

ARTICLES OF ASSOCIATION OF

BANCA GENERALI S.p.A.

CHAPTER I

INCORPORATION, REGISTERED OFFICE, PURPOSE AND DURATION

ARTICLE 1

1. A joint-stock company has been incorporated with the name "BANCA GENERALI - Società per Azioni" or, in its abbreviated form, "GENERBANCA".

ARTICLE 2

1. The Company's registered office is in Trieste, Italy.

2. In accordance with the law and in order to best pursue the corporate purpose the Company may establish or close down secondary offices, branches and establishments in general, in addition to agencies in other locations, both in Italy and abroad.

ARTICLE 3

1. The Company's purpose is the performance of banking activities and hence the collection of deposits and savings and the provision of credit in their various forms. It may also perform every type of financial activity as well as the activities associated with or instrumental to banking and financial activities.

2. In order to perform said activities, the Company may provide banking and financial services and perform all related

transactions. Specifically, by way of example but not limited to, the Company may perform, both within and outside its offices, activities to promote its own banking and financial services, as well as the products of third parties for which it provides intermediation services; manage investment portfolios; trade in financial instruments on its own behalf or on that of third parties; place banking and financial products; receive and transmit orders; hold in safe custody and manage financial instruments and in general perform the other activities subject to mutual recognition.

3. The Company may also directly or indirectly assume shareholdings in other companies. It may perform any activity and implement any transaction that is inherent, instrumental, related or beneficial to pursuit of the corporate purpose and in general carry out any other activity that by law is reserved or permitted to companies authorised to perform banking activity.

4. In its capacity as parent company of the "Banca Generali" Banking Group pursuant to Article 61, paragraph 4 of Legislative Decree No. 385 dated 1 September 1993, the Company, as part of its management and coordination activities, issues orders to the group components regarding the implementation of instructions provided by the Bank of Italy in the interests of group stability.

ARTICLE 4

1. The Company's period of existence is established as up to 31 December 2092 and may be extended by means of Shareholders' Meeting resolution.

CHAPTER II

CAPITAL AND SHARES

ARTICLE 5

1. The share capital amounts to Euro 116,851,637.00 (one sixteen eight hundred and fifty-six hundred and sixty-seven) and is subdivided into 116,851,637 ordinary shares each with a par value of one Euro and may be constituted by money or by assets in kind.

2. The capital may be increased through issue of preference shares or shares with rights other than those of the preexisting shares.

3. The shares are registered and indivisible. They may be transferred and subject to encumbrance pursuant to law.

4. In the event of share capital increase against payment, the option right to which shareholders are entitled may be excluded, within the limit of ten percent of the preexisting share capital, provided that the issue price of the new shares corresponds to the market value of those already outstanding and that this is confirmed by special report of the company entrusted with audit.

5. By resolution of the Extraordinary Shareholders' Meeting of 18 July 2006, as amended on 21 April 2010 a divisible capital increase was approved, subordinate to the successful admission of the Company's shares to trading on the Electronic Equity Market organised and managed by Borsa Italiana S.p.A. by 30 June 2007, for a maximum par value of Euro 5,565,660.00, through issue of a maximum of 5,565,660 ordinary shares each with a par value of Euro 1.00, subdivided as follows:

a) for a maximum par value of Euro 4,452,530.00, through issue of a maximum of 4,452,530 ordinary shares each with a par value of Euro 1.00 excluding the shareholders' option right pursuant to Article 2441, paragraph 5, of the Italian Civil Code and reserving the same to the financial advisors of the Banca Generali Group, to be used in the "Stock option plan for financial advisors and network managers of Banca Generali S.p.A.", all of which may be divided into several tranches within the maximum term of 30 May 2014,

b) for a maximum amount of Euro 1,113,130.00 through issue of a maximum of 1,113,130 ordinary shares each with the par value of Euro 1.00 excluding the shareholders' option right pursuant to Article 2441, paragraph 8, of the Italian Civil Code and reserving the same to the employees of the Banca Generali Group, to be used in the "Stock option plan for employees of Banca Generali S.p.A.",

all of which may be divided into several tranches within the maximum term of 30 November 2015.

6. By resolution of the Extraordinary Shareholders' Meeting passed on 21 April 2010, a capital increase in one or more tranches was approved, in the maximum nominal amount of € 2,500,000.00, through the issue of a maximum number of 2,500,000 ordinary shares of a nominal value of € 1.00 each, as follows: a) an issue in the maximum nominal amount of € 2,300,000.00, represented by a maximum number of 2,300,000 ordinary shares of a nominal value of € 1.00 each, with specific exclusion of the option rights afforded to shareholders pursuant to section 2441, paragraph 5, of the Italian Civil Code, so as to cover the "Stock Option Plan for Banca Generali S.p.A.'s Financial Advisors and Network Managers for 2010", reserved for the financial advisors and network managers of Banca Generali S.p.A., all of the above in one or more tranches, with the last being effected no later than 30 June 2017; an issue in the maximum nominal amount of € 200,000.00, represented by a maximum number of 200,000 ordinary shares of a nominal value of € 1.00 each, with specific exclusion of option rights afforded to shareholders pursuant to section 2441, paragraph 8, of the Italian Civil Code, so as to cover the Stock Option Plan for Banca Generali S.p.A. Relationship Managers for 2010", reserved for Banca Generali employed relationship managers

and their coordinators, all of the above in one or more tranches, with the last being effected no later than 30 June 2017.

