

REPORT TO THE EXTRAORDINARY ASSEMBLY ON MODIFICATIONS TO THE ARTICLES OF ASSOCIATION

Dear shareholders,

you have been convened to this extraordinary Assembly in order to deliberate on certain proposals for modification to the Articles of Association of the Bank and which would specifically affect the following articles: n. 5 and no. 13 (Section III – Share capital, shareholders and shares), no. 22 and no. 28 (Section V – Shareholders' Assembly), no. 30, no. 36, no. 37, no. 38 and no. 39 (Section VI – Management Board), no. 43 and no. 43 bis (Section VII – Delegated Director), no. 44, no. 45, no. 46, no. 47, no. 48, no. 49 (Section VIII – Supervisory Board), no. 51 (Section X – Board of Arbitrators), no. 52 (Section XI – Financial statements, net income and reserves) as well as the Provisional Norms from no. I to no. VI.

The abovementioned proposals for modification of the Articles of Association are primarily due to the need to adjust the latter to the provisions introduced by the "Supervisory Provisions relative to the organization and corporate governance of banks" and adopted by means of the Provision of the Governor of the Bank of Italy of 4 March 2008 (henceforth referred to as the "**Provisions of the Bank of Italy**"); given the above, the modifications essentially covered the following topics:

i) modalities for the appointment, revocation and replacement of members of the Supervisory Board with provisions aimed to guarantee a greater level of representation of members of minority lists;

ii) entrusting the Assembly with the power to determine the overall compensation of the Supervisory Directors, including those invested with specific offices, powers or functions;

iii) entrusting the Assembly with the power to approve the compensation policies in relation to the Management Directors as well as the compensation and/or incentive plans based on financial instruments;

iv) criteria for the allocation of compensation within the Supervisory Board;

v) a more detailed identification and distinction between the tasks and responsibilities of the Management Board and the Supervisory Board, particularly in reference to:

- the powers entrusted to the Chairman of the Management Board and the Chairman of the Supervisory Board;
- the powers attributed to corporate bodies delegated by the Management Board;
- the strategic operations which fall under the competence of the Supervisory Board;

vi) participation in the meetings of the Management Board on the part of members of the Internal Control Committee;

vii) the elimination of provisional norms which can now be considered outdated.

Finally, modifications of formal nature – or, in any case, which aim to define the Articles of Association in more detail - are proposed.

The parts of the Articles of Association which are subject to the proposals for modification are reported below; the left column reports the currently effective text while the second column includes the proposed text while the relative justification for the modification is described below the columns.

It should be noted that these proposals for modification of the Articles of Association have been approved by the Management Board, in compliance with Article 36 of the Articles of Association, and have been authorized by the Supervisory Board, in compliance with Article 46 of the Articles of Association.

The proposals for modification in question, if approved, would not result in the emergence of withdrawal rights.

Brescia, 10 April 2009

THE MANAGEMENT BOARD

THE SUPERVISORY BOARD

ARTICLE 5

Currently effective text	Proposed text
<p>The share capital is open-end and unlimited; it is represented by registered shares with a nominal value of Euro 2.50 (two point fifty) each.</p> <p>The issue of new shares may be deliberated:</p> <p>a) exceptionally, by the Shareholders' extraordinary assembly, in compliance with what is provided by Article 2441 of the Italian Civil Code, with the majorities and the quorum provided by these Articles of Association for the establishment and the resolutions of the Shareholders' extraordinary assembly, with the right to assign proxies to the Management Board, but subject to prior authorization of the Supervisory Board - in compliance with the regulations in force - for exercising the rights provided by articles 2420 ter and 2443 of the Italian Civil Code;</p> <p>b) normally, by the Management Board according to the legal provisions and the prescribed regulations in force in this field.</p> <p>The share capital may be increased both in monetary terms and by contribution in kind.</p> <p>As long as the shares of the Company are listed on regulated markets, the issue of new shares may occur only through the resolution of the shareholders' extraordinary assembly, according to what is provided by the previous sub-paragraph 2, letter a).</p>	<p>The share capital is open-end and unlimited; it is represented by registered shares with a nominal value of Euro 2.50 (two point fifty) each.</p> <p>The issue of new shares may be deliberated:</p> <p>a) exceptionally, by the Shareholders' extraordinary assembly, in compliance with what is provided by Article 2441 of the Italian Civil Code, with the majorities and the quorum provided by these Articles of Association for the establishment and the resolutions of the Shareholders' extraordinary assembly, with the right to assign proxies to the Management Board, but subject to prior authorization of the Supervisory Board - in compliance with the regulations in force - for exercising the rights provided by articles 2420 ter and 2443 of the Italian Civil Code;</p> <p>b) normally, by the Management Board according to the legal provisions and the prescribed regulations in force in this field.</p> <p>The share capital may be increased both in monetary terms and by contribution in kind.</p> <p>As long as the shares of the Company are listed on regulated markets, the issue of new shares may only be implemented in compliance with the provisions of the previous sub-paragraph 2, letter a).</p>

The proposal for modification in question aims to more effectively structure the last paragraph of this Article in order to confirm the full application of the previous paragraph two, letter a), thereby also including the potential issue of new shares in execution of a proxy granted from the Assembly to the Management Board.

