

KBC Group

***Naamloze vennootschap* (company with limited liability)**

The company was incorporated by deed executed on 9 February 1935 before Maîtres Antoine Colson and Raymond De Decker, notaries-public at Antwerp, in the presence of Maître Hubert Scheyven, notary-public at Brussels. The deed was published in the *Appendices to the Belgian Official Gazette* of 23 February 1935, under No. 1604.

The Articles of Association were amended:

- 1° by deeds of notary-public executed on 18 June 1938, 20 June 1942, 29 March 1947, 21 June 1947, 16 June 1951, 7 February 1953, 12 November 1955, 28 January 1956, 20 June 1959, 16 June 1962, 30 August 1962, 20 June 1964, 24 December 1964, 18 June 1966, 23 January 1969, 19 June 1971, 29 March 1973, 18 June 1977, 14 December 1977, 25 September 1980, 28 December 1983, 31 January 1985, 29 August 1985, 1 September 1986, 28 October 1986, 29 January 1987, 26 February 1987, 31 December 1987, 30 November 1988, 9 December 1988, 30 December 1988, 28 February 1989, 31 March 1989, 14 April 1989, 19 April 1989, 30 June 1989, 31 August 1989, 8 December 1989, 29 December 1989, 28 June 1990, 26 October 1990, 30 November 1990, 31 December 1990, 11 February 1991, 27 June 1991, 26 July 1991, 26 August 1991, 30 September 1991, 31 October 1991, 25 June 1992, 29 December 1992, 9 June 1993, 12 October 1993, 30 December 1993, 24 November 1994, 23 December 1994, 28 December 1995, 25 January 1996, 28 February 1996, 29 March 1996, 30 April 1996, 31 May 1996, 27 June 1996, 31 July 1996, 27 August 1996, 27 September 1996, 31 October 1996, 29 November 1996, 31 December 1996, 31 January 1997, 28 February 1997, 28 March 1997, 24 April 1997, 30 April 1997, 28 May 1997, 5 June 1997, 27 June 1997, 31 July 1997, 29 August 1997, 30 September 1997, 31 December 1997, 30 January 1998, 27 February 1998, 31 March 1998, 30 April 1998, 29 May 1998, 3 June 1998, 30 June 1998, 31 July 1998, 31 August 1998, 10 September 1998, 30 September 1998, 29 October 1998, 29 October 1998, 16 November 1998, 26 November 1998, 30 November 1998, 29 December 1998, 29 December 1998, 29 January 1999, 26 February 1999, 31 March 1999, 29 April 1999, 29 April 1999, 28 May 1999, 30 June 1999, 30 July 1999, 30 August 1999, 29 September 1999, 29 November 1999, 28 December 1999, 30 December 1999, 31 January 2000, 29 February 2000, 30 March 2000, 27 April 2000, 27 April 2000, 30 May 2000, 29 June 2000, 31 July 2000, 29 August 2000, 28 September 2000, 30 October 2000, 29 November 2000, 28 December 2000, 28 December 2000, 28 December 2000, 29 January 2001, 28 February 2001, 30 March 2001, 30 March 2001, 30 May 2001, 29 June 2001, 29 June 2001, 31 July 2001, 29 August 2001, 28 September 2001, 28 September 2001, 31 October 2001, 29 November 2001, 27 December 2001, 27 December 2001, 31 January 2002, 28 March 2002, 28 March 2002, 25 April 2002, 29 April 2002, 31 May 2002, 27 June 2002, 27 June 2002, 30 August 2002, 30 September 2002, 30 September 2002, 29 November 2002, 30 December 2002, 30 December 2002, 30 December 2002, 28 January 2003, 27 February 2003, 31 March 2003, 24 April 2003, 30 April 2003, 28 May 2003, 30 June 2003, 31 July 2003, 29 August 2003, 30 September 2003, 30 September 2003, 31 October 2003, 28 November 2003, 1 December 2003, 30 December 2003, 30 December 2003, 30 March 2004, 29 April 2004, 29 June 2004, 30 September 2004, 30 December 2004, 30 December 2004, 2 March 2005, 24 March 2005, 28 April 2005, 29 June 2005, 28 September 2005, 10 November 2005, 7 December 2005, 28 December 2005, 28 December 2005, 31 March 2006, 27 April 2006, 29 June 2006, 27 September 2006, 29 December 2006, 29 December 2006, 26 April 2007, 30 March 2007, 29 June 2007, 28 September 2007, 28 December 2007, 31 December 2007, 31 March 2008, 24 April 2008, 30 June 2008, 30 September 2008, 1 December 2008, 30 December 2008, 30 April

2009, 30 December 2009, 29 April 2010, 23 December 2010, 28 April 2011, 25 November 2011, 3 May 2012, 13 December 2012, 19 December 2012, 2 May 2013, 19 December 2013 and 17 December 2014;