ARTICLE 6

1. The condition of shareholder implies unconditional acceptance of the Memorandum of Association and of the Articles of Association, as well as acknowledgment of the exclusive jurisdiction of the Court of Trieste in the event of disputes relating to the corporate relationship.

2. For all relations with the Company, Shareholders are domiciled at the address recorded in the Shareholders' Register.

CHAPTER III

REGULATIONS GOVERNING SHARES IN THE COMPANY'S CAPITAL

ARTICLE 7

1. The purchase and subscription of company shares are subject to the provisions of laws in force and of these Articles of Association.

2. The right of withdrawal may not be exercised by shareholders who have not voted in support of resolutions concerning:

a) extension of duration;

b) introduction or removal of restrictions on the circulation of shares.

CHAPTER IV

GOVERNING BODIES

Section I

SHAREHOLDERS' MEETING

ARTICLE 8

1. The regularly constituted Shareholders' Meeting is the body that expresses the Company's will through its resolutions.

2. Resolutions adopted by Shareholders' Meeting in compliance with the law and these Articles of Association are binding on all shareholders, including those who are absent or dissenting.

3. The Shareholders' Meeting may be ordinary or extraordinary, pursuant to law.

4. The Shareholders' Meeting may be held at the registered office or at another venue, provided that it is in Italian territory.

5. The procedures governing the conduct of Shareholders' Meetings are established by special Regulations. Resolutions to approve and to amend the Regulations are passed by ordinary Shareholders' Meeting duly called to deliberate on said item on the agenda.

ARTICLE 9

1. The Shareholders' Meeting is convened by the Board of Directors, and may even be held outside the registered office.

Shareholders are called through published notice, under the terms and conditions required by applicable laws and regulations.

2. The Shareholders' Meeting is called whenever the administrative body deems necessary and advisable or upon request of the Board of Statutory Auditors or of the shareholders, in accordance with the law, or in the other cases in which call of the Shareholders' Meeting is obligatory pursuant to law. The ordinary Shareholders' Meeting must be called at least once a year within 120 days of closure of the financial year. This deadline may be extended to 180 days where certain legal conditions are met.

3. In the cases provided by law, those shareholders who, alone or in conjunction with others, represent at least the percentage of share capital envisaged by current applicable regulations, are entitled to request call of the Shareholders' Meeting. Those shareholders who, alone or in conjunction with others, represent at least one fortieth of the share capital, are entitled to request integration of the list of items on the agenda, in compliance with applicable laws.

4. The notice of call may specify the date of a second or third call, in the event that the Meeting does not prove to be legally constituted.

ARTICLE 10

1. Shareholders with voting rights may attend the Meeting in

compliance to the applicable laws and regulations.

2. Shareholders holding voting rights may be represented by others in the Shareholders' Meeting, in accordance with the provisions of the law. Such shareholders have the right to confer a proxy electronically, should this be envisaged by a specific regulation issued by the Ministry of Justice, and in compliance with any such regulations. Shareholders holding voting rights may also notify their proxy electronically, through the relevant section of the corporate website and in compliance with the procedures provided in the notice of call, i.e., by sending a certified electronic mail at the email address specified in the notice of calling.

3. Each share entitles its owner to one vote.

ARTICLE 11

1. Legal provisions are observed with regard to the validity of Shareholders' Meetings and their resolutions.

ARTICLE 12

1. The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman. Should the Vice-Chairman also be absent or prevented from performing his duties, the Meeting will elect its own Chairman.

2. The Chairman of the Meeting is responsible for performing the duties established by current regulations.

3. The Chairman is assisted by a Secretary. Should the Secretary of the Board of Directors be absent or prevented from attending the Meeting, his duties will be taken over by the youngest Board member present. The assistance of the Secretary is not necessary when a Notary Public has been appointed to draw up the minutes of the Meeting.

ARTICLE 13

1. Ordinary and extraordinary Shareholders' Meetings are attributed all the powers to which they are respectively entitled pursuant to current regulations.

2. The Ordinary Shareholders' Meeting shall establish the remuneration due to the organs it appoints. The said Shareholders' Meeting may provide for a lump-sum amount covering the remuneration of all company directors, including those invested with specific tasks, such lump-sum amount being subject to distribution amongst individual directors pursuant to the determinations of the Board of Directors.

