

CREDEM

ARTICLES OF INCORPORATION

October 2010
edition

Title I

Company name, registered office, corporate purpose and duration

Art. 1 - A joint-stock company with the name of CREDITO EMILIANO S.p.A. is established.

The company name may be abbreviated to CREDEMBANCA and to CREDEM.

The company may use the trade names of the companies in which it has acquired interests through take-over or for other reasons in its trademark, provided such names are accompanied by its own name.

The Company's role is that of "Parent Company" for the Credito Emiliano – CREDEM Banking Group. In this capacity and in compliance with its management, co-ordination and control activities, it shall instruct the Group's subsidiaries on the execution of instructions received from the Banca d'Italia, in the interest of the Group's stability.

Art. 2 - The Company's registered head office is at Reggio Emilia; it may establish and close branches and agencies in Italy and abroad.

Art. 3 - The corporate purpose of the company, which is a bank as defined by Italian Decree Law 385 of 1.9.93, is the collection of savings and the provision of credit in its various forms.

The company may carry out all operations and provide all services in the banking and financial sectors permitted to banks, including loans and other operations governed by special regulations, and all other operations instrumental or in any way related to the accomplishment of the corporate purpose and the achievement of the interests of the Banking Group.

The Company may issue bonds, stocks, securities or other debt instruments of a similar nature, in accordance with the regulations in force.

Art. 4 - The Company shall remain operational until December 31st, 2050.

Shareholders are acknowledged the right of withdrawal only in the cases provided by irrevocable laws. Hence, any right of withdrawal mentioned in revocable laws shall be excluded.

Title II

Share capital and shares

Art. 5 – The share capital consists of 332,392,107.00 euro (three hundred and thirty-two million, three hundred and ninety-two thousand, one hundred and seven) divided into 332,392,107 (three hundred and thirty-two million, three hundred and ninety-two thousand, one hundred and seven) shares with a nominal value of 1 euro each.

At the special shareholders' meetings held on 30 April 2001 and 29 April 2004, it was decided to increase the capital by 31 December 2010 through one or more share issues for cash amounting to a maximum of 11,000,000 euro (reduced to 2,817,000 net of the options already exercised), by issuing a maximum of 11,000,000 ordinary shares with a nominal value of 1 euro each (reduced to 2,817,000 shares net of the options already exercised), with normal dividend rights, to be reserved to employees of the company and those of subsidiaries and parent companies, excluding the option right provided for by Civil Code Article 2441, paragraph 8, and Legislative Decree 58/98, Article 134, paragraph 3.

At the special shareholders' meeting held on 26 June 2008, the Board of Directors was authorised, as per Civil Code Article 2443, to increase the share capital through one or more cash payments to be made within a maximum period of five years from the date of the meeting, by a maximum amount (including paid-in capital) of 500,000,000.00 euro (reduced to 250,000,000.00 euro net of the first batch of increases already undertaken and resolved upon by the Board of Directors, in the context of the aforesaid proxy, at the meetings held on 3 July 2008 and 8 October 2008), by issuing ordinary shares with a nominal value of 1 euro each, to be offered as options to right-holders. The Directors were given full powers to establish, from time to time, the methods, terms and conditions of the transaction, comprising the issue price (including the paid-in capital) of the new shares and their dividend right.

Art. 6 - Shares are registered and indivisible.

In case of joint ownership of one or more shares, the relevant rights shall be exercised by a single representative, who must be a Shareholder.

If a single representative has not been appointed, any

Title II

notice and declaration from the Company to one of the joint owners shall be deemed served on them all.

Art.7 - The transfer of shares and objection to same are governed by law.

Art. 8 – Shareholders' domiciles with regard to their relations with the Company are those recorded in the Shareholders' Register.

Title IV

Corporate bodies

Art. 9 - The Corporate bodies, in accordance with their respective functions, are:

- a) the Shareholders' Meeting;
- b) the Board of Directors;
- c) the Executive Committee;
- d) the Chairman of the Board of Directors;
- e) the Auditor Committee.

