



BY-LAWS

Aresbank, S.A.

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NOTE

The present version of the By-Laws of Aresbank, S.A. (v. 2022) compiles the modifications of articles 22, 24, 27, 30 and 37 thereof which were unanimously approved by the Extraordinary General Shareholders Universal Meeting of the company, held on the 21st of September 2021, and recorded in the Mercantile Registry of Madrid on the 28th of April 2022, Tome 11230, Book 0, Section 8, Page M-111123, Inscription 353.

PREAMBLE

In the development of the corporate purpose of this banking corporation, set out in article 3 of these by-laws, it will continue being the primary aim of this company to increase the level of economic cooperation between Spain and the Arab countries, finance projects related to foreign commerce and other investments, and increase its resources by means of attracting deposits from the Arab & international financial markets.

SECTION I
GENERAL PROVISIONS

ARTICLE 1 **TITLE**

The company regulated by the present By-Laws and by any legal provisions applicable, is titled "Aresbank, S.A."

ARTICLE 2 **CORPORATE GOVERNANCE**

"Aresbank, S.A." is a public limited company of Spanish nationality, governed by the present By-laws in accordance with Spanish Companies Act ("*Ley de Sociedades de Capital*"), the provisions governing private banks and by any other applicable provisions of the regional law. The Bank will be subject in any case towards the best manner of completion of its corporate purpose, to the specific laws set out within the corresponding administrative authorization for its creation.

ARTICLE 3 **CORPORATE PURPOSE**

The main scope of the Bank is to contribute to the development of the economic cooperation between the Arab countries and Spain by financing foreign trade, promoting investment and attracting funds from Arab and international financial markets.

Notwithstanding the above, the operations of the Bank regarding its corporate purpose are conducted in so far as is allowed by Spanish legislation and not prohibited to financial institutions, except receiving funds from physical persons, which will be limited to those who are involved with operations of foreign trade transactions with the Bank.

The activities making up the corporate purpose may be undertaken by the Bank wholly or partly in an indirect manner, by means of holding shares or interests in companies with an identical or similar purpose.

ARTICLE 4 **NATIONALITY**

The Bank is of Spanish nationality.

ARTICLE 5 **REGISTERED OFFICE**

The company has its registered office at Madrid, Paseo de la Castellana no. 257. This registered office may be changed within the said city upon decision of the Board of Directors.

The Board of Directors, in accordance with the regulations in force, may establish those branches, agencies and offices which it deems appropriate, both in Spain and abroad, provided that the requirements laid down by the regulations are followed in each case.

ARTICLE 6 LIFESPAN

The Bank is incorporated for indefinite time.

ARTICLE 7 COMMENCEMENT OF OPERATIONS

The operations connected to the corporate purpose began the day the Bank was registered in the Registry of Banks and Bankers.

SECTION II

SHARE CAPITAL

ARTICLE 8 SHARE CAPITAL

The share company capital amounts to THREE HUNDRED MILLION NINE HUNDRED AND SIXTY EURO (300,000,960.00 €), represented by ONE HUNDRED AND FOUR THOUSAND ONE HUNDRED AND SIXTY SEVEN (104,167) nominal shares of TWO THOUSAND EIGHT HUNDRED AND EIGHTY EURO (2,880.00€) nominal value each, with correlative numbers from one (1) to one hundred and four thousand one hundred and sixty seven (104,167), both inclusive, all of them belonging to the same class and series and with the same political and economic rights.

The capital is totally subscribed and paid-up.

ARTICLE 9 SHARES

- a) All the shares will enjoy the same political and economic rights.
- b) The shares will be issued from books, numerically ordered, and recorded in the registry which will be kept by the Bank, that will include the names and addresses of the shareholders, the successive transfers, and the creation of rights *in rem* over these, which state any circumstances that give rise to the legal provisions in effect.
- c) The title to the shares will duly outline the following information:
 1. The name and registered office of the company, the identifying data of its registration in the Mercantile Registry and tax identification number.
 2. The nominal value of the share, its number, the series to which it belongs and, in case it were preferred stock, the special right it holds.
 3. If the share is registered, or if it is only payable to the bearer.
 4. The limitations to its free transfer, if established.
 5. The amount of stock paid out or if the share can be transferred gratuitously.

6. The additional benefits if there are any attached.
 7. The underwriting by two administrators, which may be made by mechanical reproduction of the signature. In this case, a notarial deed will be issued, whereby the identity of the signatures copied in mechanical form with those made in the presence of the attesting Notary will be evidenced. The deed shall be registered in the Mercantile Registry prior to issuing the shares' titles.
- d) The Bank may issue multiple share titles comprising a specific number of shares. The provisions of paragraphs b) and c) of Article 9 hereof shall be applicable to the said multiple share titles.

ARTICLE 10 PROVISIONAL TITLE

Prior to the formal issuance of shares, if a provisional certificate to the title of a share is required, these must be registered and compliant with the provisions of article 115 of the current Spanish Companies Act.

ARTICLE 11 TRANSFER

The transfer of shares *inter vivos* requires the prior approval of the Board of Directors by majority vote of four-fifths of the members present or represented at the meeting. Approval may only be denied by a justified decision when it is considered that the proposed transfer could prejudice or make difficult the accomplishment of the primary aim of the bank, as indicated in the Preamble of these By-laws. Approval will be understood as given after the lapse of two months, dating from the time of presentation of the application, even if the Board has not expressly stated its approval.

In the event that the Board of Directors refuses the proposed transfer, the Board must then either propose to the seller a purchaser for the shares or offer acquisition themselves for consideration of its real value, determined in accordance with the provisions of the article 124.2 of the Spanish Companies Act, and fulfilling all the legal requirements, particularly those provided for in article 146 of this Act.

ARTICLE 12 DELEGATED POWERS OF THE BOARD IN THE EVENT OF AN INCREASE OF CAPITAL AGREED UPON AT THE GENERAL MEETING OF SHAREHOLDERS

The Board of Directors is authorized to set the date in which the finalized decision to increase the share capital must be made effective, in the agreed amount, where the conditions of the increase will be fixed, including any unforeseen aspects not accounted for in the decision of the shareholders, provided that one or other circumstances have not been established by the General Meeting of Shareholders itself upon deciding the increase. Delegated power must be exercised for a maximum term of one year dating from the decision to increase capital, except in the case of conversion of bonds into shares.

ARTICLE 13 RIGHTS OF MEMBERSHIP

- a) The share confers on its legitimate holder the status of member, which gives him the following rights:

1. To participate in the distribution of company profits and any resulting assets of liquidation.
 2. Preferential right of subscription in the issuance of new shares or bonds convertible into shares.
 3. To vote in the general meetings of shareholders and to contest corporate resolutions.
 4. The right to information.
- b) The right to vote cannot be exercised by a member who is in arrears in the payment of dividend liabilities. The outstanding amount of their shares shall be deducted from company capital for the purpose of calculating the quorum. The defaulting shareholder will neither have right to receive dividends, nor to preferential right of subscription, nor convertible obligations.
- c) The shares are indivisible. The co-owners of a share must have one designated individual to exercise the rights of membership, and they will be jointly and severally liable to the company for any breach of obligation derived from the status of shareholder.
- d) The possession of one or more shares carries with full right the obligation to abide by the By-laws of the company, the special provisions for which govern it, the decisions of the General Meeting of Shareholders, the resolutions of the Board of Directors adopted within their respective remit.
- e) All disputes concerning the legal title to the shares will be settled by the interested parties in the legally prescribed manner, for which the company will be exempt of responsibility, and will only be reputed as shareholders to those inscribed as such in the registry of shares.

ARTICLE 14 INCREASE OR REDUCTION OF THE SHARE CAPITAL

- a) The share capital may be either increased or reduced one or more times.
- b) In every increase of capital with the issue of new shares, the previous shareholders and the holders of convertible bonds may exercise, within the period stipulated for this purpose by the Board of Directors of the company, which will not be less than a month from the publication of the announcement of the offer to subscribe for the new issuance in the Official Gazette of the Mercantile Registry, their right to subscribe a number of shares in proportion to the nominal value of those held or of those that would correspond to the holders of convertible bonds in the exercise of their conversion right at that moment.
- c) Since all the shares are registered, the Board may replace the publication of the announcement with written notice to each one of the shareholders and the beneficial owners recorded in the registry of shares, counting the start of the term of subscription from the dispatch of notice.
- d) The preferential subscription rights will be transferable in the same conditions as the shares they are derived from. In the event of an increase charged to reserves, the same rule will be applicable to the rights of free allocation of the new shares.
- e) The Bank is not allowed to grant any loan to any person or entity for the purpose of financing the acquisition of shares of the Bank itself, whether the acquisition is made directly or by way of subscription to the increases of capital, unless the circumstances referred to in the provisions of article 150(3) of the Spanish Companies Act concur.

ARTICLE 15 BONDS

The issuance of bonds or similar liabilities by the Bank may be carried out under the conditions and in the amount stipulated by the current regulations which may be applicable.

SECTION III

ADMINISTRATION OF THE COMPANY

ARTICLE 16 MANAGEMENT BODIES

The governance of the company corresponds to the General Meeting of Shareholders and to the Board of Directors, each within the field of their respective competences as established by the law and these By-Laws.

The General Meeting of Shareholders will designate the auditors in form and period, with the powers determined by law.

Chapter 1

The General Meeting of Shareholders

ARTICLE 17 SOVEREIGNTY OF THE GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders, legally and statutorily convened and constituted, is the supreme sovereign body of the company. Its decisions are binding on all members, including those absent from the meeting as well as dissidents.

ARTICLE 18 TYPES OF GENERAL MEETINGS OF SHAREHOLDERS

The General Meetings of Shareholders may be either annual or extraordinary and must be convened by the Board of Directors, save as provided in paragraph b) of Article 21 of these By-Laws.

ARTICLE 19 ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders, previously convened to that effect, must meet within the first six months of each fiscal year to consider the management of the company, and approve, if applicable, the accounts of the previous fiscal year and decide on the application of results.

ARTICLE 20 EXTRAORDINARY GENERAL MEETINGS

Any unplanned General Meeting outside of article 19 will be considered an Extraordinary General Meeting, and will be convened by the Board of Directors as established in articles 167 and 168 of the Spanish Companies Act:

- a) Whenever they consider such a move to be in the company's interest.
- b) When requested by members who own at least five per cent (5%) of the share capital, who will state the matters to be deliberated in their request for a General Meeting. The Meeting will have to be held, without prejudice to the fulfilment of the legal regulations and the provisions of the By-Laws on invoking the shareholders, within one month following the date in which the notarized request had been sent to the Board of Directors, which may be freely prepared by the Board and must include matters which are the subject of invocation.

ARTICLE 21 METHOD OF CONVENING THE GENERAL MEETINGS

- a) As a rule, the General Meetings, annual as well as extraordinary, shall be convened by the Board of Directors.
- b) By exception, the General Meetings may be convened, in the circumstances contemplated in article 169 of the Spanish Companies Act, by the Judge of First Instance located where the company has its registered office.
- c) The notice of the General Meetings, annual as well as extraordinary, must be given by means of an announcement published in the Official Gazette of the Mercantile Registry and in one of the provincial newspapers in major circulation, and the announcement must appear at least one month before the date set for the General Meeting, except in the event when the term must be longer, in accordance with the applicable regulations. Shareholders representing at least five percent of the share capital may require the publishing of a supplementary notice to the General Meeting that includes one or more items in the agenda. The request must be received at the registered office within a period of five days following the publication of the call. The so-requested supplementary will be published at least fifteen days prior to the date established for the Shareholders' Meeting.
- d) The announcement will give the date of the first meeting and all the matters which are to be considered. It may also be stated in the same announcement the date in which the shareholders will convene in second instance.
- e) Between the first and second meeting a period of at least three days must first elapse.
- f) Regardless of the above-mentioned announcement, the date of the General Meetings will be communicated individually to each shareholder by registered letter, telegram, or fax with acknowledgment of receipt, sent at least one month in advance to the agreed date. To this effect, the notice will be given to shareholders that are registered as such in the registries of the company on the date of issue, and to the address registered therein.
- g) If the General Meeting, duly convened, does not take place in the first call, nor was it envisaged the date of the second, this must then be announced, with the same publicity requirements as the first call, within fifteen days following the date of the meeting not convened and eight days in advance to the next date of meeting.

- h) Notwithstanding the stated above, the Shareholders' Meeting will be understood as convened and validly formed to discuss any matter, provided that all of the representatives of the capital and the attendees unanimously accept the nature of their meeting.

ARTICLE 22 ATTENDANCE TO THE GENERAL MEETINGS

- a) Attendance to the General Meeting of Shareholders will be permitted to the owners of registered shares that have them recorded in the registries of the company five days in advance to the date in which the meeting will take place.
- b) Any shareholder with the right of attendance may delegate a representative for himself, who need not be a shareholder. The representation must be conferred in writing and specific to each meeting.
- c) Legal persons and those that do not find themselves in full enjoyment of their civil rights, will appear through their legal representatives, duly accredited.
- d) In respect to the representatives, articles 186 and 187 of the Spanish Companies Act are applicable.
- e) The Directors of the company must attend the General Meeting of Shareholders. In the case they were not Shareholders, they will have the right to speak, but not the right to vote.
- f) Additional persons with the right of attendance, as observers, are the Directors, Managers, and any other person that the Chairman of the Board of Directors deems fit.

The attendance to the General Meeting of Shareholders can be carried out simply by attending the place in which the meeting will be held, as indicated in the call, as well as any other place arranged by the company established in the announcement of the meeting. Attendance will be understood as accredited when he or any shareholder with the right of attendance find themselves connected to the place of the shareholder's meeting by video conference or any other electronic or digital medium that allows for the acknowledgement or identification of the attendees, the constant communication between participants, regardless of the place of meeting, as well as the participation and casting votes.

ARTICLE 23 QUORUMS FOR THE CONSTITUTION OF GENERAL MEETINGS

- a) On first call, the General Meeting will remain validly constituted when the attending shareholders or their representatives possess, at least, fifty percent (50%) of the subscribed share capital with the right to vote.
- b) On second call, the constitution of the meeting shall be valid regardless of the amount of capital present at the meeting.
- c) For the General Meeting, annual or extraordinary, to validly resolve the issuance of debentures, the increase or reduction of the share capital, the transformation, merger or split-off of the company and, in general, any modification to the By-Laws, it will be necessary: i) on first call, the attendance of shareholders or their representatives which possess, at least, sixty percent (60%) of the subscribed capital with the right to vote; ii) on second call, the attendance of

twenty five percent (25%) of the capital representatives will be sufficient. In both cases, the qualified majorities outlined in article 24 of these By-Laws must be adhered to.

ARTICLE 24 HOLDING OF GENERAL MEETINGS

The Chairman and the Secretary of the Board of Directors will hold these same positions in the General Meeting of Shareholders, unless validly substituted, and, in their absence, the substitutes appointed by the attending members in each case.

Before breaching the matter at hand, a list of the attendees will be produced, detailing the character or representation of each one and the number of shares owned or represented with which they concur. At the end of the list, the total number of shareholders present or represented, as well as the amount of share capital held by them, will be written.

The resolutions of the General Meetings will be adopted by majority vote, acknowledging one vote per share present or represented. By exception, in all the suppositions contemplated in paragraph c) of article 23 of the By-Laws, the agreement must obtain, at least, the majority vote of two-thirds of the present shareholders or their representatives, as much in the first as the second meeting, except for the dissolution of the company adopted by the decision of the General Meeting in the case of article 368 of the Spanish Companies Act, in which it will be as established in article 38 of the By-Laws.

The shareholders with the right to attend and vote may send their vote on proposals relative to the points understood in the agenda of the shareholders personally, through representation, as set out in article 22 of the present By-Laws, or by video conference or any other digital method that permits the acknowledgement and identification of the attending parties and the constant communication between the attendees.

In every session of the General Meeting, the minutes will be recorded in sufficiently detailed form in the corresponding register, as will the resolutions, which will be signed by the Chairman and Secretary, and, where appropriate, by the comptrollers referred to in the following paragraph.

The minutes of the General Meeting may be approved by the shareholders themselves after the meeting, or otherwise, within fifteen days, by the Chairman and two comptrollers, one representing the majority and the other the minority.

The right is hereby reserved for the Directors and shareholders to require the drafting of a notarial deed.

ARTICLE 25 THE SHAREHOLDER'S RIGHT TO INFORMATION

Up until the seventh day before the date set for the General Meeting of Shareholders, the shareholders may request the Board of Directors, regarding the matters understood in the agenda, to provide information or clarifications that they deem necessary, or produce in writing any pertinent questions. The Directors will provide such information in writing until the day of holding of the General Meeting of Shareholders.

During the meeting, the shareholders may verbally request any report or clarifications they feel is necessary regarding any matters comprised in the agenda. In the case that the informative right of

the shareholder cannot be satisfied in that moment, the Directors are obliged to satisfy this right by producing the information in writing, within seven days upon termination of the meeting.

The Board of Directors will provide the information requested under the terms of this article, unless this information is not necessary to the protection of the rights of members or objective reasons exist to believe that they could be used for out-of-corporate purposes, or its publicity could damage the company. This exception will not proceed when the solicitation is backed by the shareholders that represent, at least, one fourth of the company capital.

Chapter 2

The Board of Directors

ARTICLE 26 COMPOSITION AND APPOINTMENT

The company shall be governed, managed, and represented by a Board of Directors vested with the broadest powers, without any more limitations than those corresponding with the allocated functions, with non-delegable nature, by the Law or the present By-Laws, to the General Shareholders Meeting.

The appointment of Board Members, determining their numbers by a minimum of five members and a maximum of twenty, corresponds to the General Meeting of Shareholders.

The Board shall designate between their members a Chairman and, as appropriate, one or more Vice Chairmen, as well as a Secretary and, where appropriate, a Vice Secretary, who may or may not be member of the Board.

The election of the members of the Board by the General Meeting of Shareholders shall be carried out by vote. To this effect, the representative shares that voluntarily group together until they constitute a figure of the share capital equal to or greater than the amount resulting from dividing the latter by the number of members of the Board, will have the right to designate those that, exceeding whole fractions, are deducted from the corresponding amount. Once this power has been made use of, the shares so grouped may not take part in voting for the remaining members of the Board. In addition to the current member, the grouped shareholders will appoint until three successive substitutes.

For the appointment of Directors, the incompatibility rules and the limitations provided in the Spanish Act 5/2006 of 10th April 2006 and the Spanish Act 14/2995 of 4th March for the Madrid Autonomous Region will be met, as well other related provisions or those replacing the current ones in the future; the general provisions which constitute an impediment to the free exercise of the position, and specially the provision contained in the article 213 of the Spanish Companies Act and in the credit institutions regulations.

The position of Director is waivable, revocable, and re-electable, for periods of equal duration to the fixed term outlined in article 28 of these By-Laws, however many times deemed convenient by the General Meeting of Shareholders.

ARTICLE 27 REMUNERATION

Serving as a Board Member entitles remuneration. The remuneration shall consist of a fixed amount, annually determined by the General Meeting of Shareholders. The maximum amount of annual remuneration for all members must be approved by the shareholders and will stay in force as such until modified. Unless otherwise determined by the shareholders, the Board of Directors shall decide on the allocation of the remunerations amongst each of its members according to the work carried out and the attendance to the meetings of the Board and of its Committees.

The executive Directors shall be entitled to a remuneration for services rendered of an executive degree, which will consist of a fixed amount, and where a bonus is applicable, it shall be adequate to the functions and responsibilities assumed, in accordance with the contract for services rendered, whatever its legal nature, and will have to be authorized by the shareholders, *pro rata* to the number of meetings held.

ARTICLE 28 TERM OF OFFICE AND RENEWALS

The term of office for any Director shall be a period of three years, renewable one or more times for a term no longer than the same maximum stated period.

If, during the term for which the administrators were appointed, any vacancy should arise, the Board may designate amongst the shareholders those persons to occupy the position until the first General Meeting of Shareholders.

For the purposes of this article, it must be understood that the year is concluded the day the Annual General Meeting of Shareholders takes place, in which the Board members must be renewed.

ARTICLE 29 REMOVAL

The removal of Board Members may be decided at any given moment by the General Meeting of Shareholders. Board Members may also be removed at the request of any shareholder and by agreement of the General Meeting, when the circumstances established in article 224 of the Spanish Companies Act concur.

ARTICLE 30 CALL AND ADOPTION OF RESOLUTIONS

The Board of Directors will meet on prior call by the Chairman, on his own initiative or by petition of one-third of the Board Members. It will also remain as validly constituted, without prior call, when all the Board Members present unanimously accept it being held. The meetings of the Board will be held, at least, every three months. In case of absence or illness of the Chairman, the meeting will be carried out by the Vice-Chairman, if one exists, and in case of his absence or illness, by two members of the Board.

The Board of Directors shall be validly constituted when half of its members, present or represented, attend the meeting. Each member may confer their representation to another, but none of the attendees may have more than two representatives.

Attendance to the meetings of the Board may be realized either by going to the place in which the meeting will be held, shown in the call, or in other places that the company has arranged, having

noted it in the announcement of the meeting. Attendance will be understood as accredited when a member or members with right of attendance find themselves connected to the place of the Board Meeting by systems of video conference or any other digital mode that permits the acknowledgement or identification of its attendees, the constant communication between the participants, independent to the place they meet, as well as intervening or sending a vote.

The members with right of attendance and vote may cast their vote over proposals for agreement relating to the points comprehended in the agenda of the Board personally, by representative, as stated in this article, by video conference or any other digital method that permits the acknowledgement or identification of the attending parties and the constant communication between the attendees.

The resolutions will be taken by absolute majority in the votes of the Board in attendance to the session and, in the event of a tied vote, the Chairman will decide, or who took his place.

The minutes of the Board Meetings will be recorded in the book specially designated for this purpose and will be signed by the Chairman and Secretary.

The Board Members will perform their duties with the loyalty of a faithful representative, acting *bona fide* for the best interests of the company and will be liable to the company, the shareholders, and the company's creditors for any damage their actions or omissions might have caused contrary to the Law or these By-Laws, or realized by breach of duties inherent to their position due to wilful misconduct or gross negligence. Likewise, all members of the Board who produced an infringement or adopted the detrimental resolution will jointly and severally liable, except those who prove that they have not participated in its adoption or execution, denounce knowledge of the acts, or if they were aware, conducted reasonable steps to avoid damage, or at least, expressly opposed it. In no case will liability be exonerated by the fact that the injurious resolution had been adopted, authorized, or ratified by the General Shareholder's Meeting.

The company may contract civil liability insurance in favour of the Board Members.

ARTICLE 31 POWERS OF THE BOARD

It is the responsibility of the Board of Directors to manage and administrate the company's affairs, as well as uphold the representation of the company inside and outside of court and can carry out all that is necessary to achieve the corporate purpose.

In particular, the following powers are designated to the Board of Directors:

1. Those specially assigned in the corresponding provisions of the present By-Laws.
2. To execute the resolutions of the General Meeting.
3. To approve the regulations for the execution of these By-Laws and for the internal policies of the company, and its branches, agencies and delegations and modifying these when judged necessary.
4. To appoint managers, deputy managers, technical and administrative staff, agents, attorneys, and legal representatives of any kind, with the powers and limitations felt suitable, indicating their salaries, *per diems*, fees and bonuses, and their suspension or dismissal.

5. To decide the acquisition, disposal, purchase, exchange of all kinds of securities and fixed assets, with any entity or persons, through the covenants and conditions judged convenient; enter into all kinds of contracts without limitation of any kind and, particularly, contract, expand, collect, pay, reduce and cancel mortgages, pledging with natural or legal persons, including Bank of Spain, providing a guarantee for its own property or assets within its portfolio, and receiving under guarantee that which it considers appropriate.
6. To decide the exercise of legal proceedings of any type with capacity to compromise, cease and desist, and to settle property and rights and submit to the decisions of private arbitrators on any matters and disparities affecting the company.
7. To remit annual accounts and the management report.
8. To determine the date for the General Meeting of Shareholders, either annual or extraordinary.
9. To propose the General Meeting for their approval on the annual redemption of the company assets, as seen fit, the annual distribution of the results and the allocations to the reserves.
10. To decide the distribution of dividends under the conditions provisioned in article 277 of the Spanish Companies Act.

In any event, the representation of the company by the Board of Directors extends to all matters pertaining to the business or trade thereof, without the previous list of powers being interpreted narrowly, and rather merely illustrative, inasmuch, in accordance with the legal standards and these By-Laws, the Board of Directors acknowledge, in a general sense, to possess all the powers integral to the company's business activities not expressly reserved to the General Meeting of Shareholders.

ARTICLE 32 DELEGATION OF POWERS

The Board of Directors may permanently delegate all or part of its powers that are able to be delegated under the Law or these By-Laws, to one or more of its members, having the nature of executive Members.

Furthermore, it may also designate from its midst an Executive Committee composed of a minimum of five Board Members and a maximum of nine, in which the executive members must take part in. The Executive Committee will be vested with the powers specifically conferred by the Board and will act in form and conditions established to the effect of said body.

The Board of Directors or, if applicable, the Executive Committee, may set up a temporary or auxiliary committees or commissions to carry out informative, advisory, or managing functions that are deemed to be in the best interests of the company.

The permanent delegation of powers by the Board of Directors onto the Executive Committee and the Executive Members, and the appointment of Directors who were to occupy such positions will require supporting votes of two thirds of the Board Members for validity and will not become effective until it is registered in the Mercantile Registry.

ARTICLE 33 POWERS OF THE CHAIRMAN

The responsibilities of the Chairman of the Board of Directors are as follows:

1. To convene the Board and, if applicable, the Executive Committee.
2. To conduct the deliberations of the management bodies he chairs.
3. To oversee the execution of the resolutions of these bodies, which he represents on a permanent basis.
4. To exercise the highest control of all the services of the company.
5. Any other duties by which the law or these By-Laws attribute to him.

In case of vacancy, sickness or absence, the Chairman will be substituted by the Vice-Chairman, according to his order, or, failing this, by the most senior Board Member of the attendees of the meeting.

In no event will it be necessary to justify the reason for the substitution.

ARTICLE 34 POWERS OF THE SECRETARY

The powers corresponding to the Secretary and, if applicable, the Vice-Secretary, are as follows:

- a) To record the minutes of the General Meeting of Shareholders and the Board of Director's meeting and, if applicable, of the Executive Committee.
- b) To issue certified true copies of the minutes and, in general, of the books and documents of the company, with the approval of the Chairman or he who substitutes him.
- c) All powers attributable to him resulting from these By-Laws or on agreement by the Board of Directors.

In the event of vacancy, sickness or absence, he will be substituted by the appointed Vice-Secretary or, in his absence, by the person chosen by the Board of Directors or the General Meeting of Shareholders.

In no event will it be necessary to justify the reason for the substitution.

ARTICLE 35 GENERAL MANAGERS

Irrespective of the permanent delegations, the Board of Directors may appoint one or more General Managers and arrange their compensation and powers.

SECTION IV

ANNUAL ACCOUNTS. DISTRIBUTION OF RESULTS

ARTICLE 36 **ANNUAL ACCOUNTS**

- a) The company's fiscal year begins the first day of January and ends the thirty-first of December of each year.
- b) The Board of Directors is obligated to formulate within a maximum period of three months, counting from the conclusion of the fiscal year, the annual accounts, management reports and the proposals for the implementation of results, as well as, where applicable, the consolidated accounts and management reports.
- c) The annual accounts comprise the Balance Sheet, the Profit and Loss Account and the Annual Report. These documents, forming a single unit, must be drafted with clarity and demonstrate an accurate picture of the net worth, financial situation, and the results of the company, according to the current Spanish Companies Act and the provisions of the Code of Commerce.
- d) The annual accounts and the management report must be reviewed by chartered auditors. The chartered auditors will be appointed by the General Shareholders Meeting before the conclusion of the fiscal year to be audited, for a determined period of time, which may not be below three years nor above nine, from the date in which the first financial year to be audited commences. These persons may not be re-elected until three years have transpired since the end of the previous period.

The General Shareholders Meeting may not revoke the auditors before the completion of their period of appointment unless there is just cause.

- e) From the annual General Meeting of Shareholders being convened, any shareholder may obtain from the company, immediately and without expense, the documents that are to be submitted for approval of it and the reports of the auditors. Notice of the meeting must mention this right.

ARTICLE 37 **DISTRIBUTION OF RESULTS**

The product of the operation of the company's business will be considered the net profit, deducting the expenses and charges of any kind that were necessary to obtain it.

The General Shareholders Meeting shall come to a resolution on the application of results of the fiscal year with the Balance Sheet approved.

Once the transfers provisioned by Law or by these By-Laws have been covered, dividends may only be distributed against profits of the fiscal year, or against reserves at free disposal; if the value of the net worth does not, as a consequence of the distribution, result lower than the share capital.

Should losses previously existing from past years make the net assets of the company lower than the amount of the share capital, the profit shall be used to offset these losses.

In any case, a figure equal to ten per cent of the profit of the fiscal year will be transferred to the statutory reserve until this reaches, at least, twenty per cent of the share capital.

SECTION V

DISSOLUTION AND LIQUIDATION OF THE COMPANY

ARTICLE 38 DISSOLUTION

The company will be dissolved in the circumstances provisioned in the current legislation, and by approval of the General Meeting of Shareholders. In order the General Meeting of Shareholders to approve the dissolution of the company, the proposal must obtain, at least, affirmative vote of at least four-fifths of the shareholders present or represented, at both first and second calls.

ARTICLE 39 LIQUIDATION

- a) From the moment the company declares itself in liquidation, the representation of the Directors to enter into new contracts and new obligations will cease, and the liquidators will assume the functions referred to in the provisions of the Spanish Companies Act.
- b) The appointment of liquidators, in odd number, will correspond to the General Shareholders Meeting.
- c) During the period of liquidation, the provisions of these By-Laws regarding calls and holding of the annual and extraordinary General Meeting of Shareholders will be observed, in which the liquidators will inform them on the proceedings of liquidation so that they may decide what is most convenient to the common interest.

SECTION VI

FINAL PROVISIONS

ARTICLE 40 JURISDICTION

Any matter concerning the company, the shareholders, merely by being one, remain subject to the Courts of Madrid. For those purposes, all the representative shares of the share capital will be considered being domiciled at the registered office.

ARTICLE 41 INTERPRETATION

The interpretation of the present By-Laws corresponds to the General Meeting of Shareholders and all that is not foreseen in these By-Laws will be resolved in accordance with the applicable tenets of banking legislation, the Spanish Companies Act and any complementary legislation.

ARTICLE 42 REFERENCE TO THE SPANISH COMPANIES ACT

- a) With regards to all matters not stipulated in these By- laws, the rules of the Spanish Companies Act ("*Ley de Sociedades de Capital*") approved by the Royal Decree-Law 1/2010, of 2 July, the

Rules of the Mercantile Registry ("*Reglamento del Registro Mercantil*") approved by Royal Decree 1.784/1996, of 19 June, and other related regulations in effect, shall be applicable.

- b) The reference made in these By-laws to laws or regulations shall be understood as made to the current ones listed above, as well as to the subsequent ones that interpret, extend, condition, amend or revoke the current ones in force.