3. The Shareholders' Meeting shall also approve:

- i) the remuneration and incentivisation policies in favour of strategic supervisory, management and control bodies and all other personnel;
- ii) remuneration plans based on financial instruments;

iii) the criteria for defining the compensation to be granted in the event of early termination of the employment relationship or early termination of the charge, including the limits imposed on such compensation in terms of years of the annual fixed remuneration and the maximum amount resulting from their application.

In relation to the approval of the remuneration policies, the Shareholders' Meeting is vested with the power to raise the limit of the incidence of the variable remuneration in relation to the fixed remuneration up to a maximum of 2:1.

The Shareholders' Meeting may exercise the aforesaid power, subject to the existence of the conditions provided by law for the approval of the decision and according with the majorities provided for by applicable law.

4. In respect of Related Party and Connected Party transactions, pursuant to the procedure adopted by the Company in such regard, the Shareholders' Meeting is vested with the decision-making powers assigned to it under applicable regulations. In emergency situations arising from corporate crises, any and all Related Party and Connected Party transactions subject, under law, to shareholder approval, may only be effected pursuant to shareholder resolutions passed in accordance with the terms, conditions, procedures and deadlines imposed under applicable regulations and the aforesaid Procedure adopted by the Company.

ARTICLE 14

1. Unless otherwise provided by law, resolutions are passed by open vote and generally, unless the Chairman decides otherwise, by a show of hands with account being taken of the number of votes to which each shareholder is entitled.

2. Should it prove necessary, the Chairman will have the results checked by one or more scrutineers, selected from amongst those present.

3. Ordinary Shareholders' Meeting resolutions will be certified by minutes, which must comply with the minimum contents established by regulations in force at the time.

Section II

BOARD OF DIRECTORS

ARTICLE 15

1. The Company is managed by a Board of Directors made up of no less than 7 (seven) and no more than 12 (twelve) members, appointed by the Shareholders' Meeting after determination of the number of members. The composition of the Board of Directors shall comply with the criteria for establishing gender balance, as contemplated under applicable regulations.

2. Members of the Board of Directors hold office for a maximum of three financial years. Their term ends on the date of the meeting called to approve the financial statements of the last

financial year of said term and they are eligible for reappointment. In the case of appointment during the period of office, the mandate of the newly appointed members will expire with that of members already in office.

3. Board members must possess the legal requisites also, within the limits established by law, in terms of independence. The maximum number of concurrent appointments permissible, shall be regulated pursuant to the Rules mentioned in Article 18(3) below.

4. Members of the Board of Directors are appointed on the basis of lists of candidates, in accordance with the procedures set forth below.

5. Those shareholders who alone or in conjunction with other shareholders represent the percentage of share capital envisaged for the Company by current applicable regulations, are entitled to submit a list. Each shareholder (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of Legislative Decree No. 58 of 24 February 1998, or

(iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may submit, either on their own or jointly with other shareholders, directly or through third party intermediaries, or trust companies, a single list of candidates, under pain of disqualification of the list.

6. The lists contain a number of candidates, capable of ensuring gender balance, no higher than the number of members to be elected, listed by progressive number with a specific indication of the candidates who fulfil the statutory requirements of independence. Each candidate may appear on only one list, upon penalty of ineligibility.

7. Should the outgoing Board of Directors submit its own list, the same must be lodged with the Company's registered office and published on the corporate website together with the documentation as stated in paragraph 9 herebelow, and be furthermore compliant with the terms and conditions established by applicable laws and regulations.

8. The lists submitted by shareholders are filed at the registered office no later than twenty-five days prior to the date set for the Shareholders' Meeting in first call. Furthermore, the list will be available at the Company's registered office, on the

corporate website and in any other forms required by applicable laws and regulations no later than twenty-one days prior to the date set for the Shareholders' Meeting in first call.

9. Within the term specified for the publication of the lists by the Company and in order to prove their entitlement to submit lists, shareholders shall file the documentation proving legal ownership of their shareholdings, in accordance with applicable laws and regulations, at the Company's registered office. Within the same term, shareholders who submitted the lists, shall also file at the Company's registered office:

- information pertaining to the identity of the shareholders submitting the lists, with an indication of the percentage of share capital they jointly hold;

- exhaustive information on the personal and professional features of the candidates included in the list;

- a declaration by shareholders other than those who, even jointly, hold a controlling interest or relative majority stake, attesting the absence of associative relationships with the latter;

- the declarations filed by each candidate, in which each candidate accepts his/her nomination and also certifies, under his/her own responsibility, the inexistence of causes of incompatibility and of ineligibility, possession of the requisites

of integrity and professionalism which prevailing laws require for the office of director of the Company, as well as those of independence, if applicable, provided by the law and by the codes of conduct promoted by companies managing regulated markets or by trade categories, to which the Company adheres.