The Board of Directors may appoint a Managing Director.

Title IV

Shareholders' Meetings

Art. 10 - Shareholders' Meetings are general and extraordinary and shall be held at the registered head office or anywhere else in Italy as indicated in the notice convening the shareholders' meeting. The orderly and functional progress of the meeting, including question asking by members legitimated to vote is governed by specific regulations approved during the general Shareholders' meeting. The general Shareholders' Meeting shall be called at least once a year within one hundred and twenty days after the end of the financial year. The Shareholders' Meeting may, furthermore, be called up to 180 days from the closure of the financial year when conditions provided therefore by law apply. The Shareholders' extraordinary meeting shall be called in order to decide on matters reserved to it by law.

Art. 11 – The Shareholders' Meeting shall be called by the Board of Directors following the specifications laid down by law either by means of a public notice posted on the Company's internet site or in any other manner envisaged by the CONSOB regulations. In accordance with current standards the Board of Directors may publish the Shareholders' meeting call notice on the Official Gazette or on one of the following newspapers: "Il Sole 24ore", "Finanza e Mercati", "Italia Oggi" .

Art. 12 - The Shareholders' Meeting shall be chaired by the Chairman of the Board of Directors or nominee. If this cannot be arranged, the Chairperson shall then be appointed by those present. The Chairman of the Meeting is responsible, in person or through his representatives, for verifying the Shareholders' right to participate, in person or through delegates, for ascertaining that the Meeting is properly constituted and that the quorum required to take each decision is reached. He is, furthermore, responsible for directing and regulating the procedure of the debates and for controlling the relevant contributions. Upon proposal of the Chairman, the Meeting shall appoint two scrutineers and, a Secretary in the case of general meetings.

Art. 13 - All Shareholders legitimized by law may take

Title IV

part in a Shareholders' Meeting. The right to intervene as well as the required deliberating and constitutive majorities shall be those specified by current regulatory standards. The entrance ticket issued for the first calling of the Shareholders' Meeting shall also be valid for the second calling thereof.

Each Shareholder shall have the right to one vote for each share possessed at the Shareholders' Meeting. A Shareholder may be represented, as prescribed by current standards, by means of written proxy in compliance with the provisions laid down by law and by Shareholders' Meeting regulations. Apart from the manner prescribed in the specific regulations laid down by law, proxy may also be conferred by e-mail. Except for specific regulatory specifications to the contrary, proxy may be notified to the Company by sending the file containing a digital signature of the delegating person via e-mail to the certified e-mail address found in the Notice of Meeting.

The Company shall not appoint people (listed company appointed representatives) to whom Shareholders can give voting instructions and confer proxies to attend Shareholders' Meeting.

Art. 14 - With regards to the validity of the decisions taken during the shareholders' meeting, in first, second and following calls, the legal requirements apply. Decisions shall be taken by a show of hands. The Chairman may order voting by roll-call when he considers it appropriate.

Art. 15 – A Shareholders' meeting is held to decide on issues to it assigned by law, by the corporate charter and by secondary regulations.

Further to setting the remuneration due to the bodies it nominates, the general Shareholders meeting shall approve:

- **remuneration policies in favour of members of the Board of Directors, employees or non subordinate collaborators.**
- **Plans based on financial instruments as described at Art. 1 comma 2 of Legislative decree 58/98.**

Minutes of the Shareholders' decisions shall be

Title IV

recorded and shall contain the essential elements prescribed by law. They shall, furthermore, be signed by the Chairman and by the Secretary or a Notary. Copies and extracts of the minutes not drawn up by the Notary, shall be certified by a declaration of conformity signed solely by the Chairman.

Title V

Board of Directors

Art. 16 –

16.1. Members and Term of office

The Shareholders' Meeting decides on the number of members of the Board of Directors which shall be no less than 11 and no more than 16. Each member of the Board of Directors shall hold office for no more than three accounting periods and may be re-elected. The directors shall be entitled to remuneration in the amount set by the Shareholders' Meeting. The Board of Directors shall elect one Chairman and one or two Vice-Chairmen from its members.

