

AMENDMENT OF BYLAWS OF MAPFRE, S.A.

<p style="text-align: center;"><u>CURRENT TEXT</u></p>	<p style="text-align: center;"><u>PROPOSED TEXT</u></p>
<p><u>Article 1</u></p> <p>“Under the name of “CORPORACION MAPFRE, S.A.” a company is incorporated which shall be governed by these bylaws, the Limited Liability Companies Act and any other provisions that may be applicable.</p> <p>The Company shall have full legal capacity and authority to act, and it may, under any kind of legal transaction, acquire, hold and sell any kind of asset, rights and securities, and take part in the incorporation of any kind of company without restriction according to its corporate object, subject in each case to authority from the pertinent corporate body.”</p>	<p><u>Article1</u></p> <p>Under the name of MAPFRE, S.A. a company is incorporated which shall be governed by these by-laws, the Limited Liabilities Companies Act and the other provisions that may be applicable.</p> <p>The Company shall have full legal capacity and authority to act, and it may, under any kind of legal transaction, acquire, hold and sell any kind of asset, rights and securities, and take part in the incorporation of any kind of company without restriction according to its corporate object, subject in each case to authority from the pertinent corporate body.</p>
<p><u>Artículo 13º</u></p> <p>“The Board of Directors is the body entrusted with managing, administering and representing the Company. It has full representative, disposal and management powers and its decisions shall bind the Company without restriction save as regards those powers that expressly rest with the Shareholders in General Meeting. In particular, it has the power to decide what interest the Company may take in the promotion and incorporation of other mercantile companies in Spain or abroad whatever their corporate objects and the interest the Company may acquire therein.</p> <p>The Board may, from among its members,</p>	<p><u>Artículo 13º</u></p> <p>“The Board of Directors is the body entrusted with managing, administering and representing the Company. It has full representative, disposal and management powers and its decisions shall bind the Company without restriction save as regards those powers that expressly rest with the Shareholders in General Meeting, <i>in line with the Law and these bylaws.</i> In particular, it has the power to decide what interest the Company may take in the promotion and incorporation of other mercantile companies in Spain or abroad whatever their corporate objects and the interest the Company may acquire therein.</p>

create Delegated Committees to further carrying out their powers, and to delegate to the members thereof all or any of their powers and grant powers of attorney to anyone they may deem fit, subject to those exceptions and restrictions contained in the Act.

The Board shall lay down regulations for the Executive Committee, and for any committee referred to in the previous paragraph. It shall determine their powers and may freely appoint and dismiss their members, except anyone who is a natural member due to any office already held.”

Article 14

“The Board shall be comprised of a number of Directors of no less than five nor more than twenty. A decision as to the number of Directors shall rest with the Shareholders in General Meeting.

Anyone who is subject to a disqualification or prohibition at law, especially under Act 12/95 of 11 May or under the Organisation and Supervision of Private Insurance Act and regulatory provisions which develop or implement the same or anyone who fails to comply with the requirements of honour and professional standards laid down under the said regulations, cannot be a Director.”

The Board may, from among its members, create Delegated Committees to further carrying out their powers, and to delegate to the members thereof all or any of their powers and grant powers of attorney to anyone they may deem fit, subject to those exceptions and restrictions contained in the Act.

*The Board shall lay down regulations for the **Delegated Committee and the Executive Committee**, and for any committee referred to in the previous paragraph. It shall determine their powers and may freely appoint and dismiss their members, except anyone who is a natural member due to any office already held.*

Artículo 14º

*The Board shall be comprised of a number of Directors of no less than five nor more than **twenty four**. A decision as to the number of Directors shall rest with the Shareholders in General Meeting.*

Persons holding the position of director must be widely known as being honest in their professional and business activity and have the necessary qualifications or experience in the same terms required by laws affecting financial or insurance entities that are subject to Government supervision. Under no circumstances can the post of director be held by:

- a) ***Persons with a criminal record for fraud, violations of secrets, discovery and revelation of secrets against the Treasury, the Social Security system, embezzling public funds and in general against property.***
- b) ***Persons disqualified from holding public office or from administe-***

<p><u>Article 15</u></p> <p>“The Board shall, from among its members, elect a Chairman and it may likewise appoint one or more Vice-Chairmen. It shall also appoint a Secretary and it may appoint a Vice-Secretary, for which offices it is not necessary to be a Director.</p> <p>The Chairman shall represent the Company, convene and preside over meetings of the Board of Directors and order compliance with its decisions.</p> <p>The Vice-Chairmen, in accordance with the priority established by their appointment or, if there is none, by order of seniority in office, shall stand-in for the Chairman if he is absent, ill or, under an express delegation</p>	<p><i>ring or managing financial or insurance entities.</i></p> <p><i>c) Persons disqualified under the Insolvency Act, so long as the period of disqualification continues.</i></p> <p><i>d) In general, persons with incompatibility, incapacity or prohibition rulings under the law, especially Law 5/2006 10 April of the Madrid regional parliament.</i></p> <p><i>Also barred from being members of the Board of Directors are those persons who have significant amounts of shares in companies belonging to groups other than this one and its affiliated companies, as are persons who board members, executives and employees of said companies or act on behalf of these companies, unless they are designated by the Board of Directors itself and overall do not make up more than 20 percent of the total number of directors.</i></p> <p><u>Artículo 15º</u></p> <p><i>“The Board shall, from among its members, elect a Chairman and it may likewise appoint one or more Vice-Chairmen and one or more Managing Directors. It shall also appoint a Secretary and it may appoint a Vice-Secretary, for which offices it is not necessary to be a Director.</i></p> <p><i>The Chairman shall represent the Company, convene and preside over meetings of the Board of Directors, order compliance with its decisions and exercises all other functions assigned to him by these by-laws.</i></p> <p><i>The Vice-Chairmen, in the order in which they were appointed, shall stand in for the Chairman if he is absent, ill or under an express delegation made by him. If there is no Vice-Chairman, the eldest Director shall act.</i></p>
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made by him. If there is no Vice-Chairman, the Managing Director shall stand-in or, if there is no Managing Director, the eldest Director shall act.

The Secretary may sign calls for General Meetings or Board Meetings on behalf of the Chairman; he shall draw up the Minutes of meetings; have the custody of Minute Books held at the company's registered office and issue any necessary certificates. In the event of his absence, the Vice-Secretary shall act or, if there is none, the youngest Director of those present shall act."

Article 17

"Those Board members who do not have executive functions within the Company or companies which are part of its Group (external Directors) shall receive a fixed basic remuneration which may be greater for those persons who have duties within the Board or carry out the functions of chairman of the Executive Committee or another Delegated Committee. This remuneration may be complemented by additional non-monetary compensation (life or health insurance, bonuses, etc.) generally established for Company personnel. The Board Members who form part of the Executive Committee or of the Delegated Committees shall receive an additional stipend for attending the meetings of these committees.

Members of the Board of Directors who carry out executive functions in the Company or in a company in its group (Executive Directors) shall be paid such remuneration as may be awarded thereto for undertaking executive functions (salary, incentives, supplementary bonuses, etc.) in accordance with established policy for the remuneration of senior officers, in accordance with the provisions of their respective agreements, which may provide for the

The Secretary may sign calls for General Meetings or Board Meetings on behalf of the Chairman; he shall draw up the Minutes of meetings; have the custody of Minute Books held at the company's registered office and issue any necessary certificates. *In the event of his absence, the Vice Secretary shall act **and** if there is none, the youngest Director of those present shall act.*

Article 17

Those Board members who do not have executive functions within the Company or companies which are part of its Group (external Directors) shall receive a fixed, basic remuneration which may be greater for those persons who have duties within the Board or carry out the functions of chairman of the **Delegated Committee, the Executive Committee or the Delegated Committees of the Board**. This remuneration may be complemented by additional non-monetary compensation (life or health insurance, bonuses, etc.) generally established for Company personnel. The Board Members who form part of the **Delegated Committee, the Executive Committee or the Delegated Committees** shall receive an additional stipend for attending the meeting of these committees.

Members of the Board of Directors who carry out executive functions in the Company or in a company in its group (Executive Directors) shall be paid such remuneration as may be awarded thereto for undertaking executive functions (salary, incentives, supplementary bonuses, etc.) in accordance with established policy for the remuneration of senior officers, in accordance with the provisions of their respective agreements, which may provide for the

payment of pertinent sums in the event they cease to carry out such functions or if their relationship with the Company is terminated. They shall not receive the remuneration to which external Directors are entitled, except for those granted the members of the Executive Committee or of the Delegated Committees as long as it has been agreed upon by the Board of Directors.

Apart from the remuneration provided for in the two preceding paragraphs, all Directors will be paid travelling, transport and any other expenses in which they incur to attend meetings of the Company or to carry out their functions.”

Article 18

“The Board shall hold such meetings as may be necessary to consider all those matters that fall within its area of competence, that are submitted to it by the Chairman, by any other Company governing body or any Director, and to obtain information about and, if pertinent, to authorize important matters dealt with and decisions taken by the Executive Committee and Delegated Committees. It shall, at least, hold four meetings each year to consider accounting, administrative, financial, technical and statistical information concerning the previous calendar quarter.

Board meetings shall be convened by the Chairman or whoever stands in his place in accordance with the provisions contained in these Bylaws, upon his own initiative or at the request of three Directors. A call may be made by letter, electronic mail, telefax or telegramme. It shall be deemed to be validly held if the meeting is attended, either personally or by proxy, by half plus one of its members. It will take its decisions by absolute majority vote of the Directors in attendance at the meeting, save in the ca-

payment of pertinent sums in the event they cease to carry out such functions or if their relationship with the Company is terminated. They shall not receive the remuneration to which external Directors are entitled, except for those granted the members of the **Delegated Committee, the Executive Committee or the Delegated Committees** as long as it has been agreed upon by the Board of Directors.

Apart from the remuneration provided for in the two preceding paragraphs, all Directors will be paid travelling, transport and any other expenses in which they incur to attend meetings of the Company or to carry out their functions.”

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Board meetings shall be convened by the Chairman or whoever stands in his place in accordance with the provisions of these bylaws, upon his own initiative at the request of three Directors. A call may be made by letter, electronic mail, telefax or telegramme **with at least five days’ notice, except when the Chairman deems there are reasons of urgency, in which case the meeting can be convened with a minimum of 24 hours’ notice.** It shall be deemed to be validly held if the meeting is

se provided for in number 2 of Article 141 of the Limited Liability Companies Act. The Chairman shall have a casting vote in the event of a draw. The Board may likewise make a decision by a vote taken in writing without a meeting being held, provided no Director objects to this procedure.

The General Manager may attend meetings but without the right to vote unless he is also a Director.

Minutes shall be taken relating to each meeting which may be approved by the Board itself at the end of the meeting or at a later meeting or, by the Chairman of the meeting and two Directors in whom delegated authority has been given by the Board for this purpose. The Minutes shall be transcribed into the pertinent official Minutes Book and will be signed by the Board Secretary or the Secretary of the session, by whoever has acted as Chairman and, if pertinent, the Directors who have approved the Minutes under delegated authority from the Board.”

Chapter 3. Managing Director

Article 20

“The Board of Directors may, from amongst its members, appoint a Managing Director which will be responsible for the highest level of supervision of the compa-

attended, either personally or by proxy, by half plus one of its members. **Meetings held without prior notice will be also considered valid when all members of the Board attend and there is a unanimous consensus to hold the meeting.** It will take its decisions by absolute majority vote of the Directors in attendance at the meeting, save in the case provided for in number 2 of article 141 of the Limited Liabilities Company Act. The Chairman shall have a casting vote in the event of a draw. The Board may likewise make a decision by a vote taken in writing without a meeting being held, provided no Director objects to this procedure.

The General Manager may attend meetings but without the right to vote unless he is also a Director.

Minutes shall be taken relating to each meeting which may be approved by the Board itself at the end of the meeting or at a later meeting or, by the Chairman of the meeting and two Directors in whom delegated authority has been given by the Board for this purpose. The Minutes shall be transcribed into the pertinent official Minutes Book and will be signed by the Board Secretary or the Secretary of the session, by whoever has acted as Chairman and, if pertinent, the Directors who have approved the Minutes under delegated authority from the Board.”

Chapter 3. Delegated Committee

Article 20

It is the body delegated by the Board of Directors for high-level coordination and permanent supervision of management of the Company and its subsidiaries in

ny's business and permanently represent the Board of Directors before the General Management.

The Board shall lay down in the resolution under which the appointment is made –and it may subsequently amend as many times as may be necessary- for the jurisdiction and powers the Managing Director shall hold by way of delegation from the Board, and this shall be set out in a public deed.

The Managing Director shall be a member of the Executive Committee.”

Chapter 4. Executive Committee

Article 21

“This body, which shall report to the Board of Directors, is responsible for the coordination and supervision at the highest level of the activities of the company and its subsidiaries in operational and management matters, as well as for the formulation and execution of the plans which are required for the proper development of the company and the approval and authorisation of decisions within the powers assigned to it by the Board of Directors.

The Executive Committee shall be comprised of a maximum of twelve members, who shall all be members of the Board of Directors. The posts of Deputy Chairman and Secretary of the said Committee shall

their strategic and operational areas, and for whatever decision-making is necessary for their adequate functioning. All of this is done in accordance with the powers that Board of Directors grants the committee at any given time.

It shall be made up of a maximum of 12 members, all of them members of the Board of Directors. Its Chairman, first and second Deputy Chairmen and Secretary will be those persons who hold these positions on the Board, which will name members until it reaches a maximum of 12 and will also be able to appoint a Deputy Secretary with no right to vote.

The Board of Directors will establish, and amend as many times as it times as it deems fit, the powers and workings of this Committee, which be set out in a public deed.

Chapter 4. Executive Committee

Article 21

The Board of Directors may create an Executive Committee which, answering to the Delegated Commission, will be in charge of developing and executing this committee's decisions, devising proposals and plans for approval by the Delegated Committee and adopting ordinary management decisions within the powers assigned to it at any given time. The goal is to achieve coordinated and synergy-based management of the ordinary operations of the Company and its subsidiaries.

The Executive Committee will be made up of a maximum of 12 members, named from among the members of the Board of

be held ex officio by the persons holding those posts on the Board of Directors.”

Chapter 5. Señor Executive Officers

Article 22

“The Board of Directors shall at all times determine which of the Senior Offices defined in Article 17 shall involve executive duties and the hierarchy among the same, in the event there is more than one.

Notwithstanding the foregoing, the Board shall appoint a General Director who will, under the said Senior Offices and the Executive Committee, carry out the executive management of the Company relating to operational and management matters.”

Directors and the Senior Executives of the Company and its affiliates. It shall be presided over by the Chairman of the Board of Directors or a person named by the chairman to represent him.

The Board of Directors will name, and when appropriate remove, the remaining members of the committee and the Secretary, and when appropriate Deputy Secretary, and determine and amend as many times as it deems fit the norms of its workings and its powers, which will be registered in the appropriate public deed.

Chapter 5. Senior Executive Officers

Article 22

The Board of Directors shall at all times determine which of the Senior Offices defined in Article 15 shall involve executive duties and the hierarchy among the same, in the event there is more than one.

Notwithstanding the foregoing, the Board shall appoint **one or more General Directors** who will, under **the Senior Office decided in each case**, carry out the management of the Company **in the operational area assigned to each of them.**

All those who carry out executive duties referred to in this article must render services to the Company in an exclusive fashion, although they can also work for other companies within the group and foundations linked to it. Their appointment and removal is up to the Board of Directors, which will determine their remuneration and other terms of their contracts and grant them the prerogatives and powers needed to do their jobs.

Chapter 6. Audit Committee

Article 23-bis

“The Board of Directors shall, from amongst its members, appoint an Audit Committee, which shall comprise a minimum of three and a maximum of seven members, the majority of whom shall be non-executive directors. The Chairman of the Committee shall be appointed from amongst the non-executive directors. The Chairman’s tenure shall be for a maximum of four years, and he/she may be re-elected after a period of one year has elapsed from the time that he/she left office. The Secretary of the Board of Directors shall be the Secretary of the Committee.

The Committee shall have the following responsibilities:

1. To verify that the annual financial statements, as well as the six-monthly and quarterly financial statements, and all other financial information that is required to be filed with the regulatory or supervisory bodies, is true, complete, and adequate, and that it has been drawn up in accordance with the applicable accounting regulations and the criteria laid down on an internal basis by the General Secretary of SISTEMA MAPFRE, and that these are supplied within the proper time limit and with the correct content.
2. To propose to the Board of Directors, for approval by the Shareholders Meeting, the appointment of the Company’s External Auditor, as well as to receive information regarding the activities of the said External Auditor and regarding any event or circumstance which may compromise his/her independence.

Chapter 6. Delegated Committees

Article 23

In compliance with article 13 of these bylaws, the Board of Directors may create from amongst its members Delegated Committees, with the functions it considers appropriate in each case.

Said committees will be made up of a minimum of three members and a maximum of seven, designated for a maximum four-year period with the possibility of being re-elected. Their workings will abide by the following rules:

- a) **Meetings shall be convened by their Secretary –or by whoever may act in his place – by order of the chairman, at his own initiative or upon request made by no less than two members who, should a meeting not be convened within a period of time of 10 days, may directly convene the meeting themselves by way of notarial means. A call to meeting may be made by letter, electronic mail, telefax or telegramme giving no earlier than seventy two hours notice.**
- b) **A meeting will be validly held whenever more than half the number of members of the Committee attends, either personally or by way of a proxy, and the Chairman or Vice-Chairman is in attendance and the former has expressly given his consent. A meeting will also be validly held without a prior call having been made if all of the members of the Committee are in attendance and it is unanimously agreed to hold**

3. To supervise the activities of the Internal Auditing Service, for which purpose it shall have complete access to information regarding its action plans, the results of its work, and the monitoring of the recommendations and suggestions of the external and internal auditors.
4. To be informed of the financial reporting and internal control process of the Company, and to formulate such observations or recommendations as it may deem necessary for improvements to be made.
5. To inform the General Shareholders' Meeting in relation to such questions as may arise regarding those matters within its powers."

Article 23 ter

"The Audit Committee shall meet on an ordinary basis once every quarter, and any time it may be necessary in extraordinary session.

Meetings shall be convened by the Secretary -or by whoever may act in his place- by order of the Chairman, at his own initiative or upon request made by no less than two members who, should a meeting not be convened within a period of time of ten days, may directly convene the meeting themselves by way of notarial means. A call to meeting may be made by letter, electronic mail, telex or telegramme giving no earlier than seventy two hours notice.

A meeting will be validly held whenever more than half the number of members of the Committee attends, either personally or by way of a proxy, and the Chairman or the Vice-Chairman is in attendance or, the former has expressly given his consent. A meeting will also be validly held without a

the same. The Committee will pass its resolutions on an absolute majority vote of the members present at the meeting and whoever presides over the meeting shall have a casting vote.

c) If the Chairman or Vice Chairman is absent or ill or the office is vacant, the meeting shall be presided over by the eldest of the members in attendance; if the Secretary is absent or ill or the office is vacant, he shall be substituted by the Deputy Secretary, or, failing this, by the youngest of the members in attendance.

d) If, in the Chairman's opinion, there is an urgent need or requirement, the Comité may, provided none of its members object, take any decision on specific proposals submitted to it by the Chairman without a formal meeting being held. In this regard, the Secretary shall, by post, electronic mail, courier, telegramme, telefax or any other proper means – send all pertinent proposals and documents to the Committee members, who must notify the Secretary of their agreement or objections by the same means no later than forty eight hours following the reception of such documents, and it shall be deemed that any proposal is passed if it is approved by a majority of the members of the committee.

e) Minutes shall be drawn up relating to every meeting. The Minutes may be approved by the Committee at the end of each meeting or at a later meeting or by the Chairman of the meeting plus one member of the Commit-

prior call having been made if all of the members of the Committee are in attendance and it is unanimously agreed to hold the same. The Committee will pass its resolutions on an absolute majority vote of the members present at the meeting and whoever presides over the meeting shall have a casting vote.

If the Chairman or Vice-Chairman is absent or ill or the office is vacant, the meeting shall be presided over by the eldest of the members in attendance; if the Secretary is absent or ill or the office is vacant, he shall be substituted by the youngest of the members in attendance.

If, in the Chairman's opinion, there is an urgent need or requirement, the Committee may, provided none of its members object, take any decision on a specific proposal or proposals submitted to it by the Chairman without a formal meeting being held. In this regard, the Secretary shall, by post, electronic mail, courier, telegramme, telefax or any other proper means, send all pertinent proposals and documents to the Committee members who must notify the Secretary their agreement or objections by the same means no later than forty-eight hours following the reception of such documents, and it shall be deemed that any proposal is passed if it is approved by a majority of the members of the Committee.

Minutes shall be drawn up relating to every meeting. The Minutes may be approved by the Committee at the end of each meeting or at a later meeting or by the Chairman of the meeting plus one member of the Committee authorised by the former for the purpose. The Minutes shall be signed by the Secretary of the Committee or the Secretary of the meeting, by whoever may have acted as its Chairman and, if pertinent, by the member of the Committee who has approved them under delegated authority.

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Article 24

In any case there shall exist an Audit Committee, the majority of whose members, including the Chairman, will be non-executive directors. They may be re-elected only after a period of one year has elapsed from the time they have left office. The Secretary of this Committee will be the same person serving as Secretary of the Board of Directors. This Committee shall have the following responsibilities:

- 1. To verify that the annual financial statements, as well as the six-monthly and quarterly financial statements, and all other financial information that is required to be filed with the regulatory or supervisory bodies, is true, complete, and adequate, and that it has been drawn up in accordance with the applicable accounting regulations and the criteria laid down on an internal basis by the General Secretary of SISTEMA MAPFRE, and that these are supplied within the proper time limit and with the correct content.**
- 2. To propose to the Board of Directors, for approval by the Shareholders Meeting, the appointment of the Company's External Auditor, as well as to receive information regarding the activities of the said External Auditor and regarding any event or**

All significant matters and resolutions passed by the Committee must be notified to the Board of Directors of the company.”

TITLE IV

MANAGEMENT REPORT, ANNUAL ACCOUNTS AND DISTRIBUTION OF PROFITS

Article 24

“The financial year will commence on 1 January and end on 31 December of each year. By way of exception, the first financial year will start on the date the deed of incorporation is signed.”

Article 25

“The Board of Directors must, within no more than three months after the closure of each financial year, formulate the Annual Accounts, the Management Report and the proposal to apply the results of the finan-

circumstance which may compromise his/her independence.

3. To supervise the activities of the Internal Auditing Service, for which purpose it shall have complete access to information regarding its action plans, the results of its work, and the monitoring of the recommendations and suggestions of the external and internal auditors.
4. To be informed of the financial reporting and internal control process of the Company, and to formulate such observations or recommendations as it may deem necessary for improvements to be made.
5. To inform the General Shareholders’ Meeting in relation to such questions as may arise regarding those matters within its powers.”

TITLE IV

PROTECTING THE GENERAL INTEREST OF THE COMPANY

Article 25

In order to protect better the general and higher interests of the company, the precepts of this title are established and they may only be amended with the acquiescence of a General Shareholders’ Meeting convened specifically for this purpose and an affirmative vote by more than 50 percent of the share capital.

The measures necessary will be adopted to assure fulfillment of these precepts both in the Company and all the entities in which the Company has a

cial year, as well as, when appropriate, the Consolidated Accounts and Management Report.

These documents shall, after being verified by the Accounts Auditors, if necessary according to law, be submitted to the Shareholders in Ordinary General Meeting.”

Article 26

“Any net profits shall be distributed, in first place, to set up the legal reserves, and afterwards such dividend as may be agreed will be paid to the shareholders, and such part as may be pertinent shall be applied towards the contributions and donations referred to in the following Article. Any surplus will be paid into a new account or to create voluntary reserves.

The General Meeting and the Board of Directors may pay an interim dividend to shareholders, pursuant to the form and requirements laid down by law.”

Article 27

“The Company shall, each year, allocate part of its profits to making contributions or donations to charitable foundations promoted by MAPFRE. The amount of these contributions shall be determined every year by the Shareholders in Ordinary General Meeting and they cannot exceed 5 per cent of the financial year’s profits.”

TITLE V

DISSOLUTION AND WINDING UP

Article 28

“The Company shall be dissolved in those cases laid down by law and whenever the Shareholders in General Meeting may so decide.

position of direct or indirect control.

Article 26

Members of the Company’s Governing Bodies and Executives of it and its subsidiaries can hold shares in the businesses or companies in which the Company has, directly or indirectly, a significant economic stake only with specific authorization from the Board of Directors or body that it designates for this purpose and in compliance with the limits and norms set for this purpose by the General Shareholders’ Meeting. In the case of listed companies, said authorization will not be necessary but the following rules will apply:

- ***Directors and Executives may not hold, directly or indirectly, shares that exceed the largest of the following limits: the one-thousandth part of the shares in circulation, or three hundred thousand euros in par value. However, when a company begins to list on the stock market, Directors or Executives who at that point held stock in excess of that limit will be allowed to keep those shares on an exceptional basis, although they will not be able to acquire new shares until their stake has adapted to the limits set in this article.***

Directors or Executives holding shares must inform the body designed to this effect by the Board of Directors about stock purchases and sales they carry out within seven days

The Meeting itself will determine how to proceed with the winding-up and it shall in such regard appoint one or more Receivers whose number shall always be unequal. This appointment shall terminate the powers of the Board of Directors. In the winding up of the Company the provisions laid down in the Limited Liability Companies Act, the Organisation and Supervision of Private Insurance Act and other applicable provisions, shall be taken into consideration.”

TITLE VI

EQUITY ARBITRATION

Article 29

“Any dispute that may arise between the shareholders and the Company or among shareholders as such, shall be submitted to equity arbitration in accordance with the provisions laid down by law in this matter, without prejudice to the parties’ right to apply to the Courts of Justice, and to the provisions in Article 115 et seq of the Companies Act.”

of these transactions having taken place.

In its yearly earnings report the Company will publish a list of the shares held by Directors and Executives at the end of each fiscal year.

This article will not be considered violated in the case of Directors of a Company who were appointed specifically because they held shares in that company.

Article 27

The Board of Directors will take special pains to assure that under no circumstances will funds and property that constitute the assets of the Company and its subsidiaries be applied directly or indirectly to ideological, political or other ends that are alien to their respective business goals or ends: the only exceptions are the donations called for under article 34 and the limited quantities earmarked for charitable or social purposes in line with the Group’s business approach.

In the event the Company or its subsidiaries dissolve, undergo a transformation or merge, the Directors, Executives and Employees may not reserve any stake in or special right over the material or immaterial assets of the Company and its subsidiaries. However, this does not preclude what they might be entitled to as shareholders, if in fact they hold shares.

Article 28

Positions as members of the Board of

Directors, Executives, Managers and Employees are off-limits to persons who are up to second-degree relations, even by affinity, with active-duty members of the Board of Directors, Executives, Managers and Employees. In the case of persons who are third-degree relatives, this requires authorization from whatever body is designated to this effect by the Board of Directors.

Article 29

Senior Offices that carry out executive functions, Executives and all personnel of the Company and its subsidiaries must retire in line with the terms spelled out in their contracts and at the age of 65 at the latest.

Article 30

Disposal of stakes in subsidiary companies will require a favorable vote by three-fourths of the members of the Board of Directors when this involves the loss of status of majority shareholder or direct or indirect control over the companies.

This will require the additional approval of the General Shareholders' Meeting when, added to other disposals carried out in the last three fiscal years, the disposal involves a loss of the majority of votes or direct or indirect control over all the subsidiary companies or a part of them that represent more than a third of the Group's revenue or consolidated earnings.

TITLE V

**MANAGEMENT REPORT, ANNUAL
ACCOUNTS AND DISTRIBUTION OF
PROFITS**

Article 31

“The financial year will commence on 1 January and end on 31 December of each year. By way of exception, the first financial year will start on the date the deed of incorporation is signed.”

Article 32

“The Board of Directors must, within no more than three months after the closure of each financial year, formulate the Annual Accounts, the Management Report and the proposal to apply the results of the financial year, as well as, when appropriate, the Consolidated Accounts and Management Report.

These documents shall, after being verified by the Accounts Auditors, if necessary according to law, be submitted to the Shareholders in Ordinary General Meeting.”

Article 33

“Any net profits shall be distributed, in first place, to set up the legal reserves, and afterwards such dividend as may be agreed will be paid to the shareholders, and such part as may be pertinent shall be applied towards the contributions and donations referred to in the following Article. Any surplus will be paid into a new account or to create voluntary reserves.

The General Meeting and the Board of Directors may pay an interim dividend to shareholders, pursuant to the form and requirements laid down by law.”

Article 34

*The Company or its subsidiaries shall, each year, allocate part of their profits to making contributions or donations to the **FUNDACION MAPRE to finance its activities**. The amount of these contributions, **which** shall be determined every year by the **respective** Ordinary General Shareholders' Meeting, cannot exceed **altogether 2 per cent of the Group's consolidated net profits**.*

TITLE V

DISSOLUTION AND WINDING UP

Article 35

"The Company shall be dissolved in those cases laid down by law and whenever the Shareholders in General Meeting may so decide.

The Meeting itself will determine how to proceed with the winding-up and it shall in such regard appoint one or more Receivers whose number shall always be unequal. This appointment shall terminate the powers of the Board of Directors. In the winding up of the Company the provisions laid down in the Limited Liability Companies Act, the Organisation and Supervision of Private Insurance Act and other applicable provisions, shall be taken into consideration."

TITLE VII

EQUITY ARBITRATION

Article 36

	<p>“Any dispute that may arise between the shareholders and the Company or among shareholders as such, shall be submitted to equity arbitration in accordance with the provisions laid down by law in this matter, without prejudice to the parties’ right to apply to the Courts of Justice, and to the provisions in Article 115 <i>et seq</i> of the Companies Act.”</p>
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