respectively published in the *Appendices to the Belgian Official Gazette* of 8 July 1938 under No. 10898, 6-7 July 1942 under No. 9621, 21-22 April 1947 under No. 6938, 14-15 July 1947 under No. 14316, 9-10 July 1951 under No. 16332, 18 and 23-24 February 1953 under Nos. 2653 and 2912, 23 November 1955 under No. 28055, 11 February 1956 under No. 2604, 2 July 1959 under No. 19800, 25 June 1962 under No. 18967, 7 September 1962 under No. 25979, 8 July 1964 under No. 22541, 8 January 1965 under No. 630, 24 June 1966 under No. 21313, 1 February 1969 under No. 244-6, 26 June 1971 under No. 1968-2, 7 April 1973 under No. 819-2, 6 July 1977 under No. 2599-1, 5 January 1978 under No. 43-1, 16 October 1980 under No. 1881-39, 26 January 1984 under No. 832-5, 19 February 1985 under No. 850219-99, 21 September 1985 under No. 850921-26, 27 September 1986 under No. 860927-59, 22 November 1986 under No. 861122-125, 3 February 1987 under No. 870203-2, 28 March 1987 under No. 870328-69, 30 January 1988 under No. 880130-145, 24 December 1988 under No. 881224-580, 21 January 1989 under No. 890121-346, 27 January 1989 under No. 890127-201, 25 March 1989 under No. 890325-44, 26 April 1989 under No. 890426-55, 13 May 1989 under No. 890513-138, 18 May 1989 under No. 890518-153, 28 July 1989 under No. 890728-275, 28 September 1989 under No. 890928-14, 5 January 1990 under No. 900105-928, 7 February 1990 under No. 900207-82, 21 July 1990 under No. 900721-697, 14 November 1990 under No. 901114-447, 20 December 1990 under No. 901220-30, 26 January 1991 under No. 910126-221, 1 March 1991 under No. 910301-381, 23 July 1991 under Nos. 910723-566 and 910723-567, 23 August 1991 under No. 910823-165, 13 September 1991 under Nos. 910913-158 and 910913-60, 19 October 1991 under No. 911019-227, 21 November 1991 under No. 911121-107, 16 July 1992 under No. 920716-434, 23 January 1993 under No. 930123-286, 26 June 1993 under No. 930626-127, 6 November 1993 under No. 931106-355, 22 January 1994 under No. 940122-408, 20 December 1994 under No. 941220-319, 19 January 1995 under No. 950119-84, 20 January 1996 under No. 960120-180, 14 February 1996 under No. 960214-362, 14 February 1996 under No. 960214-363, 21 March 1996 under No. 960321-216, 19 April 1996 under No. 960419-92, 22 May 1996 under No. 960522-152, 25 June 1996 under No. 960625-390, 23 July 1996 under No. 960723-506, 22 August 1996 under No. 960822-27, 17 September 1996 under No. 960917-314, 19 October 1996 under No. 961019-67, 26 November 1996 under No. 961126-309, 24 December 1996 under No. 961224-53, 29 January 1997 under No. 970129-268, 29 January 1997 under No. 970129-269, 26 February 1997 under No. 970226-169, 25 March 1997 under No. 970325-297, 18 April 1997 under No. 970418-587, 16 May 1997 under No. 970516-417, 28 May 1997 under No. 970528-227, 20 June 1997 under No. 970620-184, 1 July 1997 under No. 970701-216, 19 July 1997 under No. 970719-731, 15 August 1997 under No. 970815-185, 24 September 1997 under No. 970924-261, 24 October 1997 under No. 971024-146, 21 January 1998 under No. 980121-332, 21 January 1998 under No. 980121-334, 24 February 1998 under No. 980224-11, 25 March 1998 under No. 980325-118, 24 April 1998 under No. 980424-558, 14 May 1998 under No. 980514-38, 24 June 1998 under No. 980624-536, 25 June 1998 under No. 980625-602, 22 August 1998 under No. 980822-47, 14 October 1998 under No. 981014-378, 14 October 1998 under No. 981014-379, 13 November 1998 under No. 981113-491, 13 November 1998 under No. 981113-492, 1 December 1998 under No. 981201-78, 11 December 1998 under No. 981211-11, 5 January 1999 under No. 990105-717, 5 January 1999 under No. 990105-716, 11 February 1999 under No. 990211-460, 11 February 1999 under No. 990211-414, 11 February 1999 under No. 990211-461, 13 March 1999 under No. 990313-245, 27 March 1999 under No. 990327-202, 8 May 1999 under No. 990508-75, 30 June 1999 under No. 990630-222, 30 June 1999 under No. 990630-209, 29 July 1999 under No. 990729-615, 18 August 1999 under No. 990818-70, 3 September 1999 under No. 990903-399, 24 November 1999 under No. 991124-544, 21 December 1999 under No. 991221-160, 3 February 2000 under No. 20000203-318, 17 February 2000 under No. 20000217-215, 26 February 2000 under No. 20000226-56, 26 February 2000 under No. 20000226-57, 13 April 2000 under No. 20000413-129, 20 May 2000 under No. 20000520-79, 27 May 2000 under No. 20000527-465, 18 July 2000 under No. 20000718-234bis, 28 June 2000 under No. 20000628-185, 27 July 2000 under No. 20000727-

373, 8 September 2000 under No. 20000908-222, 3 October 2000 under No. 20001003-431, 17 October 2000 under No. 20001017-392, 28 October 2000 under No. 20001028-189, 3 January 2001 under No. 20010103-244, 9 February 2001 under No. 20010209-84, 6 March 2001 under No. 20010306-167, 6 March 2001 under No. 20010306-187, 6 March 2001 under No. 20010306-186, 6 March 2001 under No. 20010306-185, 18 April 2001 under No. 20010418-153, 18 May 2001 under No. 20010518-621, 18 May 2001 under No. 20010518-622, 17 July 2001 under No. 20010717-543, 31 August 2001 under No. 20010831-471, 1 September 2001 under No. 20010901-351, 31 August 2001 under No. 20010831-472, 11 October 2001 under No. 20011011-506, 15 November 2001 under No. 20011115-470, 15 November 2001 under No. 20011115-469, 7 December 2001 under No. 20011207-347, 25 December 2001 under No. 20011225-1406, 12 February 2002 under No. 20020212-305, 12 February 2002 under No. 20020212-306, 26 March 2002 under No. 20020326-354, 18 May 2002 under No. 20020518-031, 18 May 2002 under No. 20020518-030, 30 May 2002 under No. 20020530-457, 8 June 2002 under No. 20020608-312, 13 July 2002 under No. 20020713-508, 22 August 2002 under No. 20020822-511, 22 August 2002 under No. 20020822-512, 26 September 2002 under No. 119665, 23 October 2002 under No. 130472, 23 October 2002 under No. 130469, 2 January 2003 under No. 210, 18 February 2003 under No. 21622, 18 February 2003 under No. 21621, 18 February 2003 under No. 21620, 11 March 2003 under No. 29680, 25 March 2003 under No. 34738, 23 April 2003 under No. 46686, 19 May 2003 under No. 55611, 11 June 2003 under No. 64656, 25 June 2003 under No. 70416, 14 August 2003 under No. 86585, 3 September 2003 under No. 91266, 1 October 2003 under No. 101098, 5 November 2003 under No. 115991, 5 November 2003 under No. 115990, 26 November 2003 under No. 123993, 12 January 2004 under No. 3245, 12 January 2004 under No. 3246, 20 February 2004 under No. 28534, 20 February 2004 under No. 28533, 11 June 2004 under No. 85772, 18 June 2004 under No. 89944, 2 September 2004 under No. 126325, 8 November 2004 under No. 154579, 14 February 2005 under No. 26625, 14 February 2005 under No. 26626, 24 March 2005 under No. 45201, 26 April 2005 under No. 60813, 30 May 2005 under No. 75305, 20 July 2005 under No. 105354, 29 November 2005 under No. 170462, 8 December 2005 under No. 177140, 13 February 2006 under No. 32119, 27 February 2006 under No. 40140, 27 February 2006 under No. 40411, 4 May 2006 under No. 76634, 22 May 2006 under No. 85551, 4 October 2006 under No. 151848, 24 October 2006 under No. 162478, 23 February 2007 under No. 30941, 26 February 2007 under No. 31701, 18 June 2007 under No. 86241, 2 July 2007 under No. 94095 and 27 July 2007 under No. 112683, 25 October 2007 under No. 155960, 1 February 2008 under No. 18488, 13 February 2008 under No. 24307, 23 April 2008 under No. 61021, 21 May 2008 under No. 74361, 24 July 2008 under No. 123053, 20 October 2008 under No. 165525, 22 December 2008 under No. 196942, 18 February 2009 under No. 25616, 22 May 2009 under No. 71890, 25 January 2010 under No. 13241, 28 May 2010 under No. 76541, 23 February 2011 under No. 29151, 6 June 2011 under No. 83577, 3 February 2012 under No. 30282, 28 February 2012 under No. 46314, 30 May 2012 under No. 996290, 31 January 2013 under No. 18790, 31 January 2013 under No. 18791, 21 May 2013 under No. 75826, 31 January 2014 under No. 30744, 6 January 2015 under No. 1938 and by deed of notary-public on 23 December 2015, deposited with the Registry of the Commercial Court at Brussels for publication in the Appendices to the Belgian Official Gazette;

