

## Liever één vogel in de hand.....

**Resultaat en advies inzake de onderhandelingen namens de Staat met betrekking tot de voorgenomen fusie KLM-Air France**

### I. Inleiding

#### A. Het mandaat

Op 15 september 2003 heeft het kabinet mij, door middel van een schriftelijk mandaat, gemachtigd om met KLM/Air France (KL/AF) te onderhandelen over de beoogde fusie tussen beide luchtvaartmaatschappijen. Het mandaat is als bijlage toegevoegd.

In het mandaat wordt ook verwezen naar de wenselijkheid van een overeenkomst tussen de Nederlandse en de Franse Staat. Daartoe is dan ook contact opgenomen met de Franse regering. Zoals in het mandaat aan mij verzocht, heb ik de stellingname van het Kabinet bij de onderhandelingen als uitgangspunt genomen. Deze positie was neergelegd in de nota van 10 september voor het bewindsliedenoverleg van 11 september j.l.

Het mandaat geeft aan dat de Staat een welwillende houding aanneemt ten opzichte van de voorgenomen fusie, maar dat op een aantal terreinen een sterkere borging van de publieke en maatschappelijke belangen moet worden verkregen, dan in de concept fusie-overeenkomst tussen KLM en Air France was voorzien.

Ik heb mijn werkzaamheden aangevangen in een zeer dynamische fase van het proces waarin op een aantal plaatsen veel in beweging was. Zo werden binnen KLM onderhandelingen gevoerd met verschillende geledingen van het personeel en met de ondernemingsraad om instemming met de voorgenomen fusie te verwerven. Tussen KLM en Air France waren de onderhandelingen in de laatste fase beland. De media begonnen geleidelijk aan meer informatie te publiceren en Alitalia, dat een samenwerkingsovereenkomst met Air France heeft, begon samen met de Italiaanse regering politiek en publicitair met betrekking tot de voorgenomen fusie een positie te bepalen.

Het werd mij duidelijk dat in dit woelige krachtenveld de onderhandelingen van de Nederlandse Staat met KLM en met de Franse Staat op de kortst mogelijke termijn moesten worden afgerond, om te vermijden dat het proces zijn momentum zou kunnen verliezen en vervolgen van de rails zou kunnen lopen.

## B. Werkwijze

Om een betere borging van de publieke en maatschappelijke belangen te bereiken heb ik gestreefd naar de volgende twee resultaten:

1 Aanpassing van de tekst van de concept fusie-overeenkomst tussen KLM en Air France op de voor de Staat cruciale en relevante onderwerpen. In de overeenkomst zouden ook een aantal zekerheden voor de Nederlandse Staat opgenomen moeten worden, waarop de Staat door middel van een zogenaamd "derdenbeding" een beroep zou kunnen doen.

2 Een overeenkomst tussen de Nederlandse en de Franse Staat om op de voor Nederland cruciale punten tot verdergaande informatie-uitwisseling, consultatie en samenwerking te komen. Teneinde de concept fusie-overeenkomst tussen KLM en Air France op een voor de Staat bevredigende wijze aan te doen passen, heb ik intensief overleg gevoerd met een KLM-delegatie onder leiding van CEO L. van Wijk en President Commissaris F. Maljers. Vanaf 15 september zijn er tussen ons dagelijks besprekingen geweest, terwijl op meer juridisch en technisch niveau de contacten ononderbroken werden voortgezet. In de laatste fase is tevens rechtstreeks overleg gevoerd met de vice-voorzitter van Air France, dhr. Gourgeon. Naast de inhoud is ook de timing en presentatie naar de media voortdurend aan de orde geweest.

Overleg met de Franse regering is gevoerd vanaf 19 september 2003 om de hierboven genoemde overeenkomst tussen de betrokken staten voor te bereiden en aldus de Nederlandse belangen ook op politiek niveau te verankeren.

Ik heb gedurende het gehele proces intensief gebruik gemaakt van het al eerder ten behoeve van dit dossier in het leven geroepen ambtelijk interdepartementale netwerk. Daarnaast heb ik veelvuldig overleg gevoerd op politiek en hoogambtelijk niveau, inclusief de Nederlandse ambassadeur in Parijs.

Om het onderhandelingsproces goed te kunnen blijven sturen zijn afspraken gemaakt om een centraal communicatiekanaal te creëren richting de onderhandelingspartners KLM/Air France en de Franse Staat evenals richting de media.

Overleg heeft verder plaatsgevonden met CEO Cerfontaine van Schiphol en het bestuur van de Stichting Luchtvaartbelangen Nederland.

Met dit rapport beoog ik het mogelijk te maken dat het bewindslidenoverleg van 25 september en de Ministerraad van 26 september a.s. een besluit nemen over het resultaat van de onderhandelingen en het door mij geformuleerde advies aan de regering.

## II. Het onderhandelingsresultaat

In dit hoofdstuk worden de onderhandelingsresultaten beschreven. Ik houd daarbij de indeling aan van het mandaat van 15 september j.l., teneinde de resultaten van de besprekingen op de voor de Staat belangrijke aspecten zo scherp en transparant mogelijk aan te geven.

Allereerst wil ik aangeven dat met KLM en Air France is afgesproken dat de fusie geen doorgang zal vinden als niet minimaal 50% van de beursgenoteerde gewone aandelen KLM aangeboden wordt in het kader van het bod.

### A. Markttoegang/luchtvaartpolitiek

Het creëren van markttoegang in de internationale luchtvaart is in de huidige situatie geregeld op basis van bilaterale luchtvaartverdragen (LVO's), waarin onder andere landingsrechten worden uitgewisseld. In deze LVO's zijn voorwaarden opgenomen over substantiële "eigendom en daadwerkelijke zeggenschap" met betrekking tot luchtvaartmaatschappijen die de operaties uitvoeren. Om de landingsrechten voor KLM, die onder de Nederlandse LVO's met niet-EU landen zijn verworven, niet in gevaar te brengen blijft het de komende jaren noodzakelijk dat de Nederlandse nationaliteit ten aanzien van eigendom en zeggenschap van de KLM gegarandeerd blijft. Als in de nabije toekomst, zoals te verwachten is, de EU-clausule in de luchtvaart-verdragen met derde landen zal zijn aanvaard, vervalt de eis van Nederlandse eigendom en zeggenschap.

Derhalve zijn nu in de structuur van de gefuseerde onderneming KL/AF de volgende bepalingen voorzien:

#### 1. Garanties voor "substantial ownership"

##### *a. Structuur*

1. Er zal een stichting SAK (Stichting Administratie Kantoor), met in meerderheid Nederlandse bestuurders worden opgericht. Deze neemt de 11% aandelenparticipatie over van de Stichting Luchtvaartbelangen Nederland. Van de aangemelde aandelen zal de eerste 49% rechtstreeks worden gehouden door de AF/KL-holding. De rest, maximaal 26%, zal worden gecertificeerd door SAK. Dat wil zeggen dat de Staat en SAK samen over 51% van de aandelen beschikken als alle aandelen worden aangemeld. Na drie jaar neemt KL/AF op grond van luchtvaartpolitieke overwegingen een besluit over beëindiging of continuering van de SAK.

2. De Nederlandse Staat behoudt vooralsnog haar aandelenbelang van 14% in KLM. Afbouw daarvan wordt gerelateerd aan de afbouw van het belang van de Franse Staat in KL/AF.

3. De optie-overeenkomst wordt gecontinueerd waarmee de Nederlandse Staat 50,1 % in KLM kan verwerven ingeval een derde land landingsrechten van KLM dreigt in te trekken vanwege twijfels over Nederlandse eigendom en zeggenschap. De Nederlandse Staat besluit na drie jaar aan de hand van luchtvaartpolitieke criteria, of de optieclausule zal worden gecontinueerd en kan dit drie jaar op rij herhalen, tot een totale looptijd van zes jaar. De Staat zal bij prolongatie van het optierecht de AF/KL holding daarover voorafgaand informeren.

*b. Bilaterale Samenwerkingsovereenkomst*

Er wordt een overeenkomst tussen Nederland en Frankrijk gesloten met onder andere afspraken over gezamenlijk optreden indien er offensieve belangen in het spel zijn, maar ook ingeval van belemmeringen in markttoegang van KLM of Air France. Omdat in de luchtvaartpolitieke wereld de begrippen "substantial ownership and effective control" niet altijd éénduidig worden geïnterpreteerd, kan een gezamenlijk optreden met de Franse autoriteiten, teneinde eventuele problemen met derde landen te voorkomen, een belangrijke toegevoegde waarde bieden. Op deze samenwerkingsovereenkomst ga ik onder D uitgebreider in.

2. "Effective control"

*a. Structuur*

Voor KLM blijft de eerste drie jaar het volledig structuurregime gelden, waarbij dus de Raad van Commissarissen veel bevoegdheden heeft. De meerderheid van de Commissarissen heeft de Nederlandse nationaliteit en is ingezetene van Nederland. Na drie jaar komt er een gemitigeerd structuurregime.

*b. "Assurances"*

In de overeenkomst tussen AF en KL zijn zgn. "assurances" aan de Nederlandse Staat opgenomen die deels vijf jaar, deels acht jaar gelden, naast "assurances" aan KLM die deels voor vijf jaar, deels voor acht jaar worden overeengekomen. Op de naleving van de assurances wordt toegezien door de stichting KLM Foundation Assurances Board. Alle boardleden hebben de Nederlandse nationaliteit en zijn ingezetenen van Nederland. Deze Assurances Board zal in zaken die de Nederlandse Staat aanhangig maakt optreden met drie bindende adviseurs die als volgt worden aangewezen:

één door de Nederlandse Staat,

één door de AF/KL-holding,

één door de Nederlandse Staat, AF/KL-holding en de KLM gezamenlijk.

In de State assurances is onder andere opgenomen dat de KLM gevestigd blijft in Nederland en vanaf Schiphol blijft opereren. Ook wordt beoogd dat de KLM haar Nederlandse economische en veiligheids-vergunning behoudt. Met betrekking tot de "KL assurances" is onder andere vermeld dat de identiteit van KLM, inclusief merknaam en logo in ieder geval voor de komende acht jaar is gegarandeerd.

### c. Overige

Het kabinet dient nog te beslissen over het belastingregime voor KLM na de fusie. Het belastingregime is ook een element van luchtvaartpolitiek Nederlandschap van KLM. Nederlandse "tax residency" is een versterking van de luchtvaartpolitieke positie van KLM.

Ik adviseer u daarover spoedig een positieve beslissing te nemen, waarbij ik me er overigens van bewust ben dat dit waarschijnlijk overleg vergt met de Franse belastingautoriteiten.

### B. Netwerkkwaliteit

De netwerkkwaliteit is bepalend voor de mate van bereikbaarheid van Nederland door de lucht. Dit is een cruciaal economisch en maatschappelijk belang. Een goede bereikbaarheid van Nederland door de lucht houdt de Nederlandse economie aangesloten op de economische ontwikkelingen in de wereld en is een eerste vereiste voor buitenlandse ondernemingen bij de vraag of ze zich in Nederland zullen vestigen. Uiteraard is daarbij ook de werkgelegenheid bij KLM en Schiphol rechtstreeks aan de orde. Schiphol is één van de vier intercontinentale hubs in Europa, met name in stand gehouden door de combinatie KLM/Northwest. Een samengaan van KLM met Air France mag aan deze situatie geen afbreuk doen.

