

PRÉCIS

Statement of Intention

It is the intent of the parties to this Settlement Agreement to resolve by final findings and order of the Amsterdam Court of Appeals of The Netherlands, specifically empowered by a Dutch statute to declare such settlements binding, all claims relating to the recategorization of proved petroleum reserves that have been or might be asserted against the Royal Dutch Petroleum Company (now known as Shell Petroleum N.V.) and The "Shell" Transport and Trading Company p.l.c. (now known as The Shell Transport and Trading Company Limited), and related parties, by shareholders who both resided and purchased their shares outside of the United States. The parties further intend that settlement terms consistent with those contained in this Settlement Agreement will contemporaneously be offered by the Shell companies to shareholders who either resided or purchased their shares in the United States.

The shareholders who both resided and purchased outside the United States will receive an aggregate amount of \$340.1 million under the settlement. (An additional aggregate amount of \$79.9 million will be available to shareholders who either resided or purchased in the United States should such shareholders accept the Shell companies' contemporaneous settlement offer to them.) At the time the Amsterdam Court of Appeals declares the settlement binding, the \$340.1 million settlement amount will be deposited into an escrow account where it will collect interest until such time as it (and the accrued interest) shall be transferred for distribution to non-United States shareholders. In

addition, the Shell companies will pay (i) an additional \$12.5 million to be divided equally among all non-United States shareholders who submit a valid claim for relief, (ii) an additional \$6.25 million to be used by associations representing individual shareholders to educate and assist individual shareholders in making claims for settlement relief, (iii) reasonable legal fees and expenses to the principal counsel for the shareholders that are parties to the Settlement Agreement and (iv) the cost of notice and administration of the settlement.

The parties have further agreed that if the United States Federal District Court for the District of New Jersey, presently presiding over proceedings asserting claims under United States securities laws relating to the recategorization of the Shell companies' proved petroleum reserves, determines that it has jurisdiction over, or that it will otherwise consider, the claims of shareholders who both resided and purchased their shares outside the United States and that decision is issued before the date on which a binding declaration of the Amsterdam Court of Appeals becomes final, this Settlement Agreement shall automatically be deemed to be null and void.

The Settlement Agreement that follows implements this Statement of Intent and controls the rights and obligations of the parties thereto.

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SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT is entered into as of this 11th day of April 2007 by and among Shell Petroleum N.V., The Shell Transport and Trading Company Limited, Stichting Pensioenfonds ABP, Stichting Pensioenfonds voor de Gezondheid, Geestelijke en Maatschappelijke Belangen (a/k/a Stichting PGGM), the Vereniging van Effectenbezitters and the Shell Reserves Compensation Foundation.

WHEREAS, beginning in January 2004, the Royal Dutch Petroleum Company and The "Shell" Transport and Trading Company p.l.c. announced recategorizations of certain of their proved oil and gas reserves; and

WHEREAS, capitalized terms used in this Settlement Agreement shall have the meanings set out in Section XIII below; and

WHEREAS, purchasers of RD/STT Securities during the Relevant Period experienced a price decline in such securities after the January 2004 and subsequent recategorizations; and

WHEREAS, the unification of the Royal Dutch Petroleum Company and The "Shell" Transport and Trading Company p.l.c. into one parent company, Royal Dutch Shell plc, was completed on July 20, 2005, and, as of December 2005, the Royal Dutch Petroleum Company was merged into Shell Petroleum N.V and, as of July 20, 2005, The "Shell" Transport and Trading Company p.l.c. was reregistered as a private company and renamed The Shell Transport and Trading Company Limited; and

WHEREAS, without admitting that they engaged in any wrongdoing, that any laws, rules or regulations have been violated or that purchasers of RD/STT Securities during the Relevant Period have suffered any compensable damage in connection with the recategorizations, Shell Petroleum N.V. and The Shell Transport and Trading Company Limited desire to (i) settle all claims and compensate purchasers in connection with the decline in RD/STT Securities that such purchasers experienced after the recategorizations to the extent such purchasers both (x) resided outside the United States and (y) purchased shares on markets or exchanges outside of the United States during the Relevant Period and (ii) contemporaneously offer to purchasers who either reside in the United States or purchased shares on the New York Stock Exchange during the Relevant Period a settlement of their claims on terms that are consistent with the terms set out in this Settlement Agreement; and

WHEREAS, the United States Individual Plaintiffs filed actions in the United States District Court for the District of New Jersey regarding the fall in price share that occurred after the January 2004 and subsequent recategorizations; and

WHEREAS, the United States Individual Plaintiffs, other large institutional shareholders, VEB, the European Shareholders Group and other shareholder associations representing Individual Participating Shareholders are participants in the Shell Reserves Compensation Foundation; and

WHEREAS, the Shell Reserves Compensation Foundation, by virtue of its articles, represents the interests of all persons and entities described in Section XIII.A.54 below and possesses the full legal capacity to enter into this Settlement Agreement; and

WHEREAS, the Shell Reserves Compensation Foundation, ABP, PGGM and VEB desire to enter into a settlement with Shell Petroleum N.V. and The Shell Transport and Trading Company Limited that will (i) resolve any claims Participating Shareholders might have arising out of the recategorizations and (ii) provide compensation in connection with the decline in the price of RD/STT Securities that followed the recategorizations; and

WHEREAS, the United States Individual Plaintiffs (including without limitation, ABP and PGGM) reserve all rights to prosecute their United States actions should this settlement be terminated and do not waive any rights, objections or arguments they may have as a result of their decision to be participants in the Shell Reserves Compensation Foundation or in connection with any provision of this Settlement Agreement or with any statements or submissions made by the Shell Reserves Compensation Foundation to the Court; and

WHEREAS, while it is impossible to know precisely how many persons or entities are within the descriptions set out in Section XIII.A.54 below, the parties to this Settlement Agreement estimate that there are well in excess of five hundred thousand (500,000) persons or entities who will be entitled to settlement relief under this Settlement Agreement; and

WHEREAS, this Settlement Agreement is the product of arm's length negotiations among the parties to this Settlement Agreement; and

WHEREAS, prior to submitting this Settlement Agreement to the Court, the Principal Counsel for Shareholders has had access to Disclosure Material, which

Disclosure Material consists of documents and information that relate to the merits of the issues arising with respect to the reserves recategorization.

NOW, THEREFORE, Shell Petroleum N.V., The Shell Transport and Trading Company Limited, the Shell Reserves Compensation Foundation, ABP, PGGM and VEB hereby enter into this Settlement Agreement pursuant to which they agree as follows:

I. SETTLEMENT PAYMENTS

A. Settlement Amount and Shareholders' Payment

1. Within twenty (20) days following the Binding Declaration Date, the Settling Companies shall pay or cause to be paid into the Escrow Account by wire transfer the Settlement Amount and the Shareholders' Payment.

2. As further provided by the Escrow Agreement, the Settling Companies and the Shell Reserves Compensation Foundation shall instruct the Escrow Agent to wire transfer to the Cash Settlement Account the monies in the Escrow Account within thirty (30) days following the Exclusion Termination Date.

B. Settlement Amount Addition and Auditors' Settlement Amount

1. If a United States Class Action Settlement occurs in which the United States Class Action Settlement Relief is in excess of the United States Settlement Offer and an order approving such settlement becomes Final, the Settling Companies will pay or cause to be paid into the Cash Settlement Account the following:

a. If the United States Class Action Settlement Date is within three hundred sixty-five (365) days following the Execution Date, the Settling Companies shall, within twenty (20) Business Days following the date on which the United States

Class Action Settlement becomes Final, pay or cause to be paid an amount equal to the Settlement Amount Addition.

b. If the United States Class Action Settlement Date is within the period starting three hundred sixty-six (366) days following the Execution Date and ending seven hundred thirty (730) days following the Execution Date, and the United States Class Action Settlement Relief is in excess of one hundred ten percent (110%) of the United States Settlement Offer, the Settling Companies shall, within twenty (20) Business Days following the date on which the United States Class Action Settlement becomes Final, pay or cause to be paid an amount equal to the Settlement Amount Addition.

c. If the United States Class Action Settlement Date is within the period starting seven hundred thirty-one (731) days following the Execution Date and ending one thousand ninety-five (1,095) days following the Execution Date and the United States Class Action Settlement Relief is in excess of one hundred twenty percent (120%) of the United States Settlement Offer, the Settling Companies shall, within twenty (20) Business Days following the date on which the United States Class Action Settlement becomes Final, pay or cause to be paid an amount equal to fifty percent (50%) of the Settlement Amount Addition.

d. If (i) no United States Class Action Settlement is executed, (ii) a United States Class Action Settlement is executed but there is no Final approval of it or (iii) the United States Class Action Settlement Date is more than one thousand

ninety-five (1095) days following the Execution Date, then no Settlement Amount Addition shall be due.

2. To the extent that (i) either (x) a United States Class Action Settlement occurs and any portion of the settlement relief provided by such settlement is United States Class Action Auditors' Settlement Relief or (y) a United States Class Action Auditors' Settlement occurs *and* (ii) the United States Class Action Settlement Date and the United States Class Action Auditors' Settlement Date (if any) are both within one thousand ninety-five (1095) days following the Execution Date *and* (iii) the Aggregate United States Class Action Settlement Relief is greater than the United States Settlement Offer, the Release contained in Section IX.A.1 below shall be null and void as to the Auditors and the Auditors shall no longer be considered to be Releasees unless the Auditors pay the Auditors' Settlement Amount to Participating Shareholders.

C. Shareholders' Association Payment

1. The Settling Companies shall pay or cause to be paid to VEB the Shareholders' Association Payment as set out in Section I.A of the Shareholders' Association Ancillary Agreement, the use of which payment is addressed in the Shareholders' Association Ancillary Agreement.

D. United States Settlement Offer

1. Within thirty (30) Business Days following the Filing Date, the Settling Companies shall submit a proposal to the United States Class Action Court setting out the Settling Companies' commitment to offer to United States Purchasers a settlement offer that would resolve all of the claims of United States Purchasers that have

been made or could have been made in the United States Class Action pursuant to terms consistent with those set out in this Settlement Agreement, except that such terms shall include an offer to pay to United States Purchasers the United States Settlement Offer instead of the Settlement Amount.

2. Notice (if any) of the offer to settle described in Section I.D.1 above shall be provided to United States Purchasers only as approved and directed by the United States Class Action Court.