- 2° by deeds of notary-public which, pursuant to the resolutions of the Extraordinary General Meetings of Shareholders of 29 April 1969, 19 June 1971 and 18 June 1977 (*Appendices to the Belgian Official Gazette* of 6 May 1969, No. 991-1, 26 June 1971, No. 1968-2 and 6 July 1977, No. 2599-1), record the conversion of bonds into shares and capital increase resulting from such conversion, most recently by deed executed on 30 March 1978, published in the *Appendices to the Belgian Official Gazette* of 20 April 1978 under No. 1176-16;
- 3° by an announcement published in the *Appendices to the Belgian Official Gazette* of 3 June 1946 under No. 11523, pursuant to legislation relating to the taxation of capital.



KBC Group
Naamloze vennootschap (company with limited liability)

ARTICLES OF ASSOCIATION

TITLE I – NAME, OBJECT, REGISTERED OFFICE, LIFE

Art. 1 – The company has the legal form of a *naamloze vennootschap* (company with limited liability). It has the capacity of a company which seeks to attract or has sought to attract savings from the public. Its name is 'KBC Groep', in French 'KBC Groupe', in English 'KBC Group', and in German 'KBC Gruppe'.

Art. 2 – The company is a financial holding company, which has as its object, the direct or indirect ownership and management of shareholdings in other companies, including but not restricted to credit institutions, insurance companies and other financial institutions.

The company also has as object to provide support services for third parties, as mandatary or otherwise, in particular for companies in which the company has an interest – either directly or indirectly.

The object of the company is also to acquire in the broadest sense of the word (including by means of purchase, hire and lease), to maintain and to operate resources, and to make these resources available in the broadest sense of the word (including through letting, and granting rights of use) to the beneficiaries referred to in paragraph two.

In addition, the company may function as an intellectual property company responsible for, among other things, the development, acquisition, management, protection and maintenance of intellectual property rights, as well as for making these rights available and/or granting rights of use in respect of these rights to the beneficiaries referred to in paragraph two.

The company may also perform all commercial, financial and industrial transactions that may be useful or expedient for achieving the object of the company and that are directly or indirectly related to this object. The company may also by means of subscription, contribution, participation or in any other form whatsoever participate in all companies, businesses or institutions that have a similar, related or complementary activity.

In general, the company may, both in Belgium and abroad, perform all acts which may contribute to the achievement of its object.

Art. 3 – The registered office is established at Havenlaan 2, 1080 Brussels. It may be transferred to another location in Belgium by resolution of the Board of Directors, which is authorised to have the resulting amendment to the Articles of Association recorded by deed of notary-public.

The company may set up administrative and operating headquarters, branches, offices and auxiliary offices in Belgium and abroad.

Art. 4 – The life of the company is indefinite.

It may be dissolved only under the conditions laid down by law for amendment of the Articles of Association.

TITLE II – SHARE CAPITAL, CONTRIBUTION, SHARES, PROFIT-SHARING CERTIFICATES AND OTHER SECURITIES

Art. 5 – The issued share capital amounts to one billion four hundred and fifty-four million two hundred and ninety-eight thousand fourteen euros and thirty-five cents (1 454 298 014.35 euros), divided into four hundred and eighteen million eighty-seven thousand and fifty-eight (418 087 058) shares of no nominal value.

The share capital is fully paid up.

Insofar as the law allows, the shares shall be in registered or book-entry form. At the request and expense of the shareholder, shares may be converted from one form into another in accordance with the legal requirements.

The shareholder register can be kept in electronic form.

Up to 31 December 2013, bearer shares shall be converted into book-entry shares by operation of law as soon as they are admitted to trading on a regulated market as defined by Article 2, 3° of the Act of 2 August 2002 on the supervision of the financial sector and financial services (or any provision replacing this article) and held in a custody account.

Art. 5bis – By virtue of a resolution passed at the Extraordinary General Meeting of Shareholders of 29 April 2010, the company may, by resolution passed by the Board of Directors, or through the intervention of two company directors acting jointly or two members of the Executive Committee acting jointly or an executive director acting alone, issue profit-sharing certificates with the features, terms and conditions laid down in Annex A to these Articles of Association, in the circumstances and within the bounds provided for in Annex A. The annexes form an integral part of these Articles of Association.

By virtue of this resolution passed at the Extraordinary General Meeting of Shareholders, the Board of Directors, two company directors acting jointly or two members of the Executive Committee acting jointly or an executive director acting alone, are authorised to perform all acts and conclude and sign all agreements relating to or arising from the issue of the profit-sharing certificates, including changing the number of profit-sharing certificates issued in the Articles of Association, provided the relevant provisions of Annex A are observed in each case.

The register of profit-sharing certificates can be kept in electronic form.

The number of profit-sharing certificates currently issued and allocated is zero.

Art. 6 – The decision to increase the share capital shall be taken by the General Meeting of Shareholders according to the procedure required for amendment of the Articles of Association.

On each capital increase carried out by means of a contribution in cash, the new shares must be offered first to the existing shareholders in proportion to the amount of capital that their shares represent at the time of issue.

In derogation from the foregoing paragraph, the General Meeting of Shareholders, deliberating under the conditions of attendance and majority prescribed by law for amendment of the Articles of Association, may decide that all new shares, or a portion thereof, will not be offered first to the existing shareholders. In that case, the General Meeting of Shareholders will itself establish the conditions and in particular the price of the issue without preferential subscription rights. If the preferential subscription rights are suspended or restricted, a right of precedence may be granted to existing shareholders on allotment of the new shares.

The General Meeting of Shareholders may also decide to issue convertible bonds or warrants, whether or not linked to subordinated or unsubordinated bonds. On such issue, the General Manager may suspend or restrict the preferential subscription rights of existing shareholders. If the preferential subscription rights are suspended or restricted, a right of precedence may be granted to existing shareholders on allotment of the bonds or warrants.

Art. 7 – A. The Board of Directors is authorised to increase the share capital in one or more steps by seven hundred million euros (700 000 000 euros), under the terms and conditions to be determined by the Board.

