

Organizational Rules of EMS-CHEMIE HOLDING AG

1. Basic principles

These Organizational Rules are issued by the Board of Directors ("BOD") of EMS-CHEMIE HOLDING AG ("COMPANY") based on Art. 716b of the Swiss Code of Obligations and Art. 14 of the Articles of Association. They govern the duties and powers of the managing bodies of the COMPANY and the organization of the COMPANY's management.

2. Managing bodies of the company

The managing bodies of the COMPANY are:

1. the BOD
2. the chairman of the BOD ("CHAIRMAN")
3. the vice-chairman of the BOD ("VICE-CHAIRMAN")
4. the Chief Executive Officer ("CEO")
5. the Group Executive Committee ("GEC")

3. BOD

3.1 Constitution

At its annual constituting meeting, the BOD elects a CHAIRMAN and a VICE-CHAIRMAN from among its members. It can also appoint a CEO.

The BOD appoints a secretary who need not be a member of the BOD.

The BOD may assign special duties to individual members of the BOD or separate specialist committees. **Annex 1** contains a list of the permanent specialist committees of the BOD.

3.2 Duties and powers

The BOD is authorized to pass resolutions and take decisions on all matters which do not pursuant to the law, the Articles of Association or the Organizational Rules fall within the competence of the general assembly or another managing body.

The BOD supervises and directs the operations of the COMPANY. It is responsible for monitoring and controlling the management of the COMPANY and its Group companies, which together form the EMS Group.

The management supervision comprises in particular:

- 1) Strategy / Planning / Course of Business
 - a) Determining the guiding principles.
 - b) Determining the strategy of EMS Group.
 - c) Checking and approving the plans of EMS Group.
 - d) Approving the regular reports by the GEC on the course of business and all other important events.

- 2) Organization
 - a) Issuing these Organizational Rules and the accompanying implementing regulations.
 - b) Nominating candidates to the management bodies of the COMPANY.
 - c) Granting and withdrawing signatory powers for the COMPANY.
 - d) Approving organizational changes down to the level of Business Unit heads.
 - e) On request of the CEO, appointing and dismissing the latter's direct reports.

- f) Approving requests of members of managing bodies and employees of the COMPANY to accept mandates with third-party companies (e.g. as member of the board of directors, the executive board, etc.).

3) Finance / Risks

- a) Deciding on investments of more than CHF 5 million, provided that these have been included in the annual investment budget, and investments of more than CHF 500,000 not included in the budget.
- b) Deciding on the acquisition and divestment of subsidiaries and affiliated companies.
- c) Deciding on the procurement of credit (e.g. bonds, bank credit lines) if the amount in question exceeds CHF 30 million.
- d) Granting guarantees of more than CHF 5 million.
- e) Approving research and development projects or the conclusion of contracts with special risks or unusual obligations outside of the normal course of business.
- f) Deciding on the institution and termination of legal proceedings of fundamental importance.

4) Shareholders / Statute law

- a) Preparing and passing resolutions regarding the agenda items to be submitted to the general assembly, in particular with regard to the annual financial statements and the annual report.
- b) Supervising the share register.
- c) Fostering personal contacts with important investors.
- d) Informing the judicial authorities in the event of overindebtedness.

3.3 Emergency decisions

The CHAIRMAN is authorized to take decisions on matters on behalf of the BOD immediately in exceptional cases if the matter cannot be delayed or for other good reasons cannot previously be discussed and decided by the BOD provided these transactions can be effected without reservation and

the approval of the BOD. The CHAIRMAN must request the subsequent approval of the BOD immediately in writing or at a meeting.

3.4 Delegation of the management of business operations and other duties

The BOD may delegate the management of EMS Group's business operations to the CEO.

3.5 Meetings

The BOD meets at the invitation of the CHAIRMAN or, on his instructions, the invitation of the VICE-CHAIRMAN or CEO, as often as business requires but at least 6 times per year and also when requested by one of the members of the BOD. Invitations to meetings must be sent to the members of the BOD in good time and must contain the agenda of the meeting.

Members of the BOD who wish to discuss a particular business matter at a meeting must notify this in writing in good time before the meeting. Such business must also be included in the agenda and notified to the members before the meeting.

Other, new issues may only be added to the agenda before the meeting if the reason for discussing these issues arose later.

To the extent that it seems sensible, the BOD may consult EMS Group employees or third parties practicable in an advisory capacity or for the purpose of decision-making.

3.6 Resolutions

The BOD is quorate when half of its members is present. It passes resolutions, takes decisions and conducts its elections by simple majority of

the votes of the members present at the meeting, whereby every member has one vote. If votes are tied, the CHAIRMAN has the casting vote, while elections are decided by drawing lots.

If all members of the BOD present at the meeting agree, resolutions can also be passed and decisions taken on urgent matters that have not been put on the agenda.

3.7 Written resolutions

Resolutions may also be passed and decisions taken in another manner (by letter, telegram, fax, e-mail, telephone conference, etc.), provided that none of the members requests that the matter be discussed verbally. If such a request is tabled, the written resolution will become obsolete.