E. Administrative Expenses

1. Consistent with Section XIII.A.45 below and subject to Section XI.H.7, within ten (10) Business Days following the Filing Date, unless the Parties agree to an extension, the Settling Companies shall advance or cause to be advanced to the Administrator the Initial Administrative Payment to be used by the Administrator to implement this Settlement Agreement.

2. Subject to Section XI.H.7 below, within thirty (30) days following receipt of any invoice from the Administrator for Administrative Expenses in excess of the Initial Administrative Payment, the Settling Companies shall pay or cause to be paid such Administrative Expenses; *provided however*, that, respecting all Administrative Expenses for which reimbursement is sought under this Section I.E.2, prior to undertaking any task or tasks that in the aggregate will result in Administrative Expenses in excess of three hundred thousand USD (\$300,000) in any thirty-day (30-day) period, the Administrator shall use its best efforts to notify the Settling Companies (or their designees) of the amount of Administrative Expenses that will be incurred in connection

with such task(s) and to obtain the approval of the Settling Companies (or their designees) to undertake such task(s), which approval shall not be unreasonably withheld; *provided* that if the Settling Companies and the Administrator cannot agree with respect to the Administrator's undertaking any such task(s), they shall submit the issue to the Dispute Committee, whose decision shall be binding and unreviewable, or to the Netherlands Arbitration Institute, pursuant to an arbitration to be conducted in English in The Hague by three arbitrators, which arbitration shall finally settle the issue in accordance with the Arbitration Rules of the Netherlands Arbitration Institute.

F. Principal Counsel's Attorneys' Fees and Expenses Amount

1. Pursuant to the terms of the Ancillary Agreement, the Settling Companies shall pay or cause to be paid separate and apart from the Settlement Amount the Principal Counsel's Attorneys' Fees and Expenses Amount.

G. Settlement Foundation Expenses

1. Consistent with Section XIII.A.46 and subject to Section XI.H.7 below, within five (5) Business Days following the Execution Date, the Settling Companies shall advance or cause to be advanced to the Shell Reserves Compensation Foundation the Initial Foundation Payment.

2. Subject to Section XI.H.7 below, within thirty (30) days following receipt of any invoice from the Shell Reserves Compensation Foundation for Foundation Expenses in excess of the Initial Foundation Payment, the Settling Companies shall pay or cause to be paid such Foundation Expenses; *provided however*, that prior to undertaking any task or tasks that in the aggregate will result in Foundation Expenses in

excess of three hundred thousand USD (\$300,000) in any thirty-day (30-day) period, the Shell Reserves Compensation Foundation shall use its best efforts to notify the Settling Companies (or their designees) of the amount of Foundation Expenses that will be incurred in connection with such task(s) and to obtain the approval of the Settling Companies (or their designees) to undertake such task(s), which approval shall not be unreasonably withheld; *provided* that if the Settling Companies and the Shell Reserves Compensation Foundation cannot agree with respect to the Shell Reserves Compensation Foundation's undertaking any such task(s), they shall submit the issue to the Dispute Committee, whose decision shall be binding and unreviewable, or to the Netherlands Arbitration Institute, pursuant to an arbitration to be conducted in English in The Hague by three arbitrators, which arbitration shall finally settle the issue in accordance with the Arbitration Rules of the Netherlands Arbitration Institute.

H. SEC Amount

1. As set out in the Ancillary Agreement, the Settling Companies shall use their reasonable best efforts to persuade the United States Securities and Exchange Commission to distribute the SEC Amount (plus any interest that has accrued on such amount since it was paid by the Settling Companies) consistent with the SEC Letter; *provided* that if the United States Securities and Exchange Commission determines to distribute the SEC Amount in a manner that is materially inconsistent with the SEC Letter and such determination occurs prior to the Binding Declaration Date, the Settling Companies shall, subject to Section XI.D below, pay or cause to be paid into the Cash Settlement Account within twenty (20) days following the Exclusion Termination

Date the amount necessary to ensure that Home Exchange Purchasers receive a distribution that is consistent with what they would have received if the SEC Amount was distributed consistent with the SEC Letter.

I. Shareholders' Association's Attorneys' Fees

1. The Settling Companies shall pay or cause to be paid to VEB Shareholders' Association's Attorneys' Fees as set out in the Shareholders' Association Ancillary Agreement.

II. DISTRIBUTION OF SETTLEMENT RELIEF

A. Net Settlement Amount

1. The funds in the Cash Settlement Account shall not be distributed except in accordance with this Settlement Agreement.

2. The Shell Reserves Compensation Foundation shall pay or cause to be paid all Tax Expenses (if any) out of the Cash Settlement Account.

3. The Shell Reserves Compensation Foundation shall cause the Net Settlement Amount to be disbursed to Participating Shareholders pursuant to the Settlement Distribution Plan, a copy of which is attached as Exhibit C to this Settlement Agreement.

4. Participating Shareholders shall look solely to the Net Settlement Amount for settlement and satisfaction of all Released Claims. Under no circumstances will any Party or any Releasee be responsible for the payment of any fees, costs, expenses or other funds associated with or arising out of this Settlement Agreement other than as set out in this Settlement Agreement or the Ancillary Agreement. Except as

expressly provided by this Settlement Agreement and the Settlement Distribution Plan, no Participating Shareholder shall have any interest in the Net Settlement Amount or any portion of the Net Settlement Amount.

B. Settlement Distribution Plan

1. The Settlement Distribution Plan has been reviewed and approved by the Shell Reserves Compensation Foundation.

2. None of the Releasees or Releasees' respective counsel (including, but not limited to, the Settling Companies' Counsel) shall have any role in, responsibility for, or liability with respect to implementation of the Settlement Distribution Plan, the form, substance, method or manner of distribution, the administration or distribution of the Net Settlement Amount, any tax liability that a Participating Shareholder may incur as a result of this Settlement Agreement or as a result of any action taken pursuant to this Settlement Agreement, or the administration or processing of claims, including, without limitation, the determination of the amount of the Net Settlement Amount to be distributed to particular Participating Shareholders or the determination of the validity of a claim for relief.

3. To the extent any monies remain in the Cash Settlement Account after all reasonable efforts to distribute the Net Settlement Amount pursuant to the Settlement Distribution Plan have been taken, the Shell Reserves Compensation Foundation shall in its sole discretion (taking into account, among other things, the amount of such monies) determine whether such monies should be (i) distributed to Participating Shareholders pursuant to a supplemental distribution, (ii) subject to

Paragraph 2 of Article 910 of the 2005 Law, returned to the Settling Companies or (iii) disbursed as a charitable contribution to a qualifying entity or entities; *provided however*, that if the monies remaining in the Cash Settlement Account are in excess of five million USD (\$5,000,000) and the Shell Reserves Compensation Foundation determines that it is not feasible to effect a supplemental distribution, then, notwithstanding anything in this Section II.B.3, the remaining monies shall, subject to Paragraph 2 or Article 910 of the 2005 Law, be returned to the Settling Companies.

C. Procedures for Obtaining Distribution from Net Settlement Amount

1. To receive a distribution from the Net Settlement Amount, a Participating Shareholder must follow the procedures set out in this Section II.C.
2. Each Participating Shareholder who wishes to receive a distribution from the Net Settlement Amount must complete and submit a Claim Form consistent with this Section II.C. A Participating Shareholder's submission of a Claim Form respecting a distribution from the Net Settlement Amount shall also be considered as a request to receive a distribution from the Net SEC Settlement Amount (if any), as further discussed in Section I.C.4.a(1) of the Ancillary Agreement.
3. The Claim Form shall require each Participating Shareholder to do the following:
 - a. provide the dates during the Relevant Period on which the RD/STT Securities were purchased, the amount and type of RD/STT Securities (*i.e.*, RD or STT) purchased on each date, the purchase price of each such security, the stock

market or exchange on which each such security was purchased, and the date on which any such security was sold and the price at which it was sold;

b. submit original (or legible copies) of broker confirmation slips, monthly brokerage statements or other proof confirming the particulars of the information provided under Section II.C.3.a above;

c. agree to the terms of the Release, a copy of which shall be included with the Claim Form;

d. agree that his, her or its submission of such Claim Form shall be deemed to be a request for exclusion in the United States Class Action with respect to his, her or its Home Exchange Shares should a Final United States Order certify a class that would, absent such exclusion, include the person or entity who is submitting the Claim Form respecting such Home Exchange Shares;

e. consent to the exclusive jurisdiction of the District Court in connection with any other matters relating to his, her or its claim under this Settlement Agreement except as provided in Section III.C.3.g below;

f. agree to be subject to inquiry with respect to the validity and/or amount of the claim made;

g. consent to the disposition by either the District Court or the Dispute Committee (where the Participating Shareholder will not have to be represented by counsel), with respect to the validity and/or amount of, or any other dispute regarding the claim for settlement relief;

h. waive the right to trial by jury (to the extent any such right might exist) with respect to the validity or amount of the claim;

i. swear on oath or attest to the statements made in the Claim Form; and

j. deliver a copy of the executed and completed Claim Form to the Administrator at the address shown in the Notice by no later than the Claim Date.

4. The Settling Companies' Counsel and Principal Counsel for Shareholders shall draft the proposed Claim Form consistent with the provisions of Section II.C.3 above. A copy of the Claim Form shall be included in the Participating Shareholders' Notice as set out in Section IV.A.1.b(13) below. A copy of the agreed-upon Claim Form shall be submitted to the Court for its approval at the time the Parties submit the Participating Shareholders' Notice to the Court pursuant to Section IV.A.1.g below.

5. The validity of each claim made on a Claim Form by a Participating Shareholder and the amount allocated to each Participating Shareholder will be initially determined by the Administrator acting as Independent Reviewer in accordance with the terms of this Settlement Agreement and the Settlement Distribution Plan. The Administrator shall promptly advise the Participating Shareholder in writing if it determines to reject a claim. If a Participating Shareholder disagrees with such a determination or disagrees with the amount allocated to him, her or it, and the Administrator and the Participating Shareholder are unable to resolve the dispute, the Participating Shareholder shall, within thirty (30) days following the dispute's having

first been raised, submit the dispute to either the District Court or the Dispute Committee for resolution. Any Participating Shareholder who submits a dispute to the District Court or the Dispute Committee shall be responsible for his, her or its own costs incurred in pursuing such dispute, including, without limitation, any attorneys' fees; *provided however*, that a Participating Shareholder who submits a dispute to the Dispute Committee may do so without the assistance of counsel.