In addition, the Board of Directors is authorised to determine the dividend entitlement of the shares that will be issued following capital increases carried out under the above authority.

The Board of Directors may exercise this authority during the five years following publication of the amendment to the Articles of Association decided upon by the Extraordinary General Meeting of Shareholders of 2 May 2013. This authority can be extended in accordance with the prevailing statutory provisions.

The increases of capital decided upon under this authority may be carried out, within the confines of the law, by both contributions in cash or in kind and by the incorporation of reserves, including the share premium account unavailable for distribution. The reserves may be incorporated with or without new shares being issued.

Upon deciding to increase capital within the framework of this authorisation via the issue of new shares for cash, the Board of Directors is authorised, in the company's interest, to suspend or restrict the preferential subscription rights of existing shareholders. The Board may also do so to the benefit of one or more specific persons. If the preferential subscription rights are suspended or restricted, the Board of Directors may grant a right of precedence to the existing shareholders on allotment of the new shares.

B. Furthermore, the Board of Directors is authorised to decide on the issue in one or more steps of convertible bonds, subordinated or otherwise, or warrants, linked or otherwise to subordinated or unsubordinated bonds, which may lead to increases of capital by up to the amount specified under A.

To this end, the Board of Directors is also authorised to determine the dividend entitlement of the shares that will be issued following the conversion of the bonds or exercise of the warrants.

The Board of Directors may exercise this authority during the five years following publication of the amendment to the Articles of Association decided upon by the Extraordinary General Meeting of Shareholders of 2 May 2013. This authority can be extended in accordance with the prevailing statutory provisions.

Upon deciding to issue these bonds or warrants, the Board of Directors is authorised, in the company's interest and within the confines of the law, to restrict or suspend the preferential subscription rights of existing shareholders. The Board may also do so upon the issue of the aforementioned bonds or warrants to the benefit of one or more specific persons, on the understanding that, upon the issue of the warrants, the warrants may not be destined primarily for one or more specific persons other than employees of the company or of one or more of its subsidiaries. If the preferential subscription rights are restricted or suspended, the Board of Directors may grant a right of precedence to the existing shareholders on allotment of the bonds or warrants.

C. Pursuant to Article 607 of the Companies Code, the Board of Directors is especially empowered for a period of three years starting from 28 April 2011 to make capital increases in accordance with the terms and conditions and within the limits laid down in the Companies Code even after the date of receipt of the notification from the Financial Services and Markets Authority (FSMA) of a public bid for the securities of the company, within the limits of the existing authorisation as detailed in Articles 7A and 7B of these Articles of Association.

Transitional provision

Following a resolution passed by the Board of Directors on 13 November 2013 to implement a capital increase, the issued share capital was increased by one million three hundred and eighty-one thousand five hundred and seventy euros and forty-four cents (1 381 570.44 euros) on 19 December 2013.

Following a resolution passed by the Board of Directors on 12 November 2014 to implement a capital increase, the issued share capital was increased by one million four hundred and forty-eight thousand seven hundred and twenty-four euros (1 448 724.00 euros) on 17 December 2014.

Following a resolution passed by the Board of Directors on 13 November 2015 to implement a capital increase, the issued share capital was increased by one million sixty-six thousand two hundred and seventy-two euros (1 066 272.00 euros) on 23 December 2015.

Art 8 – When exercising the authority conferred upon it under Article 7 to increase capital, the Board of Directors is empowered, with the possibility of substitution, to amend the Articles of Association in order to change the amounts of the issued share capital, as well as the number of shares upon the new issue of such, and to state in a transitional provision under Article 7 to what extent it has used its authority to increase capital.

When exercising the authority conferred upon it under Article 7 to issue convertible bonds or warrants, the Board of Directors is empowered, with possibility of substitution, to state in a transitional provision under Article 7 to what extent the issues decided upon may lead to the increase of capital and the issue of shares; likewise, the Board is

authorised, as the bonds are converted or the warrants exercised, to amend in the Articles of Association the amounts of issued share capital, as well as the number of shares.

In the event a share premium is paid on a capital increase decided upon by the Board of Directors or the General Meeting of Shareholders, or on the conversion of bonds or the exercise of warrants, or if an issue price is posted to the accounts as a share premium on the issue of warrants decided upon by the Board of Directors or the General Meeting of Shareholders, this will be earmarked for appropriation to the share premium account, which will, to the same extent as the share capital, serve as security for third parties, and which, except in the event of the incorporation of this reserve in capital, may be used only in accordance with the rules laid down in the Companies Code for the reduction of share capital.

Upon the issue of shares, bonds, profit-sharing certificates or warrants decided upon by the General Meeting of Shareholders or the Board of Directors, this last may at all times enter into agreements with third parties according to such stipulations, terms and conditions as it deems fit, in order to ensure the placement of the securities to be issued.

Art. 9 – The Board of Directors may split the shares into sub-shares and may deliver securities representing several shares or sub-shares.

Art. 10 – The company recognises only one owner per share or sub-share for the exercise of voting rights at the General Meeting of Shareholders and of all rights attaching to the shares pursuant to Articles 25 and 26 of these Articles of Association or otherwise.

Co-owners, usufructuaries and bare owners, pledgees and pledgers, in short, all persons who, for one reason or another, have joint entitlement to a share, shall arrange to be represented respectively by one and the same person.

This representative must either be one of the persons co-entitled or must meet the requirements of Article 28 of the Articles of Association.

Until such time as this provision has been met, the company shall be entitled to suspend the exercise of the rights attaching to these shares. The chairman of the General Meeting of Shareholders shall be empowered to exercise this right of suspension.

Art. 10bis – In accordance with Article 18 of the Act of 2 May 2007 concerning the disclosure of significant participations in issuers whose shares are admitted to trading on a regulated market and containing various stipulations, the provisions of Articles 6 through 17 of the above Act will come into effect as soon as a person, directly or indirectly, holds securities carrying voting rights and/or has voting rights representing 3% or more of the total existing voting rights.

The provisions set out in the first paragraph do not prejudice the legally required notifications if the securities carrying voting rights and/or the voting rights reach the threshold of 5% of total existing voting rights, or a multiple thereof.

Art. 11 – Under the conditions laid down by law, the company may acquire its own shares and profit-sharing certificates.

The Board of Directors of the company, as well as the Boards of Directors of the companies in which the company, alone or pursuant to a shareholders' agreement,

directly holds, exercises or controls the majority of voting rights, or in which the company has the right to directly appoint the majority of directors or business managers, are authorised, without a resolution of the General Meeting of Shareholders of the company being required, to acquire or dispose of the company's own shares or profit-sharing certificates whether or not convertible into shares whenever the acquisition or disposal thereof is necessary to prevent the company suffering imminent serious disadvantage. The above-mentioned Boards of Directors may proceed to such acquisition or disposal during the three years following the publication of the amendment to the Articles of Association decided upon by the Extraordinary General Meeting of Shareholders of 3 May 2012.