16.2. List of Candidates

The members of the Board of Directors shall be elected using the "list voting" system in accordance with the procedures set out further below.

The lists shall be filed at the Company's Registered head office by the Shareholders in the manner and within the terms set down by current regulatory standards. Each list shall contain the names of the same number of candidates as there are Directors to be elected. They shall be listed numerically in order of preference and indicating the names of those candidates meeting the requirements of independence laid down by the law at the top of the list.

Only those Shareholders who, individually or collectively, represent the minimum percentage indicated by the law and related implementing regulations, are entitled to present a list .

The lists shall be accompanied by information on the identity of the Shareholders presenting them and shall indicate the percentage of shares owned by each participant in the presentation as well as the total percentage Shareholding on the basis of which the list is presented. As proof that the shares owned meet the minimum percentage required for the presentation of lists, the Shareholders are also required to file proper documentation issued by a chartered intermediary proving the ownership of the relative number of shares. Said documentation may be handed in after depositing as long as it is done within the terms specified by current regulatory standards.

The following shall also be filed together with the lists:

- complete information on the personal and

Title V

professional characteristics of each candidate together with signed and authenticated declarations by the latter, confirming their acceptance of the candidacy and the absence of causes of ineligibility and incompatibility together with confirmation that they satisfy the conditions to be met by a person wishing to become a company director as laid down by the law and, as the case may be, that they satisfy the requirements of independence prescribed by the law;

- declarations of those Shareholders presenting the list or pooling together to do so - other than those owning or pooling a controlling or relative majority of shares - confirming the absence of connecting relations with those provided for by law or current regulations. for the election of quoted company directors or, lacking this, the election of auditors.

No Shareholder, even through an intermediary or through a trust company, shall present, participate in the presentation of, or vote for, more than one list.

The Chairman of the Shareholders' Meeting, when opening the proceedings of the Shareholders' Meeting, shall submit to the vote those lists of candidates complying with the requirements of the law and the Articles of Association.

16.3. Voting

If more than one list has been filed, the list obtaining the majority of votes will have the maximum number of directors to be appointed minus one. The candidates thus elected will be those set out on the list in the numeric order indicated therein up to the maximum number of directors to be elected minus one.

The remaining member of the Board shall be the first person indicated on the list which obtained the second highest number of votes after the highest voted one presented by the Shareholders not connected to the reference Shareholders pursuant to the legislative and regulatory provisions in force for directors of quoted companies or, in their absence, for auditors of the same.

Title V

Without prejudice to the above, if more than one list has received the same number of votes, the list receiving votes from the largest number of Shareholders shall be deemed for all effects and purposes to have received the majority. In the case where the number of Shareholders is also the same, the majority list shall be the one presented first. The same rules shall apply when more than one minority lists receive the same number of votes.

For the purposes of the division of directors to be elected, the lists which do not received a percentage of votes at least equal to the minimum provided for under the law for the presentation of lists shall not be taken into account.

16.4. Single list – Absence of lists

If only one list is presented or if the minority lists do not receive a percentage of votes at least equal to the minimum required under the law, the members of the Board of Directors shall be elected from the single valid list.

If no list was presented within the time limit provided for under this Article or no list was accepted, the Shareholders' Meeting may, upon proposal by the Chairman, appoint the Directors by means of a resolution passed by the majority of those voting. In this case, and in that of a tie, the more senior candidate shall be elected.

Art. 17 – The removal of any member of the Board of Directors shall be decided at the Shareholders' Meetings in accordance with specifications prescribed by law.

If, over the accounting period, one or more directors cease to hold office for any reason, the other directors shall replace them with the first unelected candidate indicated in the list from which the director ceasing to hold office was taken or such subsequent candidate, following the numeric order on the list, should the first or subsequent candidates not renew their acceptance of the post or not satisfy the requirements of independence that may have been met by the director to be replaced.