6. As permitted by Paragraph 6 of Article 907 of the 2005 Law, unless otherwise ordered by the Court, the right of Participating Shareholders to settlement relief under this Settlement Agreement shall lapse and terminate as of the day following the Claim Date, and any Participating Shareholder who fails to submit a valid and timely Claim Form by the Claim Date shall be barred and precluded from receiving a distribution from the Net Settlement Amount; *provided however*, that any Participating Shareholder so barred and precluded shall nevertheless, subject to Section VII below, be bound by the Binding Declaration and the Release even if he, she or it has pending, or subsequently initiates, any litigation, arbitration or other proceeding, or has any Claim, against any or all of the Releasees that is, or relates in any way to, any Released Claim.

D. Distribution of the Shareholders' Payment

1. The Shareholders' Payment shall be allocated equally among all Participating Shareholders who submit a valid claim under Section II.C above..

III. NOTICE OF SETTLEMENT AGREEMENT AND SUBMISSION TO COURT

A. The Parties shall propose to the Court that notice of this Settlement Agreement and its submission to the Court be made as follows:

1. Participating Shareholders' Announcement

a. The Parties shall propose to cause to be mailed by regular mail, postage prepaid, or transmitted by such other means as the Parties deem appropriate by the Announcement Mailing Date a Participating Shareholders' Announcement to all persons or entities who can be identified by reasonable efforts as falling within the description of Participating Shareholders and for which the Parties have a last-known address.

b. Such Participating Shareholders' Announcement shall, among other things,

(1) contain a short, plain statement describing the Reserves Recategorization;

(2) describe this Settlement Agreement, the settlement relief being offered by this Settlement Agreement, the request for a Binding Declaration and the effect that the Binding Declaration and Release will have if the Parties' request is granted;

(3) describe the persons and entities who are eligible to be Participating Shareholders;

(4) set out the Hearing Date and explain that a potential Participating Shareholder may submit a defense to the request that this Settlement Agreement be declared binding and the process by which such a defense must be made;

(5) advise the person or entity of the process by which he, she or it may review Disclosure Material for the purpose of deciding whether to submit a defense to the request that this Settlement Agreement be declared binding;

(6) advise the person or entity how he, she or it can obtain copies of this Settlement Agreement and papers filed with the Court in connection with this Settlement Agreement;

(7) advise the person or entity that a Participating Shareholders' Notice will be distributed if the Parties' request for a Binding Declaration is granted and describe the options that will be available to him, her or it at that time; and

(8) include as an appendix the complete language of the Release (including relevant definitions for terms used in the Release).

c. The Participating Shareholders' Announcement shall be provided in English and also, as deemed appropriate, in such other language as is consistent with the address to which the Participating Shareholders' Announcement is being mailed.

d. If the mailings or transmissions described in Section III.A.1.a above result in any Participating Shareholders' Announcements being returned to the Administrator with an updated address, the Administrator shall remail such Participating Shareholders' Announcement within five (5) Business Days following

receipt of the updated address; *provided however*, that if the Administrator receives such updated address less than five (5) Business Days prior to, or after, the Hearing Date, no remailing shall be required.

e. No later than five (5) Business Days following the Announcement Mailing Date, the Settling Companies, the Administrator, the Institutional Parties' Counsel and VEB shall cause the Participating Shareholders' Announcement to be published on their respective websites.

f. The Participating Shareholders' Announcement shall conform to and meet all applicable requirements of Dutch law (including, but not limited to, the 2005 Law and the Dutch Code of Civil Procedure, including without limitation, Paragraph 5 of Article 1013), the rules of the Court and such other laws as may be applicable to providing notice to potential Participating Shareholders, and shall otherwise be in the manner and form ordered by the Court.

g. The Settling Companies' Counsel and Principal Counsel for Shareholders shall draft the proposed Participating Shareholders' Announcement consistent with the provisions of this Section III.A.1. The agreed-upon, proposed Participating Shareholders' Announcement shall be submitted to the Court for its approval at the time the Parties file the joint request contemplated by Section X below.

2. Participating Shareholders' Summary Announcement

a. No later than the Announcement Publication Date, the Parties shall propose to cause the Participating Shareholders' Summary Announcement to

be published on at least one occasion in the newspapers to be identified by the Parties and the Administrator and submitted to the Court for its approval.

b. The Participating Shareholders' Summary Announcement shall, among other things,

(1) summarize this Settlement Agreement, the settlement relief being offered by this Settlement Agreement, the request for a Binding Declaration and the effect that the Binding Declaration and Release will have if the Parties' request is granted;

(2) describe the persons and entities who are eligible to be Participating Shareholders;

(3) set out the Hearing Date and explain that a potential Participating Shareholder may submit a defense with respect to the request that this Settlement Agreement be declared binding by the Defense Date and the process by which such a defense must be made; and

(4) advise Participating Shareholders how to obtain additional information – including a copy of the Participating Shareholders' Announcement.

c. The Participating Shareholders' Summary Announcement shall be translated into the language of the newspaper in which it is published.

d. The Participating Shareholders' Summary Announcement shall conform to and meet all applicable requirements of Dutch law (including, but not limited to, the 2005 Law and the Dutch Code of Civil Procedure, including without

limitation, Paragraph 5 of Article 1013), the rules of the Court and such other laws as may be applicable to providing notice to potential Participating Shareholders, and shall otherwise be in the manner and form ordered by the Court.

e. The Settling Companies' Counsel and Principal Counsel for Shareholders shall draft the proposed Participating Shareholders' Summary Announcement consistent with the provisions of this Section III.A.2. The agreed-upon, proposed Participating Shareholders' Summary Announcement shall be submitted to the Court for its approval at the time the Parties file the joint request contemplated by Section X below.

IV. NOTICE OF BINDING DECLARATION

A. The Parties shall propose to the Court that notice of the Binding Declaration be made as follows:

1. Participating Shareholders' Notice

a. The Parties shall propose to cause to be mailed by regular mail, postage prepaid, or transmitted by such other means as the Parties deem appropriate by the Notice Mailing Date, a Participating Shareholders' Notice to all persons or entities who can be identified by reasonable efforts as falling within the description of Participating Shareholders and for which the Parties have a last-known address.

b. Such Participating Shareholders' Notice shall, among other things,

(1) describe the Binding Declaration, the Release and their effect;

- (2) contain a short, plain statement describing the Reserves Recategorization;
- (3) describe the persons and entities who are eligible to be Participating Shareholders;
- (4) describe the settlement relief being offered to Participating Shareholders;
- (5) describe the Settlement Distribution Plan by which settlement relief shall be distributed to Participating Shareholders;
- (6) advise the person or entity of the process by which he, she or it may notify the Administrator that he, she or it does not intend to be bound by the Binding Declaration and the Release, including providing the address to which such notification shall be sent;
- (7) advise the person or entity that if he, she or it notifies the Administrator by the Exclusion Date that he, she or it does not intend to be bound by the Binding Declaration and the Release, he, she or it will not receive any distribution from the Cash Settlement Account pursuant to the Settlement Distribution Plan;
- (8) advise the person or entity that if he, she or it fails to notify the Administrator by the Exclusion Date of an intention not to be bound by the Binding Declaration and the Release, he, she or it will be bound by the Binding Declaration and the Release as to his, her or its Home Exchange Shares whether or not he, she or it receives settlement relief;

(9) advise the person or entity of the effect of being bound by the Binding Declaration and the Release, including that he, she or it will be precluded from bringing or continuing any action or proceeding in any Forum against any Releasee based upon a Released Claim in connection with Home Exchange Shares and will not be able to participate in any action or proceeding in any Forum against any Releasee based upon a Released Claim, including participating as a class member in the United States Class Action, in connection with Home Exchange Shares;

(10) assuming that the United States Securities and Exchange Commission agrees to pay or cause to be paid into the SEC Cash Settlement Account the SEC Amount, explain that a person or entity that does not wish to be a Participating Shareholder may still make a claim for relief under the SEC Distribution Plan, describe how to make such a claim and explain that a person or entity may make a claim for a distribution under the SEC Distribution Plan without becoming bound by the Binding Declaration or the Release;

(11) describe the SEC Distribution Plan by which the SEC Amount (if any) will be distributed;

(12) advise the person or entity of the process by which he, she or it may review Disclosure Material for the purpose of determining whether to be bound by the Binding Declaration and the Release;

(13) include a copy of the Claim Form and the SEC Claim Form (if any), and explain the process by which such form(s) must be submitted in order to receive relief;

(14) direct persons or entities who have questions about the tax consequences of participating in the settlement to consult their own tax advisors regarding such consequences; and

(15) include as appendices the Binding Declaration and the complete language of the Release (including relevant definitions for terms used in the Release).

c. The Participating Shareholders' Notice shall be provided to Participating Shareholders in English and also, as deemed appropriate, in such other language as is consistent with the address to which the Participating Shareholders' Notice is being mailed.

d. If the mailings or transmissions described in Section IV.A.1.a above result in any Participating Shareholders' Notices being returned to the Administrator with an updated address, the Administrator shall remail such Participating Shareholders' Notice within five (5) Business Days following receipt of the updated address; *provided however*, that if the Administrator receives such updated address less than five (5) Business Days prior to, or after, the Exclusion Date, no remailing shall be required.

e. No later than five (5) Business Days following the Notice Mailing Date, the Settling Companies, the Administrator, the Institutional Parties' Counsel and VEB shall cause the Participating Shareholders' Notice (including the Release, the Claim Form and the SEC Claim Form (if any)) to be published on their respective websites.

f. The Participating Shareholders' Notice shall conform to and meet all applicable requirements of Dutch law (including, but not limited to, the 2005 Law and the Dutch Code of Civil Procedure, including without limitation, Paragraph 3 of Article 1017), the rules of the Court and such other laws as may be applicable to providing notice to potential Participating Shareholders, and shall otherwise be in the manner and form ordered by the Court.

g. The Settling Companies' Counsel and Principal Counsel for Shareholders shall draft the proposed Participating Shareholders' Notice consistent with the provisions of this Section IV.A.1. The agreed-upon, proposed Participating Shareholders' Notice shall (unless otherwise ordered by the Court) be submitted to the Court for its approval within thirty (30) days following the Binding Declaration Date.