Furthermore, the Board of Directors of the company, as well as the Boards of Directors of the companies in which the company, alone or pursuant to a shareholders' agreement, directly holds, exercises or controls the majority of voting rights, or in which the company has the right to directly appoint the majority of directors or business managers, are authorised, without the prior agreement of the General Meeting of Shareholders, to sell the company's own shares that are held by the relevant company and listed in the sense used in the Companies Code.

Art. 11bis

To the extent permitted by law, bonds shall be in bearer, registered or book-entry form, and warrants shall be in registered or book-entry form. At the request and expense of the holder, bonds and warrants may be converted from one form into another in accordance with the legal requirements, unless the issue conditions for the security in question stipulate otherwise.

The registers of registered bonds and warrants may be kept in electronic form.

Until 31 December 2013, bearer bonds (except bearer bonds which are only issued abroad or are subject to foreign law) shall be converted into book-entry form by operation of law as soon as they are admitted to trading on a regulated market as defined in Article 2, 3°, of the Act of 2 August 2002 on the supervision of the financial sector and financial services (or any provision replacing that article) and held in a custody account.

TITLE III – MANAGEMENT AND CONTROL

Art. 12 – The company shall be administered by a board of at least three (3) directors – who may or may not be shareholders – appointed by the General Meeting of Shareholders, on condition that at least three (3) members of the Board have the capacity of independent director in accordance with the Companies Code. The office of director may be revoked at any time.

The term of office of directors amounts to six years at the most and expires after the annual Ordinary General Meeting of Shareholders.

Outgoing directors shall always be eligible for re-election.

Art. 13 – If a directorship falls vacant as a result of decease or removal or any other reason, the remaining directors may provisionally arrange for a replacement.

In that case, the next General Meeting of Shareholders will make a definitive appointment.

A director appointed to replace a director whose term of office had not yet come to an end will complete this term of office, unless the General Meeting of Shareholders opts for a different term of office when making the definitive appointment.

Art. 14 – The Board of Directors elects from among its members a chairman and possibly one or more deputy chairmen and other officers. The Board of Directors shall appoint its secretary, who need not be a director.

Art. 15 – Unless the Board of Directors should make other arrangements, it shall function as follows.

The Board of Directors shall meet whenever the company's interest so requires, upon convocation by the chairman, the deputy chairmen or two directors; the convening notices shall indicate the date, time, place and agenda.

Any director who is unable to attend may, by letter or any other means of communication providing documentary confirmation of the nomination as proxy, empower another member of the Board to represent him/her and to vote in his/her stead.

No director may represent more than one member in this way.

The meeting shall be presided over by the chairman or, in his absence, by a deputy chairman or a director designated by his/her colleagues.

For the rest, the Board of Directors can itself make all arrangements to ensure it functions effectively.

Art. 16 – Except in the case of *force majeure*, war, civil disturbance and natural disasters, the Board of Directors can deliberate validly only if at least half its members are present or represented. Directors who, in accordance with the Companies Code, may not participate in the deliberations and the vote are not included to determine whether the quorum has been reached.

Resolutions shall be adopted by a simple majority of votes.

In case of a tied vote, the chairman of the meeting shall have the casting vote.

In those instances allowed by law, the resolutions of the Board of Directors may be passed by unanimous written agreement of the directors.

Art. 17 – The decisions of the Board of Directors shall be recorded in reports.

Each report shall be signed by the acting chairman and shall likewise be submitted for signature to the other members of the Board of Directors.

If the reports are recorded on loose leaves, the latter shall be numbered per meeting.

Copies of and extracts from the reports shall be validly signed by the chairman, by two directors, by the secretary to the Board of Directors, by the secretary to the Executive Committee or by the Group Secretary.

Art. 18 – The Board of Directors shall have powers to perform everything that is necessary or useful to achieve the object of the company, with the exception of that which, pursuant to the law, solely another body is empowered to perform.

Art. 19 – The General Meeting of Shareholders may grant the directors a fixed remuneration and attendance fees, chargeable to overhead expenses.

The Board of Directors may grant directors who perform special functions or missions emoluments chargeable to overhead expenses.

Art. 20 – The Board of Directors may delegate its management powers to an Executive Committee, although this delegation may not relate to general policy or acts which by law are reserved for the Board of Directors. The Board of Directors is responsible for the supervision of the Executive Committee.

The Executive Committee shall comprise a maximum of 10 members. Together, these members form a collegiate body. Members of the Executive Committee who, pursuant to the Companies Code, may not participate in the deliberations and the vote, will not be counted when determining whether the relevant quorum exists.

If all members or all but one member of the Executive Committee have a direct or indirect interest of a financial nature that is incompatible with a decision or transaction that falls within the competence of the Executive Committee, the members of the Executive Committee shall inform the Board of Directors which shall pass the resolution according to the procedure prescribed by law.

The president of the Executive Committee shall be appointed by the Board of Directors on the proposal of the Executive Committee.

The Board of Directors shall determine the remuneration of the members of the Executive Committee, after obtaining the advice of the president of the Executive Committee.

The age limit for members of the Executive Committee shall be set by the Board of Directors, which shall also determine the system of retirement and survival pensions for the members of the Executive Committee.

Within the limits of its authority, the Executive Committee may confer special powers on agents of its choice.

Copies of and extracts from the resolutions of the Executive Committee shall be validly signed by the president of the Executive Committee, by two members of the Executive Committee, by the secretary to the Executive Committee or by the Group Secretary.

Art. 20bis – An Audit Committee shall be established from amongst the members of the Board of Directors.

Art. 21 – With regard to the powers of the Board of Directors, the company shall be represented by two directors, one of whom is required to be a member of the Executive Committee, or by persons especially empowered for that purpose.

With regard to the powers of the Executive Committee established pursuant to Article 524*bis* of the Companies Code, the company shall be represented by two members of the Executive Committee, or by one member of the Executive Committee acting together with a senior general manager or with the secretary to the Board of Directors or with the secretary to the Executive Committee or with the Group Secretary, or by persons especially empowered for that purpose.

Art. 22 – Supervision of the company's financial situation and annual accounts shall be exercised by one or more statutory auditors who are appointed and remunerated in accordance with the rules laid down in the Companies Code and in the law on business organisation.

The General Meeting of Shareholders may appoint a deputy statutory auditor.

The statutory auditors shall be appointed for a renewable term of three years.

The term of office of the outgoing statutory auditors ceases immediately after the Annual General Meeting of Shareholders.

When several auditors are appointed, they shall be validly represented at any time by one of their number.

TITLE IV – GENERAL MEETING OF SHAREHOLDERS

Art. 23 – The General Meeting of Shareholders represents all shareholders.

