STATEMENT OF PROTOCOL BETWEEN THE PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD OF THE UNITED STATES AND THE DUTCH AUTHORITY FOR THE FINANCIAL MARKETS OF THE NETHERLANDS ON COOPERATION AND THE EXCHANGE OF INFORMATION RELATED TO THE OVERSIGHT OF AUDITORS

The Public Company Accounting Oversight Board in the United States (“PCAOB”), based on its obligations and authority under the Sarbanes-Oxley Act of 2002 (as amended) (the “Sarbanes-Oxley Act”),

and

the Dutch Authority for the Financial Markets (“AFM”), based on its obligations and authority under the Wet toezicht accountantsorganisaties (as based on Article 47 of Directive 2006/43/EC) the Regulation (EU) 537/2014 and based on the Commission Implementing Decision (EU) 2016/1156 of 14 July 2016 on the adequacy of the competent authorities of the United States of America pursuant to Directive 2006/43/EC of the European Parliament and of the Council (Commission Implementing Decision (EU) 2016/1156);

have agreed as follows:

Article I. PURPOSE

1. The PCAOB in the United States and the AFM in The Netherlands each seek to improve the accuracy and reliability of audit reports so as to protect investors and to help promote public trust in the audit process and investor confidence in their respective capital markets. Given the global nature of capital markets, the PCAOB and the AFM recognize the need for cooperation in matters related to the oversight of the auditors subject to the regulatory jurisdictions of both the PCAOB and the AFM.

2. The purpose of this Statement of Protocol (“SOP”) is to facilitate cooperation between the Parties in the oversight, including inspections and investigations, of auditors that fall within the regulatory jurisdiction of both Parties to the extent that such cooperation is compatible with the Parties’ respective Laws and Regulations, their important interests and their reasonably available resources. Cooperation is intended to permit the Parties to meet their respective statutory oversight mandates. Cooperation, including (joint) inspections and investigations, and the exchange of information also is intended to assist the Parties in determining the degree to which one Party may rely in the future on the other Party’s oversight activities with regard to auditors that fall within the regulatory jurisdiction of both Parties.
Article II. DEFINITIONS

For the purpose of this SOP,

“Party” or “Parties” means the PCAOB and/or the AFM.

“Auditor” means a) a public accounting firm or a person associated with a public accounting firm or b) a statutory audit firm or a statutory auditor, that is subject to the regulatory jurisdictions of both Parties.

“Information” means public and non public information which includes but is not limited to (1) reports on the outcome of inspections, including information on firm-wide quality control procedures and engagement reviews, provided that the reports relate to auditors that are subject to the regulatory jurisdictions of both Parties, and (2) audit working papers or other documents held by auditors, provided that the documents relate to matters that are subject to the regulatory jurisdictions of both Parties.

“Inspections” refers to reviews of auditors to assess the degree of compliance of each auditor with applicable laws, rules and professional standards in connection with its performance of audits, the issuance of audit reports and related matters, pursuant to the Wet toezicht accountantsorganisaties (hereafter Audit Firms Supervision Act) and the Regulation (EU) 537/2014 in The Netherlands and the Sarbanes-Oxley Act in the United States.

“Investigations” refers to investigations undertaken by a Party of any act or practice, or omission to act, by an auditor, that may violate or may have violated applicable laws, rules or professional standards.

“Laws and Regulations” refer to:
(a) The provisions of the legal authority (including relevant supranational laws) for a Party’s competence over audit oversight and its regulatory powers, including any relevant restrictions on gathering, obtaining and sharing of information (such as regarding confidentiality and personal data protection); and
(b) The provisions in law, related rules, regulations or directive guidance promulgated thereunder and any other regulatory requirements such as auditing, professional and ethical standards that are relevant to Auditors and subject to oversight by a Party.

Article III. COOPERATION AND THE EXCHANGE OF INFORMATION

A. General principles regarding cooperation and the exchange of information

1. This SOP does not create any binding legal obligations or supersede Laws and Regulations. This SOP does not give rise to a legal right on the part of the PCAOB, the AFM or any other governmental or non-governmental entity or any private person
to challenge, directly or indirectly, the degree or manner of cooperation by the PCAOB or the AFM.

