

**ANNEX TO THE REPORT FORMULATED BY THE BOARD OF DIRECTORS OF IBERDROLA, S.A. ON APRIL 12, 2011 FOR PURPOSES OF SECTION 286 OF THE COMPANIES LAW REGARDING THE RATIONALE FOR THE PROPOSED AMENDMENT OF THE BY-LAWS INCLUDED IN ITEM THIRTEEN OF THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED FOR MAY 27 AND 28, 2011, ON FIRST AND SECOND CALL, RESPECTIVELY**

Current text of the By-Laws	Amendment proposed for the General Shareholders' Meeting
<b>TITLE I. THE COMPANY AND ITS SHARE CAPITAL</b>	<b>TITLE I. THE COMPANY AND ITS <del>SHARE</del> <u>SHARE</u> CAPITAL</b>
<b>Chapter I. General Provisions</b>	<b>Chapter I. General <del>Provisions</del> <u>Provisions</u></b>
<b>Article 1. Corporate Name</b>	<b>Article 1. Corporate Name <u>and Applicable Rules; Corporate Governance System</u></b>
	<u>1.</u> The name of the company is Iberdrola, S.A. (the “ <b>Company</b> ”).
The Company is named IBERDROLA, S.A., and shall be governed by these By-Laws ( <i>Estatutos Sociales</i> ), legal provisions relating to corporations and other applicable laws and regulations.	<u>2.</u> The Company <del>is named IBERDROLA, S.A., and</del> shall be governed by <del>these By-Laws (<i>Estatutos Sociales</i>)</del> , legal provisions relating to corporations and other applicable laws and regulations, <u>as well as by its Corporate Governance System.</u>
	<u>5.3.</u> <u>The Company's Corporate Governance System is made up of its By-Laws, the Corporate Policies, the Internal Corporate Governance Rules and the other internal Codes and Procedures approved by the competent decision-making bodies of the Company.</u>
	<u>6.4.</u> <u>The Company shall pursue the corporate interest, which is understood as the interest common to all shareholders of an independent corporation (<i>sociedad anónima</i>) directed towards the exploitation of its corporate purpose, in accordance with the provisions of applicable law and its Corporate Governance System.</u>

NOTICE. This document is a translation of a duly approved Spanish-language document, and is provided for informational purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish-language document which this translation is intended to reflect, the text of the original Spanish-language document shall prevail.

<b>Article 2. Corporate Purpose</b>	<b>Article 2. Corporate Purpose</b>
1. The purpose of the Company is:	1. The purpose of the Company is:
<p>a) To carry out all manner of activities, construction work and services in and of themselves or with respect to the business of production, transmission, switching and distribution or supply of electric power or electricity by-products and applications thereof, and the raw material or energy needed for the generation thereof; energy, engineering, information-technology, telecommunications and Internet-related services; water treatment and distribution; the integral provision of urban and gas supply, as well as other gas storage, regasification, transportation or distribution activities; which will be carried out indirectly through the ownership of shares or equity interests in other companies that will not engage in the supply of gas.</p>	<p>a) To carry out all manner of activities, construction work and services in and of themselves or with respect to the business of production, transmission, switching and distribution or supply of electric power or electricity by-products and applications thereof, and the raw material or energy needed for the generation thereof; energy, engineering, information-technology, telecommunications and Internet-related services; water treatment and distribution; the integral provision of urban and gas supply, as well as other gas storage, regasification, transportation or distribution activities; which will be carried out indirectly through the ownership of shares or equity interests in other companies that will not engage in the supply of gas.</p>
<p>a) The distribution, representation and marketing of all manner of goods and services, products, articles, merchandise, software programs, industrial equipment and machinery, tools, utensils, spare parts and accessories.</p>	<p>b) The distribution, representation and marketing of all manner of goods and services, products, articles, merchandise, software programs, industrial equipment and machinery, tools, utensils, spare parts and accessories.</p>
<p>b) The investigation, study and planning of investment and corporate structuring projects, as well as the promotion, creation and development of industrial, commercial or service companies.</p>	<p>c) The investigation, study and planning of investment and corporate structuring projects, as well as the promotion, creation and development of industrial, commercial or service companies.</p>
<p>d) The provision of services assisting or supporting companies and businesses in which it has an interest or which are within its corporate group, for which purpose it may provide appropriate guarantees and bonds in favor thereof.</p>	<p>d) The provision of services assisting or supporting companies and businesses in which it has an interest or which are within its corporate group, for which purpose it may provide appropriate guarantees and bonds in favor thereof.</p>

<p>2. The aforementioned activities may be carried out in Spain as well as abroad, and may be carried out, in whole or in part, either directly by the Company or through the ownership of shares or equity interests in other companies, subject in all cases and at all times to applicable legal provisions for each industry, especially the electricity industry.</p>	<p>2. The aforementioned activities may be carried out in Spain as well as abroad, and may be carried out, in whole or in part, either directly by the Company or through the ownership of shares or equity interests in other companies, subject in all cases and at all times to applicable legal provisions for each industry, especially the electricity industry.</p>
<p><b>Article 3. Duration of the Company</b></p>	<p><b>Article 3. Duration of the Company</b></p>
<p>The duration of the Company shall be indefinite, its operations having commenced on the date of formalization of its deed of incorporation.</p>	<p>The duration of the Company shall be indefinite, its operations having commenced on the date of formalization of its deed of incorporation.</p>
<p><b>Article 4. Registered Office and Branches</b></p>	<p><b>Article 4. Registered Office and Branches</b></p>
<p>1. The registered office of the Company shall be in Bilbao (Biscay), at calle del Cardenal Gardoqui, number eight (8), and it may establish branches, agencies, local offices and delegations in Spain and abroad pursuant to applicable legal provisions.</p>	<p>1. The registered office of the Company shall be in Bilbao (Biscay), at calle del Cardenal Gardoqui, number eight (8), and it may establish branches, agencies, local offices and delegations in Spain and abroad pursuant to applicable legal provisions.</p>
<p>2. Such registered office may be transferred to another location within the same municipal area by resolution of the Board of Directors, which may also make decisions regarding the creation, elimination or transfer of the branches, agencies, local offices and delegations mentioned in the preceding paragraph.</p>	<p>2. Such registered office may be transferred to another location within the same municipal area by resolution of the Board of Directors, which may also make decisions regarding the creation, elimination or transfer of the branches, agencies, local offices and delegations mentioned in the preceding paragraph.</p>
<p><b>Chapter II. Share Capital and Shares</b></p>	<p><b>Chapter II. Share Capital and Shares</b></p>
<p><b>Article 5. Share Capital</b></p>	<p><b>Article 5. Share Capital</b></p>
<p>The share capital is four billion three hundred sixty-six million six hundred forty-seven thousand (4,366,647,000) euros, represented by five billion eight hundred twenty-two million one hundred ninety-six thousand (5,822,196,000) ordinary shares having a nominal value of 0.75 euro each, and numbered consecutively from one (1) to five billion eight hundred twenty-two million one hundred ninety-six thousand (5,822,196,000), both</p>	<p>The share capital is four billion three hundred sixty-six million six hundred forty-seven thousand (4,366,647,000) euros, represented by five billion eight hundred twenty-two million one hundred ninety-six thousand (5,822,196,000) ordinary shares having a nominal value of 0.75 euro each, <del>and numbered consecutively from one (1) to five billion eight hundred twenty-two million one hundred ninety-six thousand (5,822,196,000), both inclusive,</del></p>

inclusive, belonging to a single class and series, which are fully subscribed and paid-up.	belonging to a single class and series, which are fully subscribed and paid-up.
<b>Article 6. Representation of the Shares</b>	<b>Article 6. Representation of the Shares</b>
1. The shares shall be represented in book-entry form, and as regards their nature as book entries, they shall be governed by securities market rules and regulations and other applicable legal provisions. Admission to the official listing thereof may be requested on domestic as well as foreign stock exchanges pursuant to applicable legislation.	1. The shares <del>shall be</del> represented in book-entry form, and, as regards their nature as book entries, they shall be governed by <del>securities market rules and regulations and other applicable legal provisions. Admission to the official listing thereof may be requested on domestic as well as foreign stock exchanges pursuant to applicable legislation</del> <u>the provisions of Law.</u>
2. The Company shall acknowledge as a shareholder any party which appears entitled thereto in the entries of the corresponding book-entry registries.	2. The Company <u>may at any time access the information needed to fully identify its shareholders and</u> shall acknowledge as <u>such a shareholder</u> any party which appears entitled thereto <u>as owners</u> in the entries of the corresponding book-entry registries.
3. Modifications to features of shares represented by book entries, once formalized in accordance with the provisions of the Companies Law ( <i>Ley de Sociedades Anónimas</i> ) and the regulations of the securities market, shall be published in the Official Bulletin of the Commercial Registry ( <i>Boletín Oficial del Registro Mercantil</i> ) and in one of the newspapers of wider circulation in Biscay.	3. Modifications to features of shares represented by book entries, <del>once formalized in accordance with the provisions of the Companies Law (Ley de Sociedades Anónimas) and the regulations of the securities market,</del> shall be published in the <u>Official Bulletin of the Commercial Registry (Boletín Oficial del Registro Mercantil) and in one of the newspapers of wider circulation in Biscay</u> <u>manner provided by Law.</u>
<b>Article 7. Capital Calls</b>	<b>Article 7. <del>Capital Calls</del> <u>Unpaid Subscriptions</u></b>
1. If shares have not been entirely paid up, this circumstance shall be reflected in the corresponding book entry.	1. If shares have not been entirely paid up, this circumstance shall be reflected in the corresponding book entry.
2. Capital calls must be paid within the period fixed by the Board of Directors, within legal limits, if any, and in cases of arrears, the Board shall adopt appropriate resolutions pursuant to applicable legal provisions.	2. <del>Capital calls</del> <u>Unpaid subscriptions</u> must be paid <del>within the period at the time</del> fixed by the Board of Directors, <del>within legal limits, if any, and in cases of arrears, the Board shall adopt appropriate resolutions pursuant to applicable legal provisions</del> <u>within a period of five years from the date of the resolution approving the capital increase. The form and other</u>

	<u>circumstances of the payment shall be governed by the provisions of the resolution approving the capital increase, which may provide for cash as well as non-cash contributions.</u>
3. A shareholder who is delinquent in the payment of capital calls may not exercise the right to vote. The amount of such shareholder's shares shall be deducted from share capital for calculating a quorum. Such shareholder shall also not have the right to receive dividends or the pre-emptive right to subscribe to new shares or convertible debentures.	3. A shareholder who is delinquent in the payment of <del>capital calls</del> <u>unpaid subscriptions</u> may not exercise the right to vote. The <u>nominal</u> amount of such shareholder's shares shall be deducted from share capital for calculating a quorum. Such shareholder shall also not have the right to receive dividends or the pre-emptive right to subscribe to new shares or convertible debentures.
Once the amount of the capital calls and interest thereon has been paid, the shareholder may make a claim for payment of unexpired dividends, but may not make a claim for pre-emptive rights if the period for the exercise thereof has already lapsed.	Once the amount of the <del>capital calls</del> <u>unpaid subscriptions</u> and interest thereon has been paid, the shareholder may make a claim for payment of unexpired dividends, but <del>may not make a claim for</del> pre-emptive rights if the period for the exercise thereof has already lapsed.
<b>Article 8. Shareholder Status</b>	<b>Article 8. Shareholder Status</b>
1. A share confers upon its legitimate holder the status of shareholder, and vests such holder with the rights granted by Law and by these By-Laws.	1. <del>A</del> <u>Each</u> share <u>of the Company</u> confers upon its legitimate holder the status of shareholder, and vests such holder with the rights <u>granted by Law and by these By-Laws and obligations established under Law and the Company's Corporate Governance System.</u>
2. The shares shall be indivisible. Co-owners of one or more shares must designate a single person for the exercise of shareholder rights, and shall be jointly and severally liable to the Company for all obligations arising from their status as shareholders.	2. The shares <del>shall be</del> <u>are</u> indivisible. Co-owners of one or more shares must designate a single person for the exercise of shareholder rights, and shall be jointly and severally liable to the Company for all obligations arising from their status as shareholders.
3. In the case of beneficially-owned shares ( <i>usufructo de acciones</i> ), the bare owner shall be qualified as the designated shareholder, with the beneficial owner having the right in all cases to the dividends issued by the Company during the period of beneficial ownership. In the event of a pledge of	3. In the case of beneficially-owned shares ( <i>usufructo de acciones</i> ), the bare owner shall be qualified as the designated shareholder, with the beneficial owner having the right in all cases to the dividends issued by the Company during the period of beneficial ownership. <del>In the event of a pledge of shares,</del>

shares, the exercise of shareholder rights belongs to the owner thereof.	<del>the exercise of shareholder rights belongs to the owner thereof.</del>
	4. <del>In the event of a pledge of shares, the exercise of shareholder rights belongs to the owner thereof.</del>
	5. <del>Within the framework of the corporate interest as priority interest as against the particular interest of each shareholder, and in accordance with the Company's Corporate Governance System, shareholders must exercise their rights vis-à-vis the Company and the other shareholders and meet their obligations with faithfulness, good faith and transparency.</del>
4. Ownership of shares entails absolute compliance with the By-Laws and submission to duly adopted decisions made within the authority of the decision-making bodies and management of the Company.	6. <del>4.—</del> Ownership of shares entails <del>absolute</del> compliance with the <del>By-Laws</del> <u>Company's Corporate Governance System</u> and submission to <del>duly—the lawfully-</del> adopted decisions <del>made within the authority</del> of the decision-making bodies and management of the Company.
<b>Chapter III. Increase and Reduction in Share Capital</b>	<b>Chapter III. Increase and Reduction in Share Capital</b>
<b>Article 9. Increase in Capital Stock</b>	<b>Article 9. Increase in <u>Share Capital</u>-<del>Stock</del></b>
1. The share capital may be increased by resolution of the shareholders acting at a General Shareholders' Meeting with the requirements established for such cases by the Companies Law then in effect and in accordance with the various methods authorized thereby. The increase may be effected by the issuance of new shares or by an increase in the nominal value of existing shares, and the par of exchange for the increase may consist of cash contributions (including the set-off of loans), non-cash contributions or the conversion of reserves into capital. The increase may be effected in part with a charge against new contributions and in part with a charge against reserves.	1. The share capital may be increased by resolution of the shareholders acting at a General Shareholders' Meeting with the requirements established <del>for such cases by the Companies—Law then in effect—</del> and in accordance with the various methods authorized thereby. The increase may be effected by the issuance of new shares or by an increase in the nominal value of existing shares, and the par of exchange for the increase may consist of cash <u>or non-cash contributions to share capital,</u> (including the set-off of loans), <del>non-cash contributions vis-à-vis the Company</del> or the conversion of reserves into <u>share</u> capital. The increase may be effected in part with a charge against new contributions and in part with a charge against

	reserves.
2. Unless expressly provided otherwise in the resolution, if the increase in capital stock is not fully subscribed within the period established for such purpose, the capital shall be increased by the amount of subscriptions which have occurred.	2. Unless expressly provided otherwise in the resolution, if the increase in <u>share</u> capital <del>stock</del> is not fully subscribed within the period established for such purpose, the <u>share</u> capital shall be increased by the amount of subscriptions which have occurred.
<b>Article 10. Authorized Capital</b>	<b>Article 10. Authorized <u>Share</u> Capital</b>
1. The shareholders acting at a General Shareholders' Meeting may, in accordance with the requirements established for amendment of the By-Laws and within the limits and conditions fixed by Law, delegate to the Board of Directors, with powers of substitution, if any, the power to approve an increase in share capital on one or more occasions. When the shareholders delegate this power to the Board of Directors, they may also grant it the power to exclude pre-emptive rights with respect to the issuance of shares subject to the delegation, within the terms and requirements established by Law.	1. The shareholders acting at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting may, in accordance with the requirements established for amendment of the By-Laws and within the limits and conditions fixed by Law, <del>delegate to</del> <u>authorize</u> the Board of Directors, with powers of substitution, if any, <del>the power to</del> approve an increase in share capital on one or more occasions. When the shareholders delegate this power to the Board of Directors, they may also grant it <del>the power</del> <u>the power</u> to exclude pre-emptive rights with respect to the issuance of shares subject to the delegation, within the terms and requirements established by Law.
2. The shareholders may also delegate to the Board of Directors, with powers of substitution, if any, the power to carry out the previously-adopted resolution to increase the share capital, within the periods set forth by Law, indicating the date or dates of execution and determining the conditions for the increase in all areas not provided for by the shareholders. The Board of Directors may make use of such delegation in whole or in part, or may refrain from using it, in view of market conditions, the condition of the Company itself or any particularly relevant fact or circumstance which the Board believes justifies such decision. A report of such decision shall be made to the shareholders at the first General Shareholders' Meeting held after the end of the period granted for the use of such	2. The shareholders may also delegate to the Board of Directors, with powers of substitution, if any, the power to carry out the previously-adopted resolution to increase the share capital, within the periods set forth by Law, indicating the date or dates of execution and determining the conditions for the increase in all areas not provided for by the shareholders. The Board of Directors may make use of such delegation in whole or in part, or may refrain from using it, in view of market conditions, the condition of the Company itself or any particularly relevant fact or circumstance which the Board believes justifies such decision. A report of such decision shall be made to the shareholders at the first General Shareholders' Meeting held after the end of the period granted for the use of such delegation.



delegation.	
<b>Article 11. Pre-Emptive Rights, and the Exclusion Thereof</b>	<b>Article 11. Pre-Emptive Rights, and the Exclusion Thereof</b>
<p>1. In capital increases with the issuance of new shares, whether ordinary or preferred, and with a charge to cash contributions, the existing shareholders may, when permitted by Law, and within the period granted to them for this purpose by the Board of Directors, which shall not be less than fifteen (15) days from the publication of the announcement of the subscription offer for the new issuance in the Official Bulletin of the Commercial Registry, exercise the right to subscribe to a number of shares proportional to the nominal value of the shares they hold at that time.</p>	<p>1. In <del>capital</del> increases <u>of share capital</u> with the issuance of new shares, whether ordinary or preferred, and with a charge to cash contributions, <del>the existing shareholders may,</del> when permitted by Law, and within the period granted to them for this purpose by the Board of Directors, which shall not be less than fifteen (15) days from the publication of the announcement of the subscription offer for the new issuance in the Official Bulletin of the Commercial Registry, <u>the shareholders of the Company may</u> exercise the right to subscribe to a number of shares proportional to the nominal value of the shares they hold at that time.</p>
<p>2. The shareholders acting at a General Shareholders' Meeting or, if applicable, the Board of Directors, may, in furtherance of the corporate interests, exclude pre-emptive rights in whole or in part in such cases and under such conditions as are provided by Law. In particular, the corporate interests may justify the exclusion of pre-emptive rights when needed to facilitate (i) the placement of new shares in foreign markets which will allow access to sources of financing; (ii) the gathering of resources by using techniques based on the book-building likely to maximize the issue price per share; (iii) the inclusion of industrial, technological or financial partners; (iv) the implementation of loyalty and compensation programs covering Directors, managers or employees, and (v) in general, the performance of any transaction which is advisable for the Company.</p>	<p>2. The shareholders acting at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting or, if applicable, the Board of Directors, <del>may</del> <u>may</u>, in furtherance of the corporate interests, exclude pre-emptive rights in whole or in part in such cases and under such conditions as are provided by Law. In particular, the corporate interests may justify the exclusion of pre-emptive rights when needed to facilitate <del>(i)</del> the placement of new shares in <del>foreign</del> markets which will allow access to sources of financing; <del>(ii)</del> the gathering of resources by using techniques based on the book-building likely to maximize the issue price per share; <del>(iii)</del> the inclusion of <del>industrial, technological or financial partners</del> <u>certain shareholders</u>; (iv) the implementation of <del>loyalty and</del> compensation programs covering Directors, managers or employees; and <del>(v)</del> in general, the performance of any transaction which is advisable for the Company.</p>
<p>3. Pre-emptive rights shall not apply when the capital increase is made with a charge to non-cash contributions or when it is due to the conversion of debentures into shares or</p>	<p>3. Pre-emptive rights shall not apply when the <u>share</u> capital increase is made with a charge to non-cash contributions or when it is due to the conversion of debentures into shares or the</p>



<p>the takeover of another company or a portion of the split-off assets of another company.</p>	<p>takeover of another company or <u>all or</u> a portion of the split-off assets of another <del>company</del><u>company</u>.</p>
<p><b>Article 12. Reduction in Capital Stock</b></p>	<p><b>Article 12. Reduction in <u>Share</u> Capital <del>Stock</del></b></p>
<p>1. In accordance with procedures provided for by law, a reduction in capital stock may be carried out by means of a reduction in the nominal value of shares, a retirement or pooling thereof in order to exchange them and, in all cases, the purpose thereof may be to return contributions, cancel capital calls, create or increase reserves, re-establish equilibrium between the capital and the assets of the Company diminished due to losses, or several of such purposes simultaneously.</p>	<p>1. In accordance with procedures provided for by law, a reduction in <u>share</u> capital <del>stock</del> may be carried out by means of a reduction in the nominal value of shares, a retirement or pooling thereof in order to exchange them and, in all cases, the purpose thereof <del>may</del><u>may</u> be to return contributions, cancel <del>capital calls</del><u>unpaid subscriptions</u>, create or increase reserves, re-establish equilibrium between the <u>share</u> capital and the assets of the Company diminished due to losses, or several of such purposes simultaneously.</p>
<p>2. In the event of a capital reduction in order to return contributions, payment to the shareholders may be made totally or partially in kind, provided that the conditions set forth in paragraph five of Article Fifty-Nine of the By-Laws have been met.</p>	<p>2. In the event of a <del>capital</del>-reduction <u>in share capital</u> in order to return contributions, payment to the shareholders may be made totally or partially in kind, provided that the conditions set forth in <del>paragraph five of Article Fifty-Nine of the By-Laws</del><u>61.5 below</u> have been met.</p>
<p>3. In accordance with the provisions of the Companies Law, the shareholders acting at a General Shareholders' Meeting may resolve to reduce capital in order to retire a particular group of shares, provided that such group is defined based on substantive, homogenous and non-discriminatory criteria. In such event, the measure must be approved by majority vote of the shareholders pertaining to the affected group as well as by majority vote of the rest of the shareholders remaining with the Company. The amount to be paid by the Company may not be less than the arithmetic mean of the closing prices of the Company's shares on the Continuous Market of the Stock Exchanges during the month prior to the adoption of the resolution reducing capital stock.</p>	<p>3. In accordance with the provisions of <del>the Companies</del>-Law, the shareholders acting at a General <del>Shareholders'</del><u>Shareholders'</u> Meeting may resolve to reduce <u>the share</u> capital in order to retire a particular group of shares, provided that such group is defined based on substantive, homogenous and non-discriminatory criteria. In such event, the measure must be approved by majority vote of the shareholders pertaining to the affected group as well as by majority vote of the rest of the shareholders remaining with the Company. The amount to be paid by the Company may not be less than the arithmetic mean of the closing prices of the Company's shares on the Continuous Market of the Stock Exchanges during the month prior to the adoption of the resolution reducing <u>the share</u> capital<del>stock</del>.</p>

<b>Chapter IV. Issuance of Debentures and Other Securities</b>	<b>Chapter IV. Issuance of Debentures and Other Securities</b>
<b>Article 13. Issuance of Debentures</b>	<b>Article 13. Issuance of Debentures</b>
<p>1. The shareholders acting at a General Shareholders' Meeting may, as provided by law, delegate to the Board of Directors the power to issue simple or convertible and/or exchangeable debentures. The Board of Directors may make use of such delegation on one or more occasions for a maximum period of five (5) years.</p>	<p>1. The shareholders acting at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting may, as provided by law, delegate to the Board of Directors the power to issue simple or convertible and/or exchangeable debentures. The Board of Directors may make use of such delegation on one or more occasions for a maximum period of five (5) years.</p>
<p>2. In addition, the shareholders acting at a General Shareholders' Meeting may authorize the Board of Directors to determine the time at which the approved issuance should take place, as well as to set other conditions not provided for in the shareholders' resolution.</p>	<p>2. In addition, the shareholders acting at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting may authorize the Board of Directors to determine the time at which the approved issuance should take place, as well as to set other conditions not provided for in the <del>shareholders'</del> <u>shareholders'</u> resolution.</p>
<b>Article 14. Convertible and/or Exchangeable Debentures</b>	<b>Article 14. Convertible and/or Exchangeable Debentures</b>
<p>1. Convertible and/or exchangeable debentures may be issued with a fixed (determined or determinable) or variable exchange ratio.</p>	<p>1. Convertible and/or exchangeable debentures may be issued with a fixed (determined or determinable) or variable exchange ratio.</p>
<p>2. The resolution authorizing issuance shall provide whether the power to convert or exchange belongs to the debtholder and/or the Company or, if applicable, whether the conversion will occur automatically at a particular time.</p>	<p>2. The resolution authorizing issuance shall provide whether the power to convert or exchange belongs to the debtholder and/or the Company or, if applicable, whether the conversion <u>or exchange</u> will occur automatically at a particular time.</p>
<b>Article 15. Other Securities</b>	<b>Article 15. Other Securities</b>
<p>1. The Company may issue notes, warrants, preferred stock and other negotiable securities different from the ones provided for in the preceding articles.</p>	<p>1. The Company may issue notes, warrants, preferred stock and other negotiable securities different from the ones provided for in the preceding articles.</p>
<p>2. The shareholders' acting at a General Shareholders' Meeting may delegate to the Board of Directors the power to issue such securities. The Board of Directors may make</p>	<p>2. The shareholders' acting at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting may delegate to the Board of Directors the power to issue such securities. The Board of</p>

use of such delegation on one or more occasions for a maximum period of five (5) years.	Directors may make use of such delegation on one or more occasions for a maximum period of five (5) years.
3. The shareholders may also authorize the Board of Directors to determine the time at which the approved issuance should be carried out, as well as to set other terms not provided for in the shareholders' resolution, in accordance with applicable legal provisions.	3. The shareholders may also authorize the Board of Directors to determine the time at which the approved issuance should be carried out, as well as to set other terms not provided for in the shareholders' resolution, <del>in accordance with applicable legal provisions</del> upon the terms provided by Law.
4. The Company may also provide a guarantee of securities issued by its subsidiaries.	4. The Company may also provide a guarantee of securities issued by its subsidiaries.
<b>TITLE II. GOVERNANCE OF THE COMPANY</b>	<b>TITLE II. GOVERNANCE OF THE COMPANY</b>
<b>Chapter I. The General Shareholders' Meeting</b>	<b>Chapter I. The General <del>Shareholders'</del> Shareholders' Meeting</b>
<b>Article 16. The General Shareholders' Meeting</b>	<b>Article 16. The General <del>Shareholders'</del> Shareholders' Meeting</b>
1. The shareholders, meeting at a duly called General Shareholders' Meeting, shall decide, by the majorities required in each case, on the matters which may be decided at a General Shareholders' Meeting.	1. The shareholders, meeting at a duly called General <del>Shareholders'</del> Shareholders' Meeting, shall decide, by the majorities required in each case, on the matters <del>which may be decided at a General Shareholders' Meeting</del> within its authority, in accordance with Law and the Company's Corporate Governance System.
2. Resolutions which are duly adopted at a General Shareholders' Meeting shall bind all shareholders, including shareholders who are absent, dissenting, abstain from voting and who lack the right to vote, without prejudice to the rights they may have to challenge such resolutions.	2. Resolutions which are duly adopted at a General <del>Shareholders'</del> Shareholders' Meeting shall bind all shareholders, including shareholders who are absent, dissenting, abstain from voting and who lack the right to vote, without prejudice to the rights they may have to challenge such resolutions.
3. The General Shareholders' Meeting is governed by the provisions of these By-Laws, its own Regulations and the provisions of Law.	3. The General <del>Shareholders'</del> Shareholders' Meeting is governed by the provisions of these By-Laws, its own Regulations and the provisions of Law.

Article 17. Powers of the Shareholders Acting at a General Shareholders' Meeting	Article 17. Powers of the Shareholders Acting at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting
1. The shareholders at a General Shareholders' Meeting shall decide the matters assigned thereto by these By-Laws, the Rules for the General Shareholders' Meeting or the Law, and particularly regarding the following:	1. The shareholders at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting shall decide the matters assigned thereto by <del>these By-Laws, the Rules for the General Shareholders' Meeting or the Law</del> <u>or the Corporate Governance System</u> , and particularly regarding the following:
	<u>a-a) The approval of the annual financial statements, the allocation of profits, and the approval of corporate management.</u>
a) Appointment and removal of Directors, as well as ratification of Directors designated by interim appointment to fill vacancies.	<u>a)b) <del>Appointment</del>—The appointment, re-election and removal of Directors, as well as <del>the</del> ratification of Directors designated by interim appointment to fill vacancies.</u>
	<u>c) The appointment, re-election and removal of the auditor.</u>
	<u>d) The amendment of the By-Laws.</u>
	<u>e) An increase or reduction in share capital, as well as the delegation to the Board of Directors of the power to increase share capital, in which case it may also grant thereto the power to exclude or limit pre-emptive rights, upon the terms established by Law.</u>
	<u>f) The exclusion or limitation of pre-emptive rights.</u>
	<u>g) The transformation, merger, split-off, or overall assignment of assets and liabilities, and the transfer of the registered office abroad.</u>
	<u>h) The dissolution of the Company.</u>
	<u>i) The approval of the final liquidating balance sheet.</u>
b) Approval, if applicable, of the	<u>e)j) <del>Approval, if applicable,</del> <u>The approval of</u></u>

establishment of systems for compensation of the Company's Directors and senior managers, consisting of the delivery of shares or of rights therein, or a compensation that takes as its reference the value of the shares.	the establishment of systems for compensation of the Company's Directors and <del>senior managers</del> <u>Senior Managers</u> , consisting of the delivery of shares or of rights therein, or a compensation that takes as its reference the value of the shares.
c) Appointment and removal of Auditors.	<del>e) Appointment and removal of Auditors.</del>
d) Review of corporate management and approval, if appropriate, of the financial statements from the prior fiscal year and the proposed allocation of the profits or losses thereof.	<del>d) Review of corporate management and approval, if appropriate, of the financial statements from the prior fiscal year and the proposed allocation of the profits or losses thereof.</del>
<del>f)e)</del> Increase or reduction in share capital, as well as delegation to the Board of Directors of the power to increase capital.	<del>e) Increase or reduction in share capital, as well as delegation to the Board of Directors of the power to increase capital.</del>
f) Issuance of debentures and other negotiable securities and delegation to the Board of Directors of the power for the issuance thereof.	<del>f)k)</del> Issuance of debentures and other negotiable securities and delegation to the Board of Directors of the power for the issuance thereof.
g) Authorization for the derivative acquisition of the Company's own shares.	<del>g)l)</del> Authorization for the derivative acquisition of the Company's own shares.
h) Approval and amendment of the Rules for the General Shareholders' Meeting.	<del>h)m)</del> Approval and amendment of the Rules for the General Shareholders' Meeting.
i) Amendment of the By-Laws.	<del>i) Amendment of the By-Laws.</del>
j) Merger, split-off, transformation of the Company, dissolution and overall assignment of assets and liabilities.	<del>j) Merger, split-off, transformation of the Company, dissolution and overall assignment of assets and liabilities.</del>
2. In addition, the shareholders acting at a General Shareholders' Meeting shall decide any matter submitted to them by the Board of Directors.	2. In addition, the shareholders acting at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting shall decide any matter submitted to them by the Board of Directors <u>or by the shareholders in the cases provided by Law, or that are within their power under Law or the Company's Corporate Governance System.</u>
<b>Article 18. Ordinary and Extraordinary</b>	<b>Article 18. Ordinary and Extraordinary General</b>

General Shareholders' Meeting	Shareholders' Meeting
<p>1. The shareholders acting at an ordinary General Shareholders' Meeting, which shall be previously called for such purpose, must meet within the first six (6) months of each fiscal year in order to review corporate management, approve financial statements from the prior fiscal year, if appropriate, and decide upon the allocation of profits or losses from such fiscal year. Resolutions may also be adopted at the ordinary General Shareholders' Meeting regarding any other matter within the power of the shareholders, provided that such matter appears on the agenda and that the General Shareholders' Meeting has been convened with the required share capital in attendance.</p>	<p>1. The shareholders acting at an ordinary General Shareholders' Meeting, which shall be previously called for such purpose, must meet within the first six (6) months of each fiscal year in order to review corporate management, approve <u>the annual</u> financial statements from the prior fiscal year, if appropriate, and decide upon the allocation of profits or losses from such fiscal year. Resolutions may also be adopted at the ordinary General Shareholders' Meeting regarding any other matter within the power of the shareholders, provided that such matter appears on the agenda <u>of the call to meeting or is legally appropriate</u> and that the General <del>Shareholders'</del><u>Shareholders'</u> Meeting has been convened with the required <del>share</del><u>share</u> capital in attendance.</p>
<p>2. Any General Shareholders' Meeting not provided for in the foregoing paragraph shall be deemed an extraordinary General Shareholders' Meeting and shall be held at any time of the year, provided that the Board of Directors deems such meeting to be appropriate.</p>	<p>2. Any General <del>Shareholders'</del><u>Shareholders'</u> Meeting not provided for in the foregoing paragraph shall be deemed an extraordinary General Shareholders' Meeting <del>and shall be held at any time of the year, provided that the Board of Directors deems such meeting to be appropriate.</del></p>
<p><b>Article 19. Call of the General Shareholders' Meeting</b></p>	<p><b>Article 19. Call of the General <del>Shareholders'</del><u>Shareholders'</u> Meeting</b></p>
<p>1. The General Shareholders' Meeting must be formally called by the Board of Directors through an announcement published in the Official Bulletin of the Commercial Registry and in one of the newspapers of wider circulation in Biscay as much in advance as required by the regulations in effect at any time.</p>	<p>1. The General <del>Shareholders'</del><u>Shareholders'</u> Meeting must be formally called by the Board of Directors through an announcement published in the Official Bulletin of the Commercial Registry and <del>in one of the newspapers of wider circulation in Biscay</del><u>on the corporate website</u> as much in advance as required by <del>the regulations in effect at any time</del><u>Law. The notice published on the Company's website shall be accessible on an uninterrupted basis until at least the holding of the General Shareholders' Meeting.</u></p>
<p>2. The Board of Directors must call a General Shareholders' Meeting in the following</p>	<p>2. The Board of Directors must call a General <del>Shareholders'</del><u>Shareholders'</u> Meeting in the</p>



events:	following events:
a) In the event set forth in paragraph one of Article Eighteen of the By-Laws.	a) In the event set forth in <del>paragraph one of Article Eighteen of the By-Laws</del> <u>18.1 above</u> .
b) If the meeting is requested, in the manner provided for by Law, by shareholders who hold or represent at least five (5%) percent of the share capital, which request sets forth the matters to be dealt with. In this event, the Board of Directors shall call for the General Shareholders' Meeting to be held within the statutorily prescribed deadline. The Board of Directors must include the requested matters in the agenda.	b) If the meeting is requested, in the manner provided for by Law, by shareholders who hold or represent <del>at least</del> <u>at least</u> five (5%) percent of the share capital, which request sets forth the matters to be dealt with. In this event, the Board of Directors shall call for the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting to be held within the statutorily prescribed deadline. The Board of Directors must include the requested matters in the agenda <u>of the call to meeting</u> .
c) When a tender offer is made for the securities of the Company, in order to report to the shareholders regarding the tender offer and to deliberate and decide upon the matters submitted for their consideration. Any shareholder or shareholders owning voting shares representing at least one (1%) percent of share capital shall have the right to request the inclusion of matters in the agenda of the General Shareholders' Meeting which must be called for this purpose.	c) When a tender offer is made for the securities of the Company, in order to report to the <del>shareholders</del> <u>shareholders</u> regarding the tender offer and to deliberate and decide upon the matters submitted for their consideration. Any shareholder or shareholders owning voting shares representing at least one (1%) percent of share capital shall have the right to request the inclusion of matters in the agenda of the <u>call to the</u> General Shareholders' Meeting which must be called for this purpose.
3. The announcement of the call to meeting must contain all statements required by Law under such circumstances and must set forth the day, place and time of the meeting upon first call and all matters to be dealt with. The announcement may also, if appropriate, set forth the date on which the General Shareholders' Meeting shall proceed upon second call.	3. The announcement of the call to meeting must contain all statements required by Law under such <del>circumstances</del> <u>circumstance</u> and must set forth the day, place and time of the meeting upon first call and all matters to be dealt with. The announcement may also, if appropriate, set forth the date on which the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting shall proceed upon second call.
4. Shareholders representing at least five (5%) percent of the share capital may request the publication of a supplement to the call of the	4. Shareholders representing at least five (5%) percent of the share capital may request the publication of a supplement to the call of the

<p>General Shareholders' Meeting including one or more items in the agenda.</p>	<p>General Shareholders' Meeting including one or more items in the agenda <u>of the call to meeting and submit well-founded proposed resolutions regarding matters already included or that should be included in the agenda of the call to meeting of the General Shareholders' Meeting being called.</u></p>
<p>5. The shareholder's rights mentioned in the preceding paragraphs two, letter c) and four must be exercised by duly authenticated notice that must be received at the company's registered office within five (5) days of the publication of the call to meeting. The supplement to the call to meeting mentioned in such paragraphs must be published within the statutorily prescribed deadline.</p>	<p>5. The shareholder's rights mentioned in the preceding paragraphs <del>two, letter e) and four 2.b), 2.c) and 4</del> must be exercised by duly authenticated notice that must be <del>received at sent to</del> the company's registered office <u>and which, in the latter two cases, must be received</u> within five (5) days of the publication of the call to meeting. The supplement to the call to meeting mentioned in such paragraphs must be published within the statutorily prescribed deadline.</p>
<p>6. The shareholders at the General Shareholders' Meeting may not deliberate on or decide matters that are not included in the agenda, unless otherwise provided by law.</p>	<p>6. The shareholders at the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting may not deliberate on or decide matters that are not included in the agenda <u>of the call to meeting</u>, unless otherwise provided by law.</p>
<p>7. The Board of Directors may require that a Notary Public attend the General Shareholders' Meeting and prepare the minutes thereof. In any event, the Board must require the presence of a Notary under the circumstances provided by Law.</p>	<p>7. The Board of Directors may require that a <del>Notary Public</del> <u>notary public</u> attend the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting and prepare the minutes thereof. In any event, the Board must require the presence <del>of a Notary thereof</del> under the circumstances provided by Law.</p>
	<p>8. <u>The Board of Directors is authorized to adopt appropriate measures to foster the participation of the shareholders at the General Shareholders' Meeting, including the payment of attendance fees.</u></p>
<p><b>Article 20. Shareholders' Right to Receive Information</b></p>	<p><b>Article 20. Shareholders' Right to Receive Information</b></p>
<p>1. From the date of publication of the call of the General Shareholders' Meeting through and including the seventh day prior to the date provided for the first call to meeting, the shareholders may request in writing the</p>	<p>1. From the date of publication of the call of the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting through and including the seventh day prior to the date provided for the first call to meeting, the shareholders may request in writing the</p>

<p>information or clarifications that they deem are required, or ask written questions that they deem pertinent, regarding the matters contained in the agenda. In addition, upon the same prior notice and in the same manner, the shareholders may request information or clarifications or ask written questions regarding information accessible to the public which has been provided by the Company to the Spanish National Securities Market Commission (<i>Comisión Nacional del Mercado de Valores</i>) since the holding of the last General Shareholders' Meeting.</p>	<p>information or clarifications that they deem are required, or ask written questions that they deem pertinent, regarding the matters contained in the agenda <u>of the call to meeting</u>. In addition, upon the same prior notice and in the same manner, the shareholders may request information or clarifications or ask written questions regarding information accessible to the public which has been provided by the Company to the Spanish National Securities Market Commission (<i>Comisión Nacional del Mercado de Valores</i>) since the holding of the last General <del>Shareholders'</del> <u>Shareholders'</u> Meeting.</p>
<p>2. During the holding of the General Shareholders' Meeting, the shareholders may verbally request the information or clarifications that they deem appropriate regarding the matters contained in the agenda.</p>	<p>2. During the holding of the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting, the shareholders may verbally request the information or clarifications that they deem appropriate regarding the matters contained in the agenda <u>or the information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last General Shareholders' Meeting</u>.</p>
<p>3. The Board of Directors shall be required to provide the information requested pursuant to the two preceding paragraphs in the form and within the period provided by these By-Laws, the Rules for the General Shareholders' Meeting and the Law, except in cases in which it is legally improper, including, specifically, those cases in which, in the opinion of the Chairman, publication of the information would prejudice the interests of the Company. This last exception shall not apply when the request is supported by shareholders representing at least one-fourth of the share capital.</p>	<p>3. The Board of Directors shall be required to provide the information requested pursuant to the two preceding paragraphs in the form and within the period provided by <del>these By-Laws, the Rules for the General Shareholders' Meeting and the Law</del> <u>Law and the Company's Corporate Governance System</u>, except in cases in which it is <del>legally improper</del> <u>or untimely</u>, including, specifically, those cases in which, in the opinion of the Chairman, publication of the information <del>would might</del> <u>prejudice the interests of the Company</u> <u>corporate interest</u>. This last exception shall not apply when the request is supported by shareholders representing at least one-fourth <u>(1/4)</u> of the share capital.</p>
<p>4. The call of the ordinary General Shareholders' Meeting shall set forth the means whereby any shareholder may obtain from the Company, without charge and on</p>	<p>4. The call of the ordinary General <del>Shareholders'</del> <u>Shareholders'</u> Meeting shall set forth the means whereby any shareholder may obtain from the Company, without charge and</p>

<p>an immediate basis, the documents that must be submitted for approval by the shareholders at such ordinary General Shareholders' Meeting, as well as the Management Report and the Auditors' Report.</p>	<p>on an immediate basis, the documents that must be submitted for approval by the shareholders at such ordinary General Shareholders' Meeting, as well as the <del>Management Report</del> <u>management report</u> and the <del>Auditors' Report</del> <u>auditors' report</u>.</p>
<p><del>7.5.</del> When the shareholders are to deal with an amendment to the By-Laws, besides the statements required in each case by Law, the notice of the call must make clear the right of all shareholders to examine at the Company's registered office the complete text of the proposed amendment and the report thereon and to request that such documents be delivered or sent to them without charge.</p>	<p>5. When the shareholders are to deal with an amendment to the By-Laws, besides the statements required in each case by Law, the notice of the call must make clear the right of all shareholders to examine at the Company's registered office the complete text of the proposed amendment and the report thereon and to request that such documents be delivered or sent to them without charge.</p>
<p>6. In all cases in which the Law so requires, such information and supplemental documentation as is mandatory shall be made available to the shareholders.</p>	<p>6. In all cases in which the Law so requires, such information and supplemental documentation as is mandatory shall be made available to the shareholders.</p>
<p><b>Article 21. Establishment of a Quorum for the General Shareholders' Meeting</b></p>	<p><b>Article 21. Establishment of a Quorum for the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting</b></p>
<p>1. The ordinary as well as the extraordinary General Shareholders' Meeting shall be validly established with the minimum quorum required by applicable legislation in effect at all times, taking into account the matters appearing on the agenda.</p>	<p>1. The <del>ordinary as well as the extraordinary</del> General Shareholders' Meeting shall be validly established with the minimum quorum required by <del>applicable legislation in effect at all times</del> <u>Law</u>, taking into account the matters appearing on the agenda <u>of the call to meeting</u>.</p>
<p>2. Notwithstanding the provisions of the foregoing paragraph, shareholders representing two-thirds of subscribed capital with voting rights must be in attendance at the first call of the General Shareholders' Meeting, and shareholders representing sixty (60%) percent of such capital must be in attendance at the second call, in order to adopt resolutions regarding a change in the corporate purpose, transformation, total split-off, dissolution of the Company and amendment of this second paragraph of this</p>	<p>2. Notwithstanding the provisions of the foregoing paragraph, shareholders representing two-thirds <u>(2/3)</u> of subscribed <u>share</u> capital with voting rights must be in attendance at the first call of the General Shareholders' Meeting, and shareholders representing sixty (60%) percent of such <u>share</u> capital must be in attendance at the second call, in order to adopt resolutions regarding a change in the corporate purpose, transformation, total split-off, dissolution of the Company and <u>the</u> amendment of this</p>

article.	<del>second paragraph of this article</del> <u>section 2.</u>
3. The absence of shareholders occurring once a quorum for the General Shareholders' Meeting has been established shall not affect the validity of the meeting.	3. The absence of shareholders occurring once a quorum for the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting has been established shall not affect the validity of the meeting.
4. If the attendance of shareholders representing a particular percentage of share capital or the consent of specific interested shareholders is required pursuant to applicable legal or by-laws provisions in order to validly adopt a resolution regarding one or more items on the agenda of the General Shareholders' Meeting, and such percentage is not reached or such shareholders are not present in person or by proxy, the shareholders shall be limited to deliberation and decision regarding those items on the agenda which do not require such percentage of capital or the presence of such shareholders in order to be decided.	4. If the attendance of shareholders representing a particular percentage of share capital or the consent of specific interested shareholders is required pursuant to applicable legal or by-laws provisions in order to validly adopt a resolution regarding one or more items on the agenda of the <u>call to the</u> General <del>Shareholders'</del> <u>Shareholders'</u> Meeting, and such percentage is not reached or such shareholders are not present in person or by proxy, the <del>shareholders-shareholders</del> shall be limited to deliberation and decision regarding those items on the agenda which do not require such percentage of <u>share</u> capital or the presence of such shareholders <del>in order to be decided.</del>
<b>Article 22. Right to Attend</b>	<b>Article 22. Right to Attend</b>
1. All holders of voting shares may attend the General Shareholders' Meeting and take part in deliberations thereof, with the right to be heard and to vote.	1. <del>All</del> <u>The</u> holders of voting shares may attend the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting and take part in deliberations thereof, with the right to be heard and to vote.
2. In order to exercise the right to attend, shareholders must cause the shares to be registered in their name in the corresponding book-entry registry at least five (5) days prior to the day on which the General Shareholders' Meeting is to be held. This circumstance must be evidenced by means of the appropriate attendance card or validation certificate issued by the entity or entities in charge of book-entry registries, or in any other form allowed by applicable legislation.	2. In order to exercise the right to attend, shareholders must cause the shares to be registered in their name in the corresponding book-entry registry at least five (5) days prior to the day on which the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting is to be held. This circumstance must be evidenced <u>by means of with</u> the appropriate attendance, <u>proxy-granting and distance voting</u> card, <del>or</del> validation certificate <del>issued by the entity or entities in charge of book-entry registries, or in any other form allowed by applicable legislation</del> <u>or other valid form of verification accepted by the Company.</u>
3. The members of the Board of Directors must attend the General Shareholders' Meeting.	3. The members of the Board of Directors must attend the General <del>Shareholders'</del> <u>Shareholders'</u>

<p>The absence of any of such members shall not affect the validity of the General Shareholders' Meeting.</p>	<p><u>Shareholders'</u> Meeting. The absence of any of <del>such members</del> <u>them</u> shall not affect the validity of the General <u>Shareholders'</u> <u>Shareholders'</u> Meeting.</p>
<p>4. Managers, experts and other persons with an interest in the efficient running of corporate affairs may be authorized to attend the General Shareholders' Meeting by the Chairman thereof. In addition, the Chairman of the General Shareholders' Meeting may grant the press, financial analysts and any other person the Chairman deems appropriate access to such General Shareholders' Meeting, although the shareholders acting thereat may revoke such authorization.</p>	<p>4. <del>Managers, experts and other persons with an interest in the efficient running of corporate affairs may be authorized to attend the General Shareholders' Meeting by the Chairman thereof. In addition, the</del> <u>The</u> Chairman of the General <u>Shareholders'</u> <u>Shareholders'</u> Meeting may <u>authorize the attendance thereat of the managers, technical personnel and other persons related to the Company. He may also grant access thereto to the</u> <del>press media,</del> financial analysts and <u>to</u> any other person the Chairman deems appropriate <del>access to such General Shareholders' Meeting,</del> although the <u>shareholders</u> <u>shareholders</u> acting thereat may revoke such authorization.</p>
<p><b>Article 23. Right to Be Represented at the Meeting</b></p>	<p><b>Article 23. Right to Be Represented at the Meeting</b></p>
<p>1. All shareholders having the right to attend may be represented at the General Shareholders' Meeting by proxy through another person, even though such person is not a shareholder, if the requirements and formalities established in these By-Laws, the General Shareholders' Meeting and the Law are met.</p>	<p>1. All shareholders having the right to attend may be represented at the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting by proxy through another person, <del>even though whether or not</del> such person is <del>not</del> a shareholder, <del>if the requirements and formalities established in these By-Laws, the General Shareholders' Meeting and the Law are met</del> <u>by complying with the requirements of Law and the Company's Corporate Governance System.</u></p>
<p>2. Proxies shall be given in writing or by postal or electronic correspondence, in which case the provisions of Article Twenty-Eight of the By-Laws for the issuance of votes shall apply to the extent not incompatible with the nature of the proxy.</p>	<p>2. Proxies shall be given in writing or by postal or electronic correspondence, in which case the provisions of Article <del>Twenty-Eight of the By-Laws</del> <u>28 below</u> for the issuance of votes <u>from a distance</u> shall apply to the extent <del>not incompatible with the nature of the proxy</del> <u>applicable.</u></p>
	<p>3. <u>Proxy and voting instructions of shareholders acting through brokers, representatives or depositaries shall be governed by the</u></p>



	<u>provisions of the Company's Corporate Governance System.</u>
	4. <u>In cases of absence of identification of the proxy-holder, absence of express instructions for the exercise of voting rights, items not included on the agenda of the call to the General Shareholders' Meeting or a conflict of interest of the proxy-holder, the rules established in this regard in the Company's Corporate Governance System shall apply.</u>
3. The Chairman of and the Secretary for the General Shareholders' Meeting shall have the widest powers to recognize the validity of a document or media evidencing representation by proxy.	<del>3.5.</del> <u>The Chairman of and the Secretary of the Board of Directors or the Chairman of and Secretary for the General Shareholders' Meeting, from the constitution thereof, and the persons delegated by any of them, shall have the widest powers to verify the identity of the shareholders and their proxy-holders, verify the ownership and status of their rights, and recognize the validity of a-the attendance, proxy-granting and distance voting document or media evidencing attendance or representation by proxy.</u>
4. A proxy is always revocable. Attendance at the General Shareholders' Meeting of the shareholder granting the proxy, whether in person or due to having cast a vote from a distance, shall have the effect of revoking the proxy, regardless of the date thereof.	<del>4.6.</del> <u>A proxy is always revocable. Attendance-at the General Shareholders' Meeting-of by the shareholder granting the proxy at the General Shareholders' Meeting, whether in person or due to having cast a vote from a distance on a date subsequent to that of the proxy, shall have the effect of revoking the proxy; regardless of the date thereof.</u>
<b>Article 24. Place and Time of the Meeting</b>	<b>Article 24. Place and Time of the Meeting</b>
1. The General Shareholders' Meeting shall be held at the place indicated in the call to meeting in the municipality where the registered office of the Company is located.	1. The General <del>Shareholders'</del> <u>Shareholders'</u> Meeting shall be held at the place indicated in the call to meeting in <del>the-any</del> municipality <del>where the registered office of the Company is located</del> <u>within the Historical Territory of Biscay.</u>
2. The General Shareholders' Meeting may be attended by going to the place where the meeting is to be held or, if applicable, to other places provided by the Company and	2. The General <del>Shareholders'</del> <u>Shareholders'</u> Meeting may be attended by going to the place where the meeting is to be held or, if applicable, to other places provided by the

<p>indicated in the call to meeting, and which are connected therewith by video conference systems that allow recognition and identification of the parties attending, permanent communication among the attendees regardless of their location, and participation and voting, all in real time. The principal place of the meeting must be located in the municipal area of the Company's registered office, but supplemental locations need not be so located. For all purposes relating to the General Shareholders' Meeting, attendees at any of the sites shall be deemed attendees at the same individual meeting. The meeting shall be deemed to have been held at the principal location thereof.</p>	<p>Company and indicated in the call to meeting, and which are connected therewith by <del>video conference</del> <u>any valid</u> systems that allow recognition and identification of the parties attending, permanent communication among the attendees regardless of their location, and participation and voting, all in real time. The principal place of the meeting must be located in the <del>municipal area of the Company's registered office</del> <u>municipality of the Historical Territory of Biscay indicated in the call to meeting</u>, but supplemental locations need not be so located. For all purposes relating to the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting, attendees at any of the sites shall be deemed attendees at the same individual meeting. The meeting shall be deemed to have been held at the principal location thereof.</p>
<p>3. If no place is indicated in the call to meeting, it shall be deemed that the meeting shall take place at the Company's registered office.</p>	<p>3. If no place is indicated in the call to meeting, it shall be deemed that the meeting shall take place at the Company's registered office.</p>
<p>4. The shareholders may agree to extend their meeting for one or more consecutive days at the proposal of the Directors or at the proposal of shareholders in attendance representing at least one-fourth of the share capital. Regardless of the number of sessions, the General Shareholders' Meeting shall be deemed to be a single meeting, and a single set of minutes shall be prepared for all of the sessions. The Shareholders may also temporarily suspend the meeting under the circumstances and in the manner set forth in the Rules for the General Shareholders' Meeting.</p>	<p>4. The <del>shareholders</del> <u>shareholders, provided that there are just grounds for such purpose</u>, may agree to extend their meeting for one or more consecutive days at the proposal of the <del>Directors or at the proposal of shareholders</del> <u>Chairman of the General Shareholders' Meeting, a majority of the Directors attending the meeting, or at the request of that number of shareholders</u> <del>in attendance</del> representing at least one-fourth (1/4) of the share capital. Regardless of the number of sessions, the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting shall be deemed to be a single meeting, and a single set of minutes shall be prepared for all of the sessions. The <del>Shareholders</del> <u>shareholders</u> may also temporarily suspend the meeting under the circumstances and in the manner set forth in the Rules for the General Shareholders' Meeting.</p>
<p><b>Article 25. Chairman, Secretary and Presiding Committee (<i>Mesa</i>) of the General Shareholders'</b></p>	<p><b>Article 25. Chairman, Secretary and Presiding Committee (<i>Mesa</i>) of the General <del>Shareholders'</del></b></p>

Meeting	<u>Shareholders' Meeting</u>
<p>1. The Chairman of the Board of Directors or, in the absence thereof, the Vice-Chairman, shall act as the Chairman of the General Shareholders' Meeting; if there are several Vice Chairmen, they shall act in the order set forth in paragraph three of Article Forty-Six of these By-Laws; in the absence of the foregoing, the longest-serving Director shall serve, and in the absence of all of the above, the shareholder designated for such purpose by the shareholders themselves shall serve.</p>	<p>1. The Chairman of the Board of Directors or, in the absence thereof, the Vice-Chairman, shall act as the Chairman of the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting; <del>if</del> <u>If</u> there are several Vice Chairmen, they shall act in the order set forth in <del>paragraph three of Article Forty-Six of these By-Laws; in the absence of the foregoing, the longest-serving Director shall serve, and in the absence of all of the above, the shareholder designated for such purpose by the shareholders themselves shall serve</del> <u>Article 47.5 below. In the absence of all of the foregoing, the person appointing the Presiding Committee shall act as the Chairman of the General Shareholders' Meeting.</u></p>
<p>2. The Secretary of the Board of Directors and, in his absence, the Vice-Secretary of the Board of Directors, shall act as the Secretary for the General Shareholders' Meeting; in the absence of both, the Director with the least amount of time in such position shall serve and, in the absence of all of the above, the shareholder designated for such purpose by the shareholders themselves shall serve.</p>	<p>2. The Secretary of the Board of Directors <del>and or</del>, in his absence, the Vice-Secretary of the Board of Directors, shall act as the Secretary for the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting; <del>in the absence of both, the Director with the least amount of time in such position shall serve and, in the absence of all of the above, the shareholder designated for such purpose by the shareholders themselves shall serve</del> <u>If there are several Vice-Secretaries, the order set forth in Article 49.3 below shall apply. In the absence of all of the foregoing, the person appointed by the Presiding Committee shall act as Secretary for the General Shareholders' Meeting.</u></p>
<p>3. The Chairman and the Secretary, together with the other members of the Board of Directors in attendance, shall constitute the Presiding Committee (<i>Mesa</i>) of the General Shareholders' Meeting.</p>	<p>3. The <u>Presiding Committee (<i>Mesa</i>) shall be made up of the Chairman, and the Secretary for the General Shareholders' Meeting, together with and</u> the other members of the Board of Directors <del>in attendance, shall constitute the Presiding Committee (<i>Mesa</i>) of the General Shareholders' Meeting</del> <u>present at the meeting. Without prejudice to other powers that may be assigned thereto by these By-Laws or the Corporate Governance System, in performing its duties, the Presiding Committee shall assist the Chairman of the</u></p>

	<u>General Shareholders' Meeting upon the request thereof.</u>
<b>Article 26. List of Attendees</b>	<b>Article 26. List of Attendees</b>
1. Once the Presiding Committee has been formed, and prior to beginning with the agenda, a list of attendees shall be prepared which sets forth the nature or representation of each attendee and the number of their own or other parties' shares present. At the end of the list, there shall be a determination of the number of shareholders present (including those voting from a distance) in person or by proxy at the meeting, as well as the amount of capital they own, with a specification as to which capital corresponds to shareholders with the right to vote. Pursuant to the provisions of the Regulations of the Commercial Registry, the list may be made up of an index file or be prepared in electronic form.	1. Once the Presiding Committee has been formed, and prior to beginning with the agenda <u>of the call to meeting</u> , a list of attendees shall be prepared which sets forth the nature or representation of each attendee and the number of their own or other parties' shares present. At the end of the list, there shall be a determination of the number of shareholders present (including those voting from a distance) in person or by proxy at the meeting, as well as the amount of <u>share</u> capital they own, with a specification as to which capital corresponds to shareholders with the right to vote.— <del>Pursuant to the provisions of the Regulations of the Commercial Registry, the list may be made up of an index file or be prepared in electronic form.</del>
2. Once the list has been prepared, the Chairman shall declare whether or not the requirements for the valid formation of a General Shareholders' Meeting have been met. Immediately thereafter, if appropriate, the Chairman shall declare the General Shareholders' Meeting to be validly convened. Questions or claims arising with respect to these matters shall be resolved by the Chairman.	2. Once the list has been prepared, the Chairman <del>shall declare of the General Shareholders' Meeting shall declare</del> whether or not the requirements for the <del>valid</del> <u>valid</u> formation of a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting have been met. Immediately thereafter, if appropriate, the Chairman <u>of the General Shareholders' Meeting</u> shall declare the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting to be validly convened. Questions or claims arising with respect to these matters shall be resolved by the Chairman <u>of the General Shareholders' Meeting</u> .
3. If a Notary Public has been required to prepare the minutes of the meeting, the Notary Public shall ask and make clear in the minutes whether there are reservations or objections regarding the statements of the Chairman regarding the number of shareholders in attendance and the capital which is present.	3. If <del>a Notary Public has been required</del> <u>the Company requests a notary public</u> to prepare the minutes of the meeting, the <del>Notary Public</del> <u>notary public</u> shall ask <u>the shareholders</u> and make clear in the minutes whether there are reservations or objections regarding the statements of the Chairman <u>of the General Shareholders' Meeting</u> regarding the number of shareholders in attendance and the <u>share</u>

	capital <del>which is</del> present <u>in person or by proxy</u> .
<b>Article 27. Deliberations and Voting</b>	<b>Article 27. Deliberations and Voting</b>
1. The Chairman shall: direct the meeting such that deliberations are carried out pursuant to the agenda; accept or reject new proposals relating to matters on the agenda; direct the deliberations, granting the floor to shareholders who so request it, and taking the floor away or refusing to grant it when the Chairman deems that a particular matter has been sufficiently debated, is not included in the agenda or hinders the progress of the meeting; indicate the time for voting; calculate the votes, with the assistance of the Secretary for the General Shareholders' Meeting; proclaim the results thereof; temporarily suspend the General Shareholders' Meeting; close the meeting; and, in general, exercise all powers, including those of order and discipline, which are required to properly hold the General Shareholders' Meeting.	1. The Chairman <u>of the General Shareholders' Meeting</u> shall: direct the meeting such that deliberations are carried out pursuant to the agenda; accept or reject new proposals relating to matters on the agenda; <u>organize and</u> direct the deliberations, granting the floor to shareholders who so request it, and taking the floor away or refusing to grant it when the Chairman deems that a particular matter has been sufficiently debated, is not included in the agenda or hinders the progress of the meeting; <del>indicate the time reject proposals made by shareholders during their presentations that are inappropriate; indicate the time and establish pursuant to the Rules for the General Shareholders' Meeting the system or procedure</del> for voting; <del>decide on the suspension or limitation of political rights, especially the voting rights o shares pursuant to Law and the Company's Corporate Governance System; ealculate the votes, with the assistance of the Secretary for the General Shareholders' Meeting</del> <u>approve the polling and vote counting system</u> ; proclaim the results thereof; temporarily suspend the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting; close the meeting; and, in general, exercise all powers, including those of order and discipline, which are required to properly hold the <del>General</del> <u>Shareholders'</u> <del>Meeting</del> <u>proceedings</u> .
2. The Chairman, even when present at a session, may entrust management of debate to a Director the Chairman deems appropriate or to the Secretary, who shall carry out these duties on behalf of the Chairman, and the Chairman may retake them at any time. In the event of temporary absence or supervening disability, the appropriate person pursuant to the provisions of paragraph one of Article Twenty-Five	2. The Chairman, <del>even when present at a session, of the General Shareholders' Meeting</del> may entrust management of debate to a Director the Chairman deems appropriate or to the Secretary <u>for the General Shareholders' Meeting</u> , who shall carry out these duties on behalf <del>of the Chairman</del> <u>thereof</u> , and the Chairman may retake them at any time. In the event of temporary absence or supervening disability, <del>the appropriate person pursuant to the provisions of paragraph one of</del>

<p>shall assume the duties of Chairman.</p>	<p><del>Article Twenty Five shall assume the duties of Chairman of the Chairman of the General Shareholders' Meeting or the Secretary thereof, the appropriate persons under sections 1 and 2 of Article 25, respectively, shall assume the duties thereof.</del></p>
<p>3. Resolutions shall be voted by the shareholders at the General Shareholders' Meeting pursuant to the provisions of the following articles and the Rules for the General Shareholders' Meeting.</p>	<p>3. Resolutions shall be voted by the shareholders at the General <del>Shareholders'</del><u>Shareholders'</u> Meeting pursuant to the provisions of the following articles and the Rules for the General <del>Shareholders'</del><u>Shareholders'</u> Meeting.</p>
<p><b>Article 28. Casting of Votes from a Distance</b></p>	<p><b>Article 28. Casting of Votes from a Distance,<u>Representation and Voting from a Distance</u></b></p>
<p>1. Shareholders may cast their vote regarding proposals relating to the items included in the agenda by mail or by electronic communication. In both cases, they shall be deemed present for purposes of the establishment of a quorum at the General Shareholders' Meeting.</p>	<p>1. Shareholders may cast their vote regarding proposals relating to the items included in the agenda <del>by mail or by electronic communication. In both of the call to meeting</del><u>by means of postal or electronic correspondence or any other means of distance communication, provided that th identity of the person voting and the security of the electronic communications are assured. In all such</u> cases, they shall be deemed present for purposes of the establishment of a quorum at the General <del>Shareholders'</del><u>Shareholders'</u> Meeting.</p>
<p>2. In order to vote by mail, shareholders must send to the Company the attendance, proxy-granting and voting card, duly executed and signed, issued in their favor by the entity or entities in charge of the book-entry registry.</p>	<p>2. In order to vote by <del>mail</del><u>postal correspondence</u>, shareholders must send to the Company the attendance, proxy-granting and <u>distance</u> voting card, duly executed and signed, <del>issued in their favor by the entity or entities in charge of the book-entry registry</del><u>a validation certificate, or any other document or instrument verifying the distance vote accepted by the Company.</u></p>
<p>3. Votes by electronic communication shall be cast using a recognized electronic signature or other type of guarantee that the Board of Directors deems best ensures the authenticity and identification of the shareholder</p>	<p>3. Votes by electronic <del>communication</del><u>correspondence</u> shall be cast using a recognized electronic signature or other type of guarantee that the Board of Directors deems best ensures the authenticity and identification of the <u>voting</u> shareholder</p>



exercising the right to vote.	<del>exercising the right to vote.</del>
4. Votes cast by either of the means set forth in the preceding paragraphs must be received by the Company before midnight on the day immediately prior to the date provided for the holding of the General Shareholders' Meeting upon first call or upon second call, as applicable. Otherwise, the vote shall be deemed not to have been cast in respect of the call to Meeting regarding which the aforementioned deadline is not met.	4. Votes cast by either of the means set forth in the preceding paragraphs must be received by the Company before midnight on the day immediately prior to the date provided for the holding of the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting upon first call or upon second call, as applicable. <del>Otherwise, the vote shall be deemed not to have been cast in respect of the call to Meeting regarding which the aforementioned deadline is not met.</del>
5. The Board of Directors is empowered to elaborate upon the foregoing provisions by establishing the rules, means and procedures adjusted to current techniques in order to organize the casting of votes and grant of proxies by electronic means, following the rules and regulations issued for such purpose, if applicable.	5. The Board of Directors is empowered to elaborate upon the <del>foregoing provisions by establishing the</del> rules, means and procedures <del>adjusted to current techniques in order to organize the casting of votes and grant of proxies by electronic means, following the rules and regulations issued for such purpose, if applicable</del> <u>for proxy-granting and distance voting, including applicable rules on priority and conflict.</u>
Specifically, the Board of Directors may (i) establish rules for the use of guarantees other than electronic signatures for casting electronic votes pursuant to the provisions of paragraph three above, and (ii) reduce the advance period set forth in paragraph four above for receipt by the Company of votes cast by postal or electronic communication.	Specifically, the Board of Directors may <del>(i)</del> <u>(i)</u> establish rules for the use of guarantees other than electronic signatures for casting electronic votes pursuant to the provisions of paragraph <del>three</del> <u>3</u> above; <del>and (ii)</del> <u>and</u> reduce the advance period set forth in paragraph <del>four</del> <u>4</u> above for receipt by the Company of votes cast <del>by postal or electronic communication</del> <u>from a distance; and accept, and authorize the Chairman of and Secretary for the General Shareholders' Meeting and the persons delegated thereby to accept, any distance votes received after such period, to the extent allowed by the instruments available.</u>
In any event, the Board of Directors shall adopt the measures needed to avoid possible deception and to ensure that the person casting a vote or granting a proxy by postal or electronic communication has the right to do so pursuant to the provisions of Article Twenty-Two of the By-Laws and the	<del>In any event, the</del> <u>The Chairman and Secretary of the</u> Board of Directors <del>shall adopt the measures needed to avoid possible deception and to ensure that the person casting a vote or granting a proxy by postal or electronic communication has the right to do so pursuant to the provisions of Article Twenty-Two of</del>

<p>provisions of the Rules for the General Shareholders' Meeting.</p> <p>The implementing rules adopted by the Board of Directors pursuant to the provisions of this sub-section shall be published on the Company's website.</p>	<p><del>the By-Laws and the provisions of the Rules for or the Chairman of and Secretary for the General Shareholders' Meeting, from the formation thereof, and the persons delegated thereby, shall have the broadest powers to verify the identity of the shareholders and their representatives; check the legitimacy of the exercise of the rights of attendance, proxy-granting and voting by the shareholders and their representatives; check and accept the validity of proxies and distance voting in accordance with the provisions of the Company's Corporate Governance System and in the-</del></p> <p><del>The implementing rules adopted established by the Board of Directors pursuant to the provisions of this sub-section shall be published on the Company's website in implementation thereof.</del></p>
<p>6. A vote cast by postal or electronic communication shall be revoked either by physical attendance at the General Shareholders' Meeting or by express revocation thereof by the same means used to cast such vote.</p>	<p>6. A <u>distance vote</u> <del>cast by postal or electronic communication</del> shall be revoked either by physical attendance <u>of the shareholder</u> <del>of the Shareholders' Meeting</del> at the General <del>Shareholders' Meeting</del> or by express revocation thereof by the same means used to cast such vote, <u>or if the shareholder validly grants a proxy after the date of casting of the distance vote.</u></p>
<p>7. Remote attendance at the General Shareholders' Meeting by means of data transmission and simultaneously and distance electronic voting during the holding of the General Shareholders' Meeting may be admitted if it is so established in the Rules for the General Shareholders' Meeting, subject to the requirements set forth therein.</p>	<p>7. Remote attendance at the General <del>Shareholders' Meeting</del> <u>Shareholders' Meeting</u> by means of data transmission and simultaneously and distance electronic voting during the holding of the General <del>Shareholders' Meeting</del> <u>Shareholders' Meeting</u> may be admitted if it is so established in the Rules for the General <del>Shareholders' Meeting</del> <u>Shareholders' Meeting</u>, subject to the requirements set forth therein.</p>
<p><b>Article 29. Approval of Resolutions</b></p>	<p><b>Article 29. Approval of Resolutions</b></p>
<p>1. The shareholders, acting at an ordinary or extraordinary General Shareholders' Meeting, shall adopt resolutions with the majorities of votes cast in person or by proxy</p>	<p><del>1. The shareholders, acting at an ordinary or extraordinary General Shareholders' Meeting, shall adopt resolutions with the majorities of votes cast in person or by proxy required by</del></p>

<p>required by these By-Laws or by the Companies Law. Each voting share, whether its holder is present in person or by proxy at the General Shareholders' Meeting, shall grant the holder the right to one vote.</p>	<p><del>these By-Laws or by the Companies Law. Each voting share, whether its holder is present in person or by proxy at the General Shareholders' Meeting, shall grant the holder the right to one vote.</del></p>
<p>2. The approval of a resolution shall require the favorable vote of one-half plus one of the voting shares whose holders are present in person or by proxy at the General Shareholders' Meeting. The foregoing does not affect situations in which these By-Laws or the Law require a greater majority.</p>	<p><del>2.1. The approval of a resolution shall require</del> <u>shareholders acting at a General Shareholders' Meeting shall adopt resolutions with the favorable vote of more than one-half plus one</u> of the voting shares whose holders are present in person or by proxy at the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting. The foregoing does not affect situations in which <u>the Law or</u> these By-Laws <del>or the Law</del> require a greater majority. <u>Each voting share that is represented in person or by proxy at the General Shareholders' Meeting shall give the right to one vote.</u></p>
	<p><u>2. The right to vote may not be assigned, even through the grant of a proxy, in exchange for any kind of consideration or material benefit.</u></p>
<p>3. Notwithstanding the provisions of the foregoing paragraph, no shareholder may cast a number of votes greater than those corresponding to shares representing ten (10%) percent of share capital, even if the number of shares held exceeds such percentage of capital. This limitation does not affect votes corresponding to shares with respect to which a shareholder is holding a proxy as a result of the provisions of Article Twenty-Three of these By-Laws, provided, however, that with respect to the number of votes corresponding to the shares of each shareholder represented by proxy, the limitation set forth above shall apply.</p>	<p>3. <del>Notwithstanding the provisions of the foregoing paragraph, no</del> <u>No</u> shareholder may cast a number of votes greater than those corresponding to shares representing ten (10%) percent of share capital, even if the number of shares held exceeds such percentage of <u>the share</u> capital. This limitation does not affect votes corresponding to shares with respect to which a shareholder is holding a proxy as a result of the provisions of Article <del>Twenty-Three of these By-Laws</del> <u>23 above</u>, provided, however, that with respect to the number of votes corresponding to the shares of each shareholder represented by proxy, the limitation set forth above shall apply.</p>
<p>4. The limitation set forth in the foregoing paragraph shall also apply to the maximum number of votes that may be collectively or individually cast by two or more shareholders which are entities or companies belonging to the same group. Such</p>	<p>4. The limitation set forth in the foregoing paragraph shall also apply to the maximum number of votes that may be collectively or individually cast by two or more shareholders which are entities or companies belonging to the same group. Such limitation shall also</p>

<p>limitation shall also apply to the number of votes that may be cast collectively or individually by an individual and the shareholder entity, entities or companies controlled by such individual. A group shall be deemed to exist under the circumstances set forth in Section Four of the Securities Market Law, and an individual shall be deemed to control one or more entities or companies, under the circumstances of control set forth in such Section Four.</p>	<p>apply to the number of votes that may be cast collectively or individually by an individual and the shareholder entity, entities or companies controlled by such individual. A group shall be deemed to exist under the circumstances <del>set forth in Section Four of the Securities Market Law</del> <u>provided by Law</u>, and <del>also when an individual shall be deemed to control a person controls</del> one or more entities or companies, <del>under the circumstances of control set forth in such Section Four.</del></p>
<p>5. Shares deprived of voting rights pursuant to the application of the foregoing paragraphs shall be deducted from the shares in attendance at the General Shareholders' Meeting for purposes of determining the number of shares upon which the majorities needed for the approval of resolutions submitted to the shareholders shall be calculated.</p>	<p>5. Shares deprived of voting rights pursuant to the application of the foregoing paragraphs shall be deducted from the shares in attendance at the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting for purposes of determining the number of shares upon which the majorities needed for the approval of resolutions submitted to the <del>shareholders</del> <u>shareholders</u> shall be calculated.</p>
<p><b>Article 30. Conflicts of Interest</b></p>	<p><b>Article 30. Conflicts of Interest</b></p>
<p>1. Shareholders participating in a merger or split-off with the company or who are called to subscribe to an increase in capital with the exclusion of pre-emptive rights or to acquire by overall assignment all of the Company's assets, may not exercise their voting rights for the approval of such resolutions at the General Shareholders' Meeting.</p>	<p>1. Shareholders <u>in a conflict of interest, and particularly those</u> participating in a merger or split-off with the <del>company</del> <u>Company</u> or who are called to subscribe to an increase in capital with the exclusion of pre-emptive rights or to acquire by overall assignment all of the Company's assets, <del>may not exercise their voting rights for the approval of such resolutions at the General Shareholders' Meeting</del> <u>or who are affected by resolutions pursuant to which the Company grants them a right, relieves them of an obligation, excuses them, if a director, from the prohibition against competition, or who approve a transaction in which they are interested, and, in general, merely formal and apparent shareholders who lack an actual and effective interest and do not act in a fully transparent manner vis-à-vis the Company, may not exercise their voting rights at the General Shareholders' Meeting, either directly or by proxy, with respect to the matters or proposed resolutions with respect to which the conflict</u></p>

	<u>refers.</u>
2. The provisions of the foregoing paragraph shall also be applicable when the resolutions affect, (i) in the case of an individual shareholder, the entities or companies controlled by such individual, and (ii) in the case of shareholders which are legal entities, the entities or companies belonging to its group (in the sense indicated in paragraph four of Article Twenty-Nine), even when these latter companies or entities are not shareholders.	2. The provisions of the foregoing paragraph shall also <del>be applicable</del> <u>apply</u> when the resolutions affect, (i) in the case of an individual shareholder, the entities or companies controlled by such individual <sup>2</sup> , and (ii) in the case of shareholders which are legal entities, the entities or companies belonging to its group (in the sense indicated in <del>paragraph four of Article Twenty-Nine</del> <u>29.4 above</u> ), even when these latter companies or entities are not shareholders.
3. If the shareholder prohibited from voting as set forth above attends the General Shareholders' Meeting, such shareholder's shares shall be deducted from the shares in attendance at the General Shareholders' Meeting for purposes of determining the number of shares upon which the majority needed for approval of the resolution with respect to which there is a conflict shall be calculated.	3. If the <del>shareholder prohibited from voting as set forth</del> <u>party subject to any of the voting prohibitions</u> above attends the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting, such shareholder's shares shall be deducted from <del>the shares those</del> in attendance at the General Shareholders' Meeting for purposes of determining the number of shares upon which the majority needed for <del>approval of the resolution with respect to which there is a conflict shall be calculated</del> <u>the adoption of the relevant resolutions</u> .
<b>Article 31. Documentation of Resolutions</b>	<b>Article 31. Documentation of Resolutions</b>
1. Documentation of shareholder resolutions, the conversion thereof into a public instrument and the registration thereof with the Commercial Registry shall be carried out pursuant to the provisions of Law and the Regulations of the Commercial Registry.	1. Documentation of <del>shareholder</del> <u>shareholder</u> resolutions, the conversion thereof into a public instrument and the registration thereof with the Commercial Registry shall be carried out pursuant to the provisions of Law <del>and the Regulations of the Commercial Registry</del> .
2. The total or partial certificates needed to evidence shareholder resolutions shall be issued and signed by the Secretary of the Board of Directors or by the Vice-Secretary with the approval of the Chairman or, if applicable, of one of the Vice-Chairmen.	2. The total or partial certificates needed to evidence <del>shareholder</del> <u>shareholder</u> resolutions shall be issued and signed by the Secretary of the Board of Directors <sup>2</sup> , or by <del>the Vice-Secretary</del> <u>one of the Vice-Secretaries, if any,</u> with the approval of the Chairman <u>of the Board of Directors</u> or, if applicable, of one of the Vice-Chairmen <u>thereof</u> .
<b>Chapter II. Management of the Company</b>	<b>Chapter II. Management of the Company</b>

<b>Section 1. General Provisions</b>	<b>Section 1. General Provisions</b>
<b>Article 32. Structure of the Company's Management</b>	<b>Article 32. Structure of the Company's Management</b>
1. Management of the Company is vested in a Board of Directors, its Chairman, an executive committee called the Executive Committee ( <i>Comisión Ejecutiva Delegada</i> ) and, if any and if agreed to by the Board of Directors, a Chief Executive Officer ( <i>Consejero Delegado</i> ).	1. <del>Management of the Company</del> <u>The Company's management</u> is vested in a Board of Directors, its Chairman, an executive committee called the Executive Committee ( <i>Comisión Ejecutiva Delegada</i> ) and, if any and if agreed to by the Board of Directors, a Chief Executive Officer ( <i>Consejero Delegado</i> ).
2. Each of these bodies shall have the powers set forth in these By-Laws and in the Regulations of the Board of Directors, without prejudice to the provisions of Law.	2. Each of these bodies shall have the powers set forth in these By-Laws, <del>and</del> <u>and</u> in the Regulations of the Board of Directors <u>and other applicable provisions of the Corporate Governance System</u> , without prejudice to the provisions of Law.
<b>Section 2. The Board of Directors</b>	<b>Section 2. The Board of Directors</b>
<b>Article 33. Regulation of the Board of Directors</b>	<b>Article 33. Regulation of the Board of Directors</b>
1. The Board of Directors shall be governed by the provisions set forth in the By-Laws, the Regulations of the Board of Directors and the Law.	<del>1.</del> The Board of Directors shall be governed by the provisions set forth in <u>the Law</u> , the By-Laws, the Regulations of the Board of Directors and <del>the Law</del> <u>other applicable provisions of the Company's Corporate Governance System</u> .
2. The Regulations of the Board of Directors shall take into account and adapt the principles and standards contained in the most widely recognized Good Governance recommendations at all times to the specific circumstances and needs of the Company. This statement is for guidance purposes and does not imply a lessening of the self-regulatory powers and duties of the Board of Directors.	<del>2. The Regulations of the Board of Directors shall take into account and adapt the principles and standards contained in the most widely recognized Good Governance recommendations at all times to the specific circumstances and needs of the Company. This statement is for guidance purposes and does not imply a lessening of the self-regulatory powers and duties of the Board of Directors.</del>
<b>Article 34. Powers of the Board of Directors</b>	<b>Article 34. Powers of the Board of Directors</b>
1. The Board of Directors has the power to adopt resolutions regarding all matters not assigned by these By-Laws or the Law to the shareholders acting at the General	1. The Board of Directors has the power to adopt resolutions regarding all matters not assigned by <u>Law or</u> these By-Laws <del>or the Law</del> to the shareholders acting at the General



Shareholders' Meeting.	<del>Shareholders'</del> <u>Shareholders'</u> Meeting.
<p>2. As a general rule, the Board of Directors, which has the widest powers and authority to manage, direct, administer and represent the Company, shall entrust the day-to-day management of the Company to the representative management decision-making bodies and shall focus its activity on the general duty of supervision and on consideration of those matters which are of particular importance to the Company.</p>	<p>2. <del>As a general rule, which</del> <u>Although</u> the Board of Directors, <del>shall entrust the day-to-day management of the Company</del> <u>as a general rule of good governance, and pursuant to the Company's Corporate Governance System, the Board of Directors shall focus its activities on the supervision and monitoring of the general strategies and guidelines to be followed by the Company and the group of which the controlling company, within the meaning provided by Law, is the Company (the "Group"), entrusting</u> to the representative management decision-making bodies and <del>shall focus its activity on the general duty of supervision and on consideration of those matters which are of particular importance to the Company</del> <u>to the Senior Managers the day-to-day management and direction, as well as the dissemination, coordination and general implementation of the Group's management guidelines, operating in the interest of each and every one of the companies belonging thereto.</u></p>
	<p>3. <u>The Board of Directors shall design, evaluate and review the Company's Corporate Governance System on an ongoing basis. It shall pay special attention to the approval of the Corporate Policies, which further develop the principles reflected in the By-Laws and other documents of the Company's Corporate Governance System and codify the guidelines that should govern the activities of the Company and its shareholders. The Corporate Policies shall group together those relating to corporate governance and regulatory compliance, risks, and social responsibility.</u></p>
	<p>4. <u>The Board of Directors, within its powers regarding the general function of supervision, organization and strategic coordination of the Group, shall occupy itself with the following,</u></p>

	<u>among others:</u>
	<u>a) Determine and coordinate, within legal limits, the general strategies and guidelines for management of the Group, entrusting to the management decision-making bodies and to the management of the subholding companies of the Group the duties of day-to-day management and actual direction of each of the business subgroups thereof.</u>
	<u>b) Supervise the general development of the Group's management strategies and guidelines by the subholding companies thereof, establishing appropriate mechanisms for the exchange of information in the interest of the Company and of the companies included within the Group.</u>
	<u>c) Decide on matters with strategic importance at the Group level.</u>
	<u>d) Ensure the effective separation within the Group of the regulated activities carried out by the various companies making it up upon the terms required by applicable legal provisions in the markets and regions in which it carries out its activities.</u>
	<u>e) Regulate, analyze and decide upon possible conflicts of interest, significant transactions and related-party transactions among the companies of the Group and, in particular, regarding those that affect listed subsidiaries.</u>
	<u>f) Approve the creation or acquisition of equity interests in special purpose entities or entities domiciled in countries or territories that are considered to be tax havens, as well as any other transactions of a similar nature that, due to their complexity, might diminish the</u>

	<u>transparency of the Group.</u>
In particular, the Board of Directors, acting upon its own initiative or at the proposal of the corresponding internal decision-making body, shall deal with the matters set forth below (as an example only):	5. In particular, the Board of Directors, acting upon its own initiative or at the proposal of the corresponding internal decision-making body, shall deal with the matters set forth below (as an example only):
	<u>A. With respect to the General Shareholders' Meeting:</u>
	<u>a-a) Call the General Shareholders' Meeting.</u>
	<u>b-b) Propose to the shareholders at the General Shareholders' Meeting the amendment of the By-Laws.</u>
	<u>c-c) Propose to the shareholders at the General Shareholders' Meeting the amendment of the Rules for the General Shareholders' Meeting to the shareholders.</u>
	<u>d-d) Submit to the shareholders at the General Shareholders' Meeting the transformation of the Company into a holding company, by means of "subsidiarization" or the inclusion within dependent entities of essential activities until that time carried out by the Company, even if it maintains full control over them.</u>
	<u>e-e) Submit to the shareholders at the General Shareholders' Meeting acquisitions or dispositions of essential operating assets when they involve an effective change in the corporate purpose.</u>
	<u>f-f) Propose to the shareholders at the General Shareholders' Meeting the approval of transactions with a purpose equivalent to the</u>

	<u>liquidation of the Company.</u>
	<u>g-g) Implement the resolutions approved by the shareholders at the General Shareholders' Meeting and perform any duties that the shareholders have entrusted thereto.</u>
	B. <u>With respect to the organization of the Board of Directors and the delegation of powers and powers of representation:</u>
	a) <u>Approve and amend the Regulations of the Board of Directors.</u>
	b) <u>Define the structure of general powers to be granted by the Board of Directors or by the delegated management decision-making bodies.</u>
	C. <u>With respect to information to be provided by the Company.</u>
	a) <u>Direct the provision of the Company's information to shareholders and the markets in general, pursuant to standards of equality, transparency and truthfulness.</u>
a) Draw up the Company's Annual Financial Statements, Management Report and Proposal for the Allocation of Profits or Losses, as well as the consolidated Financial Statements and Management Report and prepare the financial information that the Company must periodically make public due to its status as listed company.	a)b) Draw up the Company's <del>Annual Financial Statements</del> <u>annual financial statements</u> , <del>Management Report</del> <u>management report</u> and <del>Proposal</del> <u>proposal</u> for the <del>Allocation</del> <u>allocation</u> of <del>Profits</del> <u>profits</u> or <del>Losses</del> <u>losses</u> , as well as the consolidated <del>Financial Statements</del> <u>financial statements</u> and <del>Management Report</del> <u>management report</u> , and prepare the financial information that the

	Company must periodically make public due to its status as listed company, <u>ensuring that such documents provide a faithful image of the assets, financial position and results of the Company in accordance with the provisions of Law.</u>
	<u>c) Approve the Company's annual corporate governance report, as well as the annual sustainability report, the annual compensation policy report and any other that the Board of Directors considers recommendable to improve information for shareholders and investors or that is required by applicable legal provisions at any time.</u>
	D. <u>With respect to the Directors and Senior Managers:</u>
b) Designate Directors to fill vacancies by interim appointment and propose to the shareholders the appointment, ratification, re-election or removal of Directors.	<u>e)a) Designate Directors to fill vacancies by interim appointment and propose to the shareholders the appointment, ratification, re-election or removal of Directors.</u>
c) Designate and renew internal positions within the Board of Directors and the members of and positions on the Committees established within the Board.	<u>e)b) Designate and renew internal positions within the Board of Directors and the members of and positions on the Committees established within the Board <u>of Directors.</u></u>
d) Set, pursuant to these By-Laws, the compensation policy and the compensation of Directors, at the proposal of the Nominating and Compensation Committee.	<u>d)c) Set, pursuant to <del>these the</del> By-Laws, <del>the compensation policy and the compensation of</del> Directors, at the proposal of the Nominating and Compensation Committee and within the limits established thereby, the Director Compensation Policy and the compensation thereof. In the case of executive Directors, the Board</u>

	<p><u>of Directors shall set the additional compensation to which they are entitled due to their executive duties and other basic terms that their contracts must include.</u></p>
<p>e) Approve the appointment and removal of senior managers of the Company, as well as set the compensations or indemnifications, if any, payable to them in the event of removal, all at the proposal of the Chief Executive Officer, if any, and with the report of the Nominating and Compensation Committee.</p>	<p><del>e)d) Approve</del>—<u>Approve, upon a proposal of the Chairman of the Board of Directors or the Chief Executive Officer the appointment and removal of <del>senior managers</del> Senior Managers of the Company, as well as set the compensations or indemnifications, if any, payable to them in the event of <del>removal</del>, all at the proposal of the Chief Executive Officer, if any, and with the report of the Nominating and Compensation Committee</u><del>removal.</del></p>
	<p><u>As an exception to the foregoing, based on a proposal made for such purpose by the Chairman of the Board of Directors, the Audit and Risk Supervision Committee shall submit a reasoned proposal to the Board of Directors regarding the selection, appointment or removal of the Director of the Internal Audit Area.</u></p>
	<p><u>Senior Managers shall be deemed to be those managers who report directly to the Board of Directors, the Chairman thereof, or the Chief Executive Officer of the Company, and shall in any case include the Director of the Internal Audit Area and any other manager given such status by the Board of Directors.</u></p>
<p>f) Approve the compensation policy as</p>	<p><del>f)e)</del> <u>Approve the <del>compensation policy</del></u></p>



<p>well as the basic terms and conditions of the contracts with the Company's senior managers, based on the proposal of the Chief Executive Officer, if any, which shall be submitted to the Board by the Nominating and Compensation Committee.</p>	<p><u>Senior Manager Compensation Policy</u> as well as the basic terms and conditions of <del>the contracts with the Company's senior managers</del> <u>their contracts</u>, based <u>for such purpose</u> on <del>the a</del> <u>proposal of that the Chairman of the Board of Directors or the Chief Executive Officer, if any, which shall be submitted to the Board by submits to</u> the Nominating and Compensation Committee <u>for its report and submission thereof to the Board of Directors.</u></p>
	<p><del>f)</del> <u>Regulate, analyze and decide upon possible conflicts of interest and related-party transactions of the Company with its Directors and Senior Managers and the persons related thereto.</u></p>
	<p>E. <u>Other Powers:</u></p>
<p>g) Prepare the dividend policy and submit the corresponding proposed resolutions on the allocation of profits or losses to the shareholders at the General Shareholders' Meeting, as well as decide upon the payment of interim dividends.</p>	<p><del>g)</del> <u>Prepare the dividend policy and submit the corresponding proposed resolutions on the allocation of profits or losses to the shareholders at the General Shareholders' Meeting, as well as decide upon the payment of interim dividends.</u></p>
<p>h) Decide upon proposals submitted to it by the Executive Committee, the Chief Executive Officer or the Committees of the Board of Directors.</p>	<p><del>h) Decide upon proposals submitted to it by the Executive Committee, the Chief Executive Officer or the Committees of the Board of Directors.</del></p>
	<p><u>b) Take note of mergers, split-offs, concentrations or overall assignments of assets and liabilities that affect any of the significant companies of the Group</u></p>
<p>i) Declare its position regarding all</p>	<p><del>i)</del> <u>Declare its position regarding all</u></p>

tender offers for the Company's securities.	tender offers for the Company's securities.
j) Submit to the shareholders acting at the General Shareholders' Meeting the proposed amendments to the Rules for the General Shareholders' Meeting that it deems appropriate in order to improve the operation thereof and the exercise of shareholder rights.	<del>j) Submit to the shareholders acting at the General Shareholders' Meeting the proposed amendments to the Rules for the General Shareholders' Meeting that it deems appropriate in order to improve the operation thereof and the exercise of shareholder rights.</del>
k) Approve and amend, pursuant to the provisions thereof, the Regulations of the Board of Directors governing its internal organization and operation.	<del>k) Approve and amend, pursuant to the provisions thereof, the Regulations of the Board of Directors governing its internal organization and operation.</del>
l) Prepare the annual corporate governance report.	<del>l) Prepare the annual corporate governance report.</del>
m) Call the General Shareholders' Meeting.	<del>m) Call the General Shareholders' Meeting.</del>
n) Carry out resolutions approved by the shareholders at a General Shareholders' Meeting and perform any duties that the shareholders have assigned to it.	<del>n) Carry out resolutions approved by the shareholders at a General Shareholders' Meeting and perform any duties that the shareholders have assigned to it.</del>
o) Define the structure of general powers of the Company to be granted by the Board itself or by the representative management decision-making bodies mentioned in the first paragraph of sub-section two of this Article.	<del>o) Define the structure of general powers of the Company to be granted by the Board itself or by the representative management decision-making bodies mentioned in the first paragraph of sub-section two of this Article.</del>
	<u>d) Decide on proposals submitted by the Executive Committee, the Chairman of the Board of Directors, the Chief Executive Officer, the lead independent Director, and the Committees of the Board of Directors.</u>

<p>p) Make decisions regarding any other matter within its authority which, in the judgment of the Board of Directors, is deemed to be in the interests of the Company, or which the Regulations of the Board of Directors reserve to the Board as a whole.</p>	<p><del>p)e)</del> Make decisions regarding any other matter within its authority which, <del>in the judgment of</del> the Board of Directors, <del>is deemed</del> <u>believes</u> to be in the interests of the Company, or which the Regulations of the Board of Directors reserve to the Board as a whole.</p>
<p>3. The Board of Directors, within the scope of its authority relating to the general duty of supervision, acting on its own initiative or at the proposal of the appropriate internal decision-making body, shall also deal with the matters set forth below (as an example only):</p>	<p><del>3.</del> <del>The Board of Directors, within the scope of its authority relating to the general duty of supervision, acting on its own initiative or at the proposal of the appropriate internal decision-making body, shall also deal with the matters set forth below (as an example only):</del></p>
<p>a) Prepare the Company's strategy and general lines of policy, draft programs and state objectives in order to carry out all business activities included in the corporate purpose. Specifically, the Board of Directors shall approve: (i) the annual budget; (ii) the investment and financing policy; (iii) the definition of the structure of the Iberdrola Group and the coordination, within legal limits, of the overall strategy of such Group in the interests of the Company and of the companies belonging thereto; (iv) the corporate governance policy; (v) the corporate social responsibility policy and (vi) the policy to be adopted by the Company in connection with treasury stock and, especially, the limits thereto.</p>	<p><del>a)</del> <del>Prepare the Company's strategy and general lines of policy, draft programs and state objectives in order to carry out all business activities included in the corporate purpose. Specifically, the Board of Directors shall approve: (i) the annual budget; (ii) the investment and financing policy; (iii) the definition of the structure of the Iberdrola Group and the coordination, within legal limits, of the overall strategy of such Group in the interests of the Company and of the companies belonging thereto; (iv) the corporate governance policy; (v) the corporate social responsibility policy and (vi) the policy to be adopted by the Company in connection with treasury stock and, especially, the limits thereto.</del></p>
<p><del>d)b)</del> Promote and supervise the management of the Company, as well as the fulfillment of established objectives.</p>	<p><del>b)</del> <del>Promote and supervise the management of the Company, as well as the fulfillment of established objectives.</del></p>
<p>c) Establish the risk control and management policy, identify the principal risks to the Company and organize appropriate internal</p>	<p><del>e)</del> <del>Establish the risk control and management policy, identify the principal risks to the Company and organize appropriate internal monitoring</del></p>

monitoring and information systems, as well as carry out a periodic monitoring of such systems.	<del>and information systems, as well as carry out a periodic monitoring of such systems.</del>
d) Set the foundations of the corporate organization in order to ensure the greatest efficiency thereof and effective supervision by the Board of Directors.	<del>d) Set the foundations of the corporate organization in order to ensure the greatest efficiency thereof and effective supervision by the Board of Directors.</del>
<del>f)e)</del> Set policy regarding the provision of information to shareholders and to the markets in general under the standards of transparency and truthfulness of the information.	<del>e) Set policy regarding the provision of information to shareholders and to the markets in general under the standards of transparency and truthfulness of the information.</del>
<b>Article 35. Representation of the Company</b>	<b>Article 35. Representation of the Company</b>
1. Representation of the Company both in and out of court shall be the purview of the Board of Directors, its Chairman, the Executive Committee and, if any and if approved by the Board of Directors, a Chief Executive Officer.	1. Representation of the Company <del>both in and out of court</del> shall be the purview of the Board of Directors, its Chairman, the Executive Committee and, if any and if approved by the Board of Directors, a Chief Executive Officer.
2. The Board of Directors and the Executive Committee shall have the power to represent the Company when acting collectively. The Chairman, and the Chief Executive Officer, if any, shall have the power to represent the Company when acting individually.	2. <del>The</del> <u>The</u> Board of Directors and <del>the</del> <u>the</u> Executive Committee shall <del>have the power to represent the Company when acting</del> <u>act</u> collectively <u>in the exercise of their powers</u> . The Chairman, and the Chief Executive Officer, <del>if any,</del> shall <del>have the power to represent the Company when acting</del> <u>act</u> <u>individually</u> <u>in their individual capacity</u> .
3. The resolutions of the Board of Directors or the Executive Committee shall be carried out by its Chairman or by the Director designated in the resolution, either of whom may act individually.	3. The resolutions of the Board of Directors or the Executive Committee shall be carried out by its Chairman, <del>or by</del> <u>its Secretary, by the a</u> Director <u>or by any third party</u> designated in the resolution, <del>either of whom may act</del> <u>acting</u> <u>jointly or</u> individually.
<b>Article 36. Composition and Appointment of the Board of Directors</b>	<b>Article 36. Composition <u>and Appointment</u> of the Board of Directors <u>and Appointment of Directors</u></b>
1. The Board of Directors shall be composed of a minimum of nine (9) Directors and a	1. The Board of Directors shall be composed of a minimum of nine (9) <del>Directors</del> and a

<p>maximum of fifteen (15), who shall be appointed or ratified at the General Shareholders' Meeting, subject to applicable legal provisions. The determination of the number of Directors shall be the purview of the shareholders acting at the General Shareholders' Meeting, for which purpose the shareholders may establish such number either by express resolution or indirectly, through the filling or non-filling of vacancies or the appointment or non-appointment of new Directors within the minimum and maximum numbers mentioned above. Notwithstanding the foregoing, the Board of Directors shall propose to the shareholders at the General Shareholders' Meeting the number of Directors that, according to the circumstances affecting the Company and taking into account the maximum and minimum numbers referred to above, best suits the Good Governance recommendations with a view to ensuring the proper representation and effective operation of the Board.</p>	<p>maximum of <del>fifteen (15)</del><u>fourteen (14)</u> <u>Directors</u>, who shall be appointed or ratified at the General Shareholders' Meeting, subject to <del>applicable legal provisions</del><u>Law and the requirements established by the Company's Corporate Governance System</u>. The determination of the number of Directors shall be the purview of the shareholders acting at the General <del>Shareholders'</del><u>Shareholders'</u> Meeting, for which purpose the shareholders may establish such number either by express resolution or indirectly, through the filling or non-filling of vacancies or the appointment or non-appointment of new Directors within the minimum and maximum numbers mentioned above. <del>Notwithstanding the foregoing, the Board of Directors shall propose to the shareholders at the General Shareholders' Meeting the number of Directors that, according to the circumstances affecting the Company and taking into account the maximum and minimum numbers referred to above, best suits the Good Governance recommendations with a view to ensuring the proper representation and effective operation of the Board.</del></p>
<p>The foregoing shall be deemed to be without prejudice to the right of proportional representation to which the shareholders are entitled under the provisions of the Companies Law.</p>	<p>The foregoing shall be deemed to be without prejudice to the <del>right system</del> of proportional representation to which the shareholders are entitled under the provisions of <del>the</del> <u>Companies</u>-Law.</p>
<p>2. The following may not be appointed as Directors:</p>	<p>2. The following may not be appointed as Directors <u>or individual representatives of a Director that is a legal entity</u>:</p>
<p>a) Domestic or foreign companies competing with the Company in the energy or other industries, or the directors or senior managers thereof, or the persons, if any, who are proposed by such companies in their capacity as shareholders.</p>	<p>a) Domestic or foreign companies competing with the Company in the energy or other industries, or the directors or senior managers thereof, or the persons, if any, who are proposed by such companies in their capacity as shareholders.</p>
<p>b) Persons holding the position of</p>	<p>b) <del>Persons</del><u>Individuals or legal entities</u></p>

director in more than four (4) companies with shares trading on domestic or foreign securities exchanges.	holding the position of director in more than <del>four</del> <sup>three</sup> (4 <del>3</del> ) companies with shares trading on domestic or foreign <del>securities</del> <sup>Securities</sup> <del>exchanges</del> <sup>Exchanges</sup> .
c) Persons who, during the two (2) years prior to their appointment, have occupied high-level positions in the government which are incompatible with the simultaneous performance of the duties of a director of a listed company under national or autonomous community legislation, or positions of responsibility with entities regulating the energy industry, the securities markets or other industries in which the Company operates.	c) Persons who, during the two (2) years prior to their appointment, have occupied high-level positions in the government which are incompatible with the simultaneous performance of the duties of a director of a listed company under national or autonomous community legislation, or positions of responsibility with entities regulating the energy industry, the securities markets or other industries in which the Company <u>or the Group</u> operates.
d) Persons who are under any other circumstance of incompatibility or prohibition governed by provisions of a general nature, including those who have, in any manner, interests opposed to those of the Company.	d) <del>Persons who are</del> <u>Individuals or legal entities</u> under any other circumstance of incompatibility or prohibition governed by provisions of a general nature, including those who have, in any manner, interests opposed to those of the Company <u>or the Group</u> .
	<u>3. The appointment, ratification, re-election and removal of Directors must comply with the provisions of Law and the Company's Corporate Governance System.</u>
<b>Article 37. Types of Directors</b>	<b>Article 37. Types of Directors</b>
1. The following shall be deemed:	1. The following shall be deemed:
<del>e)a)</del> <u>a)</u> Executive Directors: those Directors who perform senior management duties or are employees of the Company or of its Group.	<del>e)a)</del> <u>a)</u> Executive Directors: those Directors who perform senior management duties or are employees of the Company or of its Group.
<del>e)b)</del> <u>b)</u> External Proprietary Directors: those Directors: (i) who own a shareholding interest that is greater than or equal to that legally regarded as significant at any time or who have been appointed owing to their status as shareholders,	<del>e)b)</del> <u>b)</u> External Proprietary Directors: those Directors: (i) who own a shareholding interest that is greater than or equal to that legally regarded as significant at any time or who have been appointed owing to their status as shareholders,



<p>although their shareholding interest does not reach such amount; or (ii) whose appointment has been proposed to the Company by shareholders of the type described in the preceding letter (i).</p>	<p>although their shareholding interest does not reach such amount; or (ii) whose appointment has been proposed to the Company by shareholders of the type described in the preceding letter (i).</p>
<p><del>e)c)</del> External Independent Directors: those Directors who, having been appointed because of their personal and professional qualities, may carry out their duties without being conditioned by relationships with the Company, its significant shareholders or its managers.</p>	<p><del>2.c)</del> External Independent Directors: those Directors who, having been appointed because of their personal and professional qualities, may carry out their duties without being conditioned by relationships with the Company, its significant shareholders or its managers.</p>
<p><del>3.d)</del> Other External Directors: those external Directors who do not have status as proprietary or independent directors.</p>	<p><del>2.d)</del> Other External Directors: those external Directors who do not have status as proprietary or independent directors.</p>
<p>The Regulations of the Board of Directors may further elaborate upon and develop these concepts.</p>	<p>The Regulations of the Board of Directors may further elaborate upon and develop these concepts.</p>
<p>2. The Board of Directors shall be composed such that the external or non-executive Directors, with the presence of the independent Directors, represent a majority over the executive Directors. This is a mandatory instruction for the Board of Directors itself, which must follow it in the exercise of its powers to propose appointments of Directors to the shareholders and to make interim appointments of Directors to cover vacancies, and merely constitutes guidance for the shareholders.</p>	<p>2. The Board of Directors shall be composed such that the external <del>or non-executive</del> Directors, <del>with the presence of the independent Directors,</del> represent a majority over the executive Directors. <del>This is a mandatory instruction for the Board of Directors itself,</del> <u>This instruction, as well as those set forth in these By-Laws and in the Regulations of the Board of Directors regarding the composition of the Committees of the Board of Directors, shall be mandatory for the Board of Directors,</u> which must follow <del>it-them</del> in the exercise of its powers to propose appointments <u>and re-elections</u> of Directors to the <del>shareholders</del> <u>shareholders</u> and to make interim appointments of Directors to cover vacancies <u>and to appoint members of the Committees of the Board of Directors,</u> and merely constitutes <del>guidance</del> <u>guidance</u> for the <del>shareholders</del> <u>shareholders, as applicable.</u></p>
<p>3. The status of each Director shall be</p>	<p>3. <u>A rationale for</u> <del>The the</del> status of each Director</p>

<p>explained by the Board to the shareholders at the General Shareholders' Meeting at which the appointment thereof must be made or ratified, and shall be confirmed or, if applicable, revised annually in the annual corporate governance report after verification by the Nominating and Compensation Committee.</p>	<p>shall be <del>explained-given</del> by the Board <u>of Directors</u> to the shareholders at the General Shareholders' Meeting at which the appointment thereof must be made or ratified <u>or the re-election thereof approved</u>, and shall be <del>confirmed-maintained</del> or, if applicable, <del>revised-annually-modified</del> in the annual corporate governance report, after <del>verification by a report from</del> the Nominating and Compensation Committee.</p>
<p><b>Article 38. Designation of Positions</b></p>	<p><b>Article 38. Designation of Positions</b></p>
<p>1. The Board of Directors shall elect from among its members, after a report of the Nominating and Compensation Committee, a Chairman and, if it so decides, one or more Vice-Chairmen, at the proposal of the Chairman. The Board of Directors may also appoint one or more Honorary Chairmen of the Company.</p>	<p>1. The Board of Directors shall elect from <del>among its members</del><u>among its members</u>, after a report of the Nominating and Compensation Committee, a Chairman <u>of the Board of Directors</u> and, if it so decides, one or more Vice-Chairmen <u>of the Board of Directors</u>, at the proposal of the Chairman <u>of the Board of Directors</u>. The Board of Directors may also appoint one or more Honorary Chairmen of the Company.</p>
	<p><u>2. If the Chairman of the Board of Directors performs executive duties, the Board of Directors, upon a proposal from the Nominating and Compensation Committee, shall empower an independent Director to:</u></p>
	<p><u>a) Request the Chairman of the Board of Directors to call a meeting thereof when he so deems it appropriate.</u></p>
	<p><u>b) Request the inclusion of matters on the agenda for meetings of the Board of Directors.</u></p>
	<p><u>c) Coordinate and reflect the concerns of the external Directors.</u></p>
	<p><u>d) Direct the evaluation of the Chairman of the Board of Directors.</u></p>
<p><u>4.2.</u> At the proposal of the Chairman and after a report of the Nominating and Compensation Committee, the Board of Directors shall</p>	<p><u>2.3.</u> At the proposal of the Chairman <u>of the Board of Directors</u> and after a report of the Nominating and Compensation Committee,</p>

<p>appoint a Secretary and, if applicable, a Vice-Secretary, who need not be Directors. In the absence of the Secretary and the Vice-Secretary, the Director appointed by the Board of Directors from among those attending the meeting in question shall act as such. In addition, the Board of Directors shall appoint a Corporate Counsel if such position is required under applicable law. The Secretary or the Vice-Secretary, if any, may perform the duties of Corporate Counsel if they are attorneys-at-law and satisfy the other requirements established by applicable law and it is so determined by the Board of Directors.</p>	<p>the Board of Directors shall appoint a Secretary <u>of the Board of Directors</u> and, if applicable, <u>a Vice-Secretary one or more Vice-Secretaries</u>, who need not be Directors. In the absence of the Secretary and <del>the Vice-Secretary</del> <u>Vice-Secretaries of the Board of Directors</u>, the Director appointed by the Board of Directors from among those attending the meeting in question shall act as such. <del>In addition, the Board of Directors shall appoint a Corporate Counsel if such position is required under applicable law. The Secretary or the Vice-Secretary, if any, may perform the duties of Corporate Counsel if they are attorneys-at-law and satisfy the other requirements established by applicable law and it is so determined by the Board of Directors.</del></p>
<p>3. The Chairman, Vice Chairmen and, if applicable, the Secretary and Vice-Secretary of the Board of Directors who are re-elected as members of the Board of Directors by the shareholders, shall continue to perform the duties they previously carried out within the Board of Directors, without the need for a new election and without prejudice to the Board of Directors' power of revocation with respect to such positions.</p>	<p><del>3.4.</del> The Chairman, Vice Chairmen and, if applicable, the Secretary and <del>Vice-Secretary</del> <u>Vice-Secretaries</u> of the Board of Directors who are re-elected as members of the Board of Directors by the <del>shareholders</del> <u>shareholders</u>, shall continue to perform the duties they previously carried out within the Board of Directors, without the need for a new election and without prejudice to the Board of Directors' power of revocation with respect to such positions.</p>
<p><b>Article 39. Meetings of the Board of Directors</b></p>	<p><b>Article 39. Meetings of the Board of Directors</b></p>
<p>1. The Board of Directors shall meet with the frequency it deems appropriate, but at least once a month unless the Chairman, in his sole judgment, deems it appropriate to suspend any of such sessions. The Board shall also meet in the cases provided for in the Regulations of the Board of Directors. Meetings shall take place at the Company's registered office or at the place, in Spain or abroad, indicated in the call to meeting.</p>	<p>1. The Board of Directors shall meet with the frequency <del>it that the Chairman of the Board of Directors</del> <u>deems appropriate, but at least once a month unless the Chairman, in his sole judgment, deems it appropriate to suspend any of such sessions. The Board shall also meet and at least the number of times and</u> in the cases provided for in the Regulations of the Board of Directors. Meetings shall take place at the Company's registered office or at the place, in Spain or abroad, indicated in the call to meeting.</p>
<p>2. The call to meeting of the Board of Directors</p>	<p><del>3.2.</del> The call to meeting of the Board of Directors</p>

<p>shall be carried out by means of letter, fax, telegram, e-mail or any other means, and shall be authorized under the signature of the Chairman, or of the Secretary or Vice-Secretary, by order of the Chairman. Notice of the call shall be given as much in advance as is necessary for the Directors to receive it no later than the third day prior to the date of the meeting, except in the case of emergency meetings. Excepted from the foregoing shall be those instances in which the Regulations of the Board of Directors prescribe that notice of specific length be given. The call to meeting shall always include, unless this requirement may be dispensed with upon sufficient grounds, the agenda for the meeting and, if appropriate, an attachment containing any information deemed necessary.</p>	<p>shall be carried out by <del>means of letter, fax, telegram, e-mail</del> <u>the Secretary of the Board of Directors or the person acting in his stead, with the authorization of the Chairman, or by any other means, and shall be authorized under the signature of the Chairman, or of the Secretary or Vice-Secretary, by order of the Chairman</u> <del>means that allows for the receipt thereof</del>. Notice of the call shall be given as much in advance as is necessary for the Directors to <del>receive it to have access thereto</del> <u>no later than the third day prior to the date of the meeting, except in the case of emergency meetings. Excepted from the foregoing shall be those instances in which the Regulations of the Board of Directors prescribe that notice of specific length be given. The call to meeting shall always include, unless this requirement may be dispensed with upon sufficient grounds, the agenda for the meeting and, if appropriate, an attachment containing any</u> <u>Any information deemed necessary shall be sent or made available through the Directors' website together with the call to meeting, which shall always include the agenda for the meeting, unless the requirement may be dispensed with upon duly-justified grounds.</u></p>
<p><u>4.3.</u> Without prejudice to the foregoing, the Board of Directors shall be deemed to have validly met without the need for a call if all of the Directors present in person or by proxy unanimously agree to hold the meeting as a plenary meeting and to the items of the agenda to be dealt with.</p>	<p><u>5.3.</u> Without prejudice to the foregoing, the Board of Directors shall be deemed to have validly met without the need for a call if all of the Directors present in person or by proxy unanimously agree to hold the meeting <del>as a plenary meeting</del> and to the items of the agenda to be dealt with.</p>
<p>4. Meetings of the Board of Directors may also be held in several places connected by a conference system which permits the recognition and identification of the attendees, permanent communication among the attendees regardless of their location, and participation in discussion and the casting of votes, all in real time. Attendees at any of such places shall be deemed to have attended the same meeting for all purposes relating to the Board of Directors. The meeting shall be</p>	<p>4. Meetings of the Board of Directors may <del>also</del> be held in several places connected by a conference system which permits the recognition and identification of the attendees, permanent communication among the attendees regardless of their location, and participation in discussion and the casting of votes, all in real time. Attendees at any of such places shall be deemed to have attended the same meeting for all purposes relating to the Board of Directors. The <del>meeting</del> <u>meeting</u></p>

<p>deemed to have been held where the majority of the Directors are located and, if they are located in different places in equal numbers, where the Director chairing the meeting is located.</p>	<p>shall be deemed to have been held where the <del>majority of the largest number of</del> Directors are located and, if they are <del>located in different places</del> in equal numbers, where the <u>Director Chairman of the Board of Directors or, in his absence, the person</u> chairing the meeting, is located.</p>
<p>5. If no Director is opposed thereto, voting by the Board may occur in writing without a meeting. In this instance, the Directors may deliver to the Chairman (or to the Secretary or Vice-Secretary acting on the Chairman's behalf) their votes and the considerations they wish to appear in the minutes, using the same methods mentioned in paragraph two above. Resolutions adopted by this procedure shall be recorded in minutes prepared pursuant to the provisions of Law.</p>	<p>5. <del>If no Director is opposed thereto, voting</del> <u>Voting</u> by the Board <u>of Directors</u> may occur in writing without a meeting <u>provided that no Director objects thereto</u>. In this instance, the Directors may deliver to the <u>Chairman (or to the Secretary of the Board of Directors, or Vice-Secretary acting on the Chairman's behalf),</u> <del>the person acting on his</del> their votes and the considerations they wish to appear in the minutes, <del>using the same methods mentioned in paragraph two above</del> <u>by any means allowing for the receipt thereof</u>. Resolutions adopted by this procedure shall be recorded in minutes prepared pursuant to the provisions of Law.</p>
<p><b>Article 40. Quorum for the Meeting and Majorities Required to Adopt Resolutions</b></p>	<p><b>Article 40. Quorum for the Meeting and Majorities Required to Adopt Resolutions</b></p>
<p>1. In order for resolutions within the authority of the Board of Directors to be valid, at least one-half plus one of the Directors must be present in person or by proxy at the meetings at which they are adopted, except in the case set forth in the last paragraph of this Article.</p>	<p>1. <del>In order for</del> <u>For the adoption of</u> resolutions <del>within the authority</del> of the Board of Directors <del>to be valid, at least one half plus one of the Directors must be present</del> <u>shall require the attendance at the meeting,</u> in person or by proxy <del>at the meetings at which they are adopted, except in the case set forth in the last paragraph of this Article</del> <u>of a majority of the Directors.</u></p>
<p><del>3.2.</del> All of the Directors may cast their vote and give their proxy in favor of another Director. The proxy granted shall be a special proxy for the Board meeting in question, and may be communicated by any of the means set forth in paragraph two of the preceding article.</p>	<p>2. All of the Directors may cast their vote and give their proxy in favor of another Director. The proxy granted shall be a special proxy for the Board meeting in question, and may be communicated by any <del>of the means set forth in paragraph two of the preceding article</del> <u>means allowing for the receipt thereof.</u></p>
<p>3. The Chairman shall organize the debate, stimulating the participation of all of the</p>	<p>3. The Chairman <del>shall organize of the Board of</del> <u>Directors, as the person responsible for the</u></p>

Directors in the deliberations of the Board.	<u>efficient operation thereof, shall stimulate the debate, <del>stimulating the</del> and active participation of <del>all of the</del> Directors <del>in the deliberations of the Board</del> during its meetings, safeguarding the free making of decisions and expression of opinion.</u>
4. Resolutions shall be adopted by a majority of votes cast in person or by proxy, except in the case of a permanent delegation of powers and the appointment of Directors to exercise such powers, which shall require the favorable vote of two-thirds of the Directors. The foregoing shall not apply in those instances in which the By-Laws, the Regulations of the Board of Directors or the Law provide for a greater majority. In the event of a tie, the Chairman shall have the tie-breaking vote.	<u>5.4.</u> Resolutions shall be adopted by <del>a</del> <u>absolute</u> majority of votes cast in person or by proxy <u>at the meeting</u> , except in the case of a permanent delegation of powers and the appointment of Directors to exercise such powers, <del>which</del> <u>which</u> shall require the favorable vote of <u>at least</u> two-thirds (2/3) of the Directors. <del>The foregoing shall not apply in those instances in which the By-Laws, the Regulations of the Board of Directors or the Law provide for a greater majority. The Law or the Company's Corporate Governance System may provide for greater majorities.</del> In the event of a tie, the Chairman shall have the tie-breaking vote.
	<u>6.5.</u> <u>The Chairman may invite to meetings of the Board of Directors or to particular items on the agenda all those persons who might contribute to improving the information provided to the Directors.</u>
<b>Article 41. Formalization of Resolutions</b>	<b>Article 41. Formalization of Resolutions</b>
1. Resolutions shall be recorded in minutes signed by the Chairman and the Secretary, or by the person acting in their stead.	1. Resolutions shall be recorded in minutes signed by the Chairman and the Secretary, or by the person acting in their stead.
2. Total or partial certifications, which are required to record the resolutions of the Board of Directors, shall be issued and signed by the Secretary or the Vice-Secretary of the Board of Directors with the approval of the Chairman or, if applicable, of one of the Vice-Chairmen.	2. Total or partial certifications, which are required to record the resolutions of the Board of Directors, shall be issued and signed by the Secretary or, <u>if applicable, by one of the Vice-Secretaries</u> <del>the Vice-Secretary</del> of the Board of Directors with the approval of the Chairman or, if applicable, of one of the Vice-Chairmen.



<p><b>Section 3. Internal Decision-Making Bodies and Positions of the Board of Directors</b></p>	<p><b>Section 3. <del>Internal Decision-Making Bodies</del><u>Committees</u> and Positions <del>of within</del> the Board of Directors</b></p>
<p><b>Article 42. Committees of the Board of Directors</b></p>	<p><b>Article 42. Committees of the Board of Directors</b></p>
<p>1. The Board of Directors must create and maintain an Executive Committee, an Audit and Compliance Committee and a Nominating and Compensation Committee.</p>	<p>1. The Board of Directors must create and <u>permanently</u> maintain an Executive Committee, <del>an Audit and Compliance Committee and a Nominating and Compensation Committee.</del></p>
	<p><u>2. The Board of Directors must also create an Audit and Risk Supervision Committee, an Appointments and Compensation Committee and a Corporate Social Responsibility Committee.</u></p>
<p>2. The Board of Directors may also create other Committees or Commissions of purely internal scope with powers as determined by the Board of Directors.</p>	<p><u>2.3. In addition, <del>The</del> the Board of Directors may also create other Committees or Commissions of purely internal scope with powers as determined by the Board of Directors.</u></p>
	<p><u>4. The Committees shall be governed by the provisions of the Company's Corporate Governance System, including, if applicable, specific Regulations, when available, which must be approved by the Board of Directors and, by way of supplement and to the extent not incompatible with the nature thereof, by the provisions regarding the operation of the Board of Directors, particularly with respect to the call to meetings, delegation of proxies to another Director, constitution of meetings, meetings without a call, the holding of meetings, rules for adopting resolutions, voting in writing and without a meeting, and approval of the minutes of meetings.</u></p>
<p><b>Article 43. Executive Committee</b></p>	<p><b>Article 43. Executive Committee</b></p>
<p>1. There shall be an executive committee permanently operating as the representative of the Board of Directors, which committee shall be called the Executive Committee, and which shall have all of the powers inherent</p>	<p>1. <del>There</del> <u>The Board of Directors shall be an executive committee permanently operating as the representative of the Board of Directors, which committee shall be called the</u> <u>permanently create an</u> Executive</p>

<p>to the Board of Directors, unless otherwise determined by the Board of Directors and except as those powers may not be delegated pursuant to legal or by-laws restrictions. The Executive Committee shall be composed of the Directors designated by favorable vote of two-thirds of the Directors, and renewals shall occur at the times, in the manner and in the number determined by the Board of Directors, which shall also establish rules for the operation thereof.</p>	<p>Committee, <del>and which shall have</del> <u>with</u> all of the powers inherent to the Board of Directors, <del>unless otherwise determined by the Board of Directors and</del> <u>except as for</u> those powers <u>that</u> may not be delegated pursuant to legal or by-laws restrictions. <del>The Executive Committee shall be composed of the Directors designated by favorable vote of two-thirds of the Directors, and renewals shall occur at the times, in the manner and in the number determined by the Board of Directors, which shall also establish rules for the operation thereof.</del></p>
<p>2. The Executive Committee shall be composed of the number of Directors decided by the Board of Directors, with a minimum of five (5) Directors and a maximum of eight (8). In all cases, the Executive Committee shall include the Chairman of the Board of Directors, who shall preside over meetings of the Executive Committee, the Vice-Chairman or Vice-Chairmen, and the Chief Executive Officer, if any. The Secretary of the Board of Directors or, in the absence thereof, the Vice-Secretary of the Board of Directors or, in the absence of both, the Director appointed by the Executive Committee among those who sit thereon and are in attendance at the meeting in question shall act as Secretary of the Committee.</p>	<p>2. The Executive Committee shall be composed of the number of Directors decided by the Board of Directors <u>upon a proposal of the Nominating and Compensation Committee</u>, with a minimum of five (5) <del>Directors</del> and a maximum of eight (8) <del>Directors</del>. <del>In all cases, the Executive Committee shall include the Chairman of the Board of Directors, who shall preside over meetings of the Executive Committee, the Vice Chairman or Vice Chairmen, and the Chief Executive Officer, if any. The Secretary of the Board of Directors or, in the absence thereof, the Vice-Secretary of the Board of Directors or, in the absence of both, the Director appointed by the Executive Committee among those who sit thereon and are in attendance at the meeting in question shall act as Secretary of the Committee.</del></p>
<p>3. The Executive Committee shall meet at least two (2) times per month and as many other times as deemed appropriate by the Chairman, who may also suspend one or more of the ordinary meetings when deemed appropriate in the sole judgment of the Chairman. The Executive Committee shall deal with all matters within the power of the Board of Directors which, in the sole judgment of the Committee, should be resolved without further delay, excepting only the drawing up of the financial statements, the presentation of the balance sheets at the General Shareholders' Meeting</p>	<p>3. The <del>Executive Committee shall meet at least two (2) times per month and as many other times as deemed appropriate by the Chairman, who may also suspend one or more of the ordinary meetings when deemed appropriate in the sole judgment of the Chairman. The Executive Committee shall deal with all matters within the power of the Board of Directors which, in the sole judgment of the Committee, should be resolved without further delay, excepting only the drawing up of the financial statements, the presentation of the balance sheets at the General Shareholders' Meeting and those</del></p>

<p>and those powers which are given by the shareholders to the Board of Directors without the power of delegation. Resolutions adopted by the Executive Committee shall be reported to the Board of Directors at the next meeting of the Board following the meetings of the Committee.</p>	<p><del>powers which are given by the shareholders to the Board of Directors without the power of delegation. Resolutions adopted by the Executive Committee shall be reported to the Board of Directors at the next meeting of the Board following the meetings of the Committee</del> <u>appointment of members of the Executive Committee and the delegation of powers thereto shall be carried out by the Board with the favorable vote of two-thirds (2/3) of the Directors. The renewal thereof shall be carried out at the time and in the form and numbers as is decided by the Board of Directors.</u></p>
	<p>4. <u>The Chairman of the Board of Directors, the Vice-Chairman or Vice-Chairmen of the Board of Directors and the Chief Executive Officer shall in all cases form a part of the Executive Committee.</u></p>
	<p>5. <u>The meetings of the Executive Committee shall be chaired by the Chairman of the Board of Directors, and in the absence thereof by one of the Vice Chairmen. The Secretary of the Board of Directors or, in the absence thereof, one of the Vice-Secretaries or, in the absence of all of them, the Director that the Executive Committee appoints from among its members in attendance, shall act as Secretary.</u></p>
<p>4. Resolutions of the Executive Committee shall be adopted by majority of the Directors sitting on the Committee who are present at the meeting in person or by proxy. In the event of a tie, the Chairman shall have the tie-breaking vote.</p>	<p><del>4.6.</del> Resolutions of the Executive Committee shall be adopted by majority of the Directors sitting on the Committee who are present at the meeting in person or by proxy. In the event of a tie, the Chairman shall have the tie-breaking vote.</p>
<p>5. The provisions of Section Two of this Chapter of the By-Laws regarding the operation of the Board of Directors shall apply to the Executive Committee, to the extent they are not incompatible with the nature thereof.</p>	<p><del>5. The provisions of Section Two of this Chapter of the By-Laws regarding the operation of the Board of Directors shall apply to the Executive Committee, to the extent they are not incompatible with the nature thereof.</del></p>

Article 44. Audit and Compliance Committee	Article 44. Audit and <del>Compliance</del> — <u>Risk Supervision</u> Committee
<p>1. The Board of Directors shall create a permanent Audit and Compliance Committee, which shall be composed of a minimum of three (3) Directors and a maximum of five (5) Directors appointed by the Board of Directors from among the external Directors who are not members of the Executive Committee. The Audit and Compliance Committee shall have a Chairman and a Secretary appointed by the Board of Directors from among the members of such Committee.</p>	<p>1. The Board of Directors shall create a permanent Audit and <del>Compliance</del>—<u>Risk Supervision</u> Committee, <u>an internal informational and consultative body, without executive duties, and with informational, advisory and proposal-making powers within its areas of activity.</u></p>
<p>2. The members of the Audit and Compliance Committee shall carry out their duties for a maximum period of four (4) years, and may be re-elected. The position of Chairman shall be held for a maximum period of (4) years, after which period such person may not be re-elected until the passage of one year from ceasing to act as such, without prejudice to such person continuing or being re-elected as a member of the Committee.</p>	<p>2. <del>1.—which—The Audit and Risk Supervision Committee</del> shall be composed of a minimum of three (3) <del>Directors</del>—<u>Directors</u> appointed by the Board of Directors, <u>upon a proposal of the Nominating and Compensation Committee,</u> from among the external Directors <del>who</del>—<u>who</u> are not members of the Executive Committee. <del>The Audit and Compliance Committee shall have a Chairman and a Secretary appointed by the Board of Directors from among the members of such Committee. A majority of such Directors shall be independent, and at least one of them shall be appointed taking into account the knowledge and experience thereof in the areas of accounting, auditing and risk management.</del></p>
	<p>3. <del>The members</del><u>The Board of Directors shall appoint the Chairman</u> of the <del>Audit and Compliance Committee shall carry out their duties for a maximum period of four (4) years, and may be re-elected.</del>—<u>Risk Supervision Committee from among the independent Directors forming a part thereof, as well as its Secretary, who need not be a Director.</u> The position of Chairman <u>of the Audit and Risk Supervision Committee</u> shall be held for a maximum period of <u>three (43)</u> years, after which period such person may not be re-elected until the passage of <u>at least one</u></p>

	year from ceasing to act as such, without prejudice to his continuance or re-election as a member of the Committee.
3. In all events, the Audit and Compliance Committee shall have the power to:	<del>2.4.</del> The Audit and <del>Compliance-Risk Supervision</del> Committee shall have the <del>power to</del> powers set forth in the Regulations of the Board of Directors and in its own Regulations and in any event the following:
a) Report to the General Shareholders' Meeting with respect to matters raised therein by shareholders regarding its powers.	a) Report to the General Shareholders' Meeting with respect to matters raised therein by shareholders regarding its powers.
	<u>b) Supervise the effectiveness of the internal control of the Company and of its Group, as well as the risk management systems.</u>
	<u>c) Together with the auditors, analyze significant weaknesses in the internal control system detected during the audit.</u>
	<u>d) Supervise the process of preparing and presenting regulated financial information.</u>
b) Propose appointments of the Company's Auditors to the Board of Directors for submission to the General Shareholders' Meeting.	<del>b)e)</del> <u>Propose appointments—the appointment, re-election or replacement of the Company's—Auditors—auditors, in accordance with applicable legal provisions,</u> to the Board of Directors for submission to the General Shareholders' Meeting.
c) Supervise the management of the Internal Audit Area, which will be functionally controlled by the Chairman of the Audit and Compliance Committee.	<del>e)f)</del> <u>Supervise the management—activities of the Internal Audit Area, which will be functionally controlled by the Chairman of the—Audit and Compliance—Risk Supervision</u> Committee.
d) Know the process for gathering financial information and associated internal systems for monitoring risks	<del>d)</del> <u>Know—the process—for—gathering financial information and associated internal systems for monitoring risks</u>

relevant to the Company.	<del>relevant to the Company.</del>
<p>e) Receive information from the Auditors regarding matters that might risk the independence thereof which are related to the auditing procedure and generally regarding any other information provided for in legislation regarding the auditing of financial statements and in the technical auditing regulations in effect at any time.</p>	<p><del>e)g) <u>Receive</u> <u>Establish appropriate relations with the auditors to receive information from the Auditors</u> regarding matters that might risk the independence thereof, <u>for examination by the Audit and Risk Supervision Committee, and any other which are information</u> related to the <u>development of the</u> auditing procedure and <u>generally regarding any other informations as well as such other communications as are</u> provided for in legislation regarding the auditing of financial statements <u>and in other legal provisions on auditing and in the technical auditing regulations in effect at any time.</u> In any event, it must <u>receive written confirmation from the auditors on an annual basis of their independence vis-à-vis the Company or entities directly or indirectly related thereto, as well as information on additional services of any kind provided to such entities by such auditors or persons or entities related thereto pursuant to legislation on auditing.</u></del></p>
<p>f) Report in advance on the Company's annual corporate governance report and ensure compliance with legal requirements and those of the Codes of Professional Conduct and Good Governance adopted by the Board of Directors.</p>	<p><del>f) <u>Report in advance on the Company's annual corporate governance report and ensure compliance with legal requirements and those of the Codes of Professional Conduct and Good Governance adopted by the Board of Directors.</u></del></p>
<p>g) Exercise such other powers, if any, as may be assigned to it by these By-Laws, the Regulations of the Board of Directors or the Board of Directors.</p>	<p><del>g) <u>Exercise such other powers, if any, as may be assigned to it by these By-Laws, the Regulations of the Board of Directors or the Board of Directors.</u></del></p>
<p>3. For purposes of the operation of the Committee, it shall meet as many times as its Chairman deems necessary for the fulfillment of its obligations, and at least four (4) times per year, or when requested by at least one-half of its members. Meetings of</p>	<p><del>3. <u>For purposes of the operation of the Committee, it shall meet as many times as its Chairman deems necessary for the fulfillment of its obligations, and at least four (4) times per year, or when requested by at least one-half of its members. Meetings of the</u></del></p>



<p>the Committee shall be validly held when one-half plus one of its members are present in person or by proxy, and shall adopt resolutions by majority of the members present in person or by proxy. In the event of a tie, the Chairman shall have the tie-breaking vote.</p>	<p><del>Committee shall be validly held when one-half plus one of its members are present in person or by proxy, and shall adopt resolutions by majority of the members present in person or by proxy. In the event of a tie, the Chairman shall have the tie-breaking vote.</del></p>
<p>4. The Audit and Compliance Committee shall submit for approval of the Board of Directors a Report of its activities during the fiscal year, which shall thereafter be made available to shareholders and investors on occasion of the call to the ordinary General Shareholders' Meeting.</p>	<p><del>4. The Audit and Compliance Committee shall submit for approval of the Board of Directors a Report of its activities during the fiscal year, which shall thereafter be made available to shareholders and investors on occasion of the call to the ordinary General Shareholders' Meeting.</del></p>
<p>5. The foregoing rules shall be developed by the Board of Directors into corresponding Regulations of the Committee, always favoring independence in the operation of the Committee.</p>	<p><del>5. The foregoing rules shall be developed by the Board of Directors into corresponding Regulations of the Committee, always favoring independence in the operation of the Committee.</del></p>
	<p>h) <u>On an annual basis, prior to the audit report, issue a report opining on the independence of the auditor. This report must in any case pronounce on the provision of additional services referred to in the preceding paragraph.</u></p>
<p><b>Article 45. Nominating and Compensation Committee</b></p>	<p><b>Article 45. Nominating and Compensation Committee</b></p>
<p>1. The Board of Directors shall create a permanent Nominating and Compensation Committee, which shall be an internal informational and consultative body without executive powers, and which shall have the information, advisory and proposal-making powers within its scope of action as set forth in paragraph two of this Article. The Nominating and Compensation Committee shall be composed of a minimum of three (3) Directors and a maximum of five (5), appointed by the Board of Directors from among the external Directors. The Board of Directors shall also appoint the Chairman thereof from among the Directors sitting on</p>	<p><del>1. The Board of Directors shall create a permanent Nominating and Compensation Committee, which shall be an internal informational and consultative body without executive powers, and which shall have the information, advisory and proposal-making powers within its scope of action as set forth in paragraph two of this Article. The Nominating and Compensation Committee shall be composed of a minimum of three (3) Directors and a maximum of five (5), appointed by the Board of Directors from among the external Directors. The Board of Directors shall also appoint the Chairman thereof from among the Directors sitting on</del></p>

<p>such Committee, as well as its Secretary, who need not be a Director.</p>	<p><del>such Committee, as well as its Secretary, who need not be a Director.</del></p>
<p>Unless otherwise decided by the Board of Directors, the Directors sitting on the Nominating and Compensation Committee shall hold their positions for so long as they remain Directors of the Company and so long as they continue to be external Directors. Renewal and re-election to and removal from office of the Directors sitting on the Committee shall be governed by resolution of the Board of Directors.</p>	<p><del>Unless otherwise decided by the Board of Directors, the Directors sitting on the Nominating and Compensation Committee shall hold their positions for so long as they remain Directors of the Company and so long as they continue to be external Directors. Renewal and re-election to and removal from office of the Directors sitting on the Committee shall be governed by resolution of the Board of Directors.</del></p>
<p>2. The Nominating and Compensation Committee shall have the power to supervise the procedure for selecting members of the Board of Directors and senior managers of the Company (the latter at the proposal of the Chief Executive Officer, if any), as well as to assist the Board of Directors in the determination and supervision of the compensation policy for such persons.</p>	<p>2. The Nominating and Compensation Committee shall <del>have the power to supervise the procedure for selecting members of the Board of Directors and senior managers of the Company (the latter at the proposal of the Chief Executive Officer, if any), as well as to assist the Board of Directors in the determination and supervision of the compensation policy for such persons.</del> <u>be made up of a minimum of three (3) and a maximum of five (5) Directors, appointed by the Board of Directors from among the external Directors, and the majority thereof must be classified as independent.</u></p>
<p>3. In particular, the Nominating and Compensation Committee shall have the power to:</p>	<p><del>3. In particular, the Nominating and Compensation Committee shall have the power to:</del></p>
<p>a) Report on and review the criteria that should be followed in composing the Board of Directors and in selecting candidates, defining their duties and necessary qualifications and assessing the time and dedication required for the proper performance of their duties.</p>	<p><del>a) Report on and review the criteria that should be followed in composing the Board of Directors and in selecting candidates, defining their duties and necessary qualifications and assessing the time and dedication required for the proper performance of their duties.</del></p>
<p>b) Bring to the Board of Directors proposals for the designation of independent Directors for the interim appointment thereof to fill a vacancy or, as the case may be, for submission of such proposals to a decision by the</p>	<p><del>b) Bring to the Board of Directors proposals for the designation of independent Directors for the interim appointment thereof to fill a vacancy or, as the case may be, for submission of such proposals to a decision by the</del></p>

<p>shareholders at the General Shareholders' Meeting, as well as proposals for the re-election or removal of such Directors by the shareholders at the General Shareholders' Meeting.</p>	<p><del>shareholders at the General Shareholders' Meeting, as well as proposals for the re-election or removal of such Directors by the shareholders at the General Shareholders' Meeting.</del></p>
<p>Report on the proposals made by the Board of Directors for designation of the other Directors for the interim appointment thereof to fill a vacancy or, as the case may be, for submission of such proposals to a decision by the shareholders at the General Shareholders' Meeting, as well as on proposals for re-election or withdrawal of such Directors by the shareholders at the General Shareholders' Meeting.</p>	<p><del>Report on the proposals made by the Board of Directors for designation of the other Directors for the interim appointment thereof to fill a vacancy or, as the case may be, for submission of such proposals to a decision by the shareholders at the General Shareholders' Meeting, as well as on proposals for re-election or withdrawal of such Directors by the shareholders at the General Shareholders' Meeting.</del></p>
<p>c) Report on proposed appointments to internal positions within the Board of Directors and propose to the Board of Directors the members who should make up each of the Committees.</p>	<p><del>e) Report on proposed appointments to internal positions within the Board of Directors and propose to the Board of Directors the members who should make up each of the Committees.</del></p>
<p>d) Propose to the Board of Directors the system and amount of annual Director compensation, as well as the individual compensation of executive Directors and other terms and conditions of their contracts, in all cases pursuant to the provisions of these By-Laws.</p>	<p><del>d) Propose to the Board of Directors the system and amount of annual Director compensation, as well as the individual compensation of executive Directors and other terms and conditions of their contracts, in all cases pursuant to the provisions of these By-Laws.</del></p>
<p>e) Report to the Board of Directors regarding the appointment and/or removal of senior managers of the Company, as well as regarding the compensations or indemnifications, if any, that may be established in the event of removal of such senior managers, all at the proposal of the Chief Executive Officer, if any.</p>	<p><del>e) Report to the Board of Directors regarding the appointment and/or removal of senior managers of the Company, as well as regarding the compensations or indemnifications, if any, that may be established in the event of removal of such senior managers, all at the proposal of the Chief Executive Officer, if any.</del></p>
<p>f) Submit to the Board of Directors, together with the corresponding reports, the proposals brought to it by the Chief Executive Officer, if any,</p>	<p><del>f) Submit to the Board of Directors, together with the corresponding reports, the proposals brought to it by the Chief Executive Officer, if any,</del></p>

regarding the compensation policy applicable to senior managers and the basic terms and conditions of their contracts.	<del>regarding the compensation policy applicable to senior managers and the basic terms and conditions of their contracts.</del>
g) Report on incentive plans and pension supplements.	<del>g) Report on incentive plans and pension supplements.</del>
h) Periodically review the compensation programs, evaluating the adequacy and results thereof.	<del>h) Periodically review the compensation programs, evaluating the adequacy and results thereof.</del>
i) Exercise such other powers, if any, as are assigned to it by these By-Laws, the Regulations of the Board of Directors or the Board of Directors.	<del>i) Exercise such other powers, if any, as are assigned to it by these By-Laws, the Regulations of the Board of Directors or the Board of Directors.</del>
4. For purposes of the operation of the Committee, it shall meet as many times as needed, in the opinion of its Chairman, to fulfill its obligations, and at a minimum once each quarter or when so requested by at least one-half of the Directors sitting on the Committee. The Committee shall validly meet when one-half plus one of the Directors sitting on the Committee are present in person or by proxy, and shall adopt its resolutions by majority of votes. In the case of a tie, the Chairman shall have the tie-breaking vote.	<del>4.3. For purposes of the operation of the Committee, it shall meet as many times as needed, in the opinion of its Chairman, to fulfill its obligations, and at a minimum once each quarter or when so requested by at least one-half of the Directors sitting on the Committee. The Committee shall validly meet when one-half plus one of the Directors sitting on the Committee are present in person or by proxy, and shall adopt its resolutions by majority of votes. In the case of a tie, the Chairman shall have the tie-breaking vote.</del> <u>The Board of Directors shall appoint the Chairman of the Nominating and Compensation Committee from among the independent Directors forming a part thereof, as well as its Secretary, who need not be a Director.</u>
The foregoing rules shall be developed by the Board of Directors into corresponding Regulations of the Committee.	4. <del>The foregoing rules shall be developed by the Board of Directors into corresponding Regulations of the Committee.</del> <u>The Nominating and Compensation Committee shall have the powers set forth in the Regulations of the Board of Directors and in its own Regulations of the Committee.</u>
	<b>Article 46. <u>Corporate Social Responsibility Committee</u></b>
	<u>1. The Board of Directors shall permanently create a Corporate Social Responsibility</u>

	<u>Committee, an internal informational and consultative body, without executive duties, and with informational, advisory and proposal-making powers within its area of activity.</u>
	<u>2. The Corporate Social Responsibility Committee shall be made up of a minimum of three (3) and a maximum of five (5) Directors, appointed by the Board of Directors upon a proposal of the Nominating and Compensation Committee, from among the external Directors, the majority of which must be classified as independent.</u>
	<u>3. The Board of Directors shall designate a Chairman of the Corporate Social Responsibility Committee from among the Directors forming a part thereof, as well as its Secretary, who need not be a Director.</u>
	<u>4. The Corporate Social Responsibility Committee shall have the powers established in the Regulations of the Board of Directors and in its own Regulations.</u>
<b>Article 46. Chairman and Vice-Chairman or Vice-Chairmen</b>	<b><u>Article 47. Chairman and Vice-Chairman or Vice-Chairmen</u></b>
1. The Chairman of the Board of Directors shall be considered the President of the Company and of all of the decision-making bodies of which the Chairman is a member, which he shall permanently represent with the broadest powers, being authorized in urgent cases to adopt such measures as the Chairman deems advisable in the interests of the Company.	1. The Chairman of the Board of Directors shall <del>be considered the</del> <u>have the status of</u> President of the Company and of all of the decision-making bodies of which the Chairman is a member, which he shall permanently represent with the broadest powers, <u>with the responsibility to carry out the resolutions thereof and</u> being authorized in urgent cases to adopt such measures as the Chairman deems advisable in the <del>interests of the Company</del> <u>corporate interest</u> .
2. The Chairman, who holds the senior management of the Company and is the representative thereof, shall exercise the following powers in addition to the powers conferred by these By-Laws and the Law:	2. The Chairman <u>of the Board of Directors, who holds carries out</u> the senior management <del>of the Company and is the representative thereof</del> and representation of the Company and <u>leads the Board of Directors, shall exercise the following powers in addition to</u> <del>He shall</del>

	<u>exercise the following the powers, apart from those corresponding thereto pursuant to conferred by these By-Laws and the Law and the Company's Corporate Governance System:</u>
a) To call and preside over meetings of the Board of Directors and the Executive Committee in the manner established by these By-Laws, setting the agenda for meetings and directing discussion and debate.	a) To call and preside over meetings of the Board of Directors and the Executive Committee <del>in the manner established by these By-Laws</del> , setting the agenda for meetings and directing discussion and debate.
b) To preside over the General Shareholders' Meeting and direct the discussion and debate therein.	b) To preside over the General Shareholders' Meeting and <del>direct the discussion and debate therein</del> <u>and exercise thereat the duties attributed thereto by the Company's Corporate Governance System.</u>
c) To bring to the Board of Directors those proposals which the Chairman deems appropriate for the efficient running of the Company, particularly those corresponding to the operation of the Board of Directors itself and other corporate decision-making bodies, as well as proposing the appointment of internal positions within the Board of Directors.	c) To bring to the Board of Directors those proposals which the Chairman deems appropriate for the efficient running of the Company, particularly those corresponding to the operation of the Board of Directors itself and other corporate decision-making bodies, as well as proposing <del>the appointment of internal positions</del> <u>the persons, if any, who will hold the positions of Vice-Chairman or Vice-Chairmen, Chief Executive Officer and Secretary and, if applicable, the Vice-Secretary or Vice-Secretaries of the Board and of the Committees of within</u> the Board of Directors.
d) To represent the Company before public entities and any industry or employers' bodies.	<del>d) To represent the Company before public entities and any industry or employers' bodies.</del>
	<u>3. The Board of Directors may appoint one or more Honorary Chairmen of the Company.</u>
	<u>4. The Board of Directors, upon a proposal of its Chairman and after a report from the Nominating and Compensation Committee,</u>



	<p><u>may elect from among its members one or more Vice-Chairmen who shall temporarily replace the Chairman of the Board of Directors in case of vacancy, absence, illness or inability.</u></p>
<p>3. In the event of the absence, sickness or disability of the Chairman of the Board of Directors, the Chairman shall be replaced by the Vice-Chairman, if any; if there are several, the person replacing the Chairman shall be the Vice-Chairman that is expressly appointed by the Board; in default of the foregoing, the Vice-Chairman having the longest length of service and, if equal lengths of service, the oldest; and if there is no Vice-Chairman, the longest-serving Director and, in case of equal lengths of service, the oldest.</p>	<p><del>3.5. In the event of the absence, sickness or disability of the Chairman of the Board of Directors, the Chairman shall be replaced by the Vice-Chairman, if any; if there are several, the person replacing the Chairman shall be the Vice-Chairman. If there is more than one Vice-Chairmen of the Board of Directors, the one</del> that is expressly appointed by the Board <u>of Directors for such purpose shall replace the Chairman of the Board of Directors</u>; in default of the foregoing, the Vice-Chairman having the longest length <del>of service in office; and,</del> if equal lengths <del>of service</del>, the oldest; and if there is no Vice-Chairman, the <del>longest-serving</del> Director <u>with the longest length of office</u>, and, in case of equal lengths, <del>of service</del>, the oldest.</p>
<p><b>Article 47. Chief Executive Officer</b></p>	<p><b>Article <del>47</del>48. Chief Executive Officer</b></p>
<p>1. The Board of Directors, at the proposal of the Chairman, after a report of the Nominating and Compensation Committee and with the favorable vote of two-thirds of the Directors, may appoint a Chief Executive Officer from among the Directors, with the powers it deems appropriate and which may be delegated pursuant to these By-Laws and the Law.</p>	<p>1. The Board of Directors, at the proposal of the Chairman <u>thereof</u>, after a report of the Nominating and Compensation Committee and with the favorable vote of <u>at least</u> two-thirds <u>(2/3)</u> of the Directors, may appoint a Chief Executive Officer <del>from among the Directors,</del> with the powers it deems appropriate and which may be delegated pursuant to <del>these By-Laws and the Law</del><u>legal and by-laws provisions.</u></p>
<p>2. The Chief Executive Officer shall propose to the Board of Directors, for its approval after a report of the Nominating and Compensation Committee, the definition and reorganization of the Company's organizational structure, the appointment and removal of senior managers, and the compensations or indemnifications, if any, payable thereto in the event of removal. In addition, the Chief Executive Officer shall</p>	<p><del>2. The Chief Executive Officer shall propose to the Board of Directors, for its approval after a report of the Nominating and Compensation Committee, the definition and reorganization of the Company's organizational structure, the appointment and removal of senior managers, and the compensations or indemnifications, if any, payable thereto in the event of removal. In addition, the Chief Executive Officer shall</del></p>

<p>propose to the Nominating and Compensation Committee, for submission by it to the Board of Directors, the compensation policy as well as the basic terms and conditions of the contracts with the senior managers of the Company.</p>	<p><del>propose to the Nominating and Compensation Committee, for submission by it to the Board of Directors, the compensation policy as well as the basic terms and conditions of the contracts with the senior managers of the Company.</del></p>
	<p><u>2. The Chief Executive Officer, as well as the Chairman of the Board of Directors, shall exercise the power to represent the Company.</u></p>
	<p><u>3. In the event of the vacancy, absence, illness or inability of the Chief Executive Officer, his duties shall be temporarily assumed by the Chairman of the Board of Directors, who shall call a meeting of the Board of Directors to deliberate and decide upon the appointment, if applicable, of a new Chief Executive Officer.</u></p>
	<p><b><u>Article 49. Secretary and Vice-Secretary or Vice-Secretaries; Counsel to the Board of Directors</u></b></p>
	<p><u>1. The Board of Directors, upon a proposal of the Chairman thereof, and after a report of the Nominating and Compensation Committee, shall appoint a Secretary and, if appropriate, one or more Vice-Secretaries, who need not be Directors, and who will replace the Secretary in cases of vacancy, absence, illness or inability. The same procedure shall be followed to resolve on the removal of the Secretary and, if appropriate, each Vice-Secretary.</u></p>
	<p><u>1-2. If there is more than one Vice-Secretary, the Secretary of the Board of Directors shall be replaced by the corresponding one among them in accordance with the order established at the time of their appointment. In the absence of a Secretary and Vice-Secretaries, the Director that the Board of Directors itself appoints from among the attendees at the meeting in question shall serve as such.</u></p>
	<p><u>2-3. The Secretary of the Board of Directors shall perform the duties assigned thereto by Law</u></p>

	<u>and the Company's Corporate Governance System. In particular, he shall ensure the formal and substantive legality of the activities of the collective decision-making bodies, as well as advise the Board of Directors regarding the ongoing assessment and update of the Company's Corporate Governance System.</u>
	<u>4. The Secretary of the Board of Directors or, if applicable, the Vice-Secretary or one of the Vice-Secretaries if several, may add the position of General Secretary if so decided by the Board of Directors, with the duties assigned thereto by the Company's Corporate Governance System.</u>
	<u>5. The Board of Directors shall appoint a Corporate Counsel to the Board of Directors who shall have the duties given thereto by applicable law. Such position may be held by the Secretary, or the Vice-Secretary, if any, or one of the Vice-Secretaries if several, if they are Attorneys and comply with the other requirements of applicable law and it is so decided by the Board of Directors.</u>
<b>Section 4. Rules Applicable to Directors</b>	<b>Section 4. Rules Applicable to Directors</b>
<b>Article 48. General Duties of Directors</b>	<b>Article <del>48</del>50. General Duties of Directors</b>
1. In the performance of his duties, a Director shall act in good faith and with the diligence of a prudent businessman and a faithful representative, and shall comply with the duties prescribed by the By-Laws, the Regulations of the Board of Directors and the Law, acting in furtherance of the corporate interests.	1. In the performance of his duties, a Director shall act in good faith and with the diligence of a prudent businessman and a faithful representative, and shall comply with the duties prescribed by <del>the By-Laws, the Regulations of the Board of Directors and the Law</del> <u>and the Company's Corporate Governance System</u> , acting in furtherance of the corporate interests.
2. The Regulations of the Board of Directors shall elaborate upon the specific obligations of Directors stemming from the duties of confidentiality, non-competition and faithfulness, with special focus on conflict of	2. The Regulations of the Board <del>of Directors</del> <u>of Directors</u> shall elaborate upon the specific obligations of Directors stemming from the duties of confidentiality, non-competition and faithfulness, with special focus on conflict of

interest situations.	interest situations.
	<u>3. The Company may obtain civil liability insurance for the Directors.</u>
<b>Article 49. Terms of Office and Filling of Vacancies</b>	<b>Article <del>49</del>51. Terms of Office and Filling of Vacancies</b>
1. The Directors shall serve in their position for a term of five (5) years, so long as the shareholders acting at the General Shareholders' Meeting do not resolve to remove or dismiss them and they do not resign from their position. In particular, the Directors must submit their resignation from the position and formalize their withdrawal upon the occurrence of any of the instances of incompatibility, lack of competence or prohibition against performing the duties of director provided by Law, the By-Laws or the Regulations of the Board of Directors.	1. The Directors shall serve in their position for a term of <del>five</del> <u>four</u> ( <del>5</del> <u>4</u> ) years, so long as the shareholders acting at the General Shareholders' Meeting do not resolve to remove <del>or dismiss</del> them and they do not resign from their position. <del>In particular, the</del>
	2. <u>The</u> Directors must submit their resignation from the position and formalize their withdrawal upon the occurrence of any of the instances of incompatibility, lack of competence, <u>structural and permanent conflict of interest</u> , or prohibition against performing the duties of <del>director</del> <u>Director</u> provided by Law, <del>the By-Laws or the Regulations of the Board of Directors</del> <u>or the Company's Corporate Governance System</u> .
2. Directors may be re-elected to one or more terms of five (5) years.	<del>2.3.</del> <u>3.</u> Directors may be re-elected to one or more terms of <del>five</del> <u>four</u> ( <del>5</del> <u>4</u> ) years.
3. Vacancies which occur may, pursuant to Law, be filled by the Board of Directors on an interim basis until the next General Shareholders' Meeting, whereat the shareholders shall confirm the appointments or elect the persons who should replace Directors which are not ratified, or it shall withdraw the vacant positions.	<del>3.4.</del> <u>3.</u> Vacancies which occur may, pursuant to Law, be filled by the Board of Directors on an interim basis until the next General Shareholders' Meeting, whereat the shareholders shall confirm the appointments or elect the persons who should replace Directors which are not ratified, or it shall withdraw the vacant positions.
<b>Article 50. Director Compensation</b>	<b>Article <del>50</del>52. Director Compensation</b>

<p>1. The Company shall allocate as an expense an amount equal to a maximum of two (2%) percent of consolidated group profits obtained during the fiscal year for the following purposes:</p>	<p>1. The Company shall allocate as an expense an amount equal to a maximum of two (2%) percent of consolidated group profits obtained during the fiscal year for the following purposes:</p>
<p>a) To compensate the Directors based on the offices held, and dedication to and attendance of meetings of the corporate decision-making bodies.</p>	<p>a) To compensate the Directors based on the offices held, and dedication to and attendance of meetings of the corporate decision-making bodies.</p>
<p>b) To endow a fund to meet the obligations of the Company regarding pensions, the payment of life insurance premiums and the payment of indemnifications in favor of current and former Directors.</p>	<p>b) To endow a fund to meet the obligations of the Company regarding pensions, the payment of life insurance premiums and the payment of indemnifications in favor of current and former Directors.</p>
<p>The allocation of the maximum limit of two (2%) percent shall only occur if profits for the fiscal year are sufficient to cover legal and other mandatory reserves and the issuance to the shareholders of a dividend of at least four (4%) percent of the share capital.</p>	<p>The allocation of the maximum limit of two (2%) percent shall only occur if profits for the fiscal year are sufficient to cover legal and other mandatory reserves and the issuance to the shareholders of a dividend of at least four (4%) percent of the share capital.</p>
<p>2. Independently of the provisions of the foregoing paragraph, and subject always to the approval of the shareholders, the compensation of Directors may also consist of the delivery of shares or options thereon, as well as a payment which takes as its reference the value of the Company's shares.</p>	<p>2. Independently of the provisions of the foregoing paragraph, and subject always to the approval of the <del>shareholders</del><u>shareholders</u>, the compensation of Directors may also consist of the delivery of shares or options thereon, as well as a payment which takes as its reference the value of the Company's shares.</p>
<p>3. All rights and duties arising from membership on the Board of Directors shall be compatible with all other rights, duties and indemnification to which the Director may be entitled by reason of other employment or professional relationships, if any, that such Director may have with the Company. The fixed and variable compensations and the indemnifications arising from the corresponding contracts shall be included in and paid with a charge to the by-law allocation accorded to the</p>	<p>3. All rights and duties arising from membership on the Board of Directors shall be compatible with all other rights, duties and indemnification to which the Director may be entitled by reason of other employment or professional relationships, if any, that such Director may have with the Company. The fixed and variable compensations and the indemnifications arising from the corresponding contracts shall be included in and paid with a charge to the by-law allocation accorded to the Board of Directors</p>

Board of Directors in the preceding paragraph one.	in the preceding paragraph <del>one</del> 1.
<b>Article 51. Powers of Information and Inspection</b>	<b>Article <del>51</del>53. Powers of Information and Inspection</b>
1. A Director shall have the broadest powers to obtain information regarding any aspect of the Company, to examine its books, records, documents and other records of corporate transactions, to inspect its facilities, and to communicate with the senior managers of the Company.	1. A Director shall have the broadest powers to obtain information regarding any aspect of the Company, to examine its books, records, documents and other records of corporate transactions, to inspect its facilities, and to communicate with the <del>senior managers</del> Senior <u>Managers</u> of the Company.
2. The exercise of the powers of information shall first be channeled through the Chairman, the Chief Executive Officer, if any, or the Secretary of the Board of Directors.	2. The exercise of the <del>above</del> <u>above</u> powers <del>of information</del> shall first be channeled through the <del>Chairman, the Chief Executive Officer, if any, or the</del> Secretary of the Board of Directors, <u>who shall act on behalf of the Chairman thereof pursuant to the provisions of the Company's Corporate Governance System.</u>
<b>Section 5. Annual Corporate Governance Report and Website</b>	<b>Section 5. Annual Corporate Governance Report and <u>Corporate</u> Website</b>
<b>Article 52. Annual Corporate Governance Report</b>	<b>Article <del>52</del>54. Annual Corporate Governance Report</b>
1. The Board of Directors shall, on an annual basis and following a report by the Audit and Compliance Committee, annually approve a corporate governance report for the Company which shall include all specifications provided for by law and any other specifications which the Board of Directors deems appropriate to include therein.	1. The Board of Directors shall, on an annual basis and following a report by the <del>Audit and Compliance</del> <u>Corporate Social Responsibility</u> Committee, annually approve a corporate governance report for the Company which shall include all specifications provided for by law and any other specifications which the Board of Directors deems appropriate to include therein.
2. The annual corporate governance report shall be approved prior to the publication of the call of the Company's ordinary General Shareholders' Meeting for the fiscal year to which such report refers, and shall be made available to the shareholders together with other documents relating to the General	2. The annual corporate governance report shall <del>be approved prior to the publication of the call of the Company's ordinary General Shareholders' Meeting for the fiscal year to which such report refers,</del> <u>be included in a separate section within the management report, and shall therefore be approved simultaneously therewith</u> and shall be made



Shareholders' Meeting.	available to the shareholders together with other documents relating to the General <del>Shareholders'</del> <u>Shareholders'</u> Meeting.
3. In addition, public notice shall be given of the annual corporate governance report as provided in the securities markets rules and regulations.	3. In addition, public notice shall be given of the annual corporate governance report as provided in the securities markets rules and regulations.
<b>Article 53. Website</b>	<b>Article <del>53</del> <u>5355</u>. <u>Corporate Website</u></b>
The Company shall maintain a website for shareholders' and investors' information, which shall include the documents and information provided for by Law, and at least the following:	The Company shall maintain a <u>corporate</u> website <del>for shareholders' and investors' information, to attend to the exercise by the shareholders of the right to receive information and to disseminate the significant information required by the securities laws,</del> which shall include the documents and information provided for by Law, <del>and at least the following:</del> <u>and the Company's Corporate Governance System and the other information that it is deemed appropriate to make available to the shareholders and investors through this medium.</u>
1. The current By-Laws, as well as the amendments thereto made in the last twelve (12) months.	<del>1. The current By-Laws, as well as the amendments thereto made in the last twelve (12) months.</del>
2. The current Rules for the General Shareholders' Meeting.	<del>2. The current Rules for the General Shareholders' Meeting.</del>
3. The current Regulations of the Board of Directors and, if applicable, the current Regulations of the Committees of the Board of Directors.	<del>3. The current Regulations of the Board of Directors and, if applicable, the current Regulations of the Committees of the Board of Directors.</del>
4. The sustainability report or annual report for the last two (2) closed fiscal years, which will be published after preparation thereof for submission to the shareholders at the General Shareholders' Meeting.	<del>4. The sustainability report or annual report for the last two (2) closed fiscal years, which will be published after preparation thereof for submission to the shareholders at the General Shareholders' Meeting.</del>
5. The current Internal Regulations for Conduct in the Securities Markets.	<del>5. The current Internal Regulations for Conduct in the Securities Markets.</del>
6. The annual corporate governance report for the last closed fiscal year.	<del>6. The annual corporate governance report for the last closed fiscal year.</del>
7. The information regarding the call to	<del>7. The information regarding the call to meeting;</del>

<p>meeting, the agenda, the proposed resolutions, and any other relevant information that the shareholders may need in order to vote, starting upon publication of the first notice of the call to any ordinary or extraordinary General Shareholders' Meeting.</p>	<p><del>the agenda, the proposed resolutions, and any other relevant information that the shareholders may need in order to vote, starting upon publication of the first notice of the call to any ordinary or extraordinary General Shareholders' Meeting.</del></p>
<p>8. The information on the proceedings of the General Shareholders' Meetings held during the current and the prior fiscal years, and particularly, on the agenda, the composition of the General Shareholders' Meeting at the time when it is convened, and the resolutions adopted, with a statement of the number of votes cast and the direction of such votes on each of the proposals included in the agenda.</p>	<p><del>8. The information on the proceedings of the General Shareholders' Meetings held during the current and the prior fiscal years, and particularly, on the agenda, the composition of the General Shareholders' Meeting at the time when it is convened, and the resolutions adopted, with a statement of the number of votes cast and the direction of such votes on each of the proposals included in the agenda.</del></p>
<p>9. The existing channels of communication between the Company and the shareholders and, in particular, explanations pertinent to the exercise of a shareholder's right to receive information, indicating the postal and e-mail addresses to which the shareholders may direct their requests, which channels shall have been established for each General Shareholders' Meeting from the publication of the first notice of the call to meeting until the holding thereof.</p>	<p><del>9. The existing channels of communication between the Company and the shareholders and, in particular, explanations pertinent to the exercise of a shareholder's right to receive information, indicating the postal and e-mail addresses to which the shareholders may direct their requests, which channels shall have been established for each General Shareholders' Meeting from the publication of the first notice of the call to meeting until the holding thereof.</del></p>
<p>10. The means and procedures for granting a proxy to attend a General Shareholders' Meeting, established for each Meeting from the moment of the call to meeting until the holding thereof.</p>	<p><del>10. The means and procedures for granting a proxy to attend a General Shareholders' Meeting, established for each Meeting from the moment of the call to meeting until the holding thereof.</del></p>
<p>11. The means and procedures for casting votes from a distance, including, where applicable, the forms required to evidence attendance and the casting of votes by means of data transmission at the General Shareholders' Meeting, established for each Meeting from the moment of the call to meeting until the holding thereof.</p>	<p><del>11. The means and procedures for casting votes from a distance, including, where applicable, the forms required to evidence attendance and the casting of votes by means of data transmission at the General Shareholders' Meeting, established for each Meeting from the moment of the call to meeting until the holding thereof.</del></p>
<p>12. All significant events of which notice was given to the National Securities Market</p>	<p><del>12. All significant events of which notice was given to the National Securities Market</del></p>

Commission during the current fiscal year and the last closed fiscal year.	<del>Commission during the current fiscal year and the last closed fiscal year.</del>
<b>TITLE III. NEUTRALIZATION OF LIMITATIONS IN THE EVENT OF TENDER OFFERS</b>	<b>TITLE III. NEUTRALIZATION OF LIMITATIONS IN THE EVENT OF TENDER OFFERS</b>
<b>Article 54. Removal of Voting Limitations</b>	<b>Article <del>54</del><u>56</u>. Removal of Voting Limitations</b>
The limitation on the maximum number of votes that may be cast by a single shareholder contained in Article Twenty-Nine (paragraphs three to five) and the voting prohibition of Article Thirty which is imposed upon shareholders affected by conflicts of interests, shall have no effect upon the occurrence of the following circumstances:	The limitation on the maximum number of votes that may be cast by a single shareholder contained in <del>Article Twenty-Nine</del> (paragraphs <del>three-3</del> to <del>five 5</del> ) of <del>Article 29</del> above and the voting prohibition of Article <del>Thirty-30</del> above which is imposed upon shareholders affected by conflicts of interests, shall have no effect upon the occurrence of the following circumstances:
a) when the Company is the target of a public tender offer aimed at the share capital as a whole; and	a) when the Company is the target of a public tender offer aimed at the <del>share-share</del> capital as a whole; and
b) when, as a result of the public tender offer, an individual or a legal entity, or several of them acting jointly, acquire an interest equal to two-thirds of the voting capital of the Company, provided the full consideration thereof consists only of cash; or, alternatively,	b) when, as a result of the public tender offer, an individual or a legal entity, or several of them acting jointly, acquire an interest equal to two-thirds ( <del>2/3</del> ) of the voting <del>share</del> capital of the Company, provided the full consideration thereof consists only of cash; or, alternatively,
c) when, as a result of the public tender offer, an individual or a legal entity, or several of them acting jointly, acquire an interest equal to three-quarters of the voting capital of the Company, provided that the consideration thereof consists, in whole or in part, of securities, without giving the recipient an alternative right to receive such consideration wholly in cash.	c) when, as a result of the public tender offer, an individual or a legal entity, or several of them acting jointly, acquire an interest equal to three-quarters of the voting <del>share</del> capital of the Company, provided that the consideration thereof consists, in whole or in part, of securities, without giving the recipient an alternative right to receive such consideration wholly in cash.
<b>Article 55. Effectiveness of the Removal</b>	<b>Article <del>55</del><u>57</u>. Effectiveness of the Removal</b>
1. The removal of the limitation mentioned in the above paragraph shall be effective from the date of publication of the result of the settlement of the offer in the Listing Bulletin ( <i>Boletín de Cotización</i> ) of the Bilbao Stock	1. The removal of the limitation mentioned in the above paragraph shall be effective from the date of publication of the result of the settlement of the offer in the Listing Bulletin ( <i>Boletín de Cotización</i> ) of the Bilbao Stock

Exchange.	Exchange.
2. The Directors of the Company shall have the power – and the duty – to execute the corresponding public instrument formalizing the by-law amendment referred to in paragraph one above and to seek registration thereof with the Commercial Registry.	2. The Directors of the Company shall have the power – and the duty – to <del>execute the corresponding public instrument formalizing</del> <u>take the actions necessary to formalize</u> the by-law amendment referred to in paragraph <del>one</del> <u>1</u> above and to seek registration thereof with the Commercial Registry.
<b>Article 56. Amendments to Articles in Title III and Related Provisions</b>	<b>Article <del>56</del><u>58</u>. Amendments to Articles in Title III and Related Provisions</b>
All resolutions intended to eliminate or amend the provisions contained in this Title, in Article Twenty-Nine (paragraphs three to five), and in Article Thirty shall require the affirmative vote of three-fourths of the share capital in attendance at a General Shareholders' Meeting.	All resolutions intended to eliminate or amend the provisions contained in <del>this</del> <u>this</u> Title, in Article <del>Twenty-Nine</del> (paragraphs <del>three</del> <u>3</u> to <del>five</del> ) <u>5 of Article 29</u> , and in Article <del>Thirty</del> <u>30 above</u> shall require the affirmative vote of three-fourths ( <u>3/4</u> ) of the <del>share</del> <u>share</u> capital <u>represent in person or by proxy in attendance</u> at a General <del>Shareholders'</del> <u>Shareholders'</u> Meeting.
<b>TITLE IV. ANNUAL FINANCIAL STATEMENTS, DISTRIBUTION OF PROFITS, DISSOLUTION AND LIQUIDATION</b>	<b>TITLE IV. ANNUAL FINANCIAL STATEMENTS, DISTRIBUTION OF PROFITS, DISSOLUTION AND LIQUIDATION</b>
<b>Chapter I. Annual Financial Statements</b>	<b>Chapter I. <del>Annual</del> Financial Statements</b>
<b>Article 57. Fiscal Year and Drawing-up of Annual Financial Statements</b>	<b>Article <del>57</del><u>59</u>. Fiscal Year and Drawing-up of <del>Annual</del> Financial Statements</b>
1. The fiscal year shall commence on January 1 of each year and shall end on December 31.	1. The fiscal year shall commence on January 1 of each year and shall end on December 31.
2. The Annual Financial Statements and the Management Report shall be prepared in compliance with the structure, principles and guidelines contained in current applicable provisions.	2. The <del>Annual Financial Statements</del> <u>financial statements</u> and the <del>Management Report</del> <u>management report</u> shall be prepared in compliance with the structure, principles and guidelines contained in current applicable provisions.
3. Within the first three (3) months of the year, the Board of Directors shall draw up the Annual Financial Statements, the Management Report and the Proposed Allocation of Profits or Losses and, if	3. Within the first three (3) months of the year, the Board of Directors shall draw up the <del>Annual Financial Statements</del> <u>financial statements</u> , the <del>Management Report</del> <u>management report</u> and the <del>Proposed</del>

<p>applicable, the consolidated Financial Statements and Management Report. The Annual Financial Statements and the Management Report must be signed by all the Directors. If the signature of any of them is missing, an indication of such circumstance shall be inserted into each of the documents where it is so missing, with express reference to the reason therefor.</p>	<p><del>Allocation—proposed allocation</del> of <del>Profits profits</del> or <del>Losses losses</del> and, if applicable, the consolidated <del>Financial Statements—financial statements</del> and <del>Management Report—management report</del>. The <del>Annual Financial Statements—financial statements</del> and the <del>Management Report—management report</del> must be signed by all the Directors. If the signature of any of them is missing, an indication of such circumstance shall be inserted into each of the documents where it is so missing, with express reference to the reason therefor.</p>
<p><b>Article 58. Auditors</b></p>	<p><b>Article <del>58</del>60. Auditors</b></p>
<p>1. The Annual Financial Statements and the Management Report of the Company, as well as the consolidated Annual Financial Statements and Management Report, must be reviewed by Auditors.</p>	<p><del>3-1.</del> The <del>Annual Financial Statements—financial statements</del> and the <del>Management Report—management report</del> of the Company, as well as the consolidated <del>Annual Financial Statements—financial statements</del> and <del>Management Report—management report</del>, must be reviewed by Auditors.</p>
<p>2. The Auditors shall be appointed by the shareholders acting at a General Shareholders’ Meeting prior to the end of the fiscal year to be audited, for a fixed initial period that shall not be less than three (3) years nor greater than nine (9), to be counted from the date of commencement of the first fiscal year to be audited; the Auditors may be re-elected by the shareholders upon the terms provided for by Law, once the initial period has expired.</p>	<p>2. The <del>Auditors—auditors</del> shall be appointed by the shareholders acting at a General <del>Shareholders’—Shareholders’</del> Meeting prior to the end of the fiscal year to be audited, for a fixed initial period that shall not be less than three (3) years nor greater than nine (9), to be counted from the date of commencement of the first fiscal year to be audited; the Auditors may be re-elected by the <del>shareholders</del> <del>shareholders</del> upon the terms provided for by Law, once the initial period has expired.</p>
<p>3. The Auditors shall prepare a detailed report on the results of their actions pursuant to the legal provisions governing the Auditing of Financial Statements.</p>	<p>3. The <del>Auditors—auditors</del> shall prepare a detailed report on the results of their actions pursuant to the legal provisions governing the <del>Auditing</del> <del>auditing</del> of <del>Financial Statements—financial statements</del>.</p>
<p><b>Article 59. Approval of Financial Statements and Allocation of Profits/Losses</b></p>	<p><b>Article <del>59</del>61. Approval of Financial Statements and Allocation of Profits/Losses</b></p>
<p>1. The Annual Financial Statements of the Company and the consolidated Financial</p>	<p>1. The <del>Annual Financial Statements—financial statements</del> of the Company and the</p>

<p>Statements shall be submitted for approval of the shareholders at the General Shareholders' Meeting.</p>	<p>consolidated <del>Financial Statements</del><u>financial statements</u> shall be submitted for approval of the shareholders at the General Shareholders' Meeting.</p>
<p>2. The shareholders shall decide at the General Shareholders' Meeting upon the allocation of profits or losses for the fiscal year in accordance with the approved balance sheet.</p>	<p>2. The shareholders shall decide at the General <del>Shareholders'</del><u>Shareholders'</u> Meeting upon the allocation of profits or losses for the fiscal year in accordance with the approved balance sheet.</p>
<p>3. Once such payments as are provided for by these By-Laws or by Law have been made, dividends may only be distributed with a charge against the profits for the fiscal year or against unappropriated reserves, if the book value of net assets is not less than the share capital, or does not become so as a result of the distribution.</p>	<p>3. Once such payments as are provided for by these By-Laws or by Law have been made, dividends may only be distributed with a charge against the profits for the fiscal year or against unappropriated reserves, if the book value of net assets is not less than the share capital, or does not become so as a result of the distribution.</p>
<p>4. If the shareholders resolve to distribute dividends, they shall establish the time and form of payment thereof. The establishment of these standards and of any others that may be required or appropriate to carry out the resolution may be delegated to the Board of Directors.</p>	<p>4. If the <del>shareholders</del><u>shareholders</u> resolve to distribute dividends, they shall establish the time and form of payment thereof. The establishment of these standards and of any others that may be required or appropriate to carry out the resolution may be delegated to the <del>Board of Directors</del><u>Board of Directors</u>.</p>
<p>5. The shareholders may resolve at the General Shareholders' Meeting that the dividend be paid totally or partially in kind, provided that: a) the assets or securities to be distributed are homogeneous; b) they are listed on an official exchange at the time the resolution is made effective, or the Company duly guarantees the liquidity thereof within a maximum period of one year; and c) they are not distributed for a lesser value than the value set forth for them in the balance sheet of the Company.</p>	<p>5. The shareholders may resolve at the General <del>Shareholders'</del><u>Shareholders'</u> Meeting that the dividend be paid totally or partially in kind, provided that:<del>a)</del> the assets or securities to be distributed are homogeneous;<del>;</del> <del>b)</del> they are <del>listed</del><u>admitted to trading</u> on an official exchange at the time the resolution is made effective, or the Company duly guarantees the liquidity thereof within a maximum period of one year;<del>;</del> and <del>c)</del> they are not distributed for a lesser value than the value set forth for them in the balance sheet of the Company.</p>
<p>6. The distribution of dividends to shareholders shall be made in proportion to their paid-up capital.</p>	<p>6. The distribution of dividends to shareholders shall be made in proportion to their paid-up <u>share</u> capital.</p>



<b>Article 60. Filing of the Approved Financial Statements</b>	<b>Article <del>60</del>62. Filing of the Approved <del>Financial Statements</del> <u>Financial Statements</u></b>
The Board of Directors shall file the Annual Financial Statements and the Management Report of the Company, as well as the consolidated Financial Statements and Management Report, together with the corresponding Reports prepared by the Auditors and all other mandatory documents, in such manner and within such periods as are prescribed by Law.	The Board of Directors shall file the <del>Annual Financial Statements</del> <u>financial statements</u> and the <del>Management Report</del> <u>management report</u> of the Company, as well as the consolidated <del>Financial Statements</del> <u>financial statements</u> and <del>Management Report</del> <u>management report</u> , together with the corresponding <del>Reports</del> <u>reports</u> prepared by the <del>Auditors</del> <u>auditors</u> and all other mandatory documents, in such manner and within such periods as are prescribed by Law.
<b>Chapter II. Dissolution and Liquidation of the Company</b>	<b>Chapter II. Dissolution and Liquidation of the Company</b>
<b>Article 61. Grounds for Dissolution</b>	<b>Article <del>61</del>63. Grounds for Dissolution</b>
The Company shall be dissolved upon the occurrence of any of the events set forth in the Companies Law.	The Company shall be dissolved upon the occurrence of any of the events set forth in the Companies Law.
<b>Article 62. Liquidation of the Company</b>	<b>Article <del>62</del>64. Liquidation of the Company</b>
1. From the moment the Company declares itself to be in liquidation, the Board of Directors shall cease to hold office and the Directors shall become liquidators of the Company. They shall make up a collective body which must be composed of an odd number of members. If necessary for such purpose, the Director having the least length of service since appointment shall cease to hold office.	1. From the moment the Company declares itself to be in liquidation, the Board of Directors shall cease to hold office and the Directors shall become liquidators of the Company. They shall make up a collective body which must be composed of an odd number of members. If necessary for such purpose, the Director having the least length of service since appointment shall cease to hold office.
2. During the liquidation period, the provisions of these By-Laws governing the calling and holding of General Shareholders' Meetings shall be complied with, and the shareholders shall be informed of the progress of the liquidation, so that the shareholders may adopt such resolutions as they deem appropriate.	2. During the liquidation period, the provisions of these By-Laws governing the calling and holding of General <del>Shareholders'</del> <u>Shareholders'</u> Meetings shall be complied with, and the shareholders shall be informed of the progress of the liquidation, so that the shareholders may adopt such resolutions as they deem appropriate.
3. All liquidating operations shall be carried	3. All liquidating operations shall be carried out

out with due observance of applicable law.	with due observance of applicable law.
<b>Article 63. Supervening Assets and Liabilities</b>	<b>Article <del>63</del>65. Supervening Assets and Liabilities</b>
1. If corporate property appears after the entries relating to the Company have been cancelled, the liquidators shall assign to the former shareholders the additional share to which they may be entitled, for which purpose such property shall be first converted into cash where necessary.	1. If corporate property appears after the entries relating to the Company have been cancelled, the liquidators shall assign to the former shareholders the additional share to which they may be entitled, for which purpose such property shall be first converted into cash where necessary.
After the passage of six (6) months from the date on which the liquidators were required to comply with the provisions of the foregoing, without the former shareholders having been assigned the additional share, or in the absence of liquidators, any interested party may file a petition with the Court of First Instance of the Company's last registered office for the appointment of a person to replace the liquidators in the performance of their duties.	After the passage of six (6) months from the date on which the liquidators were required to comply with the provisions of the foregoing, without the former shareholders having been assigned the additional share, or in the absence of liquidators, any interested party may file a petition with the Court of First Instance of the Company's last registered office for the appointment of a person to replace the liquidators in the performance of their duties.
2. The former shareholders shall be jointly and severally liable for all unpaid corporate liabilities up to the amount of what they may have received as their share in liquidation, without prejudice to the liability of the liquidators in the event of fraudulent or negligent conduct.	2. The former shareholders shall be jointly and severally liable for all unpaid corporate liabilities up to the amount of what they may have received as their share in liquidation, without prejudice to the liability of the liquidators in the event of fraudulent or negligent conduct.
3. In order to comply with formal requirements relating to legal acts performed prior to the cancellation of the entries of the Company, or whenever necessary, the former liquidators may formalize legal acts in the name of the defunct Company following its cancellation in the registry. In the absence of liquidators, any interested party may file a petition for formalization by the Court of First Instance of the place where the last registered office of the Company was located.	3. In order to comply with formal requirements relating to legal acts performed prior to the cancellation of the entries of the Company, or whenever necessary, the former liquidators may formalize legal acts in the name of the defunct Company following its cancellation in the registry. In the absence of liquidators, any interested party may file a petition for formalization by the Court of First Instance of the place where the last registered office of the Company was located.

<b>TITLE V. FINAL PROVISIONS</b>	<b>TITLE V. FINAL PROVISIONS</b>
<b>Sole Final Provision. Jurisdiction for the Resolution of Disputes</b>	<b>Sole Final Provision. Jurisdiction for the Resolution of Disputes</b>
In connection with all litigious disputes that may arise between the Company and the shareholders with regard to the corporate affairs, both the Company and the shareholders waive the right to resort to their own jurisdiction and expressly submit to the jurisdiction of the courts of the place where the Company's registered office is located, except in those cases in which another jurisdiction is imposed by law.	In connection with all litigious disputes that may arise between the Company and the shareholders with regard to the corporate affairs, both the Company and the shareholders waive the right to resort to their own jurisdiction and expressly submit to the jurisdiction of the courts of the place where the Company's registered office is located, except in those cases in which another jurisdiction is imposed by law.