

ANTENA 3 DE TELEVISIÓN, S.A.

CORPORATE BYE-LAWS

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TITLE I.- NAME, OBJECT, TERM AND REGISTERED OFFICE

Article 1.- NAME

ANTENA 3 DE TELEVISIÓN, S.A. is hereby incorporated as a Joint Stock Company that will be governed by these Bye-laws and those issues not covered by them will be governed by the Joint Stock Companies Law and other legal provisions applicable.

Article 2.- CORPORATE OBJECT

The object of the Company is:

1. The indirect management of the Television Public Service, in accordance with the terms and conditions of the licence granted to it.
2. The exploitation of any kind of broadcasting of television services.
3. The exploitation of any kind of radio broadcasting services.
4. The exploitation of any kind of printed media.
5. The exploitation of any kind of IT, interactive and Internet communications media.
6. The production, purchase, sale, rental, publishing, reproduction, import, export, distribution, exhibition, financing of all kind of audiovisual works, irrespective of their technical support, susceptible of being broadcast through cinematic, TV, video or any other audiovisual media.
7. The organization, production and broadcast of shows or news, sports, bullfighting, musical, cultural or any other events as well as the acquisition and marketing of any kind of rights on them.
8. The performance of activities and the rendering of services, surveys, analyses, promotion, programming, data processing and reports through any means related to any communications activities including, in any case, those related to any kind of television services.

9. The preparation of any kind of surveys, reports or analyses related to communications companies, media and systems, especially television, video, cinematic and multimedia systems.
10. The intermediation in any kind of intellectual or industrial property rights markets as well as any activities directly or indirectly related to advertising, marketing, merchandising and any other commercial activities.
11. The preparation and execution of advertising projects and any tasks related to the contracting, mediation and broadcasting of any kind of advertising messages.
12. The promotion and remote sale of any product or service in any support either through clubs, mail, telephone, television or any other IT or audiovisual means.
13. The acquisition and exploitation, by itself or through third parties, of any kind of equipment, devices, items, technical facilities and procedures related to the above activities, including the licence of patents and technological assistance.

The activities listed above can be developed by the company wholly or partially, indirectly or through shareholdings in other companies with a similar object.

All activities the exercise of which call for special legal requisites not fulfilled by the Company are expressly excluded.

Article 3.- TERM

The company is incorporated for an indefinite period of time. The company started its activities on the date of its registration with the Mercantile Registry.

Article 4.- REGISTERED OFFICE

The company has its registered office at Avenida de la Isla Graciosa no. 13, 28700 San Sebastián de los Reyes, Madrid.

The change of the registered office within the same municipality, as well as the opening, closing or change of address of branches, agencies or representative offices, either in Spain or abroad, deemed necessary or convenient for the activities of the company is the responsibility of the Board of Directors.

TITLE II. CAPITAL STOCK AND SHARES

Article 5.- CAPITAL STOCK

The capital stock amounts to EURO ONE HUNDRED AND SIXTY SIX MILLION SIX HUNDRED AND SIXTY EIGHT THOUSAND (EURO 166,668,000) represented by a single Series of 222.224.000 registered shares with a nominal value of EURO 0,75 each, fully subscribed and paid up. The shares are represented by book entries.

Article 6.- CAPITAL INCREASE AND DECREASE

The capital stock can be increased or decreased through a resolution of the General Meeting summoned to that effect, with the attendance of the quorum required by the law and, if appropriate, the favourable votes called for in art. 103.2 of the Law. At the proposal of the Board of Directors, the Shareholders' General Meeting will fix the terms and conditions of each new issue and the Board of Directors will be empowered to execute the resolutions adopted in this respect by the General Meeting.

The Board of Directors will fix the terms and conditions for the payment of capital calls and such terms and conditions will have to be published in the Official Gazette of the Mercantile Registry.

Article 7.- SHARES

The shares are represented by book entries and their accounting records are in charge of the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores*, and other participating companies, and will be governed by the regulations of the securities market and other legal provisions in force. The company will acknowledge as a shareholder any individual duly legitimated in the entries of the company in charge of the accounting records of the shares.