ARTICLE 13

Currently effective text	Proposed text
<p>Apart from the cases provided for by the law, the Management Board may deliberate in favor of the expulsion of a Shareholder in the event of:</p> <p>a) disqualification, disablement or sentenced with disqualification also temporarily from holding public offices;</p> <p>b) bankruptcy or subjection to other proceedings;</p> <p>c) proven activities which are detrimental for the interests and the prestige of the Company;</p> <p>d) non-fulfillment of the contract obligations towards the Company.</p> <p>The expulsion resolution must be notified to the party concerned by means of a registered letter with receipt of return sent to the domicile reported within the Registry of Shareholders within 30 (thirty) days from the date of the resolution of the Management Board.</p> <p>If the expelled Shareholder does not intend to interpose a demurrer pursuant to the third sub-paragraph of article 2533 of the Italian Civil Code, it may appeal to the Board of Arbitrators, no later than 60 (sixty) days from the date of notification. The Board of Arbitrators decides on the review of the resolution no later than 60 (sixty) days from receiving the claim and the Management Board finally decides with justified decision.</p> <p>The expulsion takes effect when it is recorded in the Registry of Shareholders.</p>	<p>Apart from the cases provided for by the law, the Management Board may deliberate in favor of the expulsion of a Shareholder in the event of:</p> <p>a) disqualification, disablement or sentenced with disqualification also temporarily from holding public offices;</p> <p>b) bankruptcy or subjection to other proceedings;</p> <p>c) proven activities which are detrimental for the interests and the prestige of the Company;</p> <p>d) non-fulfillment of the contract obligations towards the Company.</p> <p>The expulsion resolution must be notified to the party concerned by means of a registered letter with receipt of return sent to the most recent domicile recorded within the Bank registries within 30 (thirty) days from the date of the resolution of the Management Board.</p> <p>If the expelled Shareholder does not intend to interpose a demurrer pursuant to the third sub-paragraph of article 2533 of the Italian Civil Code, it may appeal to the Board of Arbitrators, no later than 60 (sixty) days from the date of notification. The Board of Arbitrators decides on the review of the resolution no later than 60 (sixty) days from receiving the claim and the Management Board finally decides with justified decision.</p> <p>The expulsion takes effect when it is recorded in the Registry of Shareholders.</p>

The proposal for modification in question aims to more effectively ensure that the communication of expulsion of the shareholder is forwarded to the most recent domicile recorded within the Bank's registries.