Derhalve zijn op ons verzoek ruime toezeggingen gedaan aan de Nederlandse Staat in de fusie-overeenkomst AF/KLM over de aanwezigheid van KLM op Schiphol in de komende jaren. Deze toezeggingen zijn opgenomen in de hiervoor onder 2b genoemde assurances. De Nederlandse Staat kan door middel van een derdenbeding op deze toezeggingen een rechtstreeks en afdwingbaar beroep doen.

Nog afgezien van incidentele ontwikkelingen zoals het uitbreken van de Irak-oorlog en de ziekte Sars is de markt van luchtvaartverbindingen, met name in het huidige tijdsgewricht van luchtvaartpolitieke liberalisering, low cost maatschappijen, concentraties en allianties in de sector, veiligheidsvraagstukken en internationale economische ontwikkelingen, sterk in beweging en weinig voorspelbaar. Luchtvaartmaatschappijen zullen, net zoals dat de laatste jaren het geval is geweest, ook de komende jaren regelmatig bestemmingen moeten beëindigen of wijzigen, terwijl met dezelfde regelmaat nieuwe kansen ontstaan en nieuwe bestemmingen worden geopend. Het bovenstaande leidt ertoe dat de luchtvaartsector de komende jaren sterk in beweging zal blijven.

Door de fusie van KLM en Air France wordt de nieuwe holding de grootste luchtvaartmaatschappij in Europa en één van de grootste in de wereld. Ook wordt de AF/KLM-combinatie de grootste partner in de Skyteam-alliantie. Dit verschaft een uitstekend en in ieder geval veel sterker uitgangspunt dan in een "stand alone" situatie, om aan de vele uitdagingen in de luchtvaartmarkten de komende jaren het hoofd te bieden.

Aan de fusie van KLM en Air France kunnen echter ook risico's zijn verbonden voor de netwerkkwaliteit van Schiphol. In de voorlopige overheidsreactie op de fusie-documentatie van 10 september was opgenomen dat de Staat de netwerkkwaliteit wilde borgen via de volgende instrumenten:

- een privaatrechtelijke overeenkomst van de Nederlandse Staat met KL/AF en daarnaast tevens met de Franse Staat;
- evt. een publiekrechtelijke regeling.

Ik ben na zorgvuldige beoordeling echter tot de conclusie gekomen dat beide opties minder adequaat zijn voor borging van de netwerkkwaliteit. Voor beide geldt dat de europees-rechtelijke risico's groot zijn en daarnaast ook de afdwingbaarheid twijfelachtig is. Voor een publiekrechtelijke regeling komt daar nog bij dat er veel tijd mee gemoeid zou zijn, zeker als wetswijziging nodig zou zijn.

Als beter alternatief is daarom gekozen voor de aansluiting bij de systematiek van "assurances" die KLM en Air France onderling reeds hadden voorbereid.

In de state assurances is, na een aantal door ons ingebrachte wijzigingen en aanvullingen, in grote lijnen het volgende opgenomen.

- De fusiepartners opereren vanuit een "multi-hub" systeem met de luchthavens Charles de Gaulle en Schiphol, waarbij beide zowel een Europese als een intercontinentale hubfunctie blijven vervullen.
- Een lijst met 41 huidige, intercontinentale, "key destinations" van KLM en daarnaast een lijst van AF. Dit betreft bestemmingen die KLM resp. AF in principe zullen blijven opereren voor een periode van 5 jaar. Hiermee wordt volgens KLM 70% van de huidige sleutelbestemmingen en 80% van het passagiers- en vrachtvervoer afgedekt. Daarbij is wel enige flexibiliteit ingebouwd. Zo kunnen zowel KL als AF tot maximaal 5 bestemmingen schrappen om redenen van synergie, mits daarvoor een bestemming van de andere partner in de plaats komt. Verder vervalt de status van "key destination" als een bestemming zijn economische waarde op langere termijn verliest.

#### *toezicht op de naleving van de assurances*

In de besprekingen met KLM heb ik mij daarnaast ook geconcentreerd op het toezicht op de naleving van deze assurances voor de Staat. Dat doet de stichting "KLM Foundation Assurances Board". Deze Stichting heeft vier bestuurders met de Nederlandse nationaliteit, waarvan er één benoemd wordt door KLM, één door de AF/KL- holding, één door de Nederlandse Staat en één door deze drie personen gezamenlijk. Voor zaken die door de Nederlandse Staat worden voorgelegd zal de door KLM benoemde bestuurder worden vervangen door de bestuurder die door de Staat is aangewezen. Het bestuur van de Stichting functioneert dus steeds als een onafhankelijk comité van drie bindende adviseurs.

Ik ben van mening dat dit stelsel van assurances geen absolute garantie biedt dat de huidige netwerkkwaliteit behouden blijft. Het is voor mij echter wel duidelijk dat het onderhandelingsresultaat een behoorlijke zekerheid biedt dat de netwerkkwaliteit in stand blijft en dat is een situatie die noch in het eerdere fusiedocument, noch in de situatie waarin KLM zich momenteel bevindt, aanwezig is.

### C. Verhouding tussen Staat en luchtvaartmaatschappij in Nederland en Frankrijk

#### *a. financiële deelneming*

De kapitaalsdeelneming van de Franse Staat in Air France bedraagt op dit moment 54%. Door de fusie AF/KLM zal het aandeel van de Franse Staat, op basis van onze inschatting voor de ruilverhouding AF/KLM, verwateren tot onder 50%. Aldus zal de Franse Staat geen meerderheid hebben in de nieuwe AF/KLM-holding en is reeds sprake van een voor Franse begrippen geprivatiseerde onderneming. Een staatsbelang van enigszins onder 50% is echter nog steeds zeer substantieel. De Franse regering is echter voornemens zijn aandeel, zodra de markt dat toelaat, verder af te stoten tot een deelneming van minder dan 20% en is bereid dit in de bilaterale overeenkomst met de Nederlandse Staat te bevestigen.

De Nederlandse Staat heeft, naast haar optieclausule die vanwege luchtvaartpolitieke noodzaak voor een periode van drie tot zes jaar wordt aangehouden, op dit moment nog 14% cumprefs in KLM. In het concept van de fusie-overeenkomst was voorzien, dat de Staat deze participatie bij het moment van fusie zou afstoten. Op ons voorstel is echter overeengekomen, met name in de overeenkomst tussen de Nederlandse en de Franse Staat dat dit pas zal gebeuren als de Franse overheid zijn aandeel in de toekomstige AF/KLM-holding inderdaad naar minder dan 20% heeft teruggebracht. Aldus privatiseert de Nederlandse Staat, zonder evenwel in de situatie te geraken dat dit gebeurt ten aanzien van een onderneming, waar een andere Staat nog een dominant belang in heeft. De status van KLM als Nederlandse national carrier is ook na deze wederzijdse privatisering door middel van de instrumenten die hierboven onder paragraaf A markttoegang zijn beschreven, geborgd.

#### *b. Raad van Commissarissen*

Ten aanzien van de vertegenwoordiging van de beide overheden in de Raden van Commissarissen van KLM en van de Holding AF/KL is het volgende overeengekomen.

In de Raad van Commissarissen van KLM zal gedurende de eerste drie jaar na de start van de fusie de meerderheid der commissarissen door KLM worden aangewezen. Daarna zal de holding de kleinst mogelijke meerderheid der commissarissen benoemen.

In de Raad van Commissarissen van de AF/KL holding zullen er twee commissarissen zijn namens de Franse Staat en één namens de Nederlandse Staat. Daarnaast zullen AF, KLM en de werknemers-aandeelhouders commissarissen kunnen aanwijzen. Ten overvloede vermeld ik hier dat de Raad van Bestuur van KLM in de komende drie jaar zal worden

aangewezen door de Raad van Commissarissen KLM en in meerderheid uit in Nederland residentie Nederlanders bestaat.

De Raad van Bestuur van de nieuwe AF/KL holding zal uit drie personen bestaan.

De CEO van KLM zal vice-voorzitter van deze Raad van Bestuur worden.

#### D. Verhouding Staat – Staat

Voorgesteld wordt dat de Nederlandse en Franse Staat een bilaterale samenwerkingsovereenkomst zullen sluiten. Deze zal de status hebben van een "Memorandum of Understanding" ondertekend door de ministers van Financiën en de ministers van Transport van beide regeringen. Gekozen is om niet een bilateraal verdrag af te sluiten maar een MoU omdat dit meer kans van slagen heeft bij de Europese Commissie en een verdrag veel meer tijd zou vergen vanwege de benodigde ratificatie-procedure. In deze overeenkomst worden drie onderwerpen behandeld:

- 1 markttoegang/luchtvaartpolitiek
- 2 de positie van beide luchthavens Charles de Gaulle en Schiphol
- 3 privatisering van Air France en de participatie van de Nederlandse Staat in KLM.

De overeenkomst formuleert op bovenstaande terreinen een versterking van de consultatie, coördinatie en waar mogelijk samenwerking tussen de twee overheden, zonder de nationale verantwoordelijkheden inzake luchtvaartpolitiek ter discussie te stellen. Ik heb voorgesteld dat een Samenwerkingsraad onder leiding van de beide Directeuren Generaal Luchtvaart uitvoering geeft aan respectievelijk toezicht houdt op naleving van de overeenkomst. Voor de meer precieze formulering verwijs ik naar de (concept) tekst van de samenwerkingsovereenkomst, die als bijlage is toegevoegd.

#### E. Veto-recht Alitalia

Inderdaad is in de samenwerkingsovereenkomst tussen Air France en Alitalia een veto-recht opgenomen voor partijen inzake samenwerking of fusies met derden die één van beide luchtvaartmaatschappijen zou willen aangaan. Aan het verlenen van zijn instemming kan Alitalia geen voorwaarden verbinden. Hoewel de indruk bestaat dat Alitalia positief zal oordelen over een samengaan van Air France en KLM, kan het Nederlandse kabinet zijn eindoordeel naar mijn mening slechts geven onder het voorbehoud van een formele en definitieve stellingname van Alitalia.

#### F. Onderhandelingen in Brussel

Met KLM/Air France is overeengekomen dat bij alle besprekingen tussen KLM en de Europese Commissie over mededingingsaspecten van de voorgenomen fusie een waarnemer van de zijde van de Nederlandse overheid aanwezig zal zijn.



Ook zal vooraf inzage worden verkregen in de concept-concentratiemelding door KLM bij de Europese Commissie.

Met KLM en Air France is afgesproken dat als de Europese Commissie voorwaarden stelt aan de fusie die de State assurances raken, deze voorwaarden alleen worden geaccordeerd indien de Staat daarmee instemt. Overigens is reeds in de fusie-overeenkomst tussen Air France en KLM opgenomen dat eventueel door de Europese Commissie opgelegde aanpassingen in het netwerk op een evenwichtige manier over de netwerken van KLM en Air France zullen worden verdeeld.