Article 8.- SHAREHOLDERS' RIGHTS

The shares bestow on their legitimate holder the condition of shareholder which implies for this latter the full compliance with the provisions of these Bye-laws and of the resolutions validly adopted by the governing bodies of the company and the exercise of the rights inherent to such condition, in accordance with these Bye-laws and the legislation in force.

According to the law, and with the relevant legal exceptions, a shareholder will have at least the following rights:

1. To participate in the distribution of the corporate profits and in the relevant net worth after the winding-up.
2. The preferential subscription rights in the issue of new shares or debentures convertible into shares.
3. To attend and vote at the Shareholders' General Meeting, in accordance with the provisions of these Bye-laws, and to contest the corporate resolutions.
4. To be kept informed about the status and the situation of the Company.
5. The Company can issue shares without voting rights, subject to the terms and conditions, limits and requisites set out by the Law.

Article 9.- TRANSFER OF SHARES

The shares can be transferred in accordance with the legal provisions. The transfer of shares of the Company will always be subject to the terms and conditions set out by the applicable legislation in force.

Article 10.- REGISTERED SHARES

Considering that the company is the successful bidder of an administrative licence to exploit the television public service, the shares of the capital stock of the Company, represented by book entries, must be registered shares, as expressly set out in the Joint Stock Companies Law.

Article 11.- CO-OWNERSHIP OF SHARES

The shares are indivisible. The co-holders of a share will be joint and severally responsible before the Company for any liabilities derived from their condition as shareholders and will appoint one single person to exercise, in their name, the rights inherent to their condition as shareholder. The same rule will be applicable to the co-ownership of rights on the shares.

Article 12.- USUFRUCT OF SHARES

In the case of usufruct of shares, the remainderman will be considered the shareholder. The other relationships between the usufructuary and the remainderman and the remaining contents of the usufruct will be governed, as far as the Company is concerned, by the title that establishes the right provided that this has been notified to the Company for its registration in the relevant accounting record. In the absence of such notice to the Company, the usufruct will be governed, as far as the Company is concerned, by the provisions of the New Text of the Joint Stock Companies Law and, otherwise, by the civil legislation applicable.

Article 13.- PLEDGE AND SEIZURE OF SHARES

In the case of pledge or seizure of shares, the holder will exercise the rights of the shareholder and the secured creditor will be obliged to facilitate the full exercise.

TITLE III.- BODIES OF THE COMPANY

Article 14.- BODIES OF THE COMPANY

The Company will be governed and administered by the corporate bodies set out in this article and will have the faculties and powers granted by the Law and these Bye-laws, and their exercise will be subject to the regulations and procedures established by the applicable regulations.

Corporate bodies:

1. The Shareholders' General Meeting
2. The Board of Directors
3. The Management Committee
4. The Chairman, the Deputy Chairman and the Managing Directors
5. The Audit and Control Committee

and any other committees considered appropriate by the Board of Directors.

First Section.- SHAREHOLDERS' GENERAL MEETING

Article 15.- GENERAL MEETING

The shareholders present at a General Meeting duly summoned will decide, by majority, on all issues that are the competence of the Meeting. All shareholders, even dissident shareholders and those shareholders who are not present at the meeting, are subject to the resolutions of the General Meeting, except in the case of the separation and objection rights set out by the law.

Article 16.- FACULTIES OF THE MEETING

The General Meeting will decide on all issues of its competence in accordance with the provisions of the Law and these Bye-laws, especially in the following cases:

1. The appointment and dismissal of the Directors.
2. The appointment of the Auditors.
3. The approval of the corporate management and, if appropriate, of the accounts for the previous year and the allocation of the results.
4. The increase and decrease of the capital stock.
5. The issue of debentures.
6. The amendment of the Corporate Bye-laws.
7. The winding-up, merger, split-off and restructuring of the Company.
8. Any other issue that the Board of Directors decides to submit to its consideration and decision.

Article 17.- TYPES OF GENERAL MEETINGS

General Meetings may be ordinary or extraordinary and will be summoned by the Board of Directors. The Ordinary Meeting must be summoned within the first six months of each year to approve the corporate management and, if appropriate, the accounts for the previous year, and to decide on the allocation of the results as well as on any other issue included in the Agenda. Any meeting different from the Ordinary Annual Meeting will be considered an Extraordinary Meeting.