2. This SOP does not prohibit the PCAOB or the AFM from taking measures with regard to the oversight of auditors that are different from or in addition to the measures set forth in this SOP.

B. Scope of cooperation

1. Cooperation may include the exchange of information between Parties within the scope of a(n) (joint) inspection or an investigation relating to auditors when this is consistent with their respective Laws and Regulations. Any information provided shall be used by the requesting Party as permitted or required by their respective authorizing statutes – which include the Sarbanes-Oxley Act in the United States and the Audit Firms Supervision Act and the Regulation (EU) 537/2014 in The Netherlands – and any rules or regulations promulgated thereunder.

Cooperation in the context of a (joint) inspection or an investigation does not cover a request for assistance or information to the extent that it involves a Party obtaining on behalf of the other Party information to which the requesting Party is not entitled under the Laws and Regulations in its own country.

2. The scope of cooperation may vary over time and with each (joint) inspection or investigation.

3. Cooperation in the context of a (joint) inspection also may include the exchange of each Party’s respective inspection guides.

4. The Parties may at the request of either Party consult on issues related to the matters covered by this SOP, and otherwise exchange views and share experiences and knowledge gained in the discharge of their respective duties to the extent consistent with their respective Laws and Regulations.

C. Joint Inspections

1. If consistent with the Sarbanes-Oxley Act for the PCAOB and the Audit Firms Supervision Act, the Regulation (EU) 537/2014 and the Commission Implementing Decision (EU) 2016/1156, and in order to assist the Parties in determining the degree to which one Party may rely in the future on the other Party’s inspections of auditors that fall within the regulatory jurisdiction of both Parties, the Parties may conduct joint inspections. Each party may decline to carry out inspections jointly.

2. For each joint inspection, the Party in whose jurisdiction the joint inspection is conducted may choose to lead the joint inspection, meaning that the Party will manage communications with the auditor, organize the logistics of the joint
inspections, and receive all audit working papers and other documents from the auditor in the first instance before transferring them to the other Party.

3. Before a joint inspection is carried out, the Parties shall consult on a work plan for the joint inspection, which may include, in general, the steps and procedures expected to be performed during the joint inspection, including the audit engagements to be reviewed and the allocation of work that each Party expects to perform. While each Party is responsible for its own findings and conclusions that result from the joint inspection, the Parties shall consult each other about their findings and conclusions during inspection field work. The Parties shall also inform each other about possible findings that they provide to the inspected auditor.

4. Within the scope of a joint inspection the Parties may perform activities that may include but are not limited to facilitating access to information and/or, if requested, reviewing audit work papers and other documents, interviewing auditors, reviewing a firm’s quality control system and/or performing other testing of the audit, supervisory and firm wide quality control procedures of a firm on behalf of the other Party.

5. The requesting Party may take copies of working papers or other documents held by an auditor in the requested Party’s jurisdiction and provided to the requesting Party in accordance with this SOP to its own jurisdiction as needed to comply with its documentation requirements, in order to support its inspection findings or for purposes of an investigation. The requesting Party will identify the copies of the working papers or other documents for the requested Party before taking them to its own jurisdiction. The arrangements established between the Parties with respect to the transfer of personal data in accordance with Article V must be observed.

6. The requesting Party bears the costs of translation of the working papers or other documents as mentioned under paragraph 4.

D. Requests for information

1. Each Party may provide the other Party with information upon request.

2. Requests shall be made in writing (including e-mail) and addressed to an appropriate contact person of the requested Party.

3. The requesting Party shall specify the following, to the extent appropriate:

   (a) The information requested;

   (b) The purposes for which the information will be used;

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1 The AFM has informed the PCAOB that under Dutch law, auditors are not allowed to transfer audit working papers and other documents directly to the PCAOB, but must transfer such information through the AFM.
(c) The reasons why the information is needed and, if applicable, the relevant provisions that may have been violated;

(d) An indication of the date by which the information is needed;

(e) To the best of the knowledge of the requesting Party, an indication of whether the information requested might be subject to further use or transfer under Article IV (6) and (7).