Its decisions shall also be binding on the shareholders who abstain or vote against.

Each share gives entitlement to one vote. If the shares are split into sub-shares, the sub-shares, combined in sufficient number, shall give the same entitlement as the share, unless otherwise stipulated by law.

Holders of bonds, warrants or certificates issued in co-operation with the company, shall be entitled to attend the General Meeting of Shareholders, but have only advisory voting capacity.

Art. 24 – A General Meeting of Shareholders shall be held annually at the registered office of the company or at any other place indicated in the convening notice, at 10 a.m. on the first Thursday of May, or, if this day is a statutory public holiday or bank holiday, at 10 a.m. on the business day immediately preceding it.

The Ordinary General Meetings of Shareholders shall be convened by the Board of Directors.

Art. 25 – The Board of Directors or the statutory auditors may convene Special and Extraordinary General Meetings of Shareholders. They must do so at the request of one or more shareholders who hold at least one-fifth of the shares or who represent at least one-fifth of the share capital, and this within three weeks of the date postmarked on the registered letter sent to the Board of Directors, listing and substantiating the case for the proposed agenda items and draft resolutions.

Art. 26 – Shareholders who exercise their statutory right to put items on the agenda of the General Meeting of Shareholders, must include in their request the text of the items to be included and the accompanying draft resolutions. Shareholders who exercise their statutory right to table draft resolutions regarding items included on the agenda of the General Meeting of Shareholders, must include in their request the text of the draft resolutions.

Art. 27 – The right of a shareholder to attend the General Meeting of Shareholders and to exercise his/her voting rights at said meeting shall be granted solely on the basis of the accounting record of the shares in the name of the shareholder on the record date, more specifically at midnight Belgian time on the fourteenth day before the General Meeting of Shareholders, either by entry of the shares in the shareholder register, by their entry on the accounts of a recognised account holder or clearing house, and this regardless of the number of shares that the shareholder possesses on the day of the General Meeting of Shareholders.

The right of a holder of bonds, warrants or certificates issued in co-operation with the company to be present at the General Meeting of Shareholders, is similarly granted solely on the basis of the accounting record of the securities in his/her name on the record date. Bearer bonds which are only issued abroad or which are subject to foreign law are registered for accounting purposes by presenting the bonds to a financial intermediary or by entering them on an account at a financial intermediary.

Every shareholder and every holder of bonds, warrants or certificates issued in co-operation with the company, who wishes to attend the General Meeting of Shareholders, must inform the company or a person so designated by the company by no later than the sixth day before the day of the General Meeting of Shareholders of his/her intention to attend and also indicate the number of securities with which he/she wishes to participate. If a holder of book-entry securities wishes to attend the General Meeting of Shareholders, he/she must also ensure that the company or a person so designated by the company, receives on the same day at the latest, a certificate supplied by the recognised account holder or the clearing house, which states the number of book-entry securities – entered in the holder's name on his/her accounts on the record date – with which he/she wishes to participate in the General Meeting of Shareholders. One and the same obligation applies to every holder of bearer bonds that are only issued abroad or that are subject to foreign law, on the understanding that in this case the certificate will be supplied by the financial intermediary to which the bonds had been submitted, or with which the bonds had been entered on an account.

The provisions of this Article also apply to the holders of profit-sharing certificates – insofar as they are in registered or book-entry form – in the cases where such holders are entitled to attend the General Meeting of Shareholders.

Art. 28 – Unless specified otherwise by law, every shareholder, every holder of bonds, warrants and certificates issued in co-operation with the company and, in the event, every holder of profit-sharing certificates, whether a private individual or legal entity, may arrange to be represented at the General Meeting of Shareholders by a single proxy.

The Board of Directors will determine the form to be used when voting by proxy. The company must be in receipt of the proxy on the sixth day before the General Meeting of Shareholders at the latest.

Art. 29 – The Board of Directors or the officers of the General Meeting of Shareholders may, within the confines of the law, grant exemption from the formalities laid down in Articles 27 and 28, paragraph 2, of these Articles of Association.

Art. 30 – Prior to the opening of the meeting, the persons present shall sign the attendance roster, on which are listed the names of the shareholders – and in the event, the holders of profit-sharing certificates – present or represented, as well as the number of securities they hold.

Art. 31 – The chairman of the Board of Directors or, in his absence, a deputy chairman or a director designated by his colleagues, shall preside over the General Meeting of Shareholders.

The chairman shall appoint a secretary, who need not be chosen from among the shareholders; the meeting shall elect two tellers.

The chairman, the secretary and the tellers are the officers of the meeting.

Art. 32 – Except for resolutions for which the law requires a stricter attendance and/or voting quorum, the General Meeting of Shareholders may pass resolutions by a simple majority of votes, regardless of the number of shares participating in the voting.

Voting shall occur by a show of hands or in any other way accepted by the General Meeting of Shareholders.

A secret ballot shall be held at the request of one or more persons present and provided that this request is endorsed by one-third of the votes.

If, in the vote on an appointment, no candidate obtains the majority, a second vote shall be held between the two candidates who received the most votes; in the case of a tied vote, the elder of the two candidates shall be elected.

Art. 33 – Subject to observance of the legal requirements in respect of attendance and majority, the General Meeting of Shareholders may amend the Articles of Association.

Art. 34 – The Board of Directors is entitled, prior to any Ordinary, Special or Extraordinary General Meeting of Shareholders, to postpone or cancel the meeting. This is in addition to the legal right for the Board of Directors to postpone any Ordinary, Special or Extraordinary General Meeting of Shareholders for up to five weeks due to an announcement regarding a significant participation, and during the meeting to postpone for five weeks the decision regarding the approval of the financial statements.

Such postponement terminates deliberation and renders invalid all resolutions passed, including those which have no bearing on the financial statements.

All holders of shares, bonds, warrants and certificates issued in co-operation with the company, and, in the event, all holders of profit-sharing certificates, shall be called to attend the next meeting and admitted, provided that they have completed the formalities laid down in the Articles of Association, and this regardless of whether or not they attended the first meeting either in person or by proxy.

At the second meeting, the agenda of the initial meeting shall be dealt with in its entirety.

Art. 35 – The minutes of the General Meetings of Shareholders shall be signed by the officers of the meeting. Copies and extracts shall be validly signed by the chairman or by two directors.

TITLE V – INVENTORY, FINANCIAL STATEMENTS, PROFIT APPROPRIATION, RESERVES

Art. 36 – The financial year begins on the first of January and ends on the thirty-first of December each year.

On the thirty-first of December of each year, an inventory shall be compiled, the financial statements drawn up and the books balanced. The financial statements shall comprise the balance sheet, the income statement and the notes to the same.