Article 18.- SUMMONS

General Meetings must be summoned through an ad inserted in the Official Gazette of the Mercantile Registry and in one of the largest newspapers of the province at least one month before the date fixed for the holding of the meeting, or the term set out by the Law or the Bye-laws for special circumstances.

The ad will include the date of the meeting in first call and all the matters to be dealt with. If appropriate, the date of the second call can also be included and such date will be twenty four hours after the date fixed for the first meeting.

However, the Meeting will be considered summoned and validly constituted to discuss any subject provided that the whole capital stock is present and the attendants unanimously accept to hold the Meeting.

Any issues not included in the Agenda cannot be discussed at a General Meeting.

Shareholders who represent at least five percent of the capital stock may request to publish a complement of the summons of the Shareholders' General Meeting, including one or more points in the Agenda. This right must be exercised through an official notice that must be received at the official address within five days after the publication of the summons.

The complement of the summons must be published at least fifteen days before the date fixed for the holding of the Meeting.

If the complement of the summons is not published within the term legally established, this will entail the nullity of the Meeting.

Article 19.- QUORUM

The Ordinary or Extraordinary General Meeting will be validly constituted in first summons when the shareholders present or represented hold at least twenty five percent (25%) of the subscribed capital with voting rights. In second summons, the Meeting will be validly held irrespective of the capital present.

Article 20.- QUORUM. SPECIAL CASES

Notwithstanding the provisions of the previous article, to enable the Meeting to validly approve the issue of debentures, the increase or decrease of the capital stock, the restructuring, merger or split-off of the Company or any amendment to be introduced into the Bye-laws, at least fifty percent (50%) of the subscribed capital with voting rights must be either present or represented in first summons. In second summons, the presence of twenty five percent of the subscribed capital with voting rights will suffice.

In the case that the meeting is attended by shareholders that represent less than fifty percent of the subscribed capital with voting rights, the corporate resolutions referred to in this article can only be adopted through the favourable vote of two thirds of the capital present or represented at the Meeting.

Article 21.- ATTENDANCE RIGHT

General Meetings may be attended by shareholders who hold shares that represent at least a nominal value of euro 300, provided that such shares have been registered in their name in the relevant book five days before the date of the General Meeting and this is evidenced through the relevant attendance card or certificate issued by any of

the entities of the *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores* or in any other form admitted by the legislation in force.

Without prejudice to the above, shareholders who hold a lower number of shares may delegate their representation in a shareholder entitled to attend the Meeting or can group with other shareholders who are in the same situation until the necessary number of shares is reached. In such a case, they will be represented by one of them. The grouping must be a special one for each Meeting and duly evidenced in writing. Additionally, the vote related to proposals to issues included in the agenda may be delegated or exercised by the shareholders by mail, e-mail or any other remote communications means that duly guarantee the identity of the shareholders and all subject to the provisions of the legislation in force.

The members of the Board of Directors will attend the General Meetings except if any duly justified reasons prevent such attendance. The managers and any other persons who have a direct interest in the proper course of the corporate business can be authorized by the Chairman of the Board of Directors to attend the General Meeting. This authorization can be extended to any other person that the Chairman of the Board considers appropriate.

Article 22.- REPRESENTATION

Any shareholder entitled to attend can be represent at the General Meeting by any other person. The representation can be granted in writing or through remote communications means that duly guarantee the identity of the shareholder to be represented and the representation must be especially granted for each Meeting, in accordance with the terms and within the scope set out by the Joint Stock Companies Law.

This last requisite will not be applicable when the representative is the spouse, ascendant or descendant of the shareholder represented; it will be neither applicable when the representative holds a general power that entitles him to administer the net worth owned in the national territory by the shareholder represented.

The representation can be always revoked. The personal attendance of the shareholder to the Meeting will represent an actual revocation.

The Chairman and the Secretary of the General Meeting will enjoy the broadest legal powers to admit the proxy and will only reject a proxy if it does not include the minimum requisites and such defect cannot be cured.