4. In cases where the information requested may be maintained by, or available to, another authority within the country of the requested Party, the requested Party shall consider whether it can obtain and provide to the other Party the information requested, to the extent possible in light of available resources and as permitted by Laws and Regulations in the requested Party’s jurisdiction.

5. The Parties may use non-public information, including unsolicited information, received in the course of cooperation only as required or permitted by the Sarbanes-Oxley Act in the United States and the Audit Firms Supervision Act and the Regulation (EU) 537/2014 in the Netherlands, respectively. Non-public information also includes information that is created by a Party based on non-public information received under this SOP. If any Party intends to use information received in the course of cooperating for any other purpose, it must obtain the prior written consent of the requested Party on a case by case basis. If the requested Party consents to the use of information for any other purpose or for any purpose other than that stated in the original request under Article III. D. 3. (b), it may subject the use to conditions. The Parties recognize that Law and Regulations may permit or require a Party to disclose non-public information to Auditors, witnesses, adjudicators, experts, or their counsel, where applicable, as is necessary to carry out the receiving Party’s inspections, investigations, or disciplinary proceeding, but that such use shall be consistent with the receiving Party’s request made under paragraph (3) above, which request may be amended, as well as that Party’s applicable Laws and Regulations.

E. Execution of requests for information

1. Each request for information shall be assessed on a case by case basis by the requested Party to determine whether information can be provided pursuant to this SOP and applicable law. In any case where the request cannot be met in full within the desired time period, the requested Party shall inform the requesting Party of the nature of the information being withheld and the reasons for its denial.

2. Subject to paragraph 3, the requested Party may refuse to act on a request where, for example,
(a) It concludes that the request is not in accordance with this SOP;

(b) Acceding to the request would contravene the Laws and Regulations of the requested Party’s country;

(c) It concludes that it would be contrary to the public interest of the requested Party’s country for assistance to be given;

(d) The provision of information would adversely affect the sovereignty, security or public order of the requested Party’s country; or

(e) Judicial proceedings have already been initiated in respect of the same actions and against the same auditor(s) before the authorities of the country of the requested Party.

3. In the event a Party or an auditor under inspection or investigation refuses to provide requested information, the Parties will consult to determine if there are alternative ways to meet the requirements of the requesting Party. The Parties are aware that if the information is not provided, and the requesting Party determines that it cannot satisfy its regulatory obligations without the requested information, the requesting Party may take certain actions as allowed by its Laws and Regulations against the relevant auditor(s) for refusing to provide the requested information.

4. Any document or other material provided in response to a request under this SOP and any copies thereof shall be returned on request to the extent permitted by applicable laws, rules or regulations.

5. As to requests for assistance in obtaining information outside the context of a (joint) inspection, the requested Party may propose that the requesting Party make a contribution to costs incurred by the requested Party in response to the request for assistance, in particular, where the costs of executing a request are substantial. The requested Party may deny such a request for assistance if the requesting Party does not agree to contribute to such costs.

**Article IV. CONFIDENTIALITY**

A. Confidentiality – general

With respect to any non-public information provided to another Party, the Parties agree that:

1. The requesting Party has established and will maintain such safeguards as are necessary and appropriate to protect the confidentiality of the information, including storing the information in a secure location when not in use.
2. The requesting Party has provided to the other Party a description of its applicable information systems and controls and a description of the laws and regulations of the government of the requesting Party that are relevant to information access.

3. The requesting Party will inform the other Party if the safeguards, information systems, controls, laws or regulations referenced in paragraphs 1 and 2 change in a way that would weaken the protection for the information provided by the other Party.

4. Except as set forth below, each Party shall keep confidential all non-public information received in the course of cooperating. The obligation of confidentiality shall apply to all persons who are or have been employed by the Parties, involved in the governance of the Parties or otherwise associated with the Parties. In addition, only individuals and entities that are independent of the auditing profession will have access to the non-public information provided; independent of the auditing profession means that the individual or entity is not a practising auditor, affiliated with an auditor, or a member of the governing body or staff of a professional organization.

5. A Party may issue public inspection reports as permitted or required by the law of that Party’s jurisdiction, including reports that identify the auditor inspected and the inspection results, but do not identify the names of the clients reviewed. A Party may also publicly announce sanctions imposed upon auditors as permitted or required by the law of that Party’s jurisdiction. Before issuing public inspection reports or publicly announcing any sanctions imposed on an auditor that is located in the other Party’s jurisdiction and subject to the other Party’s authority, the Party shall give advance notice of the publication to the other Party.

B. Onward sharing

6. The PCAOB may share with the U.S. Securities and Exchange Commission (“SEC”) non-public information that the PCAOB has obtained from the AFM, or from an Auditor via the AFM, in the course of cooperating under this SOP as follows:

   (a) Upon the PCAOB’s own initiative, any information obtained in connection with the PCAOB’s audit regulatory functions, i.e., auditor oversight, quality assurance (including inspections), and investigations and discipline of auditors, that it considers relevant to (i) the SEC’s oversight of auditors, or (ii) the SEC’s oversight over the PCAOB.²

   (b) Upon request by the SEC, information shared for purposes of: (i) the SEC’s oversight of auditors or (ii) the SEC’s oversight over the PCAOB; and

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² The PCAOB has informed the AFM that the PCAOB has an obligation to share information with the SEC when doing so is necessary or appropriate to carry out the Sarbanes-Oxley Act in order to protect investors or to further the public interest.
(c) For information not available to the SEC under (a) or (b) above, the PCAOB
shall follow the procedures set forth in paragraph 7.

7. Except as set out in paragraph 6 (a) and (b)a Party that intends to transfer to a third
party any non-public information received in the course of cooperation shall request
the prior written consent of the Party which provided the information.

(a) The Party that intends to transfer this information shall indicate the reasons
and the purposes for which the information is to be transferred.

(b) The PCAOB may share such information only with those entities identified in
section 105(b)(5)(B) of the Sarbanes-Oxley Act, which states that these
entities shall maintain such information as confidential and privileged.

(c) The AFM may share such information only with certain Dutch law
enforcement entities or Dutch regulatory authorities as permitted by chapter
5b3 of the Audit Firms Supervision Act and articles 8:29 and 8:45 of the
General Administrative Law Act, as long as the intended recipient is legally
obligated, or has agreed, to maintain such information as confidential.

(d) If the requested Party does not provide consent within a reasonable time, not
to exceed ten days, the Party intending to share such information will consult
with the requested Party and consider that Party’s objections before sharing
such information.4

Article V. THE TRANSFER OF PERSONAL DATA

The transfer of personal data pursuant to this SOP is subject to the establishment of
appropriate arrangements on the transfer of personal data.

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3 The AFM has informed the PCAOB that these entities or authorities, consistent with para. (IV)(A)(4) of
the SOP, would not include professional bodies enumerated in chapter 5b.

4 The PCAOB has informed the AFM that under section 105(b)(5)(B) of the Sarbanes Oxley Act, the
PCAOB may share information transferred to it with the SEC upon request or upon its own initiative. In the
Board’s discretion, the Board also may share information with certain other federal and state regulatory
authorities as identified in the Act if the Board determines that sharing information with those authorities is
necessary to accomplish the purposes of the Act or to protect investors.
Article VI. ENTRY INTO EFFECT, EXPIRATION AND TERMINATION

1. This Statement comes into force from the date of signature but will have effect only during the period(s) that a European Commission Adequacy Decision as required by Section 63j(2)(b) of the Audit Firms Supervision Act is also in force.

2. The Parties may consult and revise the terms of this SOP in the event of a substantial change in the laws, regulations or practices affecting the operation of this SOP.

3. This SOP may be terminated by either Party at any time. After termination of this SOP, the Parties shall continue to maintain as confidential, consistent with Article IV, any information received under this SOP.

James R. Doty  
Chairman  
Public Company Accounting Oversight Board  
Dated as of: 10 July 2014

Gerben J. Everts  
Member of the Executive Board  
Dutch Authority for the Financial Markets  
Dated as of: 10 July 2014