10. Each shareholder (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of Legislative Decree No. 58 of 24 February 1998, as further amended, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) is entitled to vote for only one list. Should only one list be submitted, all the members of the Board of Directors shall be appointed from the said list. Should, on the other hand, two or more lists be submitted, the first candidates on the list obtaining the greatest number of votes, equal to eight ninths of the number of members of the Board of Directors determined by the Shareholders' Meeting – with rounding down in the case of split number – will be elected Board

members. In the case where the number of Board members belonging to the gender less represented, and appearing on the list that obtained the highest number of votes, is lower than the number required under applicable statutory provisions, the elected candidate with the highest serial number, and belonging to the more represented gender, shall be excluded. The eliminated candidate shall be replaced by the following candidate belonging to the gender less represented and appearing on the same list as the eliminated candidate. In the case where it is not possible to draw from the list obtaining the highest number of votes the required number of Directors belonging to the gender less represented, the Board seats in question will be filled by appointments made by the General Shareholders' Meeting, by majority vote. The remaining directors will be taken from other lists, not linked in any way, not even indirectly, with the shareholders who submitted or voted for the list which gained the highest number of votes, and to this end the votes obtained by said lists will subsequently be divided by one, two, three and so on, according to the number of directors to be elected. The ratios obtained in this way will be progressively assigned to the candidates of each of the lists, according to the respectively established order of said lists. The ratios thus attributed to the candidates of the various lists will be set out in a single decreasing list.

11. In the event of votes being equal between two or more lists, the younger candidates will be elected until all the posts to be assigned have been filled.

12. Should at the end of voting, it emerge that a sufficient number of independent Directors, within the meaning of applicable regulations, has not been elected, the director bearing the highest serial number in the list that obtained the greatest number of votes, and who does not meet the requirements of independence, shall be replaced by the next candidate on the same list, who does meet the said requirements. If necessary, this procedure shall be repeated until all the vacancies of independent directors on the Board, have been filled. Should it not be possible to cover all the vacancies on the Board, even after following the procedure mentioned above, the Shareholders' Meeting shall immediately proceed with the appointment of the remaining directors, at the proposal of the shareholders in attendance and by resolution approved by simple majority.

13. If during the term of office one or more Board members should leave office for whatever reason, they will be replaced according to the procedures established by law, in compliance with the principle of mandatory gender representation imposed under applicable regulations. If the leaving director was taken from the minority list that had obtained the greatest number of votes,

replacement will occur with appointment of the first eligible candidate taken from the same list as the outgoing director and willing to accept office and belonging to the same gender or, where this is not possible, with the appointment of the first eligible candidate who is willing to accept office and belonging to the same gender, and taken, in serial order, from the list to which the first unappointed candidate belonged. The term of the replacement director shall expire together with the term of the directors in office at the time of the replacement Director's appointment to the Board.

14. Where it is not possible to proceed as described above, either because of too few candidates being presented on the lists or as a result of non-acceptance of appointments, the Board of Directors shall co-opt, within the meaning of Article 2386 of the Italian Civil Code, a director selected by the Board in accordance with the criteria established under law. The director thus co-opted shall remain in office through to the next Shareholders' Meeting that shall either confirm or replace him following the ordinary procedures and with ordinary majorities, in departure from the list-based voting system mentioned in this Article 15.

ARTICLE 16

1. The Board of Directors elects a Chairman from amongst its members.

2. The Chairman shall promote the effective functioning of the corporate governance system, ensuring that governance powers are properly balanced and shared amongst all the Company's appointed Managing Directors and the executive directors, and shall liaise with the Company's internal control bodies and other internal committees. The Chairman is vested with the powers provided by regulations in force at the time.

3. The Board of Directors may elect a Vice-Chairman from amongst its members.

4. Should the Chairman be absent or prevented from performing his duties, he will be replaced by the Vice-Chairman. Should the Vice-Chairman also be absent, the Chairman will be replaced by the eldest member of the Board of Directors.

5. The Chairman and Vice-Chairman hold office for the period of time established by the body that elected them.

6. The Board of Directors appoints a Secretary, who need not be a Board member, and establishes the term of office.

ARTICLE 17

1. The Board of Directors meets upon invitation of the Chairman or whoever is acting in his place, generally, once a month or whenever the need arises, or when request is submitted by at least one third of the Board members in office or by any of the Statutory Auditors, in the cases provided by law, with

specification of the matters upon which the Board is called to deliberate.

2. The Board meets at the Company's registered office or elsewhere provided the venue is in Italian territory.

3. Audio and video conferencing may be used for the meeting, provided that all participants can be clearly identified by everyone else and are able to follow the discussion and to take part in real-time debates. Where such conditions are met, the meeting is deemed to be held at the venue in which the Chairman and Secretary are present.