### **III. Conclusies en advies**

Absolute garanties voor onbepaalde tijd over de toekomst van KLM en Schiphol kunnen niet worden verwacht. Het beleid van de Nederlandse regering in de luchtvaartsector is er op gericht de in de sector opererende bedrijven de gelegenheid te bieden zich zoveel mogelijk als normale marktpartijen te kunnen gedragen. De fusie van KLM met Air France is echter zo'n uitzonderlijke gebeurtenis, waarbij zulke grote belangen in het geding zijn, dat het alleszins gerechtvaardigd is dat de Staat aan zijn goedkeuring voor deze fusie-overeenkomst een aantal voorwaarden en vereisten verbindt.

In het bovenstaande is een pakket van zekerheden en waarborgen gepresenteerd, dat aan de zorgen van de regering met betrekking tot een aantal cruciale publieke en maatschappelijke belangen, naar mijn oordeel, in ruim voldoende mate tegemoet komt.

Centraal daarbij staan twee zaken.

Ten eerste dient te worden gewaarborgd, om de landingsrechten van KLM zeker te stellen, dat eigendom en zeggenschap over de KLM in voldoende mate in Nederlandse handen blijft. Om de Nederlandse identiteit van KLM de komende jaren te waarborgen zijn de volgende sloten op de deur aangebracht.

- De eerste drie jaar vigeert voor KLM het volledig structuurregime, daarna het gemitigeerd structuurregime. De meerderheid van de KLM commissarissen bestaat uit Nederlanders woonachtig in Nederland.
- De Nederlandse Staat behoudt vooralsnog zijn 14% aandelenbelang.
- De Stichting Luchtvaartbelangen Nederland draagt zijn aandelen over aan de op te richten Stichting Administratiekantoor (SAK) die deze 11% cumprefs zal beheren. Daarenboven zal de SAK, als alle aandelen worden aangemeld additioneel 26% van die aandelen aanhouden. Aldus zal de Staat in dat geval tezamen met de SAK een meerderheid der aandelen in handen hebben.
- De Staat behoudt zijn optierecht de komende drie tot zes jaar om de meerderheid van de aandelen KLM te verwerven indien dat om luchtvaartpolitieke redenen noodzakelijk wordt geacht.

- Tenslotte geeft de samenwerkingsovereenkomst tussen de Nederlandse en Franse Staat die is voorbereid naar aanleiding van de fusie van KLM met Air France aanvullende zekerheden op luchtvaartpolitiek terrein.
- De KLM blijft gevestigd in Nederland, vanaf Schiphol opereren en zijn identiteit door logo en merknaam de komende acht jaar behouden.

Ten tweede, en dit is maatschappelijk wellicht nog van groter belang, staat de positie van de luchthaven Schiphol centraal. De rol van Schiphol als een intercontinentale hub, met een feeder-netwerk in Europa, dient te worden behouden. In de fusie-overeenkomst hebben KLM en Air France aan de Nederlandse Staat verzekeringen gegeven hun netwerken via Schiphol niet aan te tasten. Vermeende inbreuken op toezeggingen kunnen door de Nederlandse Staat aan een onafhankelijk college van bindende adviseurs worden voorgelegd. Dit comité doet bindende uitspraken. De verzekering van KLM en Air France over het in stand houden van netwerken op Schiphol is gespecificeerd naar sleutelbestemmingen. De door ons voor vijf jaar verkregen verzekeringen betreffen volgens KLM ongeveer 70% van de huidige sleutelbestemmingen en ongeveer 80% van het passagiers- en vrachtvervoer.

Ook in de overeenkomst tussen de Nederlandse en Franse Staat wordt het belang onderschreven van het waarborgen van de beide intercontinentale hubs, Schiphol en de luchthaven Charles de Gaulle, en de verdere evenwichtige ontwikkeling van beide luchthavens. Een samenwerkingsraad onder leiding van de beide Directeuren Generaal voor de luchtvaart wordt in het leven geroepen om de ontwikkelingen op dit terrein te volgen.

Aldus is naar mijn oordeel te verwachten dat de positie en ontwikkeling van Schiphol de komende jaren voldoende gewaarborgd is. Op langere termijn kan slechts geconstateerd worden dat de beperkte uitbreidingscapaciteit van de belangrijkste Europese intercontinentale luchthavens in principe tot een gunstig perspectief voor de positie van Schiphol leidt.

Ten slotte een opmerking over de positie van Alitalia. In een eerdere samenwerkings-overeenkomst tussen Air France en Alitalia is een wederzijds veto overeengekomen inzake samenwerking met andere luchtvaart-maatschappijen. Op basis daarvan dient Alitalia in de komende dagen zijn positie inzake de fusie KLM/Air France kenbaar te maken. Alitalia kan geen voorwaarden aan zijn instemming met de voorgenomen fusie verbinden. De Nederlandse Staat kan zijn definitieve en officiële positie pas vaststellen als Alitalia zijn standpunt over de fusie van KLM en Air France formeel kenbaar heeft gemaakt.

Alles afwegend ben ik van mening dat de luchtvaartpolitieke risico's en de risico's voor de positie van Schiphol in ruim voldoende mate zijn afgedekt. Ik adviseer het bewindslieden-overleg van 26 september dan ook zijn instemming te geven met de beoogde fusie onder het voorbehoud van het standpunt van Alitalia. Naar mijn oordeel zal een fusie van KLM

met Air France de toekomstverwachtingen voor KLM een positieve wending geven en daarmee de ontwikkeling van Schiphol gunstig kunnen beïnvloeden.

24 september 2003

F.A. Engering



bylage 5

Dated 16 October 2003

AIR FRANCE  
and  
DE STAAT DER NEDERLANDEN  
and  
KONINKLIJKE LUCHTVAART MAATSCHAPPIJ N.V.

AF/ DUTCH STATE/ KLM AGREEMENT

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## AGREEMENT

This agreement (the "Agreement"), made and entered into on 16 October 2003 by and between:

- (1) **Société Air France**, a *société anonyme* incorporated under the laws of France with a share capital of Euro 1,868,137,539.50, registered under the number 552 043 002 RCS Bobigny and having its registered office at 45, rue de Paris, 95747 Roissy CDG Cedex, France, represented by J.C. Spinetta,

hereinafter referred to as "Air France" or "AF",

AND

- (2) **De Staat Der Nederlanden**, represented by W. Moerman on behalf of the Minister of Transport, Public Works and Water Management (*Minister van Verkeer en Waterstaat*) and by F.L. Bussink on behalf of the Minister of Finance (*Minister van Financiën*),

hereinafter referred to as the "State",

AND


- (3) **Koninklijke Luchtvaart Maatschappij N.V.**, a public company with limited liability incorporated under the laws of the Netherlands, registered under number 33014286, whose registered office is at Amstelveen, the Netherlands, represented by L.M. Van Wijk and R.A. Ruijter,

hereinafter referred to as "KLM".

AF, the State and KLM are hereinafter individually referred to as a "Party" and together as the "Parties".

### WHEREAS:

- (A) AF and KLM intend to enter into an agreement entitled framework agreement (the "Framework Agreement") pursuant to which Air France and KLM agree to combine their respective businesses and operations, in order to create a leading airline group (the "Combination"). In order to achieve the Combination, Air France and KLM agree that Air France will make an exchange offer (the "Exchange Offer") for all the issued and listed common shares in bearer form in the capital of KLM (the "KLM Common Shares") and the listed common shares in registered form, represented by certificates registered in New York (New York Registry Shares) (the "KL NYRSs"), in the share capital of KLM (the KLM Common Shares and the KL NYRSs being hereinafter referred to as the "KL Securities") with a view to acquiring all the tendered KL Securities, subject to the terms and conditions of the Exchange Offer.
- (B) As part of the main transactions contemplated in the Framework Agreement, on even date herewith, the State represented by the Minister of Finance and the Minister of Transport, Public Works and Water Management, entered into an agreement with KLM entitled "amendments to agreements between de Staat der Nederlanden and KLM dated 11 February 1994, 23 December 1996, 6 July 1998 and 30 October 2001" (the "Amended State Option") whereby the State and KLM agreed, subject to Completion of the Exchange

  
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Offer having taken place on its terms and conditions, to, *inter alia*, amend the conditions under which the State may exercise its option right to acquire preference shares B with a nominal value of 2 euro (the "Shares") in the capital of KLM.

**NOW THEREFORE THE FOLLOWING HAS BEEN AGREED UPON BETWEEN THE PARTIES:**

**1 INTERPRETATION AND DEFINITIONS**

**1.1** In this Agreement, unless the context requires otherwise the following expressions shall have the following meaning:

"**AF Board**" means the board of directors of AF;

"**Affiliate**" means in relation to any Entity, an Entity in which it has directly or indirectly through another Affiliate or Affiliates, the Control of such Entity; provided, however, that Martinair N.V. shall not be deemed to be an Affiliate of KL;

"**AFOP**" means the new French wholly owned subsidiary of AF;

"**AFOP Board**" means the board of directors of AFOP;

"**ASK**" means available seat per kilometre; i.e. one aircraft seat flown a distance of one kilometre;

"**Agreement 1994**" means the agreement between the Dutch State and KLM dated 11 February 1994;

"**Agreement 1996**" means the agreement between the Dutch State and KLM dated 23 December 1996;

"**Agreement 1998**" means the agreement between the Dutch State and KLM dated 6 July 1998;

"**Air Traffic Endangered**" means in respect of a Market that the State has notified KLM that any of the Air Traffic Rights enjoyed and operated under by KLM on such Market is or shall be restricted or terminated following notice from another state based on the fact that such state considers that a substantial part of the share capital of KLM is not demonstrably Dutch owned or that KLM is not effectively controlled by Dutch nationals;

"**Amended State Option**" has the meaning ascribed to it in paragraph (B) of the preamble;;

"**Annual Renewal**" means the renewal of the Option Right which can occur three times for a period of maximum 12 months each;

"**Assurances**" means the KL Assurances and the State Assurances;

"**Combination**" has the meaning ascribed to it in paragraph (A) of the preamble;

"**Combined Entities**" means AF and KL and their respective Affiliates, together with any Entity that AF and KL and/or any of their Affiliates may set up in accordance with this Agreement, provided that subsequent to the Hive Down, AF shall no longer be included within the Combined Entities;

"**Combined Group**" means the group constituted by the Combined Entities;

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"Completion of the Exchange Offer" means the date on which settlement of the Exchange Offer shall take place;

"Concerted Action" means any concerted action between persons who entered into agreement for the purposes of acquiring or selling voting rights or for the purpose of exercising the voting rights in order to enforce a common policy towards an Entity. Finally, any Entity and the chairman of its board, its executive directors, members of its management board, its managers (*gérants*), Entities it Controls and Entities under the same Control are deemed to be acting in concert;

"Control" or "Controlled" means control when an Entity (i) holds directly or indirectly part of the share capital of another Entity granting the majority of the voting rights in the general meeting of shareholder of the latter Entity, (ii) holds individually the majority of the voting rights in the general meeting of shareholders of another Entity pursuant to an agreement with other shareholders of the latter Entity, such agreement not being contrary to the interest of the Entity, (iii) determines *de facto* (and due to specific circumstances such as the apportionment among the public of the share capital), the decision at the general meeting of shareholders by using the voting rights it holds in the latter Entity. An Entity is deemed to control another Entity when it has, directly or indirectly, more than 40% of the voting rights and if there is no other shareholder holding more than 40% of the voting rights. One or several Entities (Persons) acting in a Concerted Action are deemed Controlling jointly an Entity when they decide *de facto* the decisions at the level of the general meeting of shareholders;

"Entity" means a corporation, partnership, limited liability company, limited liability partnership, joint stock company or any other form of legal association;

"Exchange Offer" has the meaning ascribed to it in paragraph (A) of the preamble;

"Framework Agreement" has the meaning ascribed to it in paragraph (A) of the preamble;

"Hive Down" means the transfer of assets, liabilities, businesses and operations by AF to a wholly owned subsidiary of AF in the manner set out in the Framework Agreement;

"Letter Agreement 2001" means the letter agreement between the State and KLM dated 30 October 2001;

"Initial Option Period" means duration the Option Right i.e. a three-year period as of the date of the Completion of the Exchange Offer;

"Intergovernmental DOU" means the declaration of understanding entered into between the French State and the Dutch State in relation to the Combined Group;

"KL Assurances" means the assurances provided to KLM pursuant to the terms of the Framework Agreement;

"KL Assurances Foundation" means the foundation incorporated under Dutch law in respect of the Assurances;

"KL Assurances Foundation Board" means the board of directors of the KL Assurances Foundation;

"KL MB" means the management board of KLM;

"KLM Common Shares" has the meaning ascribed to it in paragraph (A) of the preamble;

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"KLM's Key Market" has the meaning ascribed to it in the letter agreement between the Dutch State and KLM dated 16 October 2003;

"KLM NYRSs" has the meaning ascribed to it in paragraph (A) of the preamble;

"KLM's Other Key Market" means any and all of the markets (not being a KLM's Key Market) on which KLM operates provided that the total ASKs to such market(s) represent in aggregate 10% or more of KLM's current total ASKs as at the date there is an assessment of such KLM's Other Key Market;

"KL Securities" has the meaning ascribed to it in paragraph (A) of the preamble;

"KL Supervisory Board" means the supervisory board of KLM;

"Market" means KLM's Key Market or KLM's Other Key Market, as the case may be;

"Option Right" means the option right to acquire the Shares which has been granted by KLM to the State in the Agreement 1994 and as amended and restated in the Agreement 1996, Agreement 1998 and the Letter Agreement 2001, and which is further amended and restated in the Amended State Option;

"Renewal Notice" means a written notice to KLM from the State, to be sent at least one month prior to expiration of the Initial Option Period or an Annual Renewal;


"Shares" has the meaning ascribed to it in paragraph (B) of the preamble;

"State Assurances" has the meaning ascribed to it in Clause 3.1 of this Agreement;


- 1.2 References to Clauses, Schedules and Parties are to the Clauses, Schedules and Parties to this Agreement. References to a Party to this Agreement include successors and permitted assignees of that Party.
- 1.3 Where any obligation pursuant to this Agreement is expressed to be undertaken or assumed by any Party, such obligation shall be construed as requiring the Party concerned and its successors and permitted assignee to exercise all rights and powers of control over the affairs of any other person which that Party or such successors and assignees is able to exercise (whether directly or indirectly) in order to secure performance of such obligation. Where a Party agrees to "procure" something, this means that that Party shall take care of such matter and will act as guarantor in respect of such procurement.

## 2 OPTION RIGHT

- 2.1 The State hereby acknowledges and agrees in relation to the Amended State Option that:
- 2.1.1 Prior to renewing the Option Right after the Initial Option Period in accordance with its terms and at the same time as informing KLM thereof, the State shall inform Air France of its intention to renew the Option Right and shall provide AF with a written statement setting forth the full reasons as to why it deems renewal of the Option Right necessary, including, *inter alia* and if applicable, the name of the third party who is causing such necessity and the state of the discussions with such third party. If the renewal of the Option Right is, in the opinion of the State, no longer necessary in order to avoid that any of the KLM's Key Markets and/or any of KLM's Other Key Markets will be Air Traffic Endangered, the State shall not renew the Option Right and shall therefore not send the Renewal Notice.

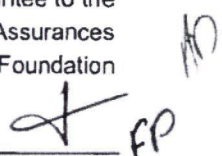
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- 2.1.2 Prior to notification of KLM by the State of its intention to exercise the Option Right, the Parties shall jointly discuss in good faith, the necessity for the State to exercise the Option Right as well as the overall timing of such exercise thereof, provided in any case that such discussion process shall not constitute a prior approval requirement from AF.
- 2.1.3 The State acknowledges that in respect of third parties' countries referred to in Clause 2.1.1, the French State and the State have entered into a declaration of understanding (the "Intergovernmental DOU"). As a result, the French State and the State have agreed that the directorate general of civil aviation of France and the Netherlands will provide mutual assistance in the case of any major difficulties with non-European Union countries, particularly in cases where traffic rights of the airlines could be jeopardised due to the modification of their capital and/or where commercial market access is hindered.
- 2.1.4 Should the Option Right be exercised by the State pursuant to the terms of the Amended State Option, the State will fully comply with its obligations thereof and exercise the voting rights attached to the Shares (i) in the best interests of KL and (ii) in the best interests of the Combined Group and its shareholders but in any circumstance in full compliance with the principles and rules of corporate governance as provided for in Clause 7 of the Framework Agreement (set out in **Schedule 2.1.4**).
- 2.1.5 Further to the exercise of the Option Right pursuant to the terms and conditions of the Amended State Option the State regularly but in any event every 6 months shall inform AF about the progress of the negotiations with the relevant third party state causing the Air Traffic Endangered and having been the cause of the exercise of the Option Right.
- 2.1.6 The State undertakes, upon the request of AF, to enter into any agreement, sign any document and to fully co-operate to transfer the Shares to KLM for the purposes of redeeming the Shares in the manner set out in the Amended State Option and upon the occurrence of one of the two following dates whichever comes first:
- the date on which the relevant KLM's Key Market or the relevant KLM's Other Key Market is no longer Air Traffic Endangered, unless in the reasonable and motivated opinion of the State, the relevant KLM's Key Market or the relevant KLM's Other Key Market is still Air Traffic Endangered;
  - the date on which the EU Commission receives a specific mandate from the EU Members States to renegotiate the terms of the bilateral treaties entered into between the EU Members States and the state causing the Air Traffic Endangered.
- 2.2 The State and KLM acknowledge and agree that they shall not amend or renegotiate the terms and conditions of the Amended State Option (including for the avoidance of doubt, the definition of KLM's Key Market or the definition of KLM's Other Key Market), without the prior written approval of Air France.

  
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### 3 STATE ASSURANCES

- 3.1 In the context of the Combination as contemplated in the Framework Agreement, AF and KLM hereby grant to the State the assurances in relation to KLM as attached in **Schedule 3**, which shall become effective upon the Completion Date for an eight-year period (the "State Assurances").
- 3.2 The Parties acknowledge and agree that for the eight-year period from the Completion Date, the State with respect to the State Assurances may submit to the KLM Assurances Foundation Board in the manner set out in the articles of association of the KLM Assurances Foundation a decision of the KL MB, and/or the KL Supervisory Board, and/or the AF Board and/or the AFOP Board (after completion of the Hive Down), which it considers to be in conflict with the State Assurances. In such a case, the KLM Foundation Assurances Board shall render a binding advice on the interpretation of the State Assurances. When rendering such a binding advice (which shall be given within 20 Business Days from submission), the KLM-Foundation Assurances Board undertakes to act in the best interest of KL and in the best interest of the Combined Group and its shareholders. In addition, the Parties acknowledge and agree, that in the case the KLM Assurances Foundation Board has rendered a binding advice as to the contravention of a decision of the KL MB, and/or the KL Supervisory Board, and/or the AF Board and/or the AFOP Board (after completion of the Hive Down) with either (a) a State Assurance set out in paragraph 2.1 (i) and (ii) and 2.2 (i) and (ii) of Schedule 3.2 of this Agreement or (b) a KL Assurance set out in paragraph 3, 1) and 2) of Schedule 3.2(1) of this Agreement, such binding advice shall be deemed to have been rendered on both the basis of the KL Assurances and the State Assurances.
- 3.3 The Parties acknowledge and agree that provided, with respect of the State Assurances that the State has requested the binding advice of the KLM Foundation Assurances Board in the manner set out in Clause 3.2 above, the KLM Foundation Assurances Board decides in its binding advice that a decision of the KL MB and/or the KL Supervisory Board and/or AF Board and/or AFOP Board conflicts with the State Assurances, the KL MB and/or the KL Supervisory Board and/or AF Board and/or AFOP Board shall withdraw and/or amend such decision in accordance with the binding advice of the KLM Foundation Assurances Board as soon as practicable.
- 3.4 The Parties acknowledge and agree (in accordance with the provisions of the Articles of Associations of the KLM Assurances Foundation attached in **Schedule 3.4**) that the KLM Assurances Foundation shall be managed by a board comprising four (4) people appointed as follows:
- (i) one independent director shall be designated by AF (the "**AF Appointee to the Assurances Foundation Board**");
  - (ii) one independent director shall be designated by KLM (the "**KL Appointee to the Assurances Foundation Board**");
  - (iii) one independent director shall be designated by the State (the "**State Appointee to the Assurances Foundation Board**")
  - (iv) one independent director (the "**Co-opted Appointee to the Assurances Foundation Board**") shall be designated jointly by the AF Appointee to the Assurances Foundation Board, the KL Appointee to the Assurances Foundation Board and the State Appointee to the Assurances Foundation

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Board, provided that for the purposes of designating the Co-opted Appointee to the Assurances Foundation Board, the AF Appointee to the Assurances Foundation Board shall be entitled to cast two votes.

In addition, the Parties acknowledge and agree that the articles of association of the KLM Assurances Foundation provide for the existence of a committee comprising of the AF Appointee to the Assurances Foundation Board, the KL Appointee to the Assurances Foundation Board and the Coopted Appointee to the Assurances Foundation Board (the "**KL Assurances Committee**"). The KL Assurances Committee shall decide and render binding advices on the KL Assurances pursuant to Clause 9.5 of the Framework Agreement.

Furthermore, the Parties acknowledge and agree that the articles of association of the KLM Assurances Foundation provide for the existence of a second committee comprising of the AF Appointee to the Assurances Foundation, the State Appointee to the Assurances Foundation Board and the Coopted Appointee to the Assurances Foundation Board (the "**State Assurances Committee**"). The State Assurances Committee shall decide and render binding advices on the State Assurances pursuant to Clause 3.2 above.

- 3.5** In addition, the Parties acknowledge and agree that the member designated by the State, in relation to a specific decision of the AF Board (or AFOP Board) or the KL MB or the KL Supervisory Board that such member designated by the State may reasonably consider as constituting a contravention to the State Assurances to be submitted to the KLM Assurances Foundation Board in compliance with Clause 3.2 above may reasonably request, from the SMC Chairman, any information contained in documents remitted to the members of the AF Board, the AFOP Board, the KL MB and the KL Supervisory Board (as appropriate) and on which the members of the AF Board, the AFOP Board, the KL MB and the KL Supervisory Board (as appropriate) based their decision, which is deemed to constitute a possible or alleged contravention to KL Assurances or the State Assurances.

Should the SMC Chairman consider the above-mentioned request to be reasonable, he shall ensure, in his capacity as AF Chairman, that the requested information remitted to the members of the AF Board (or the AFOP Board) and shall request the KL CEO to ensure that the requested information remitted to the members of the KL MB and the KL Supervisory Board, are sent to the member designated by the State at the address indicated by such member and furthermore in accordance with Clause 8.1, without undue delay, provided he has entered into confidentiality agreements on terms satisfactory to AF whereby he shall undertake to keep confidential, all information and documents which he may receive while assessing a possible or alleged contravention of the KL Assurances or the State Assurances.

#### **4 REPRESENTATION OF THE STATE AT THE AF BOARD**

The Parties hereby acknowledge and agree that after the Completion Date, the State shall be entitled to have a member designated at the AF Board, who shall be appointed by the general meeting of AF Shareholders upon proposition of the AF Board after consultation and upon the recommendation of the State, in accordance with the AF Nominating Committee Rules.

The Parties acknowledge and agree that the member of the AF Board designated by the State shall possess a level of relevant expertise (provided that former and current

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members of the supervisory board of an airline company shall be deemed to have such level of expertise) and shall be resident in the Netherlands.

The Parties acknowledge and agree that the member of the AF Board designated by the State shall remain a member of the AF Board until the date on which the French State no longer has a member designated by it at the AF Board.

## 5 EU COMMISSION REVIEW

In the context of the review by the EU Commission of the Combination as contemplated in the Framework Agreement, AF undertakes to allow the State to designate one representative to attend, as an observer only, any relevant formal or informal meeting with the EU Commission, it being provided though that in no event, such representative shall be allowed to actively participate to the discussions between AF, KLM and the EU Commission.

Furthermore, AF and KLM shall provide the State with a copy of any draft concentration notification as soon as possible and in any event 48 hours prior to the submission of such notification to the European Commission or any other European competition authority.

## 6 INFORMATION

The Parties agree that the State shall be provided with the semi-final draft or final draft of the Dutch offer document to be published in relation to the Exchange Offer, in order to allow for the State to provide comments on such document only to the extent such comments are relevant and reasonable.

## 7 KL AMENDED ARTICLES OF ASSOCIATION

The State hereby undertakes to vote at the KL Meeting in favour of the approval of the Amended KL Articles of Association set out in **Schedule 7**.

## 8 NOTICES

- 8.1 All notices given by either of the Parties to the other Parties pursuant to this Agreement shall be in the English language and shall be sent by airmail, registered or otherwise, facsimile, or delivered by hand to the other Parties at the following addresses or at such other addresses as the Parties may indicate by notice given in accordance with this paragraph:

### Air France

Attention: Mr. Jean Marc Bardy  
45, rue de Paris  
95747 Roissy CDG Cedex, FRANCE  
Fax: + 33 1 41 56 67 19

### Der Staat der Nederlanden

Attention: F.L. Busch  
Plesmanweg 1-6  
2599 LT The Hague

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Fax: + 31 20 3516969

KLM

Attention: Mr. Jan Ernst de Groot, Secretary to the Management Board and General Counsel

Amsterdamseweg 55  
1185 GP Amstelveen  
The Netherlands

Fax: + 31 20 6488 100

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**8.2** Any notice or other communication shall be deemed to have been given:

- (i) if delivered in person, at the time of delivery; or
- (ii) if sent by mail, at 10.00 a.m. on the second Business Day after it was posted or at 10.00 a.m. (local time at the place of destination) on the fifth Business Day after it was mailed by overnight courier; or
- (iii) if sent by fax, on the date of transmission, if transmitted before 3 p.m. (local time at the place of destination) on any Business Day and in any other case on the Business Day, following the date of transmission.

**8.3** In proving the giving of a notice or other communication, it shall be sufficient to prove that delivery in person was made or that the envelope containing the communication was properly addressed and mailed, either by recorded delivery post or by prepaid airmail, as the case may be), or that the fax was properly addressed and transmitted, as the case may be.

**8.4** No notice or other communications made under this Agreement may be withdrawn or revoked.

## **9 GOVERNING LAW**

This Agreement shall be executed in the English language, and shall be governed by and construed in accordance with the laws of the Netherlands.

## **10 DISPUTE RESOLUTION AND ARBITRATION**

**10.1** Save in connection with the KL Assurances and the State Assurances, in the event a dispute between the Parties arises out of or in connection with this Agreement, including any question concerning its validity, termination, interpretation, performance, operation, enforcement or breach, the Parties agree to firstly submit the matter to settlement proceedings (mediation) under the ICC Rules of Optional Conciliation of the International Chamber of Commerce for settlement. Settlement shall be conducted by a sole conciliator appointed in accordance with said rules. The place of settlement shall be Brussels. The conciliation procedure shall be conducted in the English language.

**10.2** If the dispute has not been settled pursuant to said rules within 30 Business Days following the filing of a request for conciliation or within such other period as the Parties may agree


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in writing, such dispute shall be finally settled in accordance with the rules of arbitration of the International Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators appointed in accordance with said rules. The place of arbitration shall be Brussels, Belgium. The arbitral procedure shall be conducted in the English language.

- 10.3** Notwithstanding the foregoing, nothing in Clauses 11.1 and 11.2 shall preclude each of the Parties from applying for injunctive relief summary proceedings (*kort geding*) before any competent court.


IN WITNESS WHEREOF, this AGREEMENT has been duly signed in three (3) originals in English by their duly authorised representatives as of the date first above written.

For and on behalf of AF



Mr. J.C. Spinetta  
The Chairman and CEO

For and on behalf of the State of the Netherlands




Mr. W. Moerman  
authorised representative for the Minister of  
Transport, Public Works and Water  
Management

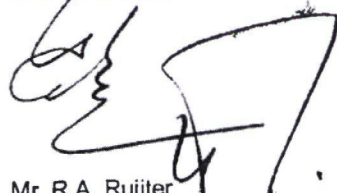


Mr. F.L. Bussink  
authorised representative for the Minister of  
Finance

For and behalf of KLM



Mr. L. van Wijk  
The Chief Executive Officer



Mr. R.A. Ruijter  
The Chief Financial Officer



## SCHEDULE 2.1.4

### CLAUSE 7 OF THE FRAMEWORK AGREEMENT

Terms defined below shall have the meaning ascribed to it in the Framework Agreement.

#### 7. CORPORATE GOVERNANCE AND ORGANISATION

The Parties agree that the corporate governance and organisation of the Combined Entities and the Combination as from the Completion Date (unless stated otherwise in this Agreement) shall be set out in this Clause 7.

##### 7.1 AF Management

###### 7.1.1 AF Board

Notwithstanding any future amendments to the composition of the AF Board resulting *inter alia* from the enforcement of the New Law and the subsequent Hive Down and/or the disposal by the French State of the whole or part of its current shareholding in AF after the Completion Date but taking into account any Legal Requirements including *inter alia* the Legal Requirements applicable to companies listed or which have listed securities on Euronext Paris, on Euronext Amsterdam and on the NYSE, the Parties agree that the AF Board shall include upon or as soon as practicable after the Completion Date:

- the KL CEO; and
- a member designated by the State of the Netherlands; and
- two (2) members proposed by the KL Supervisory Board
- (together the "KL AF Directors").

After the Completion Date and until completion of the Hive Down, the AF Board shall consist of up to 26 members and subsequent to the Hive Down, shall consist of up to 16 members, provided that such number may be further amended in order to provide for the admission of additional members of the AF Board as a result of the representation at the AF Board of the New Party (as defined below), or the representation at the AF Board of any new business or commercial partners of the Combined Group, as well as a consequence on the composition of the AF Board deriving from any new law applicable to AF.

Meetings of the AF Board (and the AFOP Board subsequent to the Hive Down) shall be conducted in French, and preparatory and working materials used for such meetings will be in French with an English translation. During the meetings of the AF Board, each member of the AF Board shall have the right to express himself in his own mother tongue (it being limited though to French, English, Dutch and Italian) and to attend the AF Board meetings with translators.

Minutes of the AF Board meetings shall be prepared and agreed to in both the French and English languages, provided, that in accordance with Legal Requirements the French minutes shall be deemed authentic.

###### 7.1.2 Vice-Chairmanship of AF Board


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The KL CEO shall be appointed as vice-chairman of the AF Board.

**7.1.3** For the purposes of implementing the principles set out in Clauses 7.1.1 and 7.1.2 above, the AF Chairman undertakes to convene prior to the Commencement Date a meeting of the AF Board (the "**AF Board Meeting**") for the purposes of:

- (i) granting to L.M. van Wijk, in his capacity as KL CEO, the title of vice-chairman of AF, effective upon the Completion Date;
- (ii) creating a nominating committee (the "**AF Nominating Committee**") comprising (a) three independent directors, who shall not be either directors representing the employees of AF, Directors or more generally directors of AF or KL exercising executive functions within AF and/or KL, and (b) a deputy member of the AF Nominating Committee, who shall only sit at the AF Nominating Committee when the appointment or the dismissal of a member of the AF Board concerns one of the three independent directors referred to in (a) above. The AF Nominating Committee shall be bound as at the Completion Date by a set of binding rules applicable to the AF Nominating Committee (the "**AF Nominating Committee Rules**") set out in **Schedule 7.1.3** and which will provide *inter alia* to the greatest extent permitted under Legal Requirements, that the KL CEO, at any given time, shall remain a member of the AF Board (and that thereafter, the AF Nominating Committee shall propose to the AF Board which shall then propose to the general meeting of the AF Shareholders the renewal of his functions as one of the KL AF Directors; should the KL CEO resign, die or be otherwise removed from or leave the office of KL CEO, he shall be replaced in his capacity as one of the KL AF Directors by the new KL CEO). Furthermore, the AF Nominating Committee Rules shall provide that upon the expiry of any term of office of each of the other three KL AF Directors, the AF Nominating Committee shall propose to the AF Board which shall then propose to the general meeting of the AF Shareholders, the appointment of persons chosen after consultation with and upon the recommendation of (i) the State of the Netherlands, in relation to the member designated by the State of the Netherlands and (ii) the KL Supervisory Board in relation to the remaining two KL AF Directors, provided however that the persons mentioned in (i) and (ii) above shall have a level of relevant expertise (being provided that former or current members of the supervisory board of an airline company shall be deemed to have such level of expertise) and shall be residents in the Netherlands. In addition, the Parties acknowledge and agree that the member designated by the State of the Netherlands shall remain a member of the AF Board until the date on which the French State no longer has a representative at the AF Board.
- (iii) approving an amendment to the articles of association of AF in order to provide *inter alia* for the creation of the AF Nominating Committee, the SMC and the proposal to appoint new directors including the KL AF Directors to the AF Board.
- (iv) convening the AF Meeting for the purposes set out in Clause 17.

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7.1.4 The Parties acknowledge and agree that during the Initial Period, the members of the AF Board shall consider the binding recommendation rendered by the SMC in relation to any of the Reserved Matters. In addition, the AF Board acknowledged and agreed in a resolution set out in **Schedule 1(a)** that following a careful review of the terms and conditions of this Agreement, the AF Board agreed, subject to the occurrence of the Completion Date and for the duration of the Initial Period, that the AF Board shall consider in relation to AF, the binding recommendation rendered by the SMC in relation to the Reserved Matters. Finally, after completion of the Hive Down, the members of the AFOP Board, having regard to their fiduciary duties and Legal Requirements, shall adopt and implement any binding recommendation of the SMC.

7.1.5 **KL executive at the AF Executive Committee**

The Parties agree that on the Completion Date, one of the KL MB Members or a KL employee with an executive function shall become a member of the executive committee of AF (or the executive committee of AFOP subsequent to the Hive Down) (the "ExCom").

7.2 **Strategic Management Committee**

7.2.1 The Parties agree that they shall establish and maintain within AF during the Initial Period, a strategic management committee (the "SMC") whose composition, organisation and activities are described in this Clause 7.2.

The Parties acknowledge and agree that at the expiry of the Initial Period, the SMC shall terminate. Notwithstanding the preceding sentence, the AF Chairman may decide to maintain the SMC or to create an equivalent body such as *inter alia* an executive committee of AF, provided that the composition, functioning and competences of such body may differ from those of the SMC in order to take into account the most efficient management structure for the Combined Entities. In any event, should such an executive committee be created, membership will be established on a fair and non-discriminatory basis and will provide for a continuous representation of KL.

7.2.2 **Composition of the SMC**

The Parties agree that during the Initial Period, the SMC shall comprise eight (8) members (the "SMC Members") as follows:

- (i) the KL CEO;
- (ii) three (3) members who shall either be members of the KL MB or KL employees with executive functions (together with the KL CEO, the "**KL SMC Members**")
- (iii) the AF Chairman;
- (iv) three (3) members who shall be AF employees with executive functions (and/or AFOP employees with executive functions subsequent to the Hive Down) (together with the AF Chairman, the "**AF SMC Members**")

The SMC Members shall be designated by the AF Nominating Committee after consultation with and upon the proposal of (i) the AF Chairman (and/or the

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chairman of AFOP subsequent to the Hive Down) in relation to the AF SMC Members and (ii) the KL Supervisory Board in relation to the KL SMC Members.

The SMC Members shall be appointed for the duration of the Initial Period only.

### 7.2.3 Function of the SMC

The Parties agree that the SMC shall have an advisory role for both AF (or AFOP subsequent to the Hive Down) and KL with respect to the strategy and management policy of each of the Combined Entities and with respect to the supervision and overview of the strategy and the management of each of the Combined Entities' affairs by rendering binding recommendations concerning the Parties' common position with respect to all the major strategic decisions of each of the Combined Entities relating to commercial, financial, technical and operational matters listed in **Schedule 7.2.3** (the "**SMC Matters**") regarding each of the Combined Entities. The SMC shall render binding recommendations to the AF Board (or the AFOP Board subsequent to the Hive Down), the KL MB and the KL Supervisory Board.

The Parties agree that the KL CEO, the AF Chairman (or the AFOP Chairman subsequent to the Hive Down), the Combined Entities' Chairmen (if any), the Combined Entities, and/or the Combined Entities' Boards (if any) and/or any of the key officers of the Combined Entities, as the case may be, shall not make or implement any decisions falling within the scope of the SMC Matters before the SMC has rendered its binding recommendation.

AF shall procure that after the Hive Down, AFOP shall comply with the provisions of this Clause 7.

### 7.2.4 Meetings of the SMC

Meetings of the SMC shall be held at least once a month, on a basis alternating between the registered office of KL and the registered office of AF.

Notwithstanding the above, to the extent reasonably possible, meetings may be held by telephone conferences and shall be conducted in English, and materials used for such meetings will be in English.

Positions determined at the SMC shall be prepared and agreed to in the English language and shall be recorded in written minutes in the English language.

### 7.2.5 Chairman, Consultation Matters and Reserved Matters

The AF Chairman shall chair the meetings of the SMC (the "**SMC Chairman**") and shall have a decisive vote in the event of a tie, by virtue of holding this position, on all SMC Matters except on the matters set out in **Schedule 7.2.5(i)**, which shall require the unanimous consent of all the SMC Members (the "**Reserved Matters**").

In addition, in relation to matters set out in **Schedule 7.2.5(ii)** (the "**Consultation Matters**"), should the AF Chairman intend to exercise his decisive vote (i.e. double voting right), the AF Chairman undertakes during the Initial Period that prior to doing so, he shall consult with the KL CEO. A rejection by the SMC of a proposed action on a Reserved Matter shall be deemed to be a binding recommendation of the SMC to abstain from the proposed action.

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7.2.6 The Parties acknowledge and agree that should a third party, being an airline company, be included within the Combined Group (a "New Party") before the expiry of the Initial Period, the New Party must abide to the principles and provisions set out in Clause 7.2 (including, for the avoidance of doubt, the provision set out in the second paragraph of Clause 7.2.1 and the content of **Schedule 7.2.5(i)** constituting the Reserved Matters) and that, upon the inclusion of the New Party and its Affiliates within the Combined Group, the provisions relating to the SMC shall be amended in order to provide for the following:

- (i) in addition to the SMC Members, the SMC shall comprise four (4) new members (the "**New Party SMC Members**") appointed by the New Party by applying *mutatis mutandis* the provisions set out in Clause 7.2.2;
- (ii) the provisions of Clause 7.2.3 shall apply *mutatis mutandis* to the New Party and its Affiliates;
- (iii) the provisions of Clause 7.2.4 shall apply *mutatis mutandis* to the New Party, being provided that the meetings of the SMC shall then be held on a rotating basis in the registered offices of AF, KL and the New Party;
- (iv) the provisions of Clause 7.2.5 shall be amended in order to provide that:
  - (a) each of the AF SMC Members shall be granted the right to cast two votes on all SMC Matters;
  - (b) the AF Chairman shall remain the SMC Chairman and shall retain its decisive vote in the event of a tie on all SMC Matters except the Reserved Matters;
  - (c) in relation to any Reserved Matters relating to KL, decisions at the level of the SMC shall be taken by a majority (considering the decisive vote in the event of a tie of the SMC Chairman) provided however, that KL shall be granted a veto right, for the purposes of ensuring that no Reserved Matter relating to KL can be approved at the level of the SMC without the consent of the KL SMC Members;

provided that under no circumstance shall the admission of the New Party into the Combined Group result in (i) an extension of the duration of the SMC set out in Clause 7.2.1 or (ii) the granting of any rights to KL or the New Party additional to those provided to KL under this Agreement.

The Parties, together with the New Party, may agree to reduce the number of SMC Members, provided that in such a case, each of AF, KL and the New Party shall have the same number of members at the SMC. Clause 7.2.6 shall apply *mutatis mutandis* in such a case and such a reduction of the number of members of the SMC would not result in any change as to the principles and rules set out in Clause 7.2.6.

#### 7.2.7 Operational Subcommittees

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The Parties agree that subcommittees may be established under the supervision of the SMC, such as *inter alia* a network committee, a pricing and revenue management committee, a sales and distribution committee, a product and brand committee, a frequent flyer programme committee, an engineering and maintenance committee, an IT committee, a regulatory committee and a marketing agreements committee (together the "**Operational SubCommittees**").

The procedure and functioning of the Operational SubCommittees will not be subject to any formal rules other than those set out by the SMC. The Parties will, however, endeavour to act in good faith to facilitate their functioning.

The Parties acknowledge that they have agreed on certain guidelines set out in **Schedule 7.2.7** which shall serve as guidelines for the Operational SubCommittees. However, the Parties hereby further acknowledge that such guidelines are set out for indicative purposes only and may be amended at any time by the SMC. The above-mentioned guidelines shall not supersede, in any event, any binding recommendation rendered by the SMC or any subsequent decision taken at the level of the AF Board, the KL MB, the KL Supervisory Board or the AFOP Board.

### 7.3 KL Management

The Parties agree that to the greatest extent possible, the provisions contained in the present Clause 7.3 shall be included in the Amended KL Articles of Association.

#### 7.3.1 KL MB

(i) Composition of the KL MB.

The Parties agree that for the Initial Period, the Board of KL (the "**KL MB**") shall be composed of five (5) members as follows:

- one (1) member shall be designated by AF (the "**AF MB Member**"); and
- four (4) members shall be designated by KL (the "**KL MB Members**").

The Parties agree that the AF Chairman and the KL CEO shall agree on the specific operating functions to be given to the AF MB Member following the Completion Date.

The Parties acknowledge and agree that during the Initial Period, the majority of the members of the KL MB shall be Dutch nationals and residents. Upon the expiry of the Initial Period and thereafter, the Parties acknowledge and agree that the majority of the members of the KL MB shall be Dutch residents.

The Parties acknowledge and agree that pursuant to the Amended KL Articles of Association and the Protocol (a) only in the context of the preparation and approval of the annual financial statements of KL, the meeting of Priority Shareholders, after consulting the KL MB and the KL Supervisory Board, shall determine the amount to be set aside to establish or increase reserves (and therefore not in respect of existing reserves as at the date hereof), provided that such amount shall be reasonable considering

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the financial situation of KL and shall comply with the dividend policy of the Combined Group and (b) the remuneration of the members of the KL MB shall be determined by the KL Supervisory Board with the prior approval of the meeting of Priority Shareholders of KL. AF will vote its Priority Shares after consulting the remuneration committee of AF, if any.

(ii) Meetings of the KL Management Board.

The meetings of the KL MB shall take place once a week on a fixed day and shall be convened by the KL CEO and/or any member of the KL MB. Unless agreed otherwise by each member of the KL MB, four (4) calendar days before each meeting, each member of the KL MB shall receive by mail, return receipt requested, or by telefax, an agenda and the information and documents reasonably regarded as necessary and useful for the member of the KL MB to reach a decision on the matters covered by the agenda for the meeting. The KL CEO and/or the member of the KL MB convening the meeting shall procure that all members of the KL MB are sent the same information and documents at the same time.

Meetings of the KL MB shall be held at the registered office of KL or at any other place in the Netherlands, as decided by the KL MB from time to time.

Notwithstanding the above, to the extent reasonably possible, meetings may be held by telephone conferences and shall be conducted in English, and materials used for such meetings will be in English.

Resolutions of the KL MB shall be prepared and agreed in the English language and shall be recorded in written minutes in the English language.

(iii) Chairman.

The KL CEO shall chair the meetings of the KL MB.

(iv) Subject to Legal Requirements and having regard to the fiduciary duties of the members of the KL MB, the Protocol shall provide that during the Initial Period, the members of the KL MB undertake to adopt and implement any binding recommendation of the SMC relating to KL, subject however to any required approval from the KL Supervisory Board and the obligations of each member of the KL MB under Clause 9.7. In addition to the mandatory approval rights of the KL Supervisory Board under Dutch law, pursuant to the Amended KL Articles of Association, the approval of the KL Supervisory Board is required for decisions of the KL MB to determine (a) KL business plans and (b) KL budgets.

### 7.3.2 KL Supervisory Board

(i) For the Initial Period, the Parties agree, subject to Clause 7.3.4, that the supervisory board of KL (the "**KL Supervisory Board**") shall be composed of nine (9) members as follows:

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- five (5) members shall be independent members (the "KL Supervisory Directors"); and
- four (4) members shall be designated by AF (the "AF Supervisory Directors").

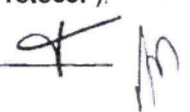
The Parties acknowledge and agree that AF has the right to designate non-Dutch nationals and non-Dutch residents as AF Supervisory Directors.

- (ii) The Parties acknowledge and agree that during the Initial Period, the Protocol shall provide for an undertaking from the KL Supervisory Board members, having regards to their fiduciary duties and Legal Requirements, to vote in favour of any decisions of the KL MB taken in accordance with a binding recommendation of the SMC, subject however to the obligations of each member of the KL Supervisory Board under Clause 9.7.
- (iii) The Parties acknowledge and agree that during the Initial Period, pursuant to the Protocol decisions of the KL Supervisory Board relating to the approval of KL MB decisions (a) in respect of a matter falling within the scope of the SMC Matters (provided it is mandatory under Legal Requirements that such a matter be submitted to the KL Supervisory Board) and on which the SMC should have rendered a binding recommendation, (b) adopting KL's business plans and (c) adopting KL's budgets, in each case require a favourable vote of at least two-thirds of the members of the KL Supervisory Board. The Parties acknowledge and agree that upon the expiry of the Initial Period, the above-mentioned matters shall be approved by a simple majority of the members of the KL Supervisory Board, and that any provision to the contrary shall automatically terminate upon the expiry of the Initial Period.
- (iv) After the Initial Period and until the expiry of the KL Assurances as set out in Clause 9.4, any decisions to amend (the content or the wording of) the KL Assurances shall require a favourable vote of at least three-fourths of the members of the KL Supervisory Board.
- (v) Upon the expiry of the Initial Period and subject to Clause 7.3.4, the Parties agree that the KL Supervisory Board shall be composed of nine (9) members as follows:
- four (4) members shall be KL Supervisory Directors; and
  - five (5) members shall be AF Supervisory Directors.

Meetings of the KL Supervisory Board will be held at the registered office of KL.

### 7.3.3 Protocol

To ensure that KL MB and KL Supervisory Board upon the Completion Date will be composed as set out in **Schedule 7.3.3** and at any given time (including for the avoidance of doubt, upon the expiry of the Initial Period), in compliance with the principles set out in Clauses 7.3.1, 7.3.2 and 7.3.4, the Parties and each of the current individual members of the KL Supervisory Board as at the date hereof have entered into the contractual arrangement set out in **Schedule 7.3.3** (the "Protocol").

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The Parties shall ensure that any future appointees to the KL MB and the KL Supervisory Board also sign the Protocol.

**7.3.4 Impact of the enactment of the proposed amendment to the structure regime (wetsvoorstel 28 179)**

If the proposed amendment to the structure regime (*wetsvoorstel 28 179*) is enacted in substantially the form voted by the second chamber of the Dutch parliament on 9 September 2003 and becomes applicable to KL, the Parties shall exercise reasonable best efforts to reach an agreement with the KL Works Council in respect of a corporate governance structure of KL, which shall approximate the corporate governance structure as provided for in the Amended KL Articles of Association and the present Agreement as closely as possible.

Should such agreement not be reached, the KL Supervisory Board shall:

- (i) for the period from the date from which KL must comply with such enacted amendment to the structure regime until the end of the Initial Period, be composed of eleven (11) members as follows:
  - six (6) members shall be KL Supervisory Directors (which shall include the three (3) persons recommended by the Works Council); and
  - five (5) members shall be AF Supervisory Directors;
- (ii) upon the expiry of the Initial Period be composed of eleven (11) members as follows:
  - five (5) members shall be KL Supervisory Directors (which shall include the three (3) persons recommended by the Works Council); and
  - six (6) members shall be AF Supervisory Directors.

In addition, should AF exercise its shareholder's right, alone or together with other KL Shareholders, to dismiss all the members of the KL Supervisory Board, AF undertakes to comply with the principles and rules set out in this Clause 7 and in the Protocol. The KL MB shall, in its request to the Enterprise Chamber of the Amsterdam Court of Appeals ask the Enterprise Chamber (i) to provide in its decision to appoint the temporary members of the KL Supervisory Board that such temporary members shall, when making nominations for the new members of the KL Supervisory Board, to the extent possible adhere to the arrangements regarding the composition of the KL Supervisory Board set out herein, in the Amended KL Articles of Association and in the Protocol and in particular (ii) not to appoint a former KL Supervisory Director who has been dismissed in the context of a dismissal provided for in the present Clause. In addition, the KL MB shall, to the extent permitted by Dutch law, request the temporarily appointed members of the KL Supervisory Board (a) to adhere to the arrangements regarding the composition of the KL Supervisory Board set out herein, in the Amended KL Articles of Association and in the Protocol when making nominations to the general meeting for the new members of the KL Supervisory Board so as to give full force and effect to the arrangements agreed upon herein by AF and KL and (b) not to nominate a former KL Supervisory Director who has been dismissed in the

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context of a dismissal provided for in the present Clause. In addition, AF undertakes not to use its right to dismiss all the KL Supervisory Directors earlier than twelve (12) months following a previous exercise of the same right.

### 7.3.5 Full Structure Regime

In consideration of the specific corporate governance rules as contained in this clause 7 and in the Protocol, the Parties agree that during the Initial Period, KL shall voluntarily apply the full structure regime as set out in Articles 2:253-164 of the Dutch Civil Code. The Amended KL Articles of Association shall reflect that KL has voluntarily opted for the full structure regime subject to the provisions contained in this Clause 7, and that upon the expiry of the Initial Period, the KL Amended Articles of Association shall be amended to adopt the mitigated structure regime (*gemitigeerd regime*) as provided for in Article 2:155 of the Dutch Civil Code shall be adopted.

The Amended KL Articles of Association shall furthermore provide that for the duration of the Initial Period, two committees (respectively the "**KL Committee I**" and the "**KL Committee II**") are established within the KL Supervisory Board. The KL Committee I shall consist of three members of the KL Supervisory Board appointed as provided in the Protocol. The KL Committee II shall consist of four members of the KL Supervisory Board appointed as provided in the Protocol. Pursuant to the Amended KL Articles of Association, during the Initial Period (i) the members of the KL Committee I will have the right to render two votes in respect of any decision of the KL Supervisory Board to appoint a member of the KL MB and (ii) the members of the KL Committee II will have the right to render two votes in respect of any decision of the KL Supervisory Board to suspend or dismiss a member of the KL MB on the two following grounds: (a) if such a member of the KL MB has acted in a manner contravening any binding recommendation of the SMC, having regard to Legal Requirements, his fiduciary duties and subject to the obligations of any member of the KL MB under Clause 9.7 or (b) has acted in a manner giving rise to termination of his employment agreement for urgent matters ("*dringende redenen*"). In addition, the Protocol contains provisions ensuring that during the Initial Period, three AF Supervisory Directors, acting together, shall be granted the right to convene KL Supervisory Board meetings for the decision of the KL Supervisory Board to dismiss a member of the KL MB on the two following grounds (i) if such a member of the KL MB has acted in a manner contravening any binding recommendation of the SMC, having regard to Legal Requirements, his fiduciary duties and subject to the obligations of any member of the KL MB under Clause 9.7 or (ii) has acted in a manner giving rise to terminating his employment agreement for urgent matters ("*dringende redenen*").

The Amended KL Articles of Association shall provide that the double voting rights granted to the members of KL Committee I and KL Committee II shall automatically terminate upon the expiry of the Initial Period.

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## SCHEDULE 3.2

### STATE ASSURANCES

The following State Assurances are solely given to the State of the Netherlands and aim at preserving the network quality of KL at Schiphol, which is a matter of public interest for the Netherlands, while also taking into account the best interest of the Combined Group and its shareholders. The State Assurances shall remain valid for an 8 year period from the Completion Date (except that paragraph 2.1(iii) and 2.2 (iii) below will terminate after five years from the Completion Date).

In consideration of the State Assurances set out herein, the importance of KLM's operations for the hub function of Schiphol Airport as recognised by the State of The Netherlands will be taken into account when formulating its civil aviation policy and the State of The Netherlands agrees to maintain the current portfolio of the current Air Traffic Rights of KLM (except the ones that have not been used by KLM for a period of 12 months) and to continue to address in a fair and non-discriminatory manner any future requests from KLM for new Air Traffic Rights.

The KLM Foundation Assurances Board shall ensure that such State Assurances are complied with in the manner set out in the AF/KL/Dutch State Agreement and in the Articles of Association of the KLM Assurances Foundation.

#### 1 Air-political and airline status

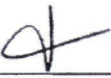


The Parties agree that:

- both KL and AF shall remain airline companies established in and operating from their home bases in the Netherlands and France respectively;
- each of AF and KL shall retain its air operation certificate and its operating licences and shall continue to fulfil the conditions necessary for that purpose;
- in co-operation with the relevant civil aviation authorities, each of AF and KL shall use its best endeavours to retain its authorisations and rights delivered by the competent authorities to operate international routes; should a risk of losing any part of such authorisation and rights be run as a consequence of an economically driven decision to cancel a service, best efforts should be made by the Combined Group to protect the relevant authorisations and rights without jeopardising the underlying economical decision.

#### 2 Network and Hubs

##### 2.1 Passenger

- (i) The Combined Group will operate a multi-hub system in Europe with Charles de Gaulle Airport and Schiphol Airport, both European as well as intercontinental hubs, being the corner stones of the multi-hub system.
- (ii) The Parties confirm, that the existence and the prospects for passenger growth at their respective hubs (Schiphol Airport and Charles de Gaulle Airport) are fundamental requirements for the success of the Combined Group, as both Schiphol Airport and Charles de Gaulle Airport offer good facilities for their passengers.

- (iii) The passenger growth of the Combined Group at Charles de Gaulle Airport will not be materially detrimental to the current portfolio of the ICA key destinations operated by KL at Schiphol (i.e. the continued existence of these destinations as part of the direct network of KL from Schiphol). Conversely, the passenger growth of the Combined Group at Schiphol Airport will not be materially detrimental to the current ICA key destinations operated by AF at Charles de Gaulle. For the avoidance of doubt, this does not prevent the Combination to take any adaptive measures in case of and for the duration of a crisis. The Parties specify the aforesaid ICA key destinations operated by KL at Schiphol in the attachment hereto including the notes thereto.

## 2.2 Cargo

- (i) The Parties agree that the existence and the prospects for cargo growth at their respective hubs are fundamental requirements for the success of the Combined Group, as both Schiphol Airport and Charles de Gaulle Airport offer good facilities for cargo and have a relevant market position in the industry.
- (ii) The Parties consider that the identified potential cargo network synergies will be able to provide opportunities for profitable growth of intercontinental Cargo traffic operated by the Combined Group from both Schiphol Airport and Charles de Gaulle Airport to the benefit of shippers and forwarders.
- (iii) The Parties agree that the growth of the Combined Group at Charles de Gaulle will not be materially detrimental to KLM's SPL overall cargo activity in the main global cargo markets. Conversely, the Parties agree that the growth of the Combined Group at Schiphol will not be materially detrimental to AF's CDG overall cargo activity in the main global cargo markets. For avoidance of doubt, this does not prevent the Combination to take any adaptive measures in case of and for the duration of a crisis.

## 3 Amendment of State Assurances

No action shall be taken or decision made which results in amending the State Assurances (including the articles of KLM Assurances Foundation to the extent relevant for the State Assurances) during their validity period, unless agreed by (i) the Parties and (ii) the State of the Netherlands.

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## ICA Key Destinations Operated by KL

### North America

Chicago	New York
Detroit	San Francisco
Houston	Toronto
Los Angeles	Washington
Mexico City	

### Asia

Bangkok	Seoul
Beijing	Shanghai
Delhi	Singapore
Hong Kong	Taipei
Jakarta	Tokyo
Osaka	

### Near & Middle East

Abu Dhabi	Damascus
Almaty	Dubai
Amman	Kuwait
Bahrain	Tehran
Beirut	Tel Aviv

### Africa

Accra	Johannesburg
Cairo	Lagos
Cape Town	Nairobi
Dar Es Salaam	

### Partner operated

Boston (NW)	Minneapolis (NW hub)
Detroit (NW hub)	New York (NW)
Memphis (NW hub)	Seattle (NW)

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Historical link to NL

Aruba	Paramaribo
Bonaire	Saint Maarten
Curacao	

**Notes:**

- A destination which loses its economic interest for the Combined Group in a structural manner, e.g. due to changing market circumstances, will no longer be considered as being a 'key destination' and may be terminated;
- In addition, the Combined Group may decide to terminate up to a maximum of five ICA key destinations from the above list. Each termination will be compensated by a symmetrical swap, i.e. an AF termination of another key destination of AF from Paris served or to be served by KLM from SPL;
- Destinations earmarked as historically linked to the Netherlands are safeguarded as special links operated by KL from SPL and fall outside the scope of the assurance 2.1 (iii);
- Apart from Detroit-Wayne County, other partner operated destinations are listed for reference purposes only and fall outside the scope of the assurance 2.1 (iii);
- Status: summer 2003.

**ICA KEY DESTINATIONS OPERATED BY AF**

North America

Atlanta	Miami
Boston	Montréal
Chicago	New York
Cincinnati	Philadelphia
Houston	San Francisco
Los Angeles	Toronto
Mexico	Washington

Caribbean and South America

Bogota	Punta Cana
Buenos Aires	Rio de Janeiro
Caracas	Saint Domingue
Cayenne	Saint Martin
Fort de France	Santiago

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Habana  
Pointe à Pitre

Sao Paulo

Asia

Bangkok  
Beijing  
Delhi  
Guandzou (¹)  
Hong Kong  
Mumbai

Osaka  
Saigon  
Seoul  
Shangai  
Singapore  
Tokyo

Near and Middle East

Atyrau (¹)  
Amman  
Beirut  
Damascus

Dubai  
Jeddah  
Ryadh  
Tel Aviv

Africa

Abidjan  
Bamako  
Bangui  
Brazzaville  
Cairo  
Conakry  
Cotonou  
Dakar  
Douala  
Johannesburg  
Kinshasa

Lagos  
Libreville  
Lome  
Luanda  
N'Djamena  
Niamey  
Nouakchott  
Ouagadougou  
Pointe noire (¹)  
Port Harcourt

Indian Ocean

Madagascar  
Mauritius

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¹ to be opened during the next IATA season.

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Saint Denis de La Réunion

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Ministerie van Verkeer en Waterstaat

Transport en Luchtvaart

Mr. Jean-Cyril Spinetta  
Président Directeur Général Air France  
45, Rue de Paris  
95747 Roissy CDG Cedex  
France

Contact	Telephone
-	-
Date	Enclosure(s)
26 March 2007	1
Our reference	Your reference
DGTL 07.007170	-
Subject	
renewal of option right granted to the State of The Netherlands	

Dear Mr. Spinetta,

On the basis of the agreement of 16 October 2003 between Air France, the State of The Netherlands and KLM, paragraph 2.1 concerning the option right granted by KLM, the State of the Netherlands is obliged to inform Air France of its intention to renew the option right. To this end please find enclosed a copy of the letter recently sent to KLM with a notification of the intention of the State to renew its option right and which also states the reasons for this renewal.

Yours sincerely,

on behalf of

THE MINISTER OF TRANSPORT, PUBLIC WORKS AND WATERMANAGEMENT,

J. Tammenoms Bakker

DIRECTOR-GENERAL OF CIVIL AVIATION AND FREIGHT TRANSPORT

Civil Aviation  
Market Access and Regulation  
Postal address P.O. Box 20904, 2500 EX The Hague  
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*Chairman and Chief Executive Officer*

P 0012

Roissy,

02 AVR. 2007

*Administration of KLM shares*

Dear Sirs,

We refer to the Framework Agreement entered into between Société Air France and Koninklijke Luchtvaart Maatschappij N.V. on 16 October 2003 (the "Framework Agreement"), as well as certain ancillary agreements and protocols executed in connection therewith and referred to in the schedules of the Framework Agreement. Unless indicated otherwise, capitalised words and expressions used in this letter will have the same meaning as under the Framework Agreement.

AF and KLM agreed that, during the Initial Period, AF's interest in KLM's share capital (the "Administered Shareholding") would be held by two Dutch foundations, namely SAK I and SAK II (jointly: the "Foundations"), which would issue depositary receipts for the Administered Shareholding to AF. The Framework Agreement further assumes that, after the end of the Initial Period, AF will acquire the Administered Shareholding and that the depositary receipts issued therefor will be cancelled.

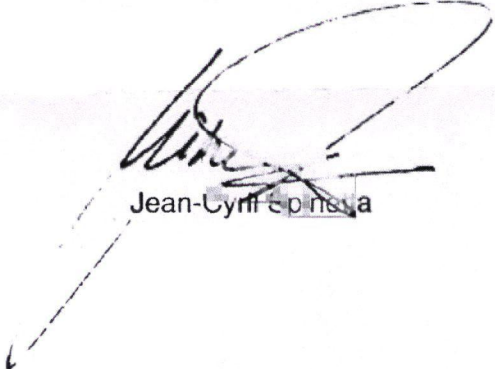
Air France-KLM S.A. ("AF-KLM"), as AF's legal successor, deems it in the best interest of the Group and KLM, also in view of KLM's air traffic rights to maintain the administration of the shares by SAK I and SAK II after the Initial Period until such time as AF-KLM, will decide in its sole discretion that a continuation of the administration is no longer deemed to be in the interests of KLM and the Group as a whole.

Koninklijke Luchtvaart Maatschappij N.V.  
Attn. Management Board  
Amsterdamseweg 55  
1182 GP Amstelveen  
The Netherlands

Should AF-KLM decide at any time in the future that a continuation of the administration by SAK I and SAK II is no longer required, it will send a notice to this effect to you and the Foundations. Upon receiving such a notice, you irrevocably agree to take promptly all such measures and do all such acts as may be required to give effect to our notice to terminate in whole or in part, the administration of the shareholdings by SAK I and SAK II.

We have sent a copy of this letter agreement to the chairmen of both Foundations.

Yours faithfully,



Jean-Cyril Spinosa

**For agreement and acknowledgement**



Koninklijke Luchtvaart Maatschappij N.V.

Cc.: Foundations SAK I and SAK II









Mr. Jean-Cyril Spinetta  
Président Directeur Général Air France  
45, Rue de Paris  
95747 Roissy CDG Cedex  
France

Contact	Telephone
-	-
Date	Enclosure(s)
13 March 2008	-
Our reference	Your reference
VenW/DGTL-2008/1183	-
Subject	
renewal of option right granted to the State of The Netherlands	

Dear Mr Spinetta,

On the basis of the agreement of 16 October 2003 between the State of the Netherlands and KLM concerning the option right granted by KLM to the State to acquire preference shares B in the share capital of KLM ("Amended State Option"), the State is entitled to renew its option right three times, each time for a period of maximum 12 months, after the expiration of the Initial Option Period in May 2007.

On the basis of the agreement of 16 October 2003 between Air France, the State of the Netherlands and KLM, paragraph 2.1, the State of the Netherlands is obliged to inform Air France of its intention renew the option right.

By way of this letter, also on behalf of the Minister of Finance, I would like to inform you that the State intends to renew its option right for a second period of 12 months after the expiration of the first renewal period in May 2008.

The State deems renewal of its option right necessary in order to avoid serious risks with regard to the traffic rights operated under by KLM on many of its key markets, since many third countries still adhere to strict compliance to nationality requirements with regard to substantial ownership and effective control in bilateral air services agreements. Progress in the liberalisation of the aviation sector is slower than we hoped for at the time the above-mentioned agreement on the amended state option was signed. Against this background the State has concluded that termination of the option right as of May 2008 is not appropriate.

**Civil Aviation**

Market Access and Regulation

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The necessity of a further renewal of the option right after expiration of the second renewal period of 12 months will be assessed at the beginning of 2008.

Yours sincerely,

THE MINISTER OF TRANSPORT, PUBLIC WORKS AND WATER MANAGEMENT,

Camiel Eurlings



bylage 10



AFSCHRIFT

Ministerie van Verkeer en Waterstaat

> Return address Postbus 20901 2500 EX Den Haag The Netherlands

Mr Pierre-Henri Gourgeon  
Directeur-Général Air France  
45, Rue de Paris  
95747 Roissy CDG Cedex  
France

**Min. of Transport, Public  
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Management**

Plesmanweg 1-6  
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**Contact**

-

T -

**Our reference**

VenW/DGLM-2009/922

**Your reference**

-

**Enclosure(s)**

-

Date 5 APR 2009  
Subject renewal of option right granted to the State of the Netherlands

Dear Mr Gourgeon,

On the basis of the agreement of 16 October 2003 between the State of the Netherlands and KLM concerning the option right granted by KLM to the State to acquire preference shares B in the share capital of KLM ("Amended State Option"), the State is entitled to renew its option right three times, each time for a period of maximum 12 months, after the expiration of the Initial Option Period in May 2007.

On the basis of the agreement of 16 October 2003 between Air France, the State of the Netherlands and KLM, paragraph 2.1, the State of the Netherlands is obliged to inform Air France of its intention to renew the option right.

By way of this letter, also on behalf of the Minister of Finance, I would like to inform you that the State intends to renew its option right for a third period of 12 months after the expiration of the second renewal period in May 2009.

The State deems renewal of its option right necessary in order to avoid serious risks with regard to the traffic rights operated under by KLM on many of its key markets, since many third countries still adhere to strict compliance to nationality requirements with regard to substantial ownership and effective control in bilateral air services agreements. Progress in the liberalisation of the aviation sector is slower than we hoped for at the time the above-mentioned agreement on the amended state option was signed. Against this background the State has concluded that termination of the option right as of May 2009 is not appropriate.

Yours sincerely,

THE MINISTER OF TRANSPORT, PUBLIC WORKS AND WATER MANAGEMENT,

Camiel Eurlings