If, for any reason, the replacement cannot be carried

Title V

out by means of the mechanism described under the first paragraph of this Article, the directors remaining in office shall effect the replacement by choosing a person or persons not included on any list.

The directors, chosen as prescribed in the above paragraphs, shall remain in office up to the first Shareholders' Meeting thereafter.

The list voting system shall not be applied during Shareholders' Meetings where the chosen directors need to be confirmed or replaced. Said chosen directors shall remain in office only up to such a time as a subsequent Shareholders' Meeting appoints the Board of Directors using the list voting system.

If, owing to the resignation or some other cause, the majority of the directors elected by the Shareholders' Meeting ceases to hold office, the entire Board will be deemed to have resigned and the directors left in office shall call an urgent Shareholders' Meeting for the appointment of the new Board of Directors

Art. 18 - The Board of Directors is invested with all powers for the management of the Company.

The Board of Directors is qualified to pass resolutions concerning:

- mergers, in the cases provided by articles 2505 and 2505-bis of the Italian Civil Code, according to the terms and conditions therein described;
- the establishment and closure of sub-offices;
- the reduction of share capital in case of a shareholder's withdrawal;
- the adjustments of the Articles of Association to regulatory provisions.

Along with the functions assigned to it by law, the Board also has the following exclusive powers:

- 1. The strategic supervision of the Bank or the Group as well as management of the Company and definition of relative policies;**
- 2. The definition of Top Management criteria. The co-ordination and control of the Company and organizations belonging to the "Credito Emiliano – CREDEM" banking group;**
- 3. The establishment of mechanisms to**

Title V

enable the group to check and act upon instructions issued by the Supervisory Authority;

- 4. The periodic approval of strategic company, industrial and financial plans and operations as well as the definition of territorial development lines and the Company's real estate policy;**
5. The approval of the annual budget and any amendments to the same;
- 6. The drafting, approval and amendment of Company rules with reference to setting limits to the accumulation of roles as well as main company rules and those concerning the Company's organizational structure and the relationship between its departments.**
7. The acquisition and sale of participations; the acquisition of participations implying an unlimited liability for the company does not fall under the competence of the board;
8. The appointment and dismissal of the General Manager and Head Office Management in general, their promotions and incentives as well as **the definition of relative powers and functions.**
9. Becoming members of national and international associations.
- 10. The setting-up of committees within the Board of Directors;**
- 11. The appointment of the Department Head for internal review and conformity.**

The Board of Directors shall appoint the Executive Committee referred to in art. 24 from amongst its members and may appoint a Managing Director on the committee, specifying the duties assigned to each role.

The establishment and closure of branches and agencies, and the purchase, construction and sale of real estate, may not be delegated except to the Executive Committee.

The Managing Director coordinates the work of the

Title V

Central Management in the context of the duties assigned to him by the Board.

Powers may also be conferred on the individual members of the Board of Directors for specific acts or categories of acts.

With regards to the provision of credit and day-to-day management, decision-making powers may also be conferred on the executives and managers, individually or in Committees, and on the branch managers.

The limits of their areas of responsibility, the conditions for use of the decision-making powers thus awarded and the procedures by which they report back to the bank's administrative bodies are established by specific internal regulations.

The Directors keep the Board of Auditors informed, directly or through the Managing Directors, about the activities engaged in and about the most significant economic, financial and asset operations which the company or its subsidiaries have carried out, and in particular about operations with a potential conflict of interest. The communication shall be made during Board meetings and in all cases at least quarterly; when considered appropriate due to special circumstances, the information may be provided to the Chairman of the Board of Auditors in writing.

The Directors are obliged to implement the instructions issued by the "Parent Company" of the "Credito Emiliano - CREDEM" Banking Group in fulfilment of the instructions received by the Supervisory Authority; for this purpose, they supply the "Parent Company" with all relevant figures and information, with the necessary collaboration for the compliance with said instructions.