4. The meeting is called by registered letter, telegram, fax, e-mail or by any other means suitable to guaranteeing proof of receipt, to be sent to each Board member at least five days prior to the date set for the meeting. In urgent cases, the aforesaid term may be shorter.

5. In order for the session to be valid, the majority of Directors must be present.

6. In order for the resolutions to be valid, favourable vote must be cast by the absolute majority of members present. In the event of votes being equal, the member chairing the meeting will have the casting vote. Members may not vote by proxy.

7. Where appointed, the General Manager will attend the meetings, with the right to intervene and offer advice.

8. Minutes of each Board meeting will be drawn up and signed by the person chairing the meeting and by the Secretary (or by the Notary Public in the cases provided by current regulations), and then transcribed in the special register kept in accordance with the law.

ARTICLE 18

1. The Board of Directors is vested with full powers of ordinary and extraordinary management of the Company. It has the authority to deliberate on all matters pertaining to the corporate purpose that are not reserved to the exclusive competence of the Shareholders' Meeting. Each and every Board member is entitled to raise motions at Board meetings.

2. The Board of Directors is exclusively qualified to deliberate on matters pertaining to the setting up or closing down of secondary offices, indication of which Directors may represent the Company and use the company signature, mergers, in the cases permitted by law, amendments to the provisions of the Articles of Association that no longer comply with new and mandatory regulatory provisions.

3. The Board of Directors shall adopt Rules regulating the proceedings of Board meetings, in strict compliance with applicable statutory provisions and the Articles of Association. The said Rules shall be published on the Company's website.

4. In addition to powers that cannot be delegated pursuant to law, resolutions concerning the following are also reserved to the exclusive competence of the Board of Directors:

a) establishing the general management policies, approving the Company's strategic guidelines, plans and transactions, as well as approving the industrial and financial plans of the Company, the transactions of considerable economic, equity and financial importance, including with Related Parties and Connected Parties;

b) appointing, when it sees fit, a General Manager, Joint General Managers and Deputy General Managers, assigning their relative powers and deciding upon their retirement;

c) appointing the Internal Auditor, after having heard the opinion of the Board of Statutory Auditors;

d) appointing the Compliance Manager, after having heard the opinion of the Board of Statutory Auditors;

e) upon hearing the Board of Statutory Auditors, the appointment and dismissal of the Executive in charge of drawing up the company's accounting documents, the determination of the powers and resources thereof, as well as the supervision of the tasks carried out by the same and the monitoring of actual compliance with administrative and accounting procedures;

f) authorising company representatives fulfilling managerial, executive and supervisory roles and other parties identified by

law to perform transactions or assume obligations of any kind with the Company or to carry out direct or indirect sales and purchases;

g) purchasing or selling shareholdings that cause changes in the Banking Group or controlling or associative shareholdings; selling companies and/or company branches; entering into agreements pertaining to joint ventures or strategic alliances;

h) approving the organisational structure and any and all amendments to internal rules and policies; carrying out periodic checks to ensure that tasks and responsibilities are clearly and coherently defined within the organisational structure;

i) carrying out periodic checks to ensure that the internal control structure is respectful of the principle of proportionality and complies with strategic guidelines, and that internal control functions are afforded a sufficient degree of independence within the organisational structure and are endowed with adequate resources to allow them to function properly;

l) carrying out checks to ensure that the system of information flows is adequate, complete and timely;

m) drawing up guidelines for the recruitment and internal placement of Company executives;

n) carrying out checks to ensure that the remuneration and incentive systems applicable to persons in top managerial

positions within the organisational structure, take due account of risk containment policies and are in line with the bank's long-term objectives, corporate culture and overall internal control and corporate governance system;

o) creating committees or commissions with control, consultation, recommendatory or coordination functions, also for the purpose of ensuring that corporate governance complies with prevailing recommendations on the matter, establishing the components, the duration, the powers and authority of said committees or commissions at the time they are set up;

p) ongoing monitoring to ensure that the system of information flows amongst corporate organs is adequate, complete and timely;

q) approving Related Party and Connected Party transactions, in accordance with the provisions set forth in the procedure adopted by the Company in compliance with applicable regulations governing Related Party and Connected Party transactions. The Board of Directors may approve highly significant Related Party and Connected Party transactions, even in disregard of the contrary advice of the independent auditors, provided that the transactions in question are authorised by the Shareholders' Meeting, within the meaning Article 2364, paragraph 1, subparagraph 5 of the Italian Civil Code, pursuant to a resolution passed with the majorities contemplated in applicable regulations,

and in accordance with the procedure adopted by the Company with regard to related party transactions.

The actual discharge of the functions listed in letters h), i), l) and p) above may be delegated, by the relevant organs, to the Managing Director, if appointed.