Article 23.- SUMMONS OF THE EXTRAORDINARY GENERAL MEETING

The Board of Directors can summon an Extraordinary General Meeting whenever the Board considers it appropriate for the corporate business. Such meeting will also be summoned when so requested by shareholders who represent five percent of the capital stock and indicate in their request the subjects to be discussed. In such a case, the Meeting will be summoned and held thirty days after the date of the relevant warning letter forwarded to the Board of Directors. Such warning letter must necessarily include in the Agenda the issues that are the subject matter of the request.

Article 24.- INFORMATION RIGHT OF THE SHAREHOLDERS

Up to seven days before the date fixed for the meeting, shareholders may request from the directors any information or clarifications deemed necessary or present any questions in writing deemed appropriate and related to the subjects included in the agenda.

Shareholders may request any information or clarifications or present any questions in writing about the information available to the public and forwarded to the *Comisión Nacional del Mercado de Valores* after the holding of the last General Meeting.

The Directors will be obliged to provide information in writing up to the date on which the General Meeting will be held.

During the holding of the meeting, shareholders may verbally request any clarification or information considered appropriate about the subjects included in the agenda. In the case that it is not possible to deliver such information at that time, the directors will have to forward such information in writing within a term of seven days after the closing of the meeting.

The summons of the Ordinary General Meeting will state that any shareholder may obtain from the company, immediately and free of charge at the registered office, copies of the documents to be submitted for approval and of the audit report.

When amendments to the Bye-laws are to be discussed at the General Meeting, the summons, apart from any other information required by law, will include the right of all

shareholders to inspect at the registered office the full text of the amendments proposed and of the relevant report and to request the delivery or the forwarding of such documents free of charge.

In the case of a capital increase or decrease, the issue of convertible debentures, merger or split-off of the Company, the information required by the law will have to be delivered.

Article 25.- CHAIRMAN AND SECRETARY OF THE MEETING. LIST OF ATTENDANTS

In the Ordinary and Extraordinary General Meetings, the Chairman and the Secretary of the Board of Directors will act as Chairman and Secretary of such Meetings. In the absence or impossibility to attend the meeting on the part of the Chairman, the meeting will be chaired by one of the Deputy Chairmen of the Board of Directors, following the relevant order if there are several Deputy Chairmen. In the case of non existence or absence of a Deputy Chairman, the senior Director will act as Chairman and, in the case of the same seniority, the older one will act as Chairman. In the absence or impossibility to attend the meeting on the part of the Secretary, a Deputy Secretary will act as Secretary, following the relevant order if there are several Deputy Secretaries and, in their absence, the junior Director will act as Secretary. In the case of the same seniority, the youngest director will act as Secretary.

The Board of Directors will appoint the Presiding Committee at the Meeting.

Once appointed and before discussing the Agenda, the list of attendants will be prepared, indicating the status or representation of each attendant and the number of own or third parties' shares represented. The number of attendants will be indicated at the end of the list, including those shareholders who cast their votes remotely in accordance with the provisions of the legislation in force, or by proxy, as well as the capital stock held by them. In accordance with the provisions of the Regulations of the Mercantile Registry, the list can be prepared either manually or incorporated into a recordable medium.

Once the list has been dressed, the Chairman will declare whether the requisites called for to validly constitute the Meeting have been complied with. Any doubts or claims presented in this respect will be solved by the Secretary. Subsequently, if appropriate, the Chairman will declare the Meeting validly constituted.

Article 26.- APPROVAL OF THE RESOLUTIONS

The resolutions of the Meeting will be approved by majority, except in the cases set out in these Bye-laws and in the legislation in force when a specific majority is required.

The Chairman will chair the Meeting so that the discussions are held in accordance with the Agenda and will solve any doubts raised about its contents; when deemed appropriate, the Chairman will give the floor to the shareholders that request it and will withdraw the right to speak when he considers that a given subject has been sufficiently discussed or that this impairs the course of the meeting or that it has not been included in the Agenda; the Chairman will indicate when the voting of the resolutions will take place and will inform about the relevant result.

The voting will be by show of hands, if necessary, and the resolutions may be unanimously adopted by the Meeting, without prejudice to the provisions of the legislation in force in the context of the requisite of including in the Minutes any objections of shareholders, if any.