Except as otherwise provided in art. 2391 of the Italian Civil Code, the delegated bodies shall report on the general management trend and on the predictable development as well as on the most important operations carried out by the company and by its subsidiaries to the Board of Directors and to the Board of Auditors at least quarterly.

Art. 19 - The Company is represented by the Chairman of the Board of Directors, or should he be absent or incapacitated, by the Deputy Chairman or

Title V

the Managing Director, if appointed, or another Director specially appointed by the Board. If two Deputy Chairmen have been elected, the senior Deputy Chairman holding office shall have precedence in the right to represent the company, unless otherwise decided by the Board of Directors. The signature of the person deputising for the Chairman is full proof of the latter's absence or incapacity. The Board of Directors may authorise its own members, executives, managers and employees of the Company or other companies in the "Credito Emiliano -CREDEM" Banking Group to represent and sign for the company for individual acts or categories of acts.

Those who are granted decision-making powers under the corporate charter are also invested with the power to represent the Company for the exercise of the same.

Art. 20 - The Chairman, or the person deputising for him as specified in the previous article:

- a) calls and chairs the meetings of the Board of Directors, coordinating its works;
- b) sets the agenda of the meetings of the Board of Directors, which also includes any proposals submitted in writing by at least two members of the Board or by the Board of Auditors, and sees that all the Directors receive proper information on the subjects under consideration.

Art. 21 - Board meetings are normally called once each month and when the company's interests require, or when a written request is made by at least five Directors or by the Auditors. The Directors and the Auditors are informed of the calling of the meeting by notice to be sent also by fax, or e-mail, or any other telematic means proving that it has been received at least three days before the day set for the meeting itself. Meetings may be called with one-day notice in particularly urgent circumstances only.

Meetings of the Board of Directors may be held by teleconference, by videoconference or, in general, by any kind of means of telecommunication, provided that all participants can be identified and that they are

Title V

able to follow the discussion and to contribute in real time to the discussion of the topics dealt with, as well as to examine, receive and deal with the documentation. If the above-mentioned conditions are met, the Board of Directors is considered convened in the location where the Chairman is, which must coincide with the one indicated in the call. The Secretary of the meeting shall also be in the same place in order to draw up and have the Minutes of the meeting signed.

Art. 22 – For the Board's decisions to be valid, the majority of the Directors holding office must be present. Decisions are taken by absolute majority of the voters, with any abstainers excluded from the count: in case of a tie, the person chairing the meeting has the casting vote.

The Board of Directors shall meet at the Company's headquarters or elsewhere provided it is within the territory of the European Union.

Art. 23 – The Minutes of the meetings of the Board of Directors and the Executive Committee shall be taken by the Secretary designated by the Board or from persons who are not members of the Board of Directors.

The minutes of the meetings of the Board of Directors and the Executive Committee, signed by the Secretary and the Chairman, shall be stored in a special register.

Copies and extracts of the minutes, when not taken by a notary, shall be confirmed by means of a declaration of conformity signed solely by the Chairman.

Title VI

Executive Committee

Art. 24 - The Executive Committee is appointed by the Board of Directors, which sets its method of operation, the frequency of its meetings and term, which shall be no longer than that of the Board itself.

It consists of no more than seven Directors. The Chairman and the Deputy Chairman or Deputy Chairmen of the Board of Directors and the Managing Director, if appointed, sit on the Executive Committee by right.

The chairman of the Board of Directors shall attend the Executive Committee meetings in order to facilitate the proper circulation of information.

The Chairman may sit in for one of the Committee members so as to ensure the legality of the Committee numbers, if so required.

Art. 25 – The Executive Committee shall elect from among its members, by simple majority vote of those present, the deputy who is to chair, coordinate, call meetings, set the agenda, and represent the Committee. In case of absence, the above mentioned tasks shall be carried out by the more senior committee member.

The Committee may replace the deputy at any time.

The secretary appointed by the Board of Directors shall act as secretary of the Executive Committee as well or, in the case of absence, any other person may be appointed as secretary even if not a member of the committee.