2. Participating Shareholders' Summary Notice

a. No later than the Notice Publication Date, the Parties shall propose to cause the Participating Shareholders' Summary Notice and the Binding Declaration to be published on at least one occasion in the newspapers to be identified by the Parties and the Administrator and submitted to the Court for its approval.

b. The Participating Shareholders' Summary Notice shall, among other things,

(1) describe the Binding Declaration, Release and their effect;

(2) contain a summary of the Reserves Recategorization;

(3) describe the persons and entities who are eligible to be Participating Shareholders;

(4) describe the settlement relief being offered to Participating Shareholders;

(5) advise potential Participating Shareholders in summary fashion of the options available to them (including the option to express an intention not to be bound by the Binding Declaration and the Release) and the consequence of each option; and

(6) advise potential Participating Shareholders how to obtain additional information – including a copy of the Participating Shareholders' Notice, the Claim Form and the SEC Claim Form (if any).

c. The Participating Shareholders' Summary Notice shall be translated into the language of the newspaper in which it is published.

d. The Participating Shareholders' Summary Notice shall conform to and meet all applicable requirements of Dutch law (including, but not limited to, the 2005 Law and the Dutch Code of Civil Procedure, including without limitation, Paragraph 3 of Article 1017), the rules of the Court and such other laws as may be applicable to providing notice to potential Participating Shareholders, and shall otherwise be in the manner and form ordered by the Court.

e. The Settling Companies' Counsel and Principal Counsel for Shareholders shall draft the proposed Participating Shareholders' Summary Notice consistent with the provisions of this Section IV.A.2. The agreed-upon, proposed

Participating Shareholders' Summary Notice shall (unless otherwise ordered by the Court) be submitted to the Court for its approval within thirty (30) days following the Binding Declaration Date.

**V. ADDITIONAL SOURCES OF INFORMATION
REGARDING THIS SETTLEMENT AGREEMENT**

A. The Parties shall propose to the Court that they cause to be made available the following additional sources of information regarding this Settlement Agreement, the Parties' request to the Court for a Binding Declaration and the Binding Declaration:

1. The Parties shall propose to cause the Administrator to establish and maintain a website on which it shall post, consistent with Sections III.A.1.e and IV.A.1.e above, the Participating Shareholders' Announcement, the Participating Shareholders' Notice, the SEC Notice (if any), the Claim Form and the SEC Claim Form (if any), and provide information about, among other things, this Settlement Agreement, the Settlement Distribution Plan, and the SEC Distribution Plan (if any), including all applicable deadlines associated with this Settlement Agreement and the Hearing.

2. The Parties shall propose to cause the Administrator to establish and staff for purposes of responding to inquiries from Home Exchange Purchasers and United States Purchasers (i) a telephone bank designed to allow Participating Shareholders to make toll-free calls (including telephone operators able to speak English and Dutch) and (ii) an e-mail address. The Parties shall agree to a protocol for operating the telephone bank and e-mail address consistent with industry standards, and shall require the Administrator to operate the telephone bank and e-mail address consistent

with such industry standards. All Parties may participate in the administration of the telephone bank.

VI. DEFENSE TO REQUEST FOR BINDING DECLARATION

A. Any potential Participating Shareholder who wishes to defend against the Parties' request that the Court issue a Binding Declaration with respect to this Settlement Agreement may submit a defense consistent with Article 282, in conjunction with Article 278, of the Dutch Code of Civil Procedure, which defense shall include the reason(s) for the defense, including any evidence that the submitter believes is relevant to the defense, and which defense the Parties shall propose be filed by the Defense Date.

B. A potential Participating Shareholder who submits a defense with respect to the request that the Court issue a Binding Declaration regarding this Settlement Agreement must file such defense through counsel and shall be responsible for his, her or its own expenses (including any attorneys' fees) incurred in submitting an opposition or defense pursuant to this Section VI.

C. A potential Participating Shareholder who submits a defense pursuant to Section VI.A above may appear at the Hearing to present such defense through counsel hired at his, her or its own expense consistent with Paragraph 3 of Article 279 of the Dutch Code of Civil Procedure.

VII. INTENTIONS NOT TO BE BOUND BY BINDING DECLARATION AND THE RELEASE

A. A potential Participating Shareholder who desires not to be bound by the Binding Declaration and the Release must deliver to the Administrator a notice of his, her or its intention not to be bound as follows:

1. the request must be in writing and must clearly state that the potential Participating Shareholder does not intend to be bound by the Binding Declaration and the Release;
2. subject to Section XIII.A.111 below, the request must be postmarked by no later than the Exclusion Date; and
3. the request must include the following information: (i) name, (ii) address, (iii) telephone number and/or e-mail address, and (iv) the dates during the Relevant Period on which the RD/STT Securities were purchased, the amount and type of RD/STT Securities (*i.e.*, RD or STT) purchased on each date, the purchase price of each such security, the stock market or exchange on which each such security was purchased, and the date on which any such security was sold and the price at which it was sold.

B. Unless otherwise ordered by the Court (and subject to Section XIII.A.111 below), any Participating Shareholder who does not timely notify the Administrator of his, her or its intention not to be bound by the Binding Declaration consistent with this Section VII shall be bound by the Binding Declaration and the Release.

VIII. REVIEW OF DISCLOSURE MATERIAL

A. A potential Participating Shareholder may obtain access to Disclosure Material as follows:

1. Such access may only be obtained for the purpose of
 - (i) determining whether to make a defense, pursuant to Section VI above or
 - (ii) determining whether to submit a notification of an intention not to be bound by the Binding Declaration and the Release pursuant to Section VII above.
2. Before being permitted access to Disclosure Material, the potential Participating Shareholder (or counsel hired at his, her or its own expense) must agree in writing to be bound by the Shareholders' Confidentiality Agreement.
3. Disclosure Material will be available for inspection at the law offices of De Brauw Blackstone Westbroek N.V. in Amsterdam, The Netherlands, unless the Parties otherwise agree.

IX. RELEASE AND WAIVER

- A. As of the Exclusion Date,
1. all Participating Shareholders' Released Claims, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall, subject to Section I.B.2 above, be deemed to have been, and by operation of law and of the Binding Declaration are, fully, finally, and forever released, relinquished, settled, and discharged as to any or all of the Releasees; *provided however*, that notwithstanding anything in this Section or in this Settlement Agreement, this Release

shall not apply to Claims arising as to the United States Shares of a Participating Shareholder, and

2. subject to Section IX.B below, all Participating Shareholders, Releasees, Parties, Principal Counsel for Shareholders, the Settling Companies' Counsel, the Shell Reserves Compensation Foundation (including, without limitation, its directors, its counsel and any counsel retained by and on behalf of it), the Dispute Committee and the Escrow Agent mutually release each other respecting all Claims that relate in any way to any or all acts, omissions, nondisclosures, facts, matters, transactions, occurrences, oral or written statements, or representations in connection with or directly or indirectly relating to the negotiation, execution or implementation of this Settlement Agreement, for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, and all such Claims shall be deemed to have been, and by operation of law and of the Binding Declaration are, fully, finally, and forever released, relinquished, settled, and discharged; *provided however*, that notwithstanding this Section IX.A.2, Claims based upon the Escrow Agent's gross negligence, willful misconduct or breach of the Escrow Agreement shall not be released or discharged by this Section IX; *provided further* that notwithstanding this Section IX.A.2, Claims based upon the Shell Reserves Compensation Foundation's or its directors' gross negligence or willful misconduct shall not be released or discharged by this Section IX.

B. Nothing in this Release shall bar any action or claim to enforce the terms of this Settlement Agreement or the Binding Declaration.

C. The foregoing Release was separately bargained for and is a key element of this Settlement Agreement.

X. REQUEST FOR BINDING DECLARATION

A. The Parties shall jointly petition the Court for a Binding Declaration pursuant to Paragraph 1 of Article 907 of the 2005 Law and Paragraph 1 of Article 1013 of the Dutch Code of Civil Procedure.

XI. MODIFICATION OR TERMINATION

A. The terms and provisions of this Settlement Agreement may be amended, modified or expanded by written agreement of the Parties to the extent such amendments or modifications (i) are not materially inconsistent with the terms of this Settlement Agreement as submitted to the Court with the request for a Binding Declaration and (ii) do not materially limit the rights of Participating Shareholders under this Settlement Agreement; *provided* that the terms of this Settlement Agreement that address the issues described in Paragraphs 2.a, 2.c, 2.d, 2.e, 2.f and 3.d of Article 907 of the 2005 Law shall be deemed material and thus may not be modified after the Filing Date except as specifically allowed by the Court.

B. Subject to Section XI.H below, this Settlement Agreement will terminate automatically if, prior to the Binding Date, a United States Order certifies a class that includes Home Exchange Purchasers or otherwise exercises jurisdiction over the Claims of Home Exchange Purchasers.

C. Subject to Sections XI.G and XI.H below, this Settlement Agreement will terminate at the sole option and discretion of the Shell Reserves Compensation

Foundation or of the Settling Companies if (i) the Court fails to enter a Binding Declaration consistent with the terms of this Settlement Agreement, (ii) if an appeal is filed, the Dutch Supreme Court rules that the Court should not have issued the Binding Declaration or makes any other ruling that voids or modifies the Binding Declaration or (iii) the Binding Declaration does not become Final; *provided* that any decision to terminate this Settlement Agreement pursuant to this Section XI.C shall be made in good faith. The terminating Party must exercise the option to withdraw from and terminate this Settlement Agreement, as provided in this Section XI.C no later than twenty (20) Business Days after receiving actual notice of the event prompting the termination.

D. Subject to Sections XI.G and XI.H below, this Settlement Agreement will terminate at the sole option and discretion of the Shell Reserves Compensation Foundation or of the Settling Companies if the United States Securities and Exchange Commission determines not to distribute the SEC Amount (plus any interest that has accrued on such amount since it was paid by the Settling Companies) based upon and in accordance with the SEC Letter.

E. Subject to Sections XI.G and XI.H below, this Settlement Agreement will terminate at the sole option and discretion of the Settling Companies if, prior to the Binding Date, (i) the United States Individual Plaintiffs fail to move to stay the United States Individual Actions within five (5) Business Days following the Execution Date or (ii) the United States Individual Plaintiffs fail to dismiss the United States Individual Actions within ten (10) Business Days following the Binding Declaration Date; *provided* that such dismissal shall be subject to a tolling agreement that shall expire either (x) as of

the Exclusion Termination Date if this Settlement Agreement is not terminated pursuant to Section XI.F below or (y) as of thirty (30) days after the Exclusion Termination Date if this Settlement Agreement is terminated pursuant to its terms. The Company must exercise the option to withdraw from and terminate this Settlement Agreement, as provided in this Section XI.E, no later than thirty (30) days after receiving actual notice of the event prompting the termination.

F. Subject to Sections XI.G and XI.H below, this Settlement Agreement will terminate at the sole option and discretion of the Settling Companies, consistent with Paragraph 4 of Article 908 of the 2005 Law, if

1. in the event that a Final United States Order has been entered as of the Exclusion Termination Date that certifies a class that does not include, or otherwise evidences a decision not to exercise jurisdiction over, Claims of Home Exchange Purchasers, persons or entities who, in the aggregate, would have received an amount equal to or greater than five percent (5%) of the Settlement Amount under the Settlement Distribution Plan submit notifications pursuant to Section VII above of their intention not to be bound by the Binding Declaration and the Release or

2. in the event that (i) a Final United States Order has been entered as of the Exclusion Termination Date that certifies a class or otherwise evidences a decision to exercise jurisdiction over Claims of Home Exchange Purchasers or (ii) there is no Final United States Order as of the Exclusion Termination Date that certifies a class or otherwise evidences a decision to exercise jurisdiction over Claims of Home Exchange Purchasers, persons or entities who, in the aggregate would have received an amount

equal to or greater than one-half of one percent (0.5%) of the Settlement Amount under the Settlement Distribution Plan submit notification pursuant to Section VII above of their intention not to be bound by the Binding Declaration and the Release; *provided* that in calculating the amount of the Settlement Amount that would have been received by persons or entities whose notifications of an intention not to be bound by the Binding Declaration fail to provide the information required by Section VII.A.3 above, such calculation shall be made consistent with the criteria set out in Exhibit D to this Settlement Agreement; *provided further* that the Settling Companies must exercise the option to withdraw from and terminate this Settlement Agreement as provided in this Section XI.F no later than the Exclusion Termination Date.

G. If an eligible Party elects to terminate this Settlement Agreement, any other Party shall have an absolute right (though not obligation) to take whatever steps are necessary to cause the event that gave rise to the right of termination to be corrected; *provided* that if such corrective steps are completed within thirty (30) Business Days following the Termination Date and the event giving rise to the termination thereby ceases to exist, the election to terminate this Settlement Agreement shall be voided; *provided further* that any dispute respecting whether the event giving rise to the right to terminate has ceased to exist pursuant to steps taken by any Party shall be submitted to the District Court for resolution; *provided further* that notwithstanding anything in this Section XI.G, it shall not apply to Section XI.F.2.

H. If this Settlement Agreement is terminated pursuant to the terms hereof, then:

1. this Settlement Agreement shall be null and void and shall have no force or effect, and no party to this Settlement Agreement shall be bound by any of its terms, except for the terms set out in this Section XI.H;

2. this Settlement Agreement, all of its provisions, and all negotiations, statements and proceedings relating to it shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing immediately before the execution of this Settlement Agreement, except with respect to the payment of Administrative Expenses and Foundation Expenses, which payments are described in Sections I.E and I.G, respectively, above and Section XI.H.7 below;

3. Releasees expressly and affirmatively reserve all defenses, arguments and motions as to all Released Claims that have been or might later be asserted in any proceeding against them;

4. United States Individual Plaintiffs expressly and affirmatively reserve all arguments and motions regarding the claims made in the United States Individual Actions, including, without limitation, the argument that the United States Class Action Court should hear their claims;

5. neither this Settlement Agreement, nor the fact of its having been made, shall be admissible or entered into evidence for any purpose whatsoever;

6. to the extent any Settlement Balance remains in the Escrow Account, the Settling Companies and the Shell Reserves Compensation Foundation shall, as further required by the terms of the Escrow Agreement, instruct the Escrow Agent

promptly to transfer the Settlement Balance to the Settling Companies consistent with the terms of the Escrow Agreement;

7. to the extent any monies are deposited in the Cash Settlement Account, the Shell Reserves Compensation Foundation shall promptly distribute (or cause to be distributed) to the Settling Companies by wire transfer any such monies (including any interest on such monies) less any Administrative Expenses, Tax Expenses or Foundation Expenses incurred but not yet paid as of the termination date; *provided* that if termination occurs prior to the date on which the Settlement Amount is paid into the Cash Settlement Account, the Settling Companies shall, consistent with Sections I.E and I.G above, pay all Administrative Expenses and Foundation Expenses that were incurred but not paid as of the termination date; *provided further*, that if any portion of the Initial Administrative Payment and/or the Initial Foundation Payment is not needed to pay, respectively, Administrative Expenses or Foundation Expenses that were incurred but not paid as of the termination date, such monies shall be returned to the Settling Companies;

8. the terms of the Confidentiality Agreement and of any Shareholders' Confidentiality Agreement shall continue to be in effect, and such terms shall continue to govern the use and possession of Disclosure Material; and

9. except as expressly set out in this Settlement Agreement in Sections I.E, I.F, I.G, I.I and XI.H.7, nothing in this Settlement Agreement shall create any obligation on the part of any Party to pay any other Party's fees or expenses.

XII. GENERAL MATTERS AND RESERVATIONS

A. The obligation of the Settling Companies to conclude the proposed settlement is and will be contingent upon acceptance of this Settlement Agreement by the Board of Directors of Shell Petroleum N.V. and of The Shell Transport and Trading Company Limited; *provided however*, that this contingency must be exercised prior to the Filing Date.

B. All Parties shall use their reasonable best efforts in arguing to the United States Class Action Court and any appellate court that, in light of this Settlement Agreement, the United States Class Action Court should decline to hear the claims of Home Exchange Purchasers.

C. The Parties agree that the terms and provisions of the Confidentiality Agreement shall continue in effect after the Execution Date and that such terms and provisions shall continue to govern the use and possession of Disclosure Material.

D. Jay W. Eisenhofer and Sidney S. Liebesman represent that each is authorized to enter into this Settlement Agreement on behalf of the Shell Reserves Compensation Foundation, ABP and PGGM, and that (i) they have kept the Board of Directors and the participants of the Shell Reserves Compensation Foundation apprised of the progress of the settlement negotiations among the Parties and advised the Board of Directors and the participants of the Shell Reserves Compensation Foundation of the terms and provisions of this Settlement Agreement and that each has approved of its terms and (ii) they have kept ABP and PGGM apprised of the progress of the settlement

negotiations among the Parties and advised ABP and PGGM of the terms and provisions of this Settlement Agreement and that each has approved of its terms.

E. Ralph C. Ferrara and Ann M. Ashton represent that each is authorized to enter into this Settlement Agreement on behalf of the Settling Companies.

F. Peter Paul de Vries represents that he is authorized to enter into this Settlement Agreement on behalf of VEB and that he has (i) kept VEB apprised of the progress of the settlement negotiations among the Parties and (ii) advised VEB of the terms and provisions of this Settlement Agreement and that VEB has approved of its terms.

G. Subject to Section XIII.A.7 and XIII.A.85 below, this Settlement Agreement sets forth the entire agreement among the Parties with respect to its subject matter and may not be altered or modified except by a written instrument executed by each of the Parties. The Parties expressly acknowledge that there are no agreements, arrangements or understandings other than those expressed or referred to in this Settlement Agreement among or between them. In entering into this Settlement Agreement, no Party has relied upon any representation or warranty not set forth expressly herein.

H. This Settlement Agreement and any ancillary agreements shall be governed by and interpreted according to the laws of The Netherlands, excluding its conflict of laws provisions.

I. Any action arising under or to enforce this Settlement Agreement shall be commenced and maintained only in the District Court.

J. Whenever this Settlement Agreement requires or contemplates that a Party shall or may give notice to another Party, notice shall be provided by facsimile and/or next-day (excluding Saturday and Sunday) express delivery service as follows and shall be deemed effective upon such facsimile transmission, or delivery, to the facsimile number or address, as the case may be, below:

1. If to the Settling Companies, then to:

Ralph C. Ferrara
Ann M. Ashton
LeBoeuf, Lamb, Greene & MacRae LLP
1875 Connecticut Avenue N.W.
Suite 1200
Washington, D.C. 20009
United States of America
Telephone: +1 202 986 8000
Facsimile: +1 202 986 8102

Sjoerd Eisma
Marnix Leijten
De Brauw Blackstone Westbroek N.A.
Zuid-Hollandlaan 7
P.O. Box 90851
2509 LW The Hague
The Netherlands
Telephone: +31 70 328 5328
Facsimile: +31 70 328 5325

2. If to the Shell Reserves Compensation Foundation, ABP or PGGM, then to:

Jay W. Eisenhofer
Sidney S. Liebesman
Grant & Eisenhofer, P.A.
1201 N. Market Street
Wilmington, DE 19801
United States of America
Telephone: +1 302 622 7000
Facsimile: +1 302 622 7100

Jurjen H. Lemstra
Pels Rijcken & Droogleevers Fortuijn N.V.
Koningin Julianaplein 10
Postbus 11756
2502 AT The Hague
The Netherlands
Telephone: +31 70 515 3704
Facsimile: +31 70 515 3329

3. If to VEB, then to

Eduard J. Ferman
Baker & McKenzie Amsterdam N.V.
Claude Debussylaan 54
1082 MD Amsterdam
P.O. Box 2720
1000 CS Amsterdam
The Netherlands
Telephone: +31 20 551 7555
Facsimile: +31 20 62 7949

K. All time periods set forth herein shall be computed in calendar days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Settlement Agreement or by order of court, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday or a legal holiday, or, when the act to be done is the filing of a paper in court, a day on which weather or other conditions have made the court inaccessible, in which event the period shall run until the end of the next day that is not one of the aforementioned days. As used in this Section, "legal holiday" means the legal holidays recognized as such ("algemeen erkende feestdagen") by the Dutch Algemene termijnenwet.

L. Subject to Section XI.A above, the Parties reserve the right to agree to any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

M. All Parties agree that this Settlement Agreement was drafted by counsel for the Parties at arm's length. All Parties further agree that there shall be no presumption for or against any Party that drafted all or any portion of this Settlement Agreement.

N. This Settlement Agreement, offer of this Settlement Agreement and compliance with this Settlement Agreement shall not constitute or be construed as an admission by any of the Releasees of any wrongdoing or liability. This Settlement Agreement is to be construed solely as a reflection of the Parties' desire to facilitate a resolution of the Released Claims. The Parties agree that no Party was or is a "prevailing party" in this case. In no event shall this Settlement Agreement, any of its provisions, or any negotiations, statements or court proceedings relating to its provisions in any way be construed as, offered as, received as, used as or deemed to be evidence of any kind in the United States Individual Actions, the United States Class Action, any other action, or any judicial, administrative, regulatory or other proceeding, except with respect to a proceeding to enforce this Settlement Agreement. Without limiting the foregoing, neither this Settlement Agreement nor any related negotiations, statements or court proceedings shall (except with respect to a proceeding) be construed as, offered as, received as, used as or deemed to be evidence or an admission or concession of any liability or wrongdoing whatsoever on the part of any Releasee, including, but not limited to, the Settling

Companies, or as a waiver by the Settling Companies or any other Releasee of any applicable defense or as a waiver by the Institutional Parties or VEB of any claims, causes of action or remedies.

O. No opinion or advice concerning the tax consequences of the proposed settlement is being given or will be given by any Party or its counsel to Participating Shareholders or to United States Purchasers; nor is any representation or warranty in this regard made by virtue of this Settlement Agreement. The Participating Shareholders' Notice will direct Participating Shareholders to consult their own tax advisors regarding the tax consequences of the proposed settlement and any tax reporting obligations they may have with respect thereto. Each Participating Shareholder's tax obligations, and the determination thereof, are the sole responsibility of the Participating Shareholder, and it is understood that the tax consequences may vary depending on the particular circumstances of each Individual Participating Shareholder.

P. The Parties, their successors and assigns, and their attorneys undertake to implement the terms of this Settlement Agreement in good faith and to use good faith in resolving any disputes that may arise in connection with the implementation of the terms of this Settlement Agreement.

Q. The Parties, their successors and assigns, and their attorneys agree to cooperate fully with one another in seeking a Binding Declaration from the Court respecting this Settlement Agreement and to use all reasonable efforts to effect the prompt consummation of this Settlement Agreement and the proposed settlement.

R. This Settlement Agreement may be signed in counterparts, each of which shall constitute a duplicate original. Execution by facsimile or by an electronically transmitted signature shall be fully and legally binding on a Party.

S. To the extent this Settlement Agreement is translated into any other language, including without limitation the Dutch language, the English version of this Settlement Agreement shall be authoritative.

T. All Releasees who are not Parties are intended third-party beneficiaries who are entitled as of the Exclusion Date, subject to Section I.B.2 above, to enforce the terms of the Release set forth in Section IX above.

XIII. DEFINITIONS

A. As used in this Settlement Agreement, the following terms have the following meanings:

1. "2005 Law" means the June 23, 2005 Dutch law, "Wet collectieve afwikkeling massachade."
2. "ABP" means Stichting Pensioenfonds ABP.
3. "Administrative Expenses" means all expenses associated with the implementation and administration of the settlement contemplated by this Settlement Agreement, including, but not limited to, the expenses associated with (i) providing announcements and notices to Participating Shareholders, (ii) publishing the summary announcements and notices, (iii) establishing, staffing and maintaining a toll-free telephone number, a website and an e-mail address respecting the settlement, (iv) determining the amount (pursuant to the Settlement Distribution Plan) of the Net

Settlement Amount to be allocated to each Participating Shareholder, (v) distributing the Net Settlement Amount to Participating Shareholders, (vi) determining the amount (pursuant to the SEC Distribution Plan) of the Net SEC Settlement Amount (if any) to be allocated to each United States Purchaser and Home Exchange Purchaser and (vii) distributing the Net SEC Settlement Amount (if any) to United States Purchasers and Home Exchange Purchasers.

4. "Administrator" means any person(s) or entity(ies) that will be retained by the Shell Reserves Compensation Foundation to assist in implementing the terms of this Settlement Agreement, including (i) providing announcements, summary announcements, notices and summary notices to potential Participating Shareholders as described in Sections III and IV above, (ii) responding to inquiries from Participating Shareholders, (iii) receiving and maintaining any notifications from potential Participating Shareholders expressing an intention not to be bound by the Binding Declaration and the Release; (iv) receiving, reviewing and maintaining Claim Forms and SEC Claim Forms (if any), (v) setting up, if requested, a program to contact Participating Shareholders respecting the submissions of Claim Forms and SEC Claim Forms (if any), (vi) calculating and distributing settlement relief consistent with Section II above, (vii) acting as and performing the duties of the Independent Reviewer, (viii) establishing and maintaining a telephone bank as described in Section V.A.2 above and (ix) otherwise assisting the Parties with the administration and implementation of this Settlement Agreement.

5. "Affiliate" means any entity that directly or indirectly through one or more intermediaries, has a Controlling Interest in, is under the Controlling Interest of, or is under common control with one or more of the Settling Companies.

6. "Aggregate United States Class Action Settlement Relief" means the total of United States Class Action Settlement Relief (if any) plus United States Class Action Auditors Settlement Relief (if any).

7. "Ancillary Agreement" means the separate agreement reached by the Parties with respect to certain matters that are not the subject of the Parties' request to the Court for a Binding Declaration, which agreement is attached as Exhibit A to this Settlement Agreement.

8. "Announcement Mailing Date" means the date proposed by the Parties to the Court by which the Participating Shareholders' Announcement shall be mailed, which proposed date shall be within seventy (70) days following the Filing Date.

9. "Announcement Publication Date" means the date proposed by the Parties to the Court by which the Participating Shareholders' Summary Announcement shall be published, which proposed date shall be within seventy-five (75) days following the Filing Date.

10. "Auditors" means PwC and KPMG.

11. "Auditors' Settlement Amount" means the amount (if any) paid by the Auditors pursuant to Section I.B.2 above, which amount shall be calculated as follows:

$$\text{United States Auditors' Settlement Relief} \div .23968$$

provided however, that if the United States Class Action Settlement Relief is less than the United States Settlement Offer, then, prior to making the calculation in this Section XIII.A.11, the United States Auditors' Settlement Relief shall be reduced by the difference between the United States Settlement Offer and the United States Class Action Settlement Relief and that reduced amount shall equal the United States Auditors' Settlement Relief for purposes of the calculation set out in this Section XIII.A.11.

12. "Binding Date" means the date on which the Binding Declaration becomes Final.

13. "Binding Declaration" means an order by the Court declaring and finding this Settlement Agreement binding upon all Participating Shareholders.

14. "Binding Declaration Date" means the date on which the Binding Declaration is issued by the Court.

15. "Business Day" means a day other than a Saturday, Sunday or legal holiday under Dutch law (as defined in Section XII.K above).

16. "Cash Settlement Account" means an interest-bearing account under the control of the Shell Reserves Compensation Foundation.

17. "Claim" means any and all actions, causes of action, proceedings, adjustments, executions, offsets, contracts, judgments, obligations, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, variances, covenants, trespasses, damages, demands (whether written or oral), agreements, promises, liabilities, controversies, costs, expenses, attorneys' fees and losses whatsoever, whether in law, in

admiralty or in equity and whether based on statutory law, common law, doctrine, rule, regulation, right of action or otherwise of any Forum.

18. "Claim Date" means the date proposed by the Parties to the Court by which Claim Forms and SEC Claim Forms (if any) must be received by the Administrator, which proposed date shall be three hundred sixty-six (366) days from the Notice Mailing Date.

19. "Claim Form" means the form that Participating Shareholders must submit to the Administrator in order to receive relief pursuant to Section II.C of this Settlement Agreement.

20. "Companies" means each and all of Shell Petroleum NV and The Shell Transport and Trading Company Limited, and each and all of their respective parents, predecessors, successors, Affiliates, divisions, business units, joint ventures, subsidiaries and all other entities in which any of the Companies has or had a Controlling Interest, and "Companies" shall include, without limitation, Royal Dutch Shell plc, the Royal Dutch Petroleum Company and The "Shell" Transport and Trading Company p.l.c.

21. "Confidentiality Agreement" means the February 23, 2007 agreement (including all addenda and/or exhibits that have been or will be executed thereto) that shall apply to Disclosure Material provided to or reviewed by Principal Counsel for Shareholders.

22. "Controlling Interest" means a direct or indirect interest by one or more of the Companies in an entity where such interest is sufficient to allow the Company or Companies, as the case may be, directly or indirectly to direct or cause the

direction of the management and policies of the entity, whether through the ownership of voting shares, by contract, or otherwise; *provided* that any disputes as to whether a Controlling Interest in an entity exists shall, for purposes of determining whether the Controlling Interest exists under this Settlement Agreement and for that purpose only, be submitted to the District Court for resolution, and the Companies shall bear the burden of proof as to whether the interest in the entity is or was a Controlling Interest for purposes of this Settlement Agreement.

23. "Court" means the Amsterdam Court of Appeals.

24. "Defense Date" means the date proposed by the Parties to the Court by which potential Participating Shareholders must file any defenses that they have to the request that this Settlement Agreement be declared binding, which proposed date shall be at least six (6) weeks prior to the Hearing Date.

25. "Disclosure Material" means documents and information as further defined in the Confidentiality Agreement that relate to the merits of the issues arising with respect to the Reserves Recategorization or that relate to the terms of this Settlement Agreement, which Disclosure Material shall include (i) documents produced by RD and STT in connection with any Governmental Inquiry or the United States Class Action, (ii) testimony provided in connection with any Governmental Inquiry and (iii) any additional information (in whatever format, including, without limitation, documents and testimony) produced by any Party in connection with this Settlement Agreement.

26. "Dispute Committee" means a three-person committee that shall have as its purpose definitively to resolve, by way of "binding advise" under Dutch law,

any disputes that might arise respecting certain of the terms of this Settlement Agreement as specifically identified in this Settlement Agreement above; *provided* that the Settling Companies and the Shell Reserves Compensation Foundation shall each appoint a member of the Dispute Committee and the third member shall be chosen by the two members so appointed; *provided further* that if the members chosen by the Settling Companies and the Shell Reserves Compensation Foundation cannot agree on the third member, the Parties shall petition the District Court to appoint a third member.

27. "District Court" means the District Court in Amsterdam.

28. "Escrow Account" means the interest-bearing account under the joint control of the Settling Companies and the Shell Reserves Compensation Foundation into which the Settlement Amount and the Shareholders' Payment shall be paid pursuant to Section I.A.1 above.

29. "Escrow Agent" means the escrow agent for the Escrow Agreement.

30. "Escrow Agreement" means the agreement pursuant to which the Escrow Account shall be established, which agreement shall be substantially in the form attached as Exhibit E to this Settlement Agreement.

31. "Exclusion Date" means the date proposed by the Parties to the Court by which potential Participating Shareholders must submit a notification of their intentions not to be bound by the Binding Declaration, which proposed date shall be three (3) months after the Notice Mailing Date or as otherwise ordered by the Court.

32. "Exclusion Termination Date" means the date that is six (6) months after the Exclusion Date; *provided however*, that, subsequent to the Exclusion Date, the Settling Companies may, at their sole option, elect to set the Exclusion Termination Date as any date less than six (6) months after the Exclusion Date.

33. "Execution Date" means the date by which this Settlement Agreement has been executed by all Parties.

34. "Filing Date" means that date on which the Parties file the request described in Section X above, which date shall be no later than thirty (30) days following the Execution Date.

35. "Final" means, when used in connection with any court finding, declaration (including, without limitation, the Binding Declaration), order, judgment or other ruling, that the relevant finding, declaration (including, without limitation, the Binding Declaration), order, judgment or other ruling will be final and no longer subject to appeal, challenge, modification, dissolution or injunction:

a. if no appeal, challenge, modification, dissolution or injunction is taken therefrom, on the date on which the time to appeal, challenge, modify, dissolve or enjoin such finding, declaration (including, without limitation, the Binding Declaration), order, judgment or other ruling (including any potential extension of time) has expired, or

b. if any appeal, challenge, modification, dissolution or injunction is taken therefrom, on the date on which all appeals, challenges, modification, dissolutions or injunctions therefrom, including petitions for rehearing or reargument,

petitions for rehearing en banc and petitions for *certiorari* or any form of review, have been finally and irrevocably disposed of, such that the time to appeal, challenge, modify, dissolve or enjoin such finding, declaration (including, without limitation, the Binding Declaration), order, judgment or other ruling (including any potential extension of time) has expired, in a manner resulting in an affirmance of the finding, declaration (including, without limitation, the Binding Declaration), order, judgment or other ruling;

provided that when Final is used in connection with the Binding Declaration, it shall also mean (in addition to Sections XIII.35.a and XIII.35.b above) that any request for a finding, declaration, order, judgment or other ruling that has been asserted, filed or submitted in any Forum that appeals, challenges or seeks to modify, resolve or enjoin recognition of the Binding Declaration, the exercise of jurisdiction by the Court over Participating Shareholders and/or the enforcement of the Release has been finally and irrevocably disposed of, and that the time to appeal, challenge, modify, dissolve or enjoin (including any potential extension of time) the finding, declaration, order, judgment or other ruling has expired and affirms recognition of the Binding Declaration, the Court's exercise of jurisdiction over Participating Shareholders and/or the enforceability of the Release.

36. "Forum" means any nation, country, territory or possession of any country, monarchy, principality, region, political state, nation-state, or any other sovereign state or nation of any kind, or any state, county, city, town, village, municipality or any other legal, administrative or political jurisdiction without limitation and wherever located.

37. “Foundation Expenses” means the reasonable out-of-pocket expenses associated with creating and maintaining the Shell Reserves Compensation Foundation, including remuneration to members of the directors of the Shell Reserves Compensation Foundation; *provided however*, that Foundation Expenses shall not include attorneys’ fees incurred by Principal Counsel for Shareholders, by any counsel associated with Principal Counsel for Shareholders or, without prior approval of the Settling Companies, by the Shell Reserves Compensation Foundation.

38. “Governmental Inquiry” means an inquiry or investigation conducted by a governmental entity in connection with the Reserves Recategorization.

39. “Hearing” means the proceeding at or after which the Court will make a final decision pursuant to the 2005 Law and the Dutch Code of Civil Procedure whether to issue the Binding Declaration.

40. “Hearing Date” means the date proposed by the Parties on which the Court convenes the Hearing, which proposed date shall be approximately two hundred ten (210) days following the Filing Date and which date shall be subject to continuance by the Court.

41. “Home Exchange Purchasers” means those persons and entities who (i) purchased Home Exchange Shares and (ii) at the time of such purchase, were residents or citizens of, or were incorporated in or created under the laws of any Forum other than the United States; *provided* that Home Exchange Purchasers shall not include any individual or entity currently named as a defendant in the United States Individual Actions.

42. "Home Exchange Shares" means RD/STT Securities that were registered on a stock market or exchange other than the New York Stock Exchange during the Relevant Period.

43. "Independent Reviewer" means the independent person(s) or entity(ies) who shall act in accordance with Paragraph 3 of Article 907 of the 2005 Law.

44. "Individual Participating Shareholders" means a Participating Shareholder who is a natural person.

45. "Initial Administrative Payment" means the amount of five million USD (\$5,000,000); *provided however*, that if this Settlement Agreement is terminated after the Initial Administrative Payment is paid and any portion of the Initial Administrative Payment (and any interest that has accrued on it) is not needed to pay Administrative Expenses, such monies shall be returned promptly to the Settling Companies.

46. "Initial Foundation Payment" means the amount of one million USD (\$1,000,000); *provided however*, that if this Settlement Agreement is terminated after the Initial Foundation Payment is paid and any portion of the Initial Foundation Payment (and any interest that has accrued on it) is not needed to pay Foundation Expenses, such monies shall be returned promptly to the Settling Companies.

47. "Institutional Parties" means the United States Individual Plaintiffs.

48. "Interest Rate" means interest calculated on a simple interest basis based upon the same interest rate as is paid on the Settlement Amount during the period it is held in the Escrow Account.

49. "KPMG" means KPMG NV, which entity is a defendant in the United States Class Action and in the United States Individual Actions.

50. "Net SEC Settlement Amount" means the balance (if any) remaining in the SEC Cash Settlement Account (including any interest that has accrued) after the payments described in Section I.B of the Ancillary Agreement are made from the SEC Cash Settlement Account.

51. "Net Settlement Amount" means the balance remaining in the Cash Settlement Account (including any interest that has accrued) after the payments described in Section II.A.2 above (if any) are made from the Cash Settlement Account.

52. "Notice Mailing Date" means the date proposed by the Parties to the Court by which the mailing of the Participating Shareholders' Notice shall occur, which proposed date shall be seventy (70) days following the Binding Date.

53. "Notice Publication Date" means the date proposed by the Parties to the Court by which the Participating Shareholders' Summary Notice shall be published, which proposed date shall be seventy-five (75) days following the Binding Date.

54. "Participating Shareholders" means Home Exchange Purchasers; *provided however*, that Participating Shareholders shall not include any Home Exchange Purchasers who, pursuant to Section VII above, notify the Administrator (or its designee)

that they do not intend to be bound by the Binding Declaration and the Release; *provided further* that, pursuant to Paragraph 1.c of Article 1013 of the Dutch Code of Civil Procedure, a list of the names and last-known addresses of potential Participating Shareholders known to the Parties in respect of whom this Settlement Agreement has been concluded will be submitted to the Court by the Parties.

55. “Participating Shareholders’ Announcement” means the announcement of the request for a Binding Declaration regarding this Settlement Agreement that the Parties will propose be provided to potential Participating Shareholders pursuant to Section III.A.1 above.

56. “Participating Shareholders’ Notice” means the notice of the Binding Declaration and this Settlement Agreement (including the Release) that the Parties will propose be provided to potential Participating Shareholders pursuant to Section IV.A.1 above.

57. “Participating Shareholders’ Summary Announcement” means the summary of the Participating Shareholders’ Announcement that the Parties will propose be published pursuant to Section III.A.2 above.

58. “Participating Shareholders’ Summary Notice” means the summary of the Participating Shareholders’ Notice that the Parties will propose be published pursuant to Section IV.A.2 above.

59. “Party” means each and every one of, and “Parties” means all of, the Settling Companies, the Shell Reserves Compensation Foundation, ABP, PGGM and VEB.

60. "PGGM" means Stichting Pensioenfonds voor de Gezondheid, Geestelijke en Maatschappelijke Belangen (a/k/a Stichting PGGM).

61. "Principal Counsel for Shareholders" means the law firm of Grant & Eisenhofer, P.A.

62. "Principal Counsel's Attorneys' Fees and Expenses Amount" means the amount of forty seven million USD (\$47,000,000), which amount the Settling Companies have agreed to pay to the Principal Counsel for Shareholders separate and apart from the Settlement Amount and which amount was negotiated only after all other material terms of this Settlement Agreement had been resolved.

63. "PwC" means PricewaterhouseCoopers UK, LLP, which entity is a defendant in the United States Class Action and in the United States Individual Actions.

64. "RD" means the Royal Dutch Petroleum Company (a/k/a N.V. Koninklijke Nederlandsche Petroleum Maatschappij), which was merged into Shell Petroleum N.V. in December 2005).

65. "RD/STT Securities" means stock or stock equivalents, or derivatives thereto issued by RD and STT, including, but not limited to, American Depository Receipts.

66. "Release" means the release and waiver set forth in Section IX of this Settlement Agreement.

67. "Released Claims" means each and every Claim and/or Unknown Claim that arises from or relates to the Reserves Recategorization.

68. "Releasee" means each and every one of, and "Releasees" means all of, the Companies, and each of their respective past and present directors, officers, employees, members, partners, principals, agents, attorneys (including in-house and outside counsel), advisors, representatives, auditors (including internal, external and, subject to Section I.B.2 above, the Auditors), accountants, consultants, service providers and insurance carriers and, respecting Releasees who are persons, their respective estates, heirs, executors, agents, attorneys, accountants, trusts, trustees, administrators and assigns.

69. "Relevant Period" means the period of time from April 8, 1999 through March 18, 2004, inclusive.

70. "Reserves Recategorization" means the recategorization and/or restatement of oil and gas resources or reserves effected by RD and STT, including, but not limited to, recategorizations, restatements and/or related matters announced on January 9, 2004, February 5, 2004, March 3, 2004, March 18, 2004, April 19, 2004, April 29, 2004, May 24, 2004, June 25, 2004, July 29, 2004, August 12, 2004, August 24, 2004, September 22, 2004, October 28, 2004 and February 3, 2005.

71. "Royal Dutch Shell plc" means the parent company that was created as of July 20, 2005 from the unification of RD and STT.

72. "SEC Amount" means the amount of one hundred twenty million USD (\$120,000,000).

73. "SEC Cash Settlement Account" means an interest-bearing account under the control of the Shell Reserves Compensation Foundation, into which the payment (if any) described in Section I.H shall be deposited.

74. "SEC Claim Form" means the form that United States Purchasers and Home Exchange Purchasers must submit to the Administrator in order to receive relief (if any) pursuant to the terms set out in the Ancillary Agreement.

75. "SEC Distribution Plan" means the plan by which the settlement relief provided by Section I.H of this Settlement Agreement (if any) will be distributed to United States Purchasers and Home Exchange Purchasers.

76. "SEC Letter" means the March 30, 2007 letter that is attached as Exhibit F.

77. "SEC Notice" means the notice of the SEC Amount (if any) that the Parties will cause to be provided to United States Purchasers pursuant to Section I.D.1.b(1) of the Ancillary Agreement.

78. "SEC Summary Notice" means the summary of the SEC Notice (if any) that the Parties will cause to be published pursuant to Section I.D.1.b(2) of the Ancillary Agreement.

79. "Settlement Agreement" means this agreement including any subsequent amendments thereto, which Settlement Agreement shall constitute a contract for compensation consistent with Paragraph 1 of Article 907 of the 2005 Law.

80. "Settlement Amount" means the amount of three hundred forty million one hundred thousand USD (\$340,100,000).

81. "Settlement Amount Addition" means the additional amount (if any) that would have to be added to the Settlement Amount to make the Settlement Amount proportional to any United States Class Action Settlement Relief that is in excess of the United States Settlement Offer, which amount shall be calculated pursuant to the following calculation:

$$((\text{United States Class Action Settlement Relief}/79,900,000) - 1) \times 340,100,000$$

82. "Settlement Distribution Plan" means the plan by which the settlement relief provided by Sections I.A and I.B (if any) of this Settlement Agreement will be distributed to Participating Shareholders.

83. "Settling Companies" means Shell Petroleum NV and The Shell Transport and Trading Company Limited

84. "Settling Companies' Counsel" means the law firms of LeBoeuf, Lamb, Greene & MacRae LLP, Debevoise & Plimpton LLP and De Brauw Blackstone Westbroek N.V.

85. "Shareholders' Association Amount" means the amount of six million two hundred fifty thousand USD (\$6,250,000), excluding VAT to the extent VEB must levy VAT on such amount.

86. "Shareholders' Association Ancillary Agreement" means the separate agreement reached between the Settling Companies and VEB pertaining to the Shareholders' Association Amount, which agreement is attached as Exhibit B to this Settlement Agreement.

87. "Shareholders' Association's Attorneys' Fees" means an amount that will be paid to VEB pursuant to Section I.I, to cover attorney fees incurred by VEB in connection with the Settlement Agreement; *provided however*, that the aggregate amount that shall be paid to VEB shall not exceed three hundred thousand Euro (€300,000).

88. "Shareholders' Confidentiality Agreement" means the confidentiality agreement that a Participating Shareholder must execute pursuant to Section VIII.A.2 above, if he, she or it desires to review Disclosure Material in connection with (i) determining whether to defend with respect to the request that this Settlement Agreement be declared binding, or asserting a defense, pursuant to Section VI above, or (ii) determining whether to submit a notification of an intention not to be bound by the Binding Declaration and the Release pursuant to Section VII above.

89. "Shareholders' Payment" means the amount of twelve million five hundred thousand USD (\$12,500,000).

90. "Shell Petroleum N.V." means the company into which the Royal Dutch Petroleum Company was merged as of December 2005.

91. "Shell Reserves Compensation Foundation" means the foundation created to represent the interests of all persons and entities described in Section XIII.A.54 above, which foundation possesses the full legal capacity to enter into this Settlement Agreement.

92. "STT" means The "Shell" Transport and Trading Company p.l.c., now known as The Shell Transport and Trading Company Limited.

93. "Tax Expenses" means (i) all taxes (if any) on the income earned on any monies in the Cash Settlement Account or in the SEC Cash Settlement Account (if any) and (ii) expenses and costs incurred in connection with the taxation of the income earned on any monies in the Cash Settlement Account or in the SEC Cash Settlement Account (including, without limitation, costs incurred in retaining tax attorneys and accountants).

94. "Termination Date" means the date on which an eligible Party provides notice that it is exercising a right to terminate this Settlement Agreement under a provision of Section XI.

95. "The Shell Transport and Trading Company Limited" means the company formerly known as The "Shell" Transport and Trading Company p.l.c.

96. "United States Class Action" means the putative class action styled *In re Royal Dutch/Shell Securities Litigation*, Civil Action No. 04-374 (JAP), pending in the United States Class Action Court.

97. "United States Class Action Auditors' Settlement" means any settlement reached in the United States Class Action respecting which only PwC and/or KPMG provide settlement relief.

98. "United States Class Action Auditors' Settlement Date" means the date on which any United States Class Action Auditors' Settlement is executed.

99. "United States Class Action Auditors' Settlement Relief" means any settlement relief that PwC and/or KPMG pay or cause to be paid to United States Class Action Settlement Members whether such settlement relief is paid in connection

with a United States Class Action Settlement or a United States Class Action Auditors' Settlement.

100. "United States Class Action Court" means the United States District Court for the District of New Jersey.

101. "United States Class Action Settlement" means any settlement reached in the United States Class Action respecting which the Settling Companies provide settlement relief to United States Class Action Settlement Members.

102. "United States Class Action Settlement Date" means the date on which any United States Class Action Settlement is executed.

103. "United States Class Action Settlement Members" means the persons and entities who are members of any settlement class that is certified by the United States Class Action Court in the United States Class Action.

104. "United States Class Action Settlement Relief" means the aggregate amount of settlement relief provided to United States Class Action Settlement Members by the Settling Companies in any United States Class Action Settlement less any amount that is deducted from such relief to pay (i) attorneys' fees and expenses awarded by the United States Class Action Court or (ii) administrative expenses incurred in implementing the United States Class Action Settlement, including the expense of providing notice to United States Class Action Settlement Members.

105. "United States Individual Actions" means the actions styled *Stichting Pensionfonds ABP, et al. v. Royal Dutch Shell plc, et al.*, Civil Action No. 3:06-cv-00095 (JAP), and *Deka Investment GmbH, et al v. N.V. Koninklijke Nederlandsche*

Petroleum Maatschappij (a/k/a Royal Dutch Petroleum Company), et al., Civil Action No. 3:06-cv-00067 (JAP), pending in the United States Class Action Court.

106. “United States Individual Plaintiffs” means Stichting Pensioenfonds ABP, Stichting Bedrijfspensioenfonds voor de Landbouw, Stichting De Samenwerking, pensioenfonds voor het Slagersbedrijf, Stichting Bedrijfstakpensioenfonds voor de Detailhandel, Stichting Pensioenfonds Interpolis, Interpolis Pensioenen Europa Pool, Interpolis Pensioenen Nederland Pool, Stichting bedrijfstakpensioenfonds voor het Schoonmaak-en Glazenwassersbedrijf, Stichting Bedrijfspensioenfonds voor het Kappersbedrijf, Stichting Bedrijfstakpensioenfonds voor het levensmiddelenbedrijf, Stichting Bedrijfstakpensioenfonds voor het Melk-en Zuiveldetailhandelsbedrijf, Stichting Pensioenfonds Dutch Space, Stichting Bedrijfspensioenfonds voor de Schoenmakerij, Stichting Pensioenfonds voor fysiotherapeuten, Stichting Uittreding werknemers Agrarische sectoren, Stichting pensioenfonds voor de Tandtechniek, Stichting Pensioenfonds Wonen, Stichting Pensioenfonds Holland Casino, Stichting Bedrijfstakpensioenfonds voor de Metalektro, Stichting Bedrijfstakpensioenfonds Zorgverzekeraars, Stichting Spoorwegpensioenfonds, Stichting Bedrijfstakpensioenfonds voor het Horecabedrijf, Stichting Pensioenfonds Openbaar Vervoer, Stichting Pensioenfonds Metaal En Techniek, Stichting Pensioenfonds voor de Gezondheid, Geestelijke en Maatschappelijke Belangen (a/k/a Stichting PGGM), Deka Investment GmbH, Deka International S.A. (Luxembourg) and Frankfurter Service KAG f/k/a Frankfurt-Trust Investmentgesellschaft mbH.

107. "United States Order" means an order of the United States Class Action Court certifying a class in the United States Class Action or otherwise setting out a holding determining which shareholders' claims will be heard in the United States Class Action.

108. "United States Purchasers" means those persons and entities (i) who purchased United States Shares or (ii) who (x) purchased Home Exchange Shares and (y) at the time of such purchase, were residents or citizens of, or were incorporated in or created under the laws of the United States.

109. "United States Settlement Offer" means the aggregate amount that the Settling Companies shall offer to United States Purchasers pursuant to Section I.D above to settle all claims that have been made or that could have been made in the United States Class Action, which aggregate amount shall equal seventy nine million nine hundred thousand USD (\$79,900,000).

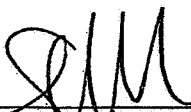
110. "United States Shares" means RD/STT Securities that were registered on the New York Stock Exchange during the Relevant Period.

111. "Unknown Claim" means any Claim that a Participating Shareholder does not know or suspect to exist in his, her or its favor at any time on or before the Exclusion Date, and that, if known by him, her or it, might have affected his, her or its settlement with any of the Releasees or might have affected his, her or its decision whether to notify the Administrator by the Exclusion Date that he, she or it did not intend to be bound by the Binding Declaration and the Release; *provided* that if a Participating Shareholder could not have known (even with the exercise of reasonable

care) of his, her or its Unknown Claim as of the Exclusion Date, such Participating Shareholder shall not be bound by the Binding Declaration if he, she or it provides a notification of an intention not to be bound by the Binding Declaration to the Administrator no later than six (6) months after learning of the Unknown Claim; *provided further* that such notification shall include a statement explaining why the Participating Shareholder could not have known of the Unknown Claim as of the Exclusion Date and setting out the Participating Shareholder's agreement to submit himself, herself or itself to the exclusive jurisdiction of the District Court, without right of appeal, for a determination of whether the Participating Shareholder could have known or (with the exercise of reasonable care) should have known of the Unknown Claim as of the Exclusion Date.

112. "VEB" means the Vereniging van Effectenbezitters, the Dutch Investors' Association.

B. Capitalized terms used in this Settlement Agreement, but not defined above, shall have the meaning ascribed to them in this Settlement Agreement.



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ON BEHALF OF THE SHELL
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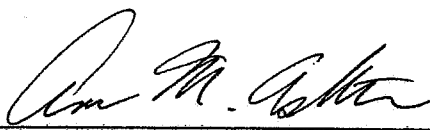
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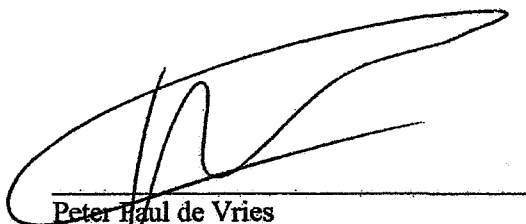
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