Each share present or represented at the General Meeting will give right to cast one vote, except in the case of shares without voting rights, in accordance with the law.

Article 27- MINUTES AND CERTIFICATES

The discussions and resolutions of the General Meeting will be included in the Minutes as well as all the information required by the Law and the Regulations of the Mercantile Registry. Once the Minutes have been approved in accordance with the Law, they will be incorporated into the Book of Minutes and signed by the Secretary with the approval of the Chairman or the persons who have acted at the Meeting as such.

The Minutes of the Meeting can be approved at the end of the Meeting by the Meeting itself or, alternatively, within a term of fifteen days by the Chairman and two Controllers, one representing the majority and the other one the minority shareholders.

The Minutes approved in any of these two manners will be enforceable as from the date of their approval.

The Secretary will be responsible for certifying the Minutes and the resolutions of the General Meetings, and of their execution and conversion into a public deed, with the approval of the Chairman and, if appropriate, of the Deputy Secretary. Furthermore any of the members of the Board of Directors expressly empowered to that effect, with his

office in force and registered with the Mercantile Registry may convert the corporate resolutions into a public deed.

The Directors may require the presence of a Notary Public to take the Minutes of the Meeting and they will have to do so provided that this has been requested, five days before the date of the Meeting, by shareholders who represent at least one percent of the capital stock. The fees of the Notary Public will be paid by the Company. The certificate of the Notary Public will be considered the Minutes of the Meeting.

Any shareholder may obtain at any time a Certificate of the resolutions and of the Minutes of the General Meetings.

Second Section.- BOARD OF DIRECTORS

Article 28.- THE BOARD OF DIRECTORS

The Board of Directors is the body in charge of managing, administering and representing the Company judicially and extra-judicially, with full powers, to carry out all the activities included in the corporate object and to exercise any powers not expressly reserved to the General Meeting by virtue of the Law or these Bye-laws, without prejudice to the faculties of the Shareholders' General Meeting.

Article 29.- COMPOSITION OF THE BOARD

The Board of Directors will be formed by the number of members determined by the General Meeting, with a minimum of 5 and a maximum of 15.

A Director does not need to be a shareholder.

The Board of Directors is empowered to provisionally cover any vacancies by legally appointing the relevant persons until the next General Meeting is held.

Those persons affected by any prohibitions or incompatibilities set out by the legislation applicable may not be appointed directors of the Company.

The Board will elect among its Directors a Chairman and one or more Deputy Chairmen who will replace the Chairman in case of delegation, absence or sickness and, in general, in all cases, functions or faculties that the Board considers appropriate. Furthermore, the Board will appoint among its members the persons who will form part of the Committees of the Board.

The Board will also appoint a Secretary and as many Deputy Secretaries as considered appropriate. The Secretaries do not have to be Directors. The Secretary

and, if appropriate the Deputy Secretaries, may participate in the meetings but they will only vote if they are Directors.

The Secretary will be responsible for the custody of the Files, the Books of Minutes and any documents, vouchers and receipts of the Company.

Furthermore, the Secretary will draft the Minutes of the meetings which will be signed by him, with the approval of the Chairman of the relevant body, he will issue, subject to the legal requisites on a case-by-case basis, the Certificates of the Minutes or of any other documents that must be authorized to fulfil the corporate object or at the request of a legitimate party, and will convert the corporate resolutions into a public document.

In any case, the Secretary will be responsible for the formal and material legitimacy of the actions of the Board, will monitor the compliance with the provisions issued by the regulatory bodies and, if appropriate, their recommendations, and will guarantee the respect of the procedures and regulations of the governing bodies of the Company and, especially, the rules of the Regulations of the Board.

There will be as many Deputy Secretaries as determined by the Board of Directors and their actions will be equivalent to the actions of the Secretary who will determine, in each case or in general terms, the occurrence of sufficient reasons to be replaced in his activities by a Deputy Secretary, provided that this is possible from a legal point of view.

In any case, the Secretary will be responsible for the supervision of the actions of the Deputy Secretary.

Article 30.- TERM OF OFFICE OF THE DIRECTORS

The members of the Board of Directors will hold their office for a term of six years from their respective appointment. The Directors may be re-elected indefinitely.

Article 31.- SUMMONS AND QUORUM OF THE MEETINGS OF THE BOARD OF DIRECTORS

The Board will always meet when so required by the corporate interests and, at least, once every two months, subject to the prior summons of the Chairman.

The meeting will be summoned at least five days before the date of the meeting, except in case of urgency in the opinion of the Chairman. In such a case the meeting will be summoned with a prior notice of 24 hours.

The Board will hold extraordinary meetings when so agreed by the Chairman or his representative. The Board will also meet at the request of at least three Directors.

The Board will be validly constituted, without a prior summons, if all the Directors are present or represented and unanimously accept to hold the meeting of the Board.

All the Directors must attend the meetings to be held, except in the case of justified reasons. The Directors absent may grant their representation to another Director, in writing and on a case-by-case basis.

For the resolutions of the Board to be valid, it will be necessary the personal attendance or the representation of half plus one of all the Directors; in the case of an odd number, it will be necessary that the number of Directors present, either personally or represented, is greater than the number of those absent.

In any case, the resolutions will be adopted by a majority of votes of the Directors attending the meeting, either present or represented, except in those cases that the law calls for the favourable vote of a higher number of Directors for certain resolutions to be valid.

It will be considered that the Directors present are those that physically are present at the meeting and those who personally participate through audiovisual media (as in the case of videoconference) that guarantee their effective participation in the meeting.

Votes in writing and without a meeting will be accepted when there are no objections on the part of the Directors.

The discussions and resolutions of the Board will be recorded in the Minutes signed by the Secretary, with the approval of the Chairman, or by those persons who have replaced them in the relevant meeting. The Minutes will be included or transcribed in the book of Minutes which can be different from the Book of Minutes of the Shareholders' General Meeting. In the case of votes in writing and without holding a meeting, the resolutions adopted and the votes cast in writing will also be included in the Book of Minutes.

Article 32.- MANAGEMENT COMMITTEE AND MANAGING DIRECTOR

The Board of Directors, with the vote of two thirds of its members, may indefinitely delegate, unless revoked by the same majority, in a Management Committee which will hold all or part of the faculties of the Board except those that cannot be delegated.

The Management Committee will be formed by not less than 3 and no more than 9 members appointed among the members of the Board of Directors of the Company. In any case and considering their offices, the Chairman of the Board and the Managing Director, if any, will form part of such Committee.

The Committee will be chaired by the Chairman of the Board of Directors or by the person appointed by this body, and the Secretary will be the Secretary of the Board or the person appointed by it, who does not need to be a Director. The Secretary of the Committee will only be entitled to vote if he is a Director.

The Committee will be summoned by the Chairman. It will meet when deemed necessary in the interests of the company and regularly once a month, unless the Chairman does not consider it necessary. The Committee will take its decisions by a majority of its members present or duly represented by another Director who is a member of the Management Committee. In case of tie, the Chairman will have the casting vote. The Secretary will prepare the Minutes of each meeting.

The appointment and dismissal of each member of the Management Committee requires the vote of, at least, two thirds of the members of the Board of Directors.

With the vote of two thirds of its members, the Board may also delegate all its faculties and powers, except those that cannot be delegated by virtue of the Law or these Bye-laws, in one or several Managing Directors. The dismissal and the revocation of powers of the Managing Directors will require, at least, the favourable vote of two thirds of the members of the Board.

Article 33.- AUDIT AND CONTROL COMMITTEE

The Board of Directors will appoint an Audit and Control Committee formed by a minimum of three and a maximum of five external Directors appointed by the Board of Directors among its members. The Managing Directors may not form part of such Committee and neither those Directors who hold executive offices in the Company.

The Chairman of the Audit and Control Committee will be appointed by the Committee itself among its members for a maximum term of four years and can be reelected only once after a term of one year has lapsed since his dismissal.

The Secretary of the Audit and Control Committee will be the Secretary of the Board of Directors or one of its Deputy Secretaries.