The Board of Directors shall make an estimate of all movable and immovable assets, rights or liabilities that appear in the financial statements or inventories. It may constitute provisions for tax and determine the amounts deemed necessary for impairment, depreciation or amortisation. In this regard, it shall bear in mind the interest of the company and endeavour to safeguard its future.

Pursuant to the Companies Code, the directors shall draw up a report each year accounting for their management.

Art. 37 – The net profit shall be appropriated as follows:

1. At least five (5) per cent shall be set aside for the legal reserve, until such time as the latter amounts to one-tenth of the share capital.
2. An amount shall then be deducted which is required:
 - a) to pay a share of the profits to the holders of profit-sharing certificates of the company by means of a dividend in the circumstances and in accordance with the terms and conditions as stated in Annex A;
 - b) to pay a share of the profits to employees and other members of staff of the company and affiliated companies under (group) profit-sharing plans or any other form of employee participation;
 - c) to pay the shareholders a dividend that is set by the General Meeting of Shareholders.
3. The balance may be earmarked for appropriation to reserves or carried forward to the next financial year.

Art. 38 – The Board of Directors is authorised, in accordance with statutory provisions, to pay an interim dividend on the result of the current financial year.

TITLE VI – WINDING UP, LIQUIDATION

Art. 39 – In case of liquidation of the company, the General Meeting of Shareholders shall appoint one or more liquidators, determine their powers and emoluments and establish the method of liquidation, pursuant to Articles 184 *et seq.* of the Companies Code. The Board of Directors shall, without prejudice to the statutory requirements for liquidators, *ipso jure* be entrusted with the liquidation until such time as the liquidators are appointed.

Art. 40 – The net proceeds of the liquidation, after settlement of all corporate debts, shall be distributed among all the shares and, in the event, and in accordance with the terms and conditions of Annex A to these Articles of Association, the profit-sharing certificates in the amount of their respective issue price.

TITLE VII – MISCELLANEOUS

Art. 41 – The shareholders, directors, statutory auditors and liquidators who are domiciled abroad shall be obliged to elect domicile in Belgium for the purpose of all dealings with the company. In case of failure to meet this obligation, they shall *ipso jure* be deemed to have elected domicile at the registered office of the company, where all notifications, summonses and writs may legally be served upon them, and all notices or letters may be sent to them.

Annex A to the Articles of Association of KBC Group *Naamloze Vennootschap* (company with limited liability)

Terms and conditions of profit-sharing certificates

(A) Background: The profit-sharing certificates form part of the agreement concluded between the Belgian State and KBC Group NV containing a guarantee scheme for a portfolio of structured financial products (the '**Portfolio Protection Agreement**').

(B) Nature: The profit-sharing certificates are profit-sharing certificates within the meaning of Article 483 of the Belgian Companies Code. They do not represent the share capital of KBC Group NV.

The profit-sharing certificates are perpetual and have no fixed reimbursement date. They will only be reimbursable (i) in accordance with all applicable regulatory requirements, (ii) with the consent of the CBFA, and (iii) if no Net Assets Deficiency Event (as defined hereunder) occurs or would occur before or as a result of such reimbursement. Once reimbursed, the profit-sharing certificates will no longer bestow the right to receive any further distributions or to benefit from any other rights.

(C) Form: The profit-sharing certificates are registered securities and will be registered in the name of their holders in the register held by KBC Group NV pursuant to Article 463 of the Belgian Companies Code. The register of profit-sharing certificates will also include the transfer events included in section (K) of these terms and conditions.

(D) Contributions:

- (1) The profit-sharing certificates will be issued at any time by KBC Group NV against contributions in cash made by the Belgian State pursuant to the Portfolio Protection Agreement.
- (2) These contributions will be accounted for in an unavailable reserve account that may only be reduced in accordance with Articles 612 and following of the Belgian Companies Code. In case of later conversion of the profit-sharing certificates into shares in accordance with section (J), this unavailable reserve will be incorporated into the share capital and, if applicable, in the share premium account.

The maximum contribution amount that may be paid and remunerated by profit-sharing certificates is equal to 1 769 040 000 EUR (the '**Maximum Amount**'). After every issue of shares (for reasons other than conversion) or profit-sharing certificates in the framework of the Portfolio Protection Agreement, the Maximum Amount is reduced by the amount in euros of the contribution (in capital, issue price and a reserve not available for distribution) until the Maximum Amount has

been depleted.

- (E) Number:**
- (1) The maximum number of profit-sharing certificates that may be issued is determined in accordance with the Maximum Amount (if applicable reduced in accordance with the rules stipulated in section (D)) and the issue price per profit-sharing certificate on its date of issue.
 - (2) The number of profit-sharing certificates issued on an issue shall be equal to the amount of the applicable contribution divided by the issue price.
 - (3) The number of outstanding profit-sharing certificates shall be adapted in accordance with section (J) of these terms and conditions.

(F) Issue price: The issue price (the '**Issue Price**') of each profit-sharing certificate shall be equal to the average closing price of KBC Group NV shares on Euronext Brussels (or, if the shares are no longer admitted to trading on Euronext Brussels, but are on one or more other regulated markets in the European Economic Area, on the most liquid regulated market), as calculated during the 30 calendar-day period preceding the issue date.

If, on the relevant issue date, the shares are no longer admitted to trading on Euronext Brussels or any other regulated market in the European Economic Area, the issue price will be decided jointly between KBC Group NV and the Belgian State and in the absence of an agreement, by an independent investment bank jointly appointed by the Belgian State and KBC Group NV or by the president of the Court of First Instance of Brussels at the request of either party. The valuation procedure will be carried out in accordance with the Portfolio Protection Agreement and the issue date will, subject to the applicable legislation, be the tenth business day following the determination of the valuation by the investment bank pursuant to this procedure.

(G) Issue: The Board of Directors or any two directors or members of the Executive Committee of KBC Group NV acting together, or an executive director (gedelegeerd bestuurder) of KBC Group NV acting alone, are authorised by the General Meeting to issue profit-sharing certificates, up to the Maximum Amount.

(H) Voting rights: The holders of the profit-sharing certificates do not have any voting rights in that capacity, except in the cases and in accordance with the conditions set out in the Belgian Companies Code.

(I) Dividend: The holders of profit-sharing certificates are entitled to an annual dividend as described below, subject to (i) the existence of distributable profits in accordance with the Belgian Companies Code, and (ii) no Net Assets Deficiency Event (as defined hereunder) having occurred or occurring at the date of, prior to or as a result of such a dividend payment. Such annual dividend payments shall be carried out in priority over any distributions on shares or junior undertakings of KBC Group NV. No dividend shall be payable in a financial year if, during the same financial year, no interest payment is made in respect of the 118 644 067 core-capital securities issued by KBC Group NV to the Federale Participatie- en Investeringsmaatschappij NV within the

framework of the core-capital issue of 19 December 2008 and the 118 644 067 core-capital securities issued by KBC Group NV to the Flemish Region within the framework of the core-capital issue of 17 July 2009 (together entitled the '**Yield Enhanced Securities**').

KBC Group NV may (but does not have to) decide not to pay an annual dividend, subject to (i) no prior dividend having been paid, and no prior distribution having been carried out by KBC Group NV in relation to shares or junior or *pari passu* undertakings of KBC Group NV over the last twelve months, (ii) KBC Group NV not having reimbursed, bought back or purchased shares or junior or *pari passu* undertakings of KBC Group NV over the last twelve months, and (iii) no Net Assets Deficiency Event having occurred or still occurring at the time of payment of the dividend.

The annual dividend is equal to the sum of (i) the return of five-year bonds issued by the Belgian State at the time of issuance of the profit-sharing certificates, (ii) 3.00% and (iii) five times the median of 5-year CDS spreads of KBC Group NV calculated over the period starting on 1 January 2007 and ending on 31 August 2008 (i.e. five times 0.535%).

In case the conversion option described below is exercised, the profit-sharing certificates shall lose all rights to participate in dividends that have not been declared at the date of conversion.

If a dividend payment has not occurred pursuant to the condition described above or in case of a deficiency of distributable profits pursuant to the Belgian Companies Code, the distribution shall be definitively lost, and the holders of profit-sharing certificates shall have definitively lost all their rights to such distribution.

'Net Assets Deficiency Event' means:

- (a) a decline in the net assets of KBC Group NV to below the sum of its paid-up capital and reserves not available for distribution, as determined in accordance with, or by applying the computation method provided in, Article 617 of the Belgian Companies Code in relation to dividend payments;
- (b) an occurrence of a supervisory event (as defined below); or
- (c) a reduction of the amount of Tier 1 capital (*eigen vermogen sensu stricto / fonds propres sensu stricto*) of KBC Group NV as recorded in its consolidated annual accounts to less than 5% of the risk-weighted assets of KBC Group NV, calculated in accordance with the Banking, Finance and Insurance Commission ('CBFA') decree of 17 October 2006 relating to the regulations on the own funds of credit institutions and investment companies (the '2006 Decree').

Net assets are to be understood (subject to any change in Article 617 of the Belgian Companies Code) as the total assets as they appear in the (non-consolidated) balance sheet of KBC Group NV after deduction of provisions, debts (excluding, for the avoidance of doubt, the nominal amount of the profit-sharing certificates), formation expenses not yet written off and research and development costs not yet written off.

A '**Supervisory Event**' will be deemed to occur:

- (a) if the amount of total regulatory capital (*eigen vermogen / fonds propres*) of KBC Group, on a stand-alone non-consolidated basis or on a consolidated basis, declines below the minimum amount required by solvency requirements for credit institutions as provided by the current and future European banking regulations and Basel guidelines, as currently implemented by Article III.1, 3° of the 2006 Decree.
- (b) if the amount of Tier 1 regulatory capital (*eigen vermogen sensu stricto / fonds propres sensu stricto*) of KBC Group NV, on a stand-alone non-consolidated basis or on a consolidated basis, declines below 5/8 of the amount of total regulatory capital as required from time to time by Article III.1, 3° of the 2006 Decree;
- (c) if Article 633 of the Belgian Companies Code becomes applicable by virtue of KBC Group NV's net assets becoming less than 50% of its share capital;
- (d) if Article 23 of the law of 22 March 1993 on the status and supervision of credit institutions applies by virtue of KBC Bank NV's capital falling below the minimum capital imposed by that law (which on the date hereof requires a minimum capital of 6.2 million EUR); or
- (e) at the discretion of the CBFA, if Article 57 §1 of the law of 22 March 1993 has become applicable to KBC Bank NV and the CBFA has imposed special measures in application thereof.

For the purposes hereof, references to the 2006 Decree, the law of 22 March 1993 and the provisions thereof shall be deemed to refer to the same as may be amended from time to time or replaced by other laws, regulations or provisions.

(J) Conversion:

The profit-sharing certificates are convertible at any time, at the Belgian State's option, into ordinary KBC Group shares, one for one. The number of profit-sharing certificates actually issued and in circulation shall be adapted in case of share split of the ordinary KBC Group NV shares or upon the occurrence of any other event affecting the conversion ratio.

The new ordinary shares of KBC Group NV will be issued without nominal value, entirely paid up and will have the same rights as the existing ordinary shares of KBC Group NV. These new shares will be entitled to the same dividend right, from the same date, as the existing ordinary shares of KBC Group NV.

Any two directors or members of the Executive Committee of KBC Group NV acting together, or an executive director (*gedelegeerd bestuurder*) of KBC Group NV acting alone, are authorised to record, in one or more times, the effective realisation of the capital increase resulting from the conversion of profit-sharing certificates into shares.

KBC Group NV shall ensure that the newly issued shares are admitted to trading within 90 days from their issuance on the markets on which the shares are admitted at the date of their issuance.

(K) Transferability:

The profit-sharing certificates are not transferable. They may, however, be disposed of or transferred by the Belgian State to (i) one

or more (public or private) legal persons controlled by it, subject to prior written notice to KBC Group NV, or (ii) to KBC Group NV or any of its affiliates.

(L) Rank: The profit-sharing certificates constitute non-preferred subordinated obligations of KBC Group NV. In case of creditors *concurrent* on the total assets of KBC Group NV, the rights of holders of profit-sharing certificates will rank (i) after all other senior and subordinated creditors of KBC Group NV, and (ii) *pari passu* with those creditors of the KBC Group NV which are expressly defined as having the same rank (including the holders of Yield Enhanced Securities) and the holders of Shares.

In case of liquidation of KBC Group NV, the holders of profit-sharing certificates shall be entitled to receive an amount equal to the respective issue price of these profit-sharing certificates, subject to the preceding paragraph. The holders of profit-sharing certificates will have no right to participate in the liquidation surplus.

(M) Preference rights: The holders of profit-sharing certificates will not be entitled, in this capacity, to preferential rights at the time of a future issue of shares, warrants, convertible bonds, profit-sharing certificates or any other category of securities.

(N) Listing: The profit-sharing certificates will not be admitted to trading on a regulated or non-regulated market.

(O) Adjustments: After the issue of profit-sharing certificates, KBC Group NV and the Belgian State shall negotiate in good faith any adjustment to the terms of the profit-sharing certificates that would from time to time become necessary in order for the profit-sharing certificates to continue qualifying as 'capital' within the meaning of Article 57(a) of the CRD 2006/48/EC of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions, as from time to time amended or substituted (including, but not limited to, as the result of the Commission proposal COM(2008) 602 final of 1 October 2008).'