5. In its capacity as leader of the Banking Group, the bank's Board of Directors is also assigned exclusive competence over resolutions concerning the purchase and sale of shareholdings by subsidiaries belonging to the banking group, as well as the establishment of the criteria for coordinating and managing the banking group companies and for implementing the instructions issued by the Bank of Italy in the interest of group stability.

6. Within the limits permitted by law and by the Articles of Association, the Board of Directors may delegate its non-exclusive duties to one or more Managing Directors, establishing their duties and terms of office.

7. Moreover, the Board of Directors may delegate decision-making powers, within pre-set limits, on matters concerning credit disbursement and management and current corporate operations to Company directors and employees according to their role or level, either individually or in committees, which may also be made up of employees from companies belonging to the Banking Group.

8. On at least a quarterly basis, the delegated bodies will

report to the Board of Directors and to the Board of Auditors on management performance and on the activities performed by the Company and by its subsidiaries, on the business outlook, on the most significant economic, financial and equity transactions implemented by the Company and its subsidiaries, with particular regard to transactions in which Directors have a direct or third-party interest or which are influenced by a party exercising management and coordination activities, as well as on decisions on the matter of credit disbursement and management, on which a report containing global figures must be provided. The Board will also establish how and when it should be informed of other decisions of greater importance taken by subjects entrusted with management of current operations.

9. In the event of absolute, unavoidable urgency, where the matter cannot be delegated to the Managing Director, the Chairman or the person replacing him pursuant to Article 16 of the Articles of Association may take Board decisions, with the exception of those that cannot be delegated pursuant to law. The Board will be informed of such decisions at the next Board meeting.

ARTICLE 19

1. The Board of Directors is entitled to a consideration determined on an annual basis by Shareholders' Meeting and distributed amongst the Board members according to the procedures

established by resolution of the Board of Directors, unless otherwise decided by the Shareholders' Meeting.

2. Remuneration of the Directors holding special offices pursuant to these Articles of Association and of those that are members of the board committees is established by the Board of Directors after consultation with the Board of Auditors.

3. Board members are also entitled to the refund of the expenses incurred to attend the meetings.

Section III

SUPERVISORY BODIES

ARTICLE 20

1. The Board of Statutory Auditors consists of three regular and two alternate Auditors, whose functions, duties and terms of office are defined by the law.

2. Regular and alternate Auditors must possess the requisites required by law and are eligible for reappointment. Those whose situations are incompatible pursuant to law and persons who serve as company directors or officers in other companies beyond the thresholds established under applicable regulations, may not be appointed to the Board of Statutory Auditors, and if so appointed, will fall from office.

In addition to meeting the requisites required by Law for corporate officers appointed as statutory auditors, Regular and

Alternate Auditors should not have been convicted in relation to any offence referred to in Legislative Decree No. 231/01, nor should they have been convicted for any other malicious offence. Similarly, Statutory Auditors should not be committed for trial in relation to the same offences, being the said trial still underway.

Revocation for cause of a Supervisory Board's member by the Board of Directors constitutes grounds for forfeiture of his/her office as Statutory Auditor.

Forfeiture of or revocation from office of a Regular or Alternate Statutory Auditor, including as a result of a failure to satisfy the requisites of professionalism, integrity and independence, also determine the forfeiture of office as Supervisory Board's member.

3. For the purposes of defining the requisite of professionalism of those who have gained a total of at least three years' experience in the performance of:

a) professional activities or permanent university teaching in legal, economic, financial and technical/scientific subjects strictly pertinent to the Company's business activities;

b) senior management functions in public entities or public administration operating in sectors strictly pertinent to the Company's activity, the following is specified:

- activities considered to be strictly pertinent to the

Company's activity are all the activities referred to in letter a) above pertaining to banking activity and to the activities regarding the economic sectors strictly related to the banking sector;

- economic sectors considered to be strictly pertinent to the banking sector are those relating to credit, parabanking, financial and insurance sectors.

4. Auditors are appointed on the basis of lists of candidates, in accordance with the procedures set forth below.

5. Those shareholders who, alone or in conjunction with other shareholders represent the percentage of share capital envisaged for the Company to submit lists of candidates for appointment of the Board of Directors, are entitled to submit a list. Each shareholder (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of Legislative Decree No. 58 of 24 February 1998, and subsequent amendments, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships

contemplated under the applicable statutory and/or regulatory framework) may contribute to the submission of only one list. In the event of breach, account will not be taken of the relative backing given to any of the lists.

6. The lists are made up of two sections: one for the appointment of the regular Auditors and the other for the appointment of the alternate Auditors. The lists contain a number of candidates no higher than the number of members to be elected, listed by progressive number. Each of the two sections of the lists, save for those featuring less than three candidates, must present candidates in a manner that ensures gender balance. Each candidate may appear on only one list, upon penalty of ineligibility.

In order to produce any and all documentation proving the entitlement to submit lists, the provisions herein stated under Article 15, paragraph 9 of these Articles of Association shall be applied. Together with each list and within the term established for the filing of lists, the shareholders submitting the lists must also file the following documentation at the registered office:

- information pertaining to the identity of the shareholders submitting the lists, with an indication of the percentage of share capital they jointly hold;

- exhaustive information on the personal and professional features of the candidates included in the list;

- a declaration by shareholders other than those who, even jointly, hold a controlling interest or relative majority stake, attesting the absence of associative relationships with the latter;

- the declarations in which each candidate accepts nomination and also certifies, under his own responsibility, the inexistence of causes of incompatibility and of ineligibility, as well as possession of the requisites of integrity and professionalism which prevailing laws require for the office of Auditor of the Company.

7. The lists, signed by the submitting shareholders, shall be filed at the Company's registered office no later than twenty-five days prior to the date set for the Shareholders' Meeting in first call. Furthermore, the list will be available at the Company's registered office, on the corporate website and in any and all forms required by applicable laws and regulations, no later than twenty-one days prior to the date set for the Shareholders' Meeting in first call. In the case where, by the aforesaid deadline, submission has been made of only one list or only of lists submitted by shareholders associated amongst themselves, the relevant statutory and regulatory provisions shall apply.

8. Each shareholder (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of Article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of Article 122 of Legislative Decree No. 58 of 24 February 1998 as further amended, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) shall be entitled to vote for only one list. The first two candidates on the list obtaining the highest number of votes and the first candidate on the list obtaining the highest number of votes from amongst the lists submitted and voted by shareholders who are not associated, not even indirectly, with the shareholders who submitted and voted for the list obtaining the highest number of votes, shall be deemed elected regular Auditors; the first candidate on the list obtaining the highest number of votes and the first candidate on the list obtaining the highest number of votes and submitted and voted by shareholders who are not associated, not even indirectly, with the shareholders who submitted and voted for the list obtaining the highest number of

votes, shall be deemed elected alternate Auditors. In the case where the number of regular Auditors belonging to the gender less represented falls short of the threshold established under applicable statutory provisions, the candidates appearing in the regular Auditor section of the list obtaining the highest number of votes will be replaced following the order in which the candidates were presented for election. In the case where only one list is submitted, the entire Board of Statutory Auditors is appointed from the said list. Should no list be submitted, the Shareholders' Meeting shall appoint the Board of Statutory Auditors and the Chairman thereof, by majority of the votes cast, in accordance with law.

9. In the event of votes being equal between two or more lists the younger candidates will be elected until all the posts to be assigned have been filled.

10. The first candidate on the list obtaining the highest number of votes, from amongst those lists submitted and voted by shareholders who are not associated, not even indirectly, with the shareholders who submitted and voted for the list obtaining the highest number of votes on the overall, shall be elected Chairman of the Board of Statutory Auditors. In the event of votes being equal between two or more minority lists, the provisions of the paragraph 9 above will apply. In the event of submission of a

single list, the first candidate specified therein will take the chairmanship.

11. In the case of the death, resignation or forfeiture of an acting Auditor, the first alternate Auditor belonging to the same list as the replaced Auditor will succeed him. Such alternate will succeed him for a period conterminous with the term of the other acting Auditors in office at the time of his appointment as an Auditor. Should the outgoing Auditor be the Chairman of the Board of Auditors, his replacement on such Board shall also assume the Chairmanship of the Board of Auditors. In the case where it is not possible to proceed as indicated above and the procedure for the replacement of the members of the Board of Statutory Auditors fails to ensure gender balance on the same, the term of the entire Board of Statutory Auditors shall be deemed to have expired in full with immediate effect, and accordingly, a Shareholders' Meeting must be called to pass resolutions on the appointment of a new Board of Statutory Auditors pursuant to the voting list system set forth in this Article 20.

12. The Board of Statutory Auditors shall discharge the tasks incumbent on it pursuant to all applicable statutory and regulatory provisions in force from time to time, and, more specifically shall oversee:

- compliance with statutory and regulatory provisions, as well

as the Articles of Association;

- observance of fair management principles;

- adequacy and functionality of the Company's organisational structure as far as its authority permits;

- functionality and effectiveness of the system of internal control on the whole, of internal audit and risk control and management;

- financial reporting processes;

- the appropriateness and functionality of the administration-accounting system, as well the latter's reliability in providing a true and fair view of corporate operations;

- processes pertaining to the statutory auditing of the annual and consolidated accounts;

- the independence of the Independent Auditors, especially with regard to the supply of services unrelated to auditing;

- procedures for sound implementation of the corporate governance rules provided by codes of conduct drawn up by companies managing regulated markets or by trade associations, with which the Company complies, as publicly declared, and the proper strategic control and management of subsidiaries and the appropriateness of the instructions imparted to the latter; the appropriateness and regulatory conformity of the internal capital adequacy assessment process (ICCAP).

13. The Board of Statutory Auditors shall report to the Bank of Italy, any actual or potential irregularities in the Company's management and/or violations of banking industry regulations, immediately upon becoming aware thereof.

14. In the discharge of its functions, the Board of Statutory Auditors shall liaise with the other persons and bodies invested with control responsibilities.

15. In addition to the annual remuneration, established by Shareholders' Meeting upon their appointment, Auditors are entitled to refund of the expenses incurred in the performance of their duties.

16. Audio and video conferencing may be used for the meetings of the Board of Auditors, provided that all participants can be clearly identified by everyone else and are able to follow the discussion and to take part in real-time debates. Where such conditions are met, the meeting is deemed to be held at the venue in which the Chairman is present.

ARTICLE 20-bis

1. Statutory auditing of the Company's accounts shall be performed by an Auditing Company.

Section IV

GENERAL MANAGEMENT

ARTICLE 21

1. The Board of Directors may appoint a General Manager, establishing the relevant duties and powers. Where no General Manager is appointed, the Board of Directors will delegate the task of overseeing General Management to a Managing Director.

2. The Board of Directors may also appoint one or more Joint General Managers and one or more Deputy General Managers, establishing their duties and powers.

3. The General Management staff, according to their respective duties and competences, will ensure implementation of the resolutions passed by the Board of Directors and, if appointed, by the Managing Director, in addition to those taken in urgent circumstances pursuant to the last paragraph of Article 18.

CHAPTER V

LEGAL REPRESENTATION

ARTICLE 22

1. The Chairman of the Board of Directors is the legal representative and has the authority to sign on behalf of the Company before all legal and administrative authorities and third parties.

2. Should the Chairman be absent or prevented from performing his duties, legal representation will lie with the Board member who replaces him pursuant to paragraph 4 of Article 16. Before third parties, the signature of the Chairman's replacement is

proof of the latter's absence or impediment.

3. Unless otherwise provided for by delegation resolution, the Managing Directors and the General Manager may also act as legal representatives and may sign documents pertaining to their duties on behalf of the Company.

4. Other directors, employees and third parties may also be authorised to represent the Company for single acts or categories of acts, through the issue of general and special powers of attorney for single acts or categories of acts.

5. The Board of Directors may authorise that certain documents and correspondence be fully or partially signed through mechanical signature reproduction.

6. Copies and extracts of company documents and deeds that must be submitted to legal, administrative or financial authorities or that are requested for any other legal purpose, are declared to be true to the original by the Chairman or the Secretary of the Board of Directors.

CHAPTER VI

FINANCIAL STATEMENTS, PROFIT SHARING AND RESERVES

ARTICLE 23

1. The Company's financial year ends on 31 December of each year.

2. The Board of Directors draws up the financial statements

pursuant to law.

3. The Board of Directors, after consultation with the Board of Statutory Auditors, shall appoint and dismiss the Executive in charge of drawing up the company's accounting documents, in compliance with Article 154-*bis* of Legislative Decree No. 58 of 24 February 1998, establishing the powers and resources of the same.

4. The said Executive shall be selected from amongst the company executives in possession of the following professional qualifications:

- suitable professional experience for a suitable length of time or, in any event, of no less than three years, in activities of administration, management or control or professional activities in the banking, insurance and financial sectors; or

- specific know-how in the field of financial reporting and auditing, in respect of listed issuers or their subsidiaries and in the management or oversight of related administrative procedures, acquired over at least five years of experience in positions of responsibility for operating structures within the company, the group or other comparable corporations or entities in terms of business sector and organisational structure.

5. The said Executive must furthermore meet the requirements of integrity imposed under regulations governing the assumption of corporate offices.

6. Loss of the requisite of integrity determines fall from office. In this case the Board of Directors will provide for timely replacement of the member that has fallen from office.

ARTICLE 24

1. Unless otherwise decided by Shareholders' Meeting, the net profit ensuing from the approved financial statements, after deduction of the five percent share allocated to raising legal reserve to the amount established by laws in force, will be distributed amongst the shareholders in proportion to the number of shares respectively held.

2. The Shareholders' Meeting may decide to effect extraordinary allocations of profit to be implemented through issue of shares to be distributed individually to employees of the Company or of the subsidiary companies.

ARTICLE 25

1. If the right to collect dividends is not exercised within five years from the day in which they became collectable, the dividends will revert to the Company and the counter value will be allocated to the reserve fund.

2. The administrative body may distribute interim dividends in compliance with provisions of the law.

CHAPTER VII

WINDING-UP

ARTICLE 26

1. If at any time and for whatsoever reason the Company should be dissolved and wound up, steps will be taken in accordance with the law.

CHAPTER VIII

FINAL PROVISIONS

ARTICLE 27

1. For all matters not expressly governed by these Articles of Association, the provisions of the law will apply.