The Audit and Control Committee will have the following tasks:

1. Through its Chairman, to inform at the Shareholders' General Meeting about the questions raised by the shareholders related to subjects that are the competence of the Committee.
2. To propose the Board of Directors, for its submission to the Shareholders' General Meeting, the appointment of the Auditor referred to in article 204 of the Joint Stock Companies Law and, if appropriate, the terms of the contract, the scope of the professional mandate and the revocation or renewal of the appointment.
3. To supervise the internal audit services.
4. To be acquainted with the financial information processes and the internal control systems.
5. To receive information from the Auditor related to issues that might impair its independence and any other issues related to the development process of the audit of the accounts, and to receive information and maintain with the Auditor the communications set out in the accounts audit legislation and the audit technical rules.
6. On a quarterly basis, to obtain from the Managing Director any issues that might be relevant for an efficient performance of the functions of the Committee.

The Committee will meet quarterly, duly summoned by the Chairman, and when so requested by at least three of its members, the Management Committee or the Managing Director.

The Audit and Control Committee will be validly constituted when the number of Directors present or duly represented exceeds the number of Directors absent and will approve its resolutions by a majority of those present. In case of tie, the Chairman will have the casting vote.

Article 34.- REMUNERATION

The remuneration of the Board will be of a mixed nature consisting of a fixed sum and a variable sum, this latter in the form of allowances for the attendance to the meetings of the Board and of its Committees.

For each fiscal year and for the fiscal years set out by the Meeting itself, the Shareholders' General Meeting will decide the amount of the remuneration either on

an individual basis or fixing a maximum aggregate sum for each remuneration item or for both, and will be able to fix a different remuneration for each Director. Such resolution of the Meeting will be in force as far as it is not expressly amended by the General Meeting itself.

The remuneration as Director set out in this article will be compatible with the remaining professional or work remuneration of the Directors related to whatever executive or advisory services that they might render to the Company, other than the supervision and decision taking functions as Directors which will be subject to the applicable legal system.

TITLE IV.- FISCAL YEAR AND ANNUAL ACCOUNTS

Article 35. FISCAL YEAR

The fiscal year will coincide with the calendar year.

Article 36.- ACCOUNTANCY AND ANNUAL ACCOUNTS

In accordance with the provisions of the Mercantile Code, the Company must keep a proper accountancy in line with its activities that enables a chronological follow up of the operations and the preparation of inventories and balance sheets. The Accountancy Books will be authenticated by the relevant Mercantile Registry of the place of the registered office.

The Board of Directors will have to prepare within a maximum term of three months from the closing of the fiscal year the annual accounts, the management report and the proposal for the allocation of results. The annual accounts will include the balance sheet, the profit and loss account and the annual report. These documents, altogether, will be clearly drafted and show a true and fair image of the net worth, the financial situation and the results of the Company in accordance with the provisions of the law and the Mercantile Code and must be signed by all the members of the Board.

Article 37.- DEPOSIT OF THE ACCOUNTS WITH THE MERCANTILE REGISTRY

The month following the approval of the annual accounts, they will be filed with the Mercantile Registry along with the relevant certificate evidencing such approval and the allocation of the results, in accordance with the legal provisions.

Article 38.- ALLOCATION OF THE RESULTS

From the profits obtained each year, once the allocation to legal reserves and other provisions set out by the law have been covered, the Meeting may apply the amount considered appropriate to voluntary reserves, investment fund and any other legal provisions. If appropriate, the rest will be distributed as dividends among the shareholders on a pro rata basis of the capital paid up for each share.

The payment of interim dividends will be subject to the provisions of the law.

TITLE V.- WINDING-UP AND LIQUIDATION

Article 39.- WINDING-UP

The company will be wound up for the reasons set out by the law. Mergers and total split-offs are excluded from the winding-up period. In case of winding up, the liquidation will be the responsibility of the Directors who, as liquidators, will prepare the liquidation and distribution in accordance with the resolutions of the General Meeting and the legal provisions in force and in the case of an even number of Directors, the Meeting will appoint, by majority, another person as liquidator to obtain an odd number.

Article 40.- LIQUIDATION

Once all the creditors have been paid and the amount of their credits against the Company recorded and those not matured yet guaranteed, the remaining assets will be distributed among the shareholders in accordance with the law.