
**EXPLANATORY NOTES TO
THE PROPOSAL TO AMEND THE ARTICLES OF ASSOCIATION
Van Lanschot N.V.,
with its registered office in 's-Hertogenbosch**

belonging to the proposal dated 24 February 2011
as it will be presented at the Company's general meeting of shareholders
to be held on 11 May 2011 for its approval.

ALLEN & OVERY

EXPLANATORY NOTES TO THE PROPOSAL TO AMEND THE ARTICLES OF ASSOCIATION OF VAN LANSCHOT N.V. ('VAN LANSCHOT'), as it will be presented at the Company's general meeting of shareholders to be held on 11 May 2011 for its approval

1. General

It is proposed to amend the Articles of Association in order to bring these into line with the provisions of (i) the Act for the enhancement of the use of electronic means of communication in decision-making by legal entities (the **Act Electronic Communication**), (ii) the Act to implement the EC Directive on certain shareholders rights in listed companies (the **Shareholders' Rights Act**) and (iii) the Act allowing the Works Council to determine a position on important resolutions by the Board of Management and shareholders' resolutions and to make this known (the **Works Councils' Right to Determine and Make a Position Known Act**).

2. Act Electronic Communication

The following three subjects are *inter alia* regulated in the Act Electronic Communication:

- (i) electronic notification for general meetings of shareholders;
- (ii) attending meetings electronically; and
- (iii) casting votes prior to the meeting by way of electronic means of communication.

It is proposed to include in the articles of association the basis for these electronic facilities. The actual use of the electronic means of communication for a specific general meeting is dependent on a resolution to that extent by the Board of Management.

The offered facilities for the notice apply to both the annual general meeting of shareholders as well as other general meetings of shareholders. Article 43 paragraph 1 will state that a notice convening a general meeting of shareholders shall be disclosed by announcement through electronic means of communication which is directly and permanently accessible until the meeting. The obligation to publish in a nationally circulating daily newspaper and in the Official Price List has lapsed and will be deleted. With respect thereto also the definition in Article 1 under m. is deleted.

Shareholders shall also receive written notices and announcements at the addresses of shareholders according to the register of shareholders. An electronic mail address given by a shareholder to the company will constitute evidence of that shareholder's consent with the sending of notices electronically (Article 43 paragraph 2). This will establish beyond doubt that a shareholder can also be called by email.

The basis for participating in the meeting by an electronic means of communication is laid down in the new paragraphs 4 and 5 of Article 40. The Board of Management is authorized to determine that the rights in respect of a general meeting of shareholders can be exercised by using an

electronic means of communication. For this it will in any case be required that the person entitled to attend the meeting can be identified through the electronic means of communication, follow the discussions in the meeting and if he is entitled to do so exercise the voting right. The Board of Management may also determine that the electronic means of communication used must allow the person entitled to attend the meeting to participate in the discussions, that is to say address the meeting. It is furthermore important that the Board of Management may determine further conditions to the use of electronic means of communication as referred to above, provided such conditions are reasonable and necessary for the identification of those entitled to attend meetings and the reliability and safety of the communication. Such further conditions will be set out in the notice of the meeting.

In the notice convening a meeting the Board of Management can determine that votes cast prior to the general meeting of shareholders by way of electronic means of communication or by letter will be considered equal to a vote cast personally at the time of a general meeting of shareholders. These votes cannot be cast prior to the record date. The notice shall also state the manner in which persons entitled to take part in and vote at meetings may exercise their rights prior to the meeting, see new paragraph 6 of Article 41.

3. Shareholders' Rights Act

The Shareholders' Rights Act that came into effect on 1 July 2010 determines that the notice for convening a general meeting shall be given not later than on the forty-second day (currently the fifteenth day) before that of the meeting (Article 36 paragraph 2). The proposed amendment of Article 36 paragraph 3 relates to the amended rules regarding the content of the notice. These provisions are in line with what is already customary.

Pursuant to the Shareholders' Rights Act it is, as per 1 July 2010, mandatory that a general meeting must have a fixed record date and that this record date must be set at the twenty-eighth day before that of the meeting (Article 1 under n.). In connection with the mandatory record date, it is no longer permitted to maintain an obligation concerning the placing in custody of supporting documents (depository receipts for shares) or restrictions on their transfer, for participation at a general meeting of shareholders; with respect thereto Article 40 paragraph 4 old will be deleted.

To align the right to place items on the agenda, as contained in Article 36 paragraph 4, with the Shareholders Rights Act, a justification requirement has been added, while the ground for refusal (important interest of the company) has been deleted.

The statutory regulations with respect to the notice period for convening a meeting and the record date do not apply to meetings of holders of shares of a certain class (Article 42). For practical purposes (for instance a shorter notice period) the Supervisory Board or the Board of Management could derogate from this regulation. The change to paragraph 3 of Article 42 allows this.

4. Works Councils' Right to Determine and Make its Position Known Act

Under the Works Councils' Right to Determine and Make its Position Known Act, Van Lanschot N.V.'s works council is entitled to define and explain its position at the general meeting of shareholders regarding:

- a proposal to adopt and change the remuneration policy for the Board of Management (Article 17 paragraph 1);
- a proposal to approve major decisions by the Board of Management (Article 20 paragraph 1); and
- a nomination put forward by the Supervisory Board to appoint a Supervisory Director (Article 23 paragraph 1).

The works council must be given a timely opportunity to define its position before the date of the notice convening the meeting. The works council is also entitled to explain its position during the general meeting of shareholders. In connection therewith the works council may attend that part of the general meeting of shareholders in which these subjects will be discussed. This right is mentioned in article 35 paragraph 1. The Act states that the works council's failure to take a position will not impair the decision-making process regarding the proposal in question.

5. Other proposed amendments

A definition of "in writing" will be added as subparagraph m. to article 1. In connection therewith the second full sentence of Article 28A paragraph 7 is deleted. The definition "in writing" is *inter alia* applicable to the manner in which a proxy for a general meeting of shareholders can be granted.

The manner in which general meetings vote, is brought in line with the present situation. The chairman of the meeting determines the manner in which voting takes place (article 41 paragraph 4). The voting results per resolution will be published.

Furthermore, some technical and textual changes are proposed (see Articles 15 paragraph 3, 30 paragraph 6, 32 paragraph 9, 34 paragraph 3, 41 paragraph 7 and 44 paragraph 3).

6. Authorisation

The proposal to amend the Articles of Association entails that each member of the Board of Management, the Secretary of the company, as well as each (deputy) civil-law notary, paralegal and notarial assistant of Allen & Overy LLP, attorneys, civil law notaries and tax lawyers in Amsterdam, is authorised to apply for the statement of no objections for the draft deed of amendment of the Articles of Association and to have that deed executed.

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