annual General Meeting authorised the Executive Board for a period of up to five years to issue. The conditional capital up to the maximum amount authorised may be issued in one or more tranches. The sole purpose of any capital increase is to permit the holders of any convertible loan stock issued pursuant to the resolution of today's Annual General Meeting to exercise their rights of conversion or subscription. The amount of the issue and the conversion ratio are to be established using a recognised price calculation method based on standard actuarial methods and the market price of the Company's stock (basis of calculation of issue price). The issue price may not be less than the proportion of the Company's share capital that it represents. The Executive Board is authorised, with the Supervisory Board's approval, to determine the further details of the implementation of the conditional capital

increase. The Supervisory Board is authorised to resolve on changes to the articles of incorporation to reflect the issue of shares in conditional capital.

- (3) The Executive Board is authorised under section 159(3)AktG and with the approval of the Supervisory Board for a period of five years following registration of this change in the articles of incorporation in the Register of Companies to increase the share capital of the Company by up to EUR 500,000 (five hundred thousand euro) by the issue of 500,000 (five hundred thousand) new no par value bearer shares for the purpose of granting stock options to employees, senior managers and members of the Executive Board of the Company or other enterprises associated with the Company. The authority of the Executive Board under this paragraph may only be exercised to the maximum extent permitted under section 159(4) AktG and in so far as the conditional capital has not already been earmarked in connection with the issue of convertible loan stock. The conditional capital up to the maximum authorised amount may be issued in one or more tranches. The sole purpose of any capital increase is to permit the holders of stock options to exercise their options. The amount of the issue and the exercise ratio are to be established using a recognised price calculation method based on standard actuarial methods and the market price of the Company's stock (basis of calculation of issue price). The issue price may not be less than the proportion of the Company's share capital that it represents. The Executive Board is authorised, with the Supervisory Board's approval, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorised to resolve on changes to the articles of

incorporation to reflect the issue of shares in conditional capital.

**Executive Board**

Article 8

The Executive Board shall consist of one, two, or three members.

Article 9

- (1) The Supervisory Board may, if there is more than one member of the Executive Board, appoint a Chairman of the Executive Board.
- (2) The Executive Board is represented by the sole member, if only one is appointed, and if two or three are appointed, by two members jointly or by one member jointly with one authorised officer.

The Supervisory Board may, even if the Executive Board consists of several members, confer on one or more of their number an independent authority to represent the Company.

- (3) The Executive Board shall report to the Supervisory Board at least once each year on fundamental aspects of the Company's future business plans and present budgets and projections of the Company's forecast assets, finances and earnings (annual report). The Executive Board shall also report to the Supervisory Board at least once each quarter on the progress of the Company's

affairs and the state of the business as compared with the budgets and projections and in the light of expected future developments (quarterly reports). Where there are pressing reasons, the Chairman of the Supervisory Board is to be informed without delay; where there are circumstances of material significance for the Company's profitability or liquidity, the Supervisory Board must be informed without delay (special reports).

Annual and quarterly reports must be in writing and, if the Supervisory Board so requires, must be accompanied by oral explanations. Written reports are to be distributed to each member of the Supervisory Board. Special reports may be made in writing or orally.

- (4) The Executive Board is responsible for ensuring that the accounting system and the system of internal control are appropriate to the requirements of the business.

### **Supervisory Board**

#### Article 10

- (1) The Supervisory Board shall consist of at least three and no more than seven members.
- (2) The members of the Supervisory Board, if not elected for a shorter period, shall be elected for the period up to the end of the Annual General Meeting approving the financial statements of the fourth financial year following their election: for this purpose, the financial year in which they are elected is left out of account. Reelection of members is permitted.

- (3) If members leave the Board during their term of office, a General Meeting to elect replacements is to be held within two months.
- (4) Replacements are elected for the balance of the term of office of the members they replace.
- (5) Any member of the Supervisory Board may resign without giving reasons, by giving one week's notice in writing to the Executive Board or to the Chairman of the Supervisory Board, or if the Chairman is not available, to the Deputy Chairman.
- (6) The provisions of section 87(4) AktG govern the appointment of the first Supervisory Board.
- (7) The Supervisory Board shall meet at least four times every financial year. The meetings are to be held quarterly.

#### Article 11

The members of the Supervisory Board elect by simple majority a Chairman and a Deputy Chairman from among their number. Their appointment is for the Board's term of office. The Deputy Chairman acts for the Chairman when the Chairman is not available.

#### Article 12

- (1) The Chairman, or if the Chairman is not available the Deputy Chairman, gives the members notice of meetings by

letter, telegram, fax, telephone, or other comparable electronic means. The notice must include details of the time and place of the meeting and the agenda.

- (2) There is a quorum of the Supervisory Board if at least three elected members including the Chairman, or the Deputy Chairman, are present. The Chairman, or if the Chairman is not available the Deputy Chairman, chairs the meeting. The person in the chair decides on voting procedures.
- (3) Resolutions are passed by simple majority of the votes cast. In the event of a tie - and also in the case of elections - the chair has a casting vote.
- (4) A member of the Supervisory Board may appoint in writing another member to represent him or her at a particular meeting: the member thus represented is not taken into account in determining whether there is a quorum present at the meeting (paragraph 2). The right to chair the meeting is not transferable.
- (5) Minutes of the Supervisory Board's discussions and resolutions must be kept, and signed by the person chairing the meeting.
- (6) Resolutions may also be passed in writing if the Chairman, or if the Chairman is unavailable the Deputy Chairman, for special reasons so decides and no member of the Supervisory Board expressly disagrees. For written resolutions the provisions of paragraph (3), above, apply as appropriate. Representatives under

paragraph (4), above, may not vote on a written resolution.

#### Article 13

Declarations of intent by the Supervisory Board are to be lodged by the Chairman of the Supervisory Board, or if the Chairman is unavailable, by the Deputy Chairman.

#### Article 14

- (1) The members of the Supervisory Board receive for each Supervisory Board meeting or Board committee meeting in which they take part an attendance fee of EUR 250 (two hundred and fifty euro) together with reimbursement of their out-of-pocket expenses and reasonable travel costs.
- (2) As remuneration for their activities, the elected members of the Supervisory Board receive collectively for each financial year a total amount of one thousandth of the net income for the year. The amount is to be divided between the Chairman, Deputy Chairman and other members of the Supervisory Board in the ratio of 100 for the Chairman, 75 for the Deputy Chairman and 50 for each of the members. The remuneration of the Chairman is however to be not less than EUR 20,000 (twenty thousand euro) per annum, of the Deputy Chairman not less than EUR 15,000 (fifteen thousand euro) and of all other members not less than EUR 10,000 (ten thousand euro) each. Remuneration is however limited to a maximum of twice the specified amounts. If the term of office of a Supervisory Board member begins or ends during a financial year, the remuneration is reduced pro rata. These remuneration

arrangements apply with effect from the beginning of financial 2007.

### **General Meetings**

#### Article 15

- (1) General Meetings are held at the Company's registered office or at one of its branches in Austria, or in an Austrian provincial capital.
- (2) General Meetings are called by the Executive Board or by the Supervisory Board.
- (3) Notice of General Meetings must be published in compliance with the provisions of Article 3. There must be at least 21 clear days between the date on which notice is given and the date of the General Meeting.

#### Article 16

- (1) Shareholders are only entitled to participate in General Meetings if they have deposited their shares (interim certificates) within the time limit specified in paragraph (2), below, for the duration of the Meeting. The shares must be deposited during normal business hours with an Austrian notary public, with the head office of an Austrian bank or with the Company or with certain other Austrian banks as specified in the notice of the Meeting.
- (2) There must be at least three clear working days between the date of the deposit and the date of the General Meeting. There must be at least 14 days available to the

shareholder to lodge the deposit following publication of notice of the Meeting and not counting the day of publication. If the last day of this period falls on a Sunday or a statutory holiday, then the next following working day must also be available to the shareholder to lodge the deposit. The following days are treated not as working days but as holidays: all Saturdays, Good Friday, and 24 and 31 December each year.

- (3) The deposit is deemed to have been made if the shares (interim certificates) are with the agreement of a depository authorised for the purposes of paragraph (1), above, held to its order in a frozen account with another bank.
- (4) The authorised depositories must submit certificates of deposit to the Company at the latest one working day after the deadline for deposit.
- (5) Where shares (interim certificates) have not been issued, the notice of the General Meeting must state the conditions upon which shareholders will be permitted to take part in the Meeting.
- (6) Where interim certificates have been issued, the shareholders registered in the share register are entitled to take part without any deposit, provided they give written notice of their intention to do so not later than three working days before the General Meeting.

#### Article 17

- (1) Each bearer share carries one vote.

- (2) The exercise of votes other than by the shareholder requires a written power of attorney, which is retained by the Company.

Article 18

- (1) The General Meeting is chaired by the Chairman of the Supervisory Board or the Deputy Chairman. In the event that neither of these two is present or prepared to chair the Meeting, the officiating notary presides over the Meeting for the purpose of electing a chairman.
- (2) The chairman of the General Meeting leads the deliberations and determines the order of the items on the agenda and the voting procedures.

Article 19

Resolutions of the General Meeting require for their validity a majority of the votes cast by those present and voting (simple majority). For resolutions concerning alterations in capital, a simple majority of the share capital represented in voting on the resolutions is required.

**Annual Financial Statements and Distribution of Profit**

Article 20

- (1) The Executive Board is required, within five months of the end of the financial year, to prepare for that financial year annual financial statements and an operating review for the Company together with consolidated financial statements and a consolidated operating review. These must be audited by the independent auditors and laid before the members of the Supervisory Board, together with a proposal for the distribution of profit.
- (2) It is the Supervisory Board's responsibility to review the annual financial statements and operating review of the Company and the consolidated financial statements and consolidated operating review and to report to the General Meeting on them.
- (3) If the Supervisory Board approves the annual financial statements they are deemed to be adopted, unless the Executive and Supervisory Boards decide in favour of adoption by the Annual General Meeting.
- (4) Within eight months of the end of each financial year, the General Meeting decides on the distribution of profit for the year, the discharge from responsibility of the members of the Executive and Supervisory Boards, the election of the independent auditors and, as provided under the law, the adoption of the annual financial statements (Annual General Meeting).

- (1) Dividends are payable no later than on 30 June following the Annual General Meeting.
  
- (2) Shareholders dividends not claimed within three years of falling due and payable are forfeited, and are added to the Company's unappropriated reserves.