ARTICLE 22

Currently effective text	Proposed text
<p>The Shareholders' Assembly is ordinary or extraordinary.</p> <p>The ordinary Assembly:</p> <p>a) appoints and revokes the members of the Supervisory Board, determines the fees pursuant to Article 44 and elects the Chairman and Deputy Vice-Chairman, according to the methods as per Article 45;</p> <p>b) deliberates with reference to the responsibility of the members of the Supervisory Board and, pursuant to art. 2393 and art. 2409-<i>decies</i> of the Italian Civil Code, with reference to the responsibility of the members of the Management Board, without prejudice to the concurrent competence of the Supervisory Board;</p> <p>c) deliberates on the distribution of profits, subject to the filing of the financial statements and of the consolidated financial statements approved pursuant to art. 2409-<i>terdecies</i> of the Italian Civil Code;</p> <p>d) appoints and revokes the auditing company in charge of the auditing;</p> <p>e) approves the financial statements if the Supervisory Board fails to approve it or if this is required by at least two thirds of the members of the Supervisory Board;</p> <p>f) deliberates on the other issues that fall within its competence pursuant to the law or these Articles of Association.</p> <p>The extraordinary Shareholders' Assembly shall deliberate on any amendments to the Articles of Association as well as on the appointment, removal, substitution and powers of liquidators and on any other subject that falls within its competence pursuant to the law.</p> <p>The Assembly is convened in all the cases provided for by the law and by these Articles of Association, and it is called by the Management Board, or, pursuant to art. 151-<i>bis</i> of Legislative Decree no. 58 of February 24th, 1998, by the Supervisory Board or by at least two of its members, without prejudice to the other convening powers provided by the law.</p> <p>In any case, the ordinary Assembly is called at least once a year no later than 120 (one hundred and twenty) days from the end of the financial year in order to resolve on subject matters falling under its competence as provided for by law or by the Articles of Association.</p> <p>Convocation of the ordinary and extraordinary Assembly on the Shareholders' request occurs without delay following the submission of the justified application containing the agenda which must be undersigned by at least one tenth of the Shareholders entitled to vote on the date of the request.</p> <p>According to the methods and within the terms and limits established by the law, a number of Shareholders not less than 1/40 (one-fortieth) of the entitled shareholders on the date of request may request in writing the integration of</p>	<p>The Shareholders' Assembly is ordinary or extraordinary.</p> <p>The ordinary Assembly:</p> <p>a) appoints and revokes the members of the Supervisory Board and determines their fees (in addition to an attendance bonus) as well as any other amount granted to members holding specific offices or with particular functions or powers; this amount will be allocated in accordance with to Article 44; elects the Chairman and Deputy Vice-Chairman of the Supervisory Board, according to the methods pursuant to Article 45. Revocation of the members of the Supervisory Board must be duly justified;</p> <p>b) approves:</p> <ul style="list-style-type: none"> - the remuneration policies for the members of the Management Board; - the remuneration and/or any incentive plans based on financial instruments; <p>b) deliberates with reference to the responsibility of the members of the Supervisory Board and, pursuant to art. 2393 and art. 2409-<i>decies</i> of the Italian Civil Code, with reference to the responsibility of the members of the Management Board, without prejudice to the concurrent competence of the Supervisory Board;</p> <p>c) deliberates on the distribution of profits, subject to the filing of the financial statements and of the consolidated financial statements approved in compliance with art. 2409-<i>terdecies</i> of the Italian Civil Code;</p> <p>d) appoints and revokes the auditing company in charge of the auditing;</p> <p>e) approves the financial statements if the Supervisory Board fails to approve it or if this is required by at least two thirds of the members of the Supervisory Board;</p> <p>f) deliberates on the other issues that fall within its competence pursuant to the law or these Articles of Association.</p> <p>The extraordinary Shareholders' Assembly shall deliberate on any amendments to the Articles of Association as well as on the appointment, removal, substitution and powers of liquidators and on any other subject that falls within its competence pursuant to the law.</p> <p>The Assembly is convened in all the cases provided for by the law and by these Articles of Association, and it is called by the Management Board, or, pursuant to art. 151-<i>bis</i> of Legislative Decree no. 58 of February 24th, 1998, by the Supervisory Board or by at least two of its members, without prejudice to the other convening powers provided by the law.</p> <p>In any case, the ordinary Assembly is called at least once a year no later than 120 (one hundred and twenty) days from the end of the financial year in order to resolve on subject matters falling under its competence as provided for by law or by the Articles of Association.</p>

<p>the topics of the agenda of the day, as it results from the notice convening the shareholders' assembly. The signatures of the Shareholders must be authenticated pursuant to the law or by the employees of the Company or of its authorized subsidiaries. Further evidence of the authorization of asserting the right is given by the appropriate documentation attesting the ownership of the shares on the filing date of the request.</p>	<p>Convocation of the ordinary and extraordinary Assembly on the Shareholders' request occurs without delay following the submission of the justified application containing the agenda which must be undersigned by at least one tenth of the Shareholders entitled to vote on the date of the request.</p> <p>According to the methods and within the terms and limits established by the law, a number of Shareholders not less than 1/40 (one-fortieth) of the entitled shareholders on the date of request may request in writing the integration of the topics of the agenda of the day, as it results from the notice convening the shareholders' assembly. The signatures of the Shareholders must be authenticated pursuant to the law or by the employees of the Company or of its authorized subsidiaries. Further evidence of the authorization of asserting the right is given by the appropriate documentation attesting the ownership of the shares on the filing date of the request.</p>
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In compliance with the Provisions of the Bank of Italy:

ii) the second paragraph, letter a), of this Article has been modified in order to entrust the Assembly with the power to determine the overall compensation of the Supervisory Directors which are invested with specific offices, powers or functions;

- the last subsection of letter a) of the second paragraph was inserted in relation to the obligation to justify any revocation of the members of the Supervisory Board;

- the second paragraph was integrated by introducing the new letter b) in order to entrust the ordinary Assembly with the power to approve the compensation policies in relation to the Management Directors as well as any compensation and/or incentive plans based on financial instruments.