For the Committee's decisions to be valid, the majority of its members must be present. Decisions are taken by the majority of those present: in case of a tie, the person chairing the meeting has the casting vote.

The Executive Committee shall meet at the Corporate Headquarters or in any other location provided it is within the European Union.

Meetings of the Executive Committee may be held by teleconference, by videoconference or, in general, by any kind of means of telecommunication, provided that all participants can be identified and that they are able to follow the discussion and to contribute in real time to the discussion of the matters dealt with, as well

Title VI

as to examine, receive and deal with the documentation. If the above-mentioned conditions are met, the Executive Committee is considered convened in the location where the Chairman is present, which is to coincide with the one indicated in the call.

The Secretary of the meeting shall also be in the same location in order draw up and have the Minutes of the meeting signed.

Art. 26 - The Executive Committee has the powers assigned to it by the Board.

In urgent circumstances the Executive Committee may take decisions with regards to any business or operation, and inform the Board of Directors at its next meeting.

Title VII

Board of Auditors and auditing

Art. 27 - The Auditor Committee shall be made up of three permanent members and two supplementary members.

The duties and powers entrusted to the Audit Committee are those prescribed to it by law, by regulations and by the instructions of the Supervisory Authority.

27.1. Lists of Candidates

The election of the Auditor Committee and the designation of the supplementary members shall be effected by means of a "list voting" system according to the procedures described further below.

The lists shall be filed at the Company's Registered head office by the Shareholders in the manner and within the terms specified by current regulatory standards. Each list will set out the names of at least three candidates for the positions of permanent members of the Auditor Committee and at least two candidates for the positions of Supplementary members in numeric order.

Only those Shareholders who, alone or pooled with others, represent at least the percentage of shares with voting rights necessary for the presentation of lists for the appointment of directors, will be entitled to present a list.

The lists shall be accompanied by the information and declarations required by the applicable rules and, in any case, by information regarding the identity of the Shareholders presenting the lists with specific indication of the percentage of shares owned by each participant in the presentation and the total percentage Shareholding on the basis of which the list has been presented.

As proof of ownership of the number of shares required for the presentation of lists the Shareholders shall file, along with the filing of the list, proper documentation issued by a chartered intermediary proving the ownership of the relative number of shares. Said documentation may also be handed in after depositing as long as it is done within the terms specified by current regulatory standards.

Title VII

The following shall also be filed together with the lists:

- complete information on the personal and professional characteristics of each candidate together with signed and authenticated declarations by the latter, confirming his acceptance of the candidacy and confirmation of the absence of causes of ineligibility and incompatibility together with confirmation that he satisfies the conditions to be met by a person wishing to become a Company Statutory auditor as laid down by the law;
- declarations by the Shareholders presenting the list or pooling together to do so, providing they do not own, even jointly, a controlling or relative majority Shareholding, confirming the absence of connecting relations provided for under current legislation or regulations, with Shareholders who do own, including jointly, a controlling or relative majority Shareholding.

No Shareholder, even through an intermediary or through a trust company, shall present, participate in the presentation of, or vote for, more than one list.

The Chairman of the Shareholders' Meeting, when opening the proceedings of the Shareholders' Meeting, shall submit to the vote those lists of candidates complying with the requirements of the law and the Articles of Association.

27.2. Voting

If more than one list has been presented, two permanent Members and one supplementary Member shall be elected from the list obtaining the majority of votes.

The remaining members of the Committee (one permanent Member and one supplementary Member) shall be elected from a list presented by Shareholders not connected to the reference Shareholders pursuant to the legislative and regulatory provisions in force governing Statutory auditors of quoted companies, receiving the second largest number of votes after that receiving absolutely the most votes.

Without prejudice to the above, if more than one list has received the same number of votes, the list receiving votes from the largest number of Shareholders will be deemed for all effects and

Title VII

purposes to have received the majority. In a case where the number of Shareholders is also the same, the majority list shall be the one presented first. The same rules shall apply in cases where more than one minority list receives the same number of votes. The Chairman of the Audit Committee will be the candidate elected as the permanent member from the minority list.

27.3. Single List – Absence of lists

If only one list is presented, all the members of the Auditor Committee shall be elected from the sole valid list and the Committee Chairman shall be the candidate indicated at the top of the sole valid list. If a list was not presented or no list was accepted within the time limit set in this Article or such subsequent time limit as may be laid down by law, the Shareholders' Meeting shall, upon proposal of the Chairman, appoint the Auditor Committee and its Chairman by resolution passed by the majority of those voting.

27.4. Replacement

The removal of Audit Committee members shall take place at the conditions and using the methods specified by the law.

If a permanent member ceases to hold office, the supplementary member from the same list shall replace him or her.

For the subsequent appointment of permanent and supplementary members required to make up the Committee's numbers, the Shareholders' Meeting shall effect such appointment according to law but without taking the list voting system into account.

In case the Audit Committee needs to be integrated, the Shareholders shall proceed with either the nominations or required substitutions respecting the principle of minority representation.

27.5. Limits on number of offices held and conditions to be satisfied

The members of the Auditor Committee are required to observe the legal provisions in force with respect to the limits on the total number of offices that may be

Title VII

held.

The members of the Auditor Committee will be required to satisfy the conditions of propriety, professionalism and independence laid down by the law.

27.6. Auditing of the Accounts

The Company's accounts shall be audited by a registered chartered auditing company.

Title XI

Management

Art. 28

28.1 - Central Management

The Central Management consists of the Managers appointed by the Board of Directors, who implement the decisions of the administrative bodies and manage day-to-day business in general, each in the context of his respective powers and assignments. A Chief Executive Officer may be appointed from amongst the managers assigned to the Central Management. One of the Managers may be assigned the temporary functions of a CEO, even for a specific period of time. The CEO or, should he be absent or incapacitated, the manager with temporary functions of CEO, attends meetings of the Board of Directors and the Executive Committee with an advisory vote.

In the absence of the Managing Director, Management activities are coordinated by the CEO or, in his absence, by the manager with temporary functions of CEO.

28.2. Manager with Responsibility for the drafting of the Company's accounting documentation.

The Board of Directors shall appoint a Manager responsible for the drafting of the Company's accounting documentation and shall be required to obtain the opinion of the Board of Statutory Auditors on the matter.

The manager responsible for the drafting of the Company's accounting documentation shall be required to satisfy the conditions of propriety prescribed by the legislation in force for persons carrying out administrative and managerial duties. He shall also be required to satisfy conditions relating to professional qualifications and experience characterised by specific skills, from an administrative and accounting point of view, in the field of credit, finance, securities or insurance. Such skills, to be ascertained by the Board of Directors, must have been acquired through working experience in positions of appropriate responsibility over a sufficient length of time in businesses comparable to the Company and with functions relevant to the drafting of company accounting documentation, through the conduct of administrative or managerial functions in

Title XI

public bodies or the public administration of relevance to the credit or finance sectors or finally, carrying out university teaching activities in economic subjects.

The Manager with responsibility for the drafting of company accounting documentation may be dismissed by the Board of Directors at any time and for any reason and, on his dismissal or on the expiry of the related term of office, must be replaced by the Board of Directors on the basis of the matters set out in the preceding paragraphs.

Title XI

Balance Sheet and Reserves

Art. 29 – A sum corresponding to at least the minimum required by law to establish a reserve fund (legal reserve) shall be deducted from the annual net profits until said reserve fund amounts to, at least, the minimum percentage of company capital required by law.

Art. 30 - Dividends not claimed within five years from the day on which they became payable are transferred to the Company.

Title XI

Liquidation of the Company

Art. 31 - The legal regulations apply for the liquidation of the Company.

Title XI

General Regulations

Art. 32 - Where not otherwise stated herein, the legal regulations apply.