When resolutions are adopted as above, all members of the BOD must express their opinion. Resolutions passed and decisions taken in this way must be unanimous to be valid. Such resolutions must be noted in the minutes of the next meeting.

3.8 Minutes

The meetings of the BOD are confidential. Minutes are taken that must be signed by the chairperson and the secretary. The minutes are sent to the members of the BOD within two weeks of the meeting.

3.9 Information and reports

At meetings of the BOD, any member of the BOD may request information from the other members or from GEC on any matter of the COMPANY.

In between meetings of the BOD, any member of the BOD may request information from the CEO on the course of business and - after approval by the CHAIRMAN - on specific business events and/or may view the business

documents. The duties and powers of the individual committees are set out in separate documents.

If the CHAIRMAN refuses a request to view documents, the member of the BOD in question may request the BOD to decide the matter.

4. CHAIRMAN

The CHAIRMAN has the following duties and powers:

1. In co-operation with the VICE-CHAIRMAN and CEO, preparing, formulating and constantly monitoring the underlying policies of EMS Group for the BOD.
2. In co-operation with the VICE-CHAIRMAN and CEO, preparing the resolutions of the BOD on all issues and business of strategic importance to EMS Group.
3. In co-operation with the VICE-CHAIRMAN and CEO, determining the information policy and representing EMS Group vis-à-vis third parties.
4. Acting as chair to the general assembly meeting and the meetings of the BOD.
5. Approving business requests pursuant to Art. 3.2 of these Organizational Rules.
6. Reporting to the BOD on the fulfilment of the tasks delegated to him/her.

If the CHAIRMAN is prevented from carrying out his/her duties, the VICE-CHAIRMAN or, if the latter is also not available, another member of the BOD appointed by the BOD, will carry out his duties.

5. VICE-CHAIRMAN

The VICE-CHAIRMAN has the following duties and powers:

1. Participation and co-operation in relation to development, formulation and constant monitoring of the underlying policies of COMPANY and the Group companies within the framework of the EMS Group for the BOD.
2. Participation and co-operation in relation to preparation of the resolutions of the BOD on all issues and business of strategic importance.
3. Participation and co-operation in determining the information policy, representation of the COMPANY vis-à-vis third parties and fostering relationships with the general public and the media.
4. Acting as the CHAIRMAN's deputy if the latter is unavailable.

6. CEO

6.1 Appointment

The BOD appoints the CEO.

6.2 Duties and powers

The CEO has all duties and powers which do not pursuant to the Organizational Rules fall within the competence of the BOD, the CHAIRMAN or the VICE-CHAIRMAN.

The CEO heads, manages, organizes and controls the business operations of the COMPANY and the Group companies together with the members of the GEC, who report to him and within the frame of the policies and

strategies formulated for the EMS Group by the BOD and the instructions issued by the BOD respectively.

His duties and powers include:

1. Participation and co-operation in relation to development, formulation and constantly monitoring of the underlying policies of EMS Group for the BOD.
2. Participation and co-operation in relation to preparation of the resolutions of the BOD on all issues and business of strategic importance to EMS Group.
3. Participation and co-operation in relation to determining the information policy, representation of the COMPANY vis-à-vis third parties and fostering relationships with the general public and the media.
4. Submitting proposals to the BOD regarding the appointment and dismissal of his/her direct reports.
5. Organization of GEC and the preparation, convening of and acting as chair at the meetings of the GEC or meetings with direct reports.
6. Ensuring the timely and planned flow of information between GEC and the BOD.
7. Competence for issuing the implementing regulations that are required for EMS Group.

6.3 Reporting

The CEO reports to the BOD at its meetings on the current business operations and important business matters of the COMPANY and the Group companies.

The CEO informs the members of the BOD of any extraordinary events without delay by circular letter or by other appropriate means.

The CEO regularly informs the CHAIRMAN and VICE-CHAIRMAN of the course of the day-to-day business of the COMPANY and the Group companies.

7. Group Executive Committee

7.1 Appointment

The members of the GEC are appointed by the BOD as proposed by the CEO.

7.2 Duties and powers

Under the management of the CEO the GEC manages the COMPANY's day-to-day business operations and manages and directs the departments under their control and the Group companies.

8. General provisions

8.1 Signatory power

The members of the BOD are authorized to sign by joint signature with a minimum of two signatures. All other persons authorized to sign on behalf of the COMPANY also have joint signatory power with a minimum of two signatures.

8.2 Abstention

Members of the BOD and the GEC must abstain from voting on personal matters or on matters involving persons with whom they are closely associated.

8.3 Confidentiality

All members of the BOD and the GEC must treat as strictly confidential all information and documents that they have received or viewed in their capacity as an officer of the COMPANY.

On termination of their function they must return to the COMPANY all documents pertaining to the COMPANY.

9. Final provisions

These Organizational Rules enter into force on 11 July 2007. They replace the BOD regulations of 4 March 2004. The bodies to whom the BOD assigned the management of business operations must issue all implementing regulations required under these Organizational Rules. Implementing regulations must be approved by the BOD pursuant to Art. 3.2 above.

Herrliberg, 11 July 2007

Annexes 1A and 1B