ARTICLE 28

Currently effective text	Proposed text
<p>The ordinary and extraordinary assemblies, save as otherwise provided by these Articles of Association, deliberate with the majority vote of those present; with an equal number of votes, the proposal is rejected.</p> <p>The corporate positions must be appointed, for what pertains the Assembly, by secret vote and according to the methods as per Article 45.</p> <p>In any case, without prejudice to any other mandatory law regulation, the favorable vote of at least one twentieth of all the Shareholders with the right to vote is required - even during the Assembly in second call - for the passing of the resolutions concerning the change of the business purpose, the closing of the operating offices of Brescia and Bergamo as provided and identified by Article 3, early winding-up of the Company determined by facts provided by the law, excluding the assumption set forth in no. 6 of article 2484 of the Italian Civil Code, the cancellation or modification of articles 23 and 36 of the Articles of Association and/or the insertion of any other provision inconsistent with the text of these articles, as well as the approval of the modification or cancellation of this paragraph and/or of the resolution quorum provided in it.</p> <p>Always without prejudice to any other mandatory legal provision, the favorable vote of at least one twentieth of all the shareholders with the right to vote - which in turn represent at least 20% of the fully subscribed and paid-up share capital on the ninetieth day before the assembly - is required, even during the Assembly in second call, for the passing of the resolutions concerning the cancellation or modification of Article 45, sub-paragraph 6, Article 48, sub-paragraph 6 and Article 49, sub-paragraphs 4, 5 and 6 and of the Articles of Association, as well as of this paragraph and/or of the resolution quorum provided in it.</p> <p>With regards to resolutions that are required by the Credit Supervisory Authority or in relation to regulatory changes or changes in legal norms, the Assembly - both ordinary and extraordinary - deliberates with an absolute majority of votes; in these cases and for resolutions falling under the competence of the Supervisory Board, the provisions of Article 48, paragraph five, are applicable.</p>	<p>The ordinary and extraordinary assemblies, save as otherwise provided by these Articles of Association, deliberate with the majority vote of those present; with an equal number of votes, the proposal is rejected.</p> <p>The corporate positions must be appointed, for what pertains the Assembly, by secret vote and according to the methods as per Article 45.</p> <p>In any case, without prejudice to any other mandatory law regulation, the favorable vote of at least one twentieth of all the Shareholders with the right to vote is required - even during the Assembly in second call - for the passing of the resolutions concerning the change of the business purpose, the closing of the operating offices of Brescia and Bergamo as provided and identified by Article 3, early winding-up of the Company determined by facts provided by the law, excluding the assumption set forth in no. 6 of article 2484 of the Italian Civil Code, the cancellation or modification of articles 23 and 36 of the Articles of Association and/or the insertion of any other provision inconsistent with the text of these articles, as well as the approval of the modification or cancellation of this paragraph and/or of the resolution quorum provided in it.</p> <p>Always without prejudice to any other mandatory legal provision, the favorable vote of at least one twentieth of all the shareholders with the right to vote - which in turn represent at least 20% of the fully subscribed and paid-up share capital on the ninetieth day before the assembly - is required, even during the Assembly in second call, for the passing of the resolutions concerning the cancellation or modification of Article 45, sub-paragraph 6, Article 48, sub-paragraph 6 and Article 49, sub-paragraphs 6, 7 and 8 and of the Articles of Association, as well as of this paragraph and/or of the resolution quorum provided in it.</p> <p>With regards to resolutions that are required by the Credit Supervisory Authority in relation to changes in legal norms, the Assembly - both ordinary and extraordinary - deliberates with an absolute majority of votes; in these cases and for resolutions falling under the competence of the Supervisory Board, the provisions of Article 48, paragraph five, are applicable.</p>

The proposal for modification of the penultimate paragraph of the Article in question is due to the necessary re-alignment of any references made in the Articles of Association to Article 49; proposals for modification of the latter are shown below.

The proposal for modification of the last paragraph aims to maintain the qualified quorums provided for by the Articles of Association for all changes to the latter and which are not derived from requests of the Credit Supervisory Authority in relation to changes in legal norms.

ARTICLE 30

Currently effective text	Proposed text
<p>The Management Board consists of a minimum of 7 (seven) members to a maximum of 11 (eleven) members, including a Chairman, a Vice-Chairman and a Delegated Director, elected among the Shareholders with the right to vote by the Supervisory Board, upon the proposal of the Appointment Committee, after determining their number.</p> <p>The members of the Management Board shall hold office for three financial years and their term of office shall elapse on the date upon which the meeting of the Supervisory Board is called to approve the financial statements relating to the last financial year of their office. In any case, they shall hold office until the renewal of the Management Board pursuant to Article 46, letter a) and they are eligible for re-election.</p> <p>The members of the Management Board are exempted from putting down security.</p> <p>Those individuals who are under situations of ineligibility or loss of office according to art. 2382 of the Italian Civil Code or lack the requirements of respectability and professionalism, or any other requirement, established by law and/or by legal regulations shall not be entitled to be appointed as members of the Management Board. In any case: (i) at least one of the members of the Management Board must hold the requirements of independence set forth in Art. 148, third sub-paragraph, of Legislative Decree no. 58 of 24 February 1998, and (ii) at least a majority must have accrued an overall experience of at least three years exercising professional and/or managerial activities in financial and/or securities and/or banking and/or insurance companies in Italy or abroad.</p> <p>The members of the Management Board may be Directors, members of the Management Board or General Managers of competing companies; moreover, the authorization of the Supervisory Board is required in case of external companies of the Group or companies not controlled by the Company.</p> <p>The members of the Supervisory Board can not be appointed members of the Management Board as long as they hold this office.</p>	<p>The Management Board consists of a minimum of 7 (seven) members to a maximum of 11 (eleven) members, including a Chairman, a Vice-Chairman and a Delegated Director; the members of the Management Board are appointed from amongst the Shareholders with the right to vote by the Supervisory Board, upon the proposal of the Appointment Committee, after determining their number.</p> <p>The members of the Management Board shall hold office for three financial years and their term of office shall elapse on the date upon which the meeting of the Supervisory Board is called to approve the financial statements relating to the last financial year of their office. In any case, they shall hold office until the renewal of the Management Board pursuant to Article 46, letter a) and they are eligible for re-election.</p> <p>The members of the Management Board are exempted from putting down security.</p> <p>Those individuals who are under situations of ineligibility or loss of office according to Art. 2382 of the Italian Civil Code or lack the requirements of respectability and professionalism, or any other requirement, established by law and/or by legal regulations – even with reference to limits established by internal regulations on the total number of offices held - shall not be entitled to be appointed as members of the Management Board. In any case: (i) at least one of the members of the Management Board must hold the requirements of independence set forth in Art. 148, third sub-paragraph, of Legislative Decree no. 58 of 24 February 1998, and (ii) at least a majority must have accrued an overall experience of at least three years exercising professional and/or managerial activities in financial and/or securities and/or banking and/or insurance companies in Italy or abroad.</p> <p>The members of the Management Board may be Directors, members of the Management Board or General Managers of competing companies; moreover, the authorization of the Supervisory Board is required in case of external companies of the Group or companies not controlled by the Company.</p> <p>The members of the Supervisory Board can not be appointed members of the Management Board as long as they hold this office.</p>

The proposal for modification of the first paragraph of this Article is correlated with the opportunity to more effectively reformulate it in light of the provisions of the subsequent Article 37, paragraph II, letter b), which entrusts the Management Board with the power to appoint the Delegated Director upon proposal of the Appointment Committee.

In compliance again with the Provisions of the Bank of Italy, the integration of the fourth paragraph is hereby proposed in order to also provide for the reference to the limits established by internal regulations on the total number of offices held.

ARTICLE 36

Currently effective text	Proposed text
<p>The resolutions of the Management Board are assumed by open voting, with the favorable vote of the majority of the members present.</p> <p>The favorable vote of at least 8 (eight) members of the Management Board (or of all the members minus one, for the case in which the Management Board consists of 7 or 8 members) are required for the resolutions concerning:</p> <p>a) any proposal to alter the Articles of Association, to be brought to the attention of the Supervisory Board, for subsequent approval by the Extraordinary Shareholders' Assembly;</p> <p>b) the transfer of all or part of the shareholdings held in the following companies: Banca Popolare Commercio e Industria S.p.A., Banca Popolare di Bergamo S.p.A., Banca Popolare di Ancona S.p.A., Banca Carime S.p.A., Centrobanca Sp.A., Banco di Brescia S.p.A. and Banca Regionale Europea S.p.A., as well as the setting up of any kind of encumbrances on their shares;</p> <p>c) determination of the vote to cast at assemblies of the companies listed in point b) above, convened to approve share capital increases with the exception of pre-emption rights (by contributions in cash or in kind), the issue of convertible debentures or cum warrant bonds, excluding pre-emption rights, which entail, in case of subscription, loss of control by the Company;</p> <p>d) determination of the vote to be given in the assemblies of the companies mentioned above under b) convened for deciding on the merger through incorporation in the Company or in other companies, their transformation, splitting, early winding-up, changes in the business purpose, name alteration or relocation of the registered office out of the commune in which they are currently located, or the transfer of the banking company or of a substantial part of it to third parties not forming part of the Group;</p> <p>e) appointment of the office of member of the Board of Directors and of the Board of Auditors of the companies listed in paragraph b), after taking into account the proposals of the Appointment Committee, if expected;</p> <p>f) if deemed fit, the assignment of the task of overseeing the operation of the internal control system to one of its members .</p>	<p>The resolutions of the Management Board are assumed by open voting, with the favorable vote of the majority of the members present.</p> <p>The favorable vote of at least 8 (eight) members of the Management Board (or of all the members minus one, for the case in which the Management Board consists of 7 or 8 members) are required for the resolutions concerning:</p> <p>a) any proposal to alter the Articles of Association which is to be presented for authorization to the Supervisory Board and subsequent approval by the Extraordinary Shareholders' Assembly;</p> <p>b) any proposal, which must be presented for authorization to the Supervisory Board, relative to:</p> <p style="padding-left: 20px;">- the transfer of all or part of the shareholdings held in the following companies: Banca Popolare Commercio e Industria S.p.A., Banca Popolare di Bergamo S.p.A., Banca Popolare di Ancona S.p.A., Banca Carime S.p.A., Centrobanca S.p.A., Banco di Brescia S.p.A. and Banca Regionale Europea S.p.A., as well as the setting up of any kind of encumbrances on their shares;</p> <p style="padding-left: 20px;">- determination of the vote to cast at assemblies of the companies listed above and convened to approve share capital increases with the exception of pre-emption rights (by contributions in cash or in kind) or the issue of convertible debentures or cum warrant bonds, excluding pre-emption rights;</p> <p style="padding-left: 20px;">- determination of the vote to be given in the assemblies of the companies mentioned above and convened for deciding on the merger through incorporation in the Company or in other companies, their transformation, splitting, early winding-up, changes in the business purpose, name alteration or relocation of the registered office out of the commune in which they are currently located, or the transfer of the banking company or of a substantial part of it to third parties not forming part of the Group;</p> <p>e) the appointment of the office of member of the Board of Directors and of the Board of Auditors of the companies listed in paragraph b), after taking into account the non-binding assessment of the Supervisory Board which is communicated by the Chairman of the latter body;</p> <p>d) if deemed fit, the assignment of the task pursuant to Article 43 bis to one of its members .</p>

The proposal for modification of the second paragraph, letter a) of this Article aims to more clearly define - in compliance with the Provisions of the Bank of Italy pertaining to the clear and precise separation of powers and responsibilities amongst Corporate Bodies – the authorizational powers of the Supervisory Board with regards to modifications of the Articles of Association which are proposed by the Management Board; this is implemented for the purposes of achieving greater consistency with the provisions of Article 46, paragraph I, of the new letter m).

In compliance again with the Provisions of the Bank of Italy, the integration of the currently effective second paragraph, letter b) of the Article is hereby proposed in order to more accurately define the proposal-related deliberative powers of the Management Board in relation to strategic issues falling under the competencies of the Supervisory Board and stated in the subsequent Article 46.

The repeal of the last subsection of the currently effective second paragraph, letter c) of the Article in order to ensure consistency with the contents of the subsequent provisions of the Articles of Association within Articles 37, paragraph II, letter h) and 46, paragraph I, letter m) pertaining to the powers of the Management Board and of the Supervisory Board in relation to the acquisition/sale of shareholdings.

The modification of the currently effective second paragraph, letter e) of the Article is hereby proposed in order to more accurately define the powers of the Management Board as well as the role of the Supervisory Board, even in compliance with the Provisions of the Bank of Italy.

Finally, a modification of the currently effective second paragraph, letter f) of the Article is proposed in order to adjust its contents with the new formulation proposed in the subsequent Article 43 bis.

ARTICLE 37

Currently effective text	Proposed text
<p>The Management Board is responsible for company management in compliance with the general planning and strategic policies approved by the Supervisory Board, upon the proposal of the Management Board itself. For this purpose, it carries out all the operations required, useful or advisable for achieving the business purpose, whether they are of ordinary and extraordinary management.</p> <p>Decisions concerning the following topics shall be reserved to the exclusive jurisdiction of the Management Board, in addition to the subjects which cannot be delegated according to law:</p> <p>a) the definition, upon the proposal of the Delegated Director, of the general planning and strategic policies of the Company and of the Group to be submitted to the approval of the Supervisory Board;</p> <p>b) the assignment and revocation of proxies to the Delegated Director; the identification of the member of the Management Board to whom the proxies must be assigned must be carried out upon the proposal of the Supervisory Board, decided in turn, subject to the designation of the Appointment Committee; if this designation has not been formulated by the Appointment Committee with the legal quorums prescribed by the relevant Regulations, the proposal of the Supervisory Board to be submitted to the Management Board shall be decided with the favorable vote of at least 17 (seventeen) members of the Supervisory Board. The revocation of the proxies is decided by the Management Board with the favorable vote of at least 8 (eight) members of the Management Board (or of all the members minus one, for the case in which the Management Board consists of 7 or 8 members), after hearing the Supervisory Board;</p> <p>c) the drafting, upon the proposal of the Delegated Director, of industrial and/or financial plans, as well as the budgets of the Company and of the Group to be submitted to the approval of the Supervisory Board pursuant to art. 2409-terdecies of the Italian Civil Code;</p> <p>d) the management policy of risks and internal auditing;</p> <p>e) the assignment, modification or revocation of proxies and powers as well as the assignment of special functions or proxies to one or more Directors;</p> <p>f) the appointment or revocation of the General Manager, the Joint General Manager and the members of the General Manager, while defining their functions and competences, as well as the appointment of the top management of the Group;</p> <p>g) the appointment of the office of member of the Board of Directors and of the Board of Auditors of the companies belonging to the Group, given the provisions of the preceding Article 36, paragraph two, letter e);</p> <p>h) the acquisition and sale of shareholdings;</p>	<p>The Management Board is responsible for company management in compliance with the general planning and strategic policies approved by the Supervisory Board, after taking into account the proposals of the Management Board itself. For this purpose, it carries out all the operations required, useful or advisable for achieving the business purpose, whether they are of ordinary and extraordinary management.</p> <p>Decisions concerning the following topics shall be reserved to the exclusive jurisdiction of the Management Board, in addition to the subjects which cannot be delegated according to law and those provided for by Article 36, last paragraph:</p> <p>a) the definition, upon the proposal of the Delegated Director, of the general planning and strategic policies of the Company and of the Group to be submitted to the approval of the Supervisory Board;</p> <p>b) the assignment and revocation of proxies to the Delegated Director; the identification of the member of the Management Board to whom the proxies must be assigned must be carried out upon the non-binding proposal of the Supervisory Board, and deliberated following the proposal of the Appointment Committee; if this designation has not been formulated by the Appointment Committee with the legal quorums prescribed by the relevant Regulations, the proposal of the Supervisory Board to be submitted to the Management Board shall be decided with the favorable vote of at least 17 (seventeen) members of the Supervisory Board. The revocation of the proxies is decided by the Management Board with the favorable vote of at least 8 (eight) members of the Management Board (or of all the members minus one, for the case in which the Management Board consists of 7 or 8 members), after hearing the Supervisory Board;</p> <p>c) the drafting, upon the proposal of the Delegated Director, of industrial and/or financial plans, as well as the budgets of the Company and of the Group to be submitted to the approval of the Supervisory Board pursuant to art. 2409-terdecies of the Italian Civil Code;</p> <p>d) the management of risks and internal controls, given the competencies and powers of the Supervisory Board pursuant to Article no.46;</p> <p>e) the assignment, modification or revocation of proxies and powers as well as the assignment of special functions or proxies to one or more Directors;</p> <p>f) the appointment or revocation of the General Manager, the Joint General Manager and the members of the General Manager, while defining their functions and competences, as well as the appointment of the top management of the Group;</p> <p>g) the appointment of the office of member of the Board of Directors and of the Board of Auditors of the</p>

<p>i) the opening and closing branches and representative offices;</p> <p>l) the determination of the organizational, administrative and accounting structure of the company, as well as, without prejudice to the exclusive competence of the Supervisory Board set forth in Article 49 of these Articles of Association, setting up Committees or Commissions with advisory, preliminary, controlling or coordinating functions;</p> <p>m) the determination of the criteria for the coordination and management of Group's companies, as well as the criteria for carrying out instructions issued by the Bank of Italy;</p> <p>n) subject to the compulsory opinion of the Supervisory Board, the appointment and revocation of the Manager in charge of drawing up the accounting documents, pursuant to art. 154-bis of Legislative Decree no. 58 of 24 February 1998, and determining his/her compensation. The Manager in charge of drawing up the corporate accounting documents must have, apart from the requirements of respectability prescribed by the regulations in force for those carrying on administrative and management functions, requirements of professionalism characterized by a specific competence, from the administrative and accounting point of view, in the field of credit, finance, securities or insurance. This competence, which must be ascertained by the Management Board itself, must be acquired through work experiences in an appropriate position of responsibility for a suitable period of time and in undertakings comparable with the Company;</p> <p>o) the appointment and revocation of the Person in charge of the internal auditing function, as well as the persons in charge of the functions whose appointment belongs exclusively to the Management Board as provided by the legislative and regulatory provisions;</p> <p>p) drawing up the draft financial statements and the draft consolidated financial statements;</p> <p>q) the exercise of the proxy for the increases in share capital granted pursuant to Art. 2443 of the Italian Civil Code, as well as issuing convertible bonds pursuant to art. 2420-ter of the Italian Civil Code, subject to the authorization of the Supervisory Board;</p> <p>r) the duties referring to the Management Board set forth in art. 2446 and 2447 of the Italian Civil Code;</p> <p>s) drawing up of merger or splitting projects;</p> <p>t) transactions with a significant strategic, economic and financial importance or preparing the transactions to be submitted to the authorization of the Supervisory Board;</p> <p>u) defining the identification criteria of the transactions with correlated parties to be reserved to one's own competence.</p>	<p>companies belonging to the Group, given the provisions of the preceding Article 36, paragraph two, letter c);</p> <p>h) proposals relative to the acquisition and transfer of controlling shareholdings as well as the acquisition and transfer of non-controlling shareholdings whose compensation levels are more than 0.01% of the Supervisory Asset Value used in the determination of the consolidated Core Tier 1, as recorded in the last report sent to the Bank of Italy, in accordance with currently effective provisions;</p> <p>i) the opening and closing branches and representative offices;</p> <p>l) the determination of the organizational, administrative and accounting structure of the company – to be presented for approval to the Supervisory Board - as well as, and without prejudice to the exclusive competence of the Supervisory Board set forth in Article 49 of these Articles of Association, setting up Committees or Commissions with advisory, preliminary, controlling or coordinating functions, given the provisions of Article 42, second paragraph;</p> <p>m) the approval and modification of company and Group regulations, given the competencies and powers of the Supervisory Board pursuant to Article no.46, paragraph I, letter s) of these Articles of Association;</p> <p>n) the determination of the criteria for the coordination and management of Group's companies, as well as the criteria for carrying out instructions issued by the Bank of Italy;</p> <p>o) subject to the compulsory opinion of the Supervisory Board, the appointment and revocation of the Manager in charge of drawing up the accounting documents, pursuant to art. 154-bis of Legislative Decree no. 58 of 24 February 1998, and determining his/her compensation. The Manager in charge of drawing up the corporate accounting documents must have, apart from the requirements of respectability prescribed by the regulations in force for those carrying on administrative and management functions, requirements of professionalism characterized by a specific competence, from the administrative and accounting point of view, in the field of credit, finance, securities or insurance. This competence, which must be ascertained by the Management Board itself, must be acquired through work experiences in an appropriate position of responsibility for a suitable period of time and in undertakings comparable with the Company;</p> <p>p) the appointment and revocation of the Internal Auditing Control Manager and the Compliance Manager, as well as the persons in charge of the functions whose appointment belongs exclusively to the Management Board as provided by the legislative and regulatory provisions;</p> <p>q) the drafting of the draft financial statements of the year and the draft consolidated financial statements;</p> <p>r) the exercise of the proxy for the increases in share capital granted pursuant to Art. 2443 of the Italian Civil Code, as well as the issue convertible bonds pursuant to Art. 2420-ter of the Italian Civil Code, subject to the</p>
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	<p>authorization of the Supervisory Board;</p> <p>s) the duties referring to the Management Board set forth in art. 2446 and 2447 of the Italian Civil Code;</p> <p>t) drawing up of merger or splitting projects;</p> <p>u) any proposals on strategic operations pursuant to Article 46, paragraph I, letter m), which must be presented for approval to the Supervisory Board;</p> <p>v) the definition of identification criteria of transactions with correlated parties to be reserved to one's own competence.</p>
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The proposal for modification of the first paragraph of the Article in question is due to the modification of the subsequent Article 46, paragraph one, letter b).

The proposal for modification of the second paragraph is due to the opportunity to provide for the integration of the topics reserved to the exclusive competence of the Management Board with explicit reference to the themes pursuant to the second and last paragraph of Article 36 and which must be approved by means of qualified quorums.

In compliance again with the Provisions of the Bank of Italy, the modification of paragraph two, letter b) is hereby proposed in order to more accurately define the proposal-related competencies of the Appointment Committee in relation to the appointment of the Delegated Director and for the purposes of more clearly defining the proposal-making powers of the corporate body entrusted with strategic supervisory powers.

In the subsequent letter d), as a result, - and in compliance with the instructions of the Bank of Italy (memorandum no. 263/2006) - an integration of the contents is proposed in order to provide for the competencies and powers attributed to the Supervisory Board in relation to management and risk control policies.

The proposal for modification of letter g) of the Article is due to the simple re-alignment of any references made in the Articles of Association to the proposals for modification of the preceding Article 36.

The proposal for modification of letter h) of the Article is due to the need to more clearly and accurately define the powers of the Management Board and of the Supervisory Board in relation to the acquisition/sale of shareholdings.

The integration of letter l) of paragraph two of the Article is thereby proposed in order to more effectively coordinate with the provisions of Article 43, paragraph 1, letter c) and of Article 46, paragraph two, letter r) which pertain to the powers of the Corporate Bodies in relation to the determination of the organization, administrative and accounting structure. The additional of a final subsection to letter l) is also proposed in order to more effectively coordinate with the provisions of the subsequent Article 42 pertaining to the potential creation of Committees, even with deliberative powers relating to credit topics.

The insertion of the new letter m) is proposed - in compliance with the Provisions of the Bank of Italy - in order to include the approval and modification of company regulations as a topic which can not be delegated, given the powers assigned to the Supervisory Board which are described in more detail in the subsequent Article 46.

The integration of the currently effective letter o) of the second paragraph of the Article is also proposed in accordance with the Provisions of the Bank of Italy which recommend obtaining an

assessment from the Supervisory Board in relation to the decisions of the Management Board concerning the appointment of managers of the internal control functions (internal auditing and compliance) and the non-delegable nature of these appointments by the Management Board.

Finally, the modification of the currently effective letter f) of paragraph two of the Article is hereby proposed in order to more effectively coordinate with the provisions of the subsequent Article 46 in relation to the specific identification of the strategic operations falling under the competency of the Supervisory Board.

ARTICLE 38

Currently effective text	Proposed text
<p>The Management Board shall report to the Supervisory Board on general management trends and on the most important operations – in terms of size and characteristics - carried on by the Company and its subsidiaries and it shall report on the operations in which the members of the Management Board have a self-interest on their own account or on behalf of third parties.</p> <p>The communication is made during the meetings of the Supervisory Board and in any case, at least quarterly; it may be provided also in writing.</p>	<p>The Management Board shall report in writing to the Supervisory Board on general management trends and forecasts as well as on the most important operations – in terms of size and characteristics - carried on by the Company and its subsidiaries as well as on the primary accounting data of the Company and of the primary subsidiaries and of the Group; it shall also report on the operations in which the members of the Management Board have a self-interest on their own account or on behalf of third parties. The Chairman of the Supervisory Board may call upon the Chairman of the Management Board and/or the Delegated Director to report to the Supervisory Board.</p> <p>The communication is implemented on a quarterly basis.</p>

The proposal in question aims to more clearly define - in compliance with the Provisions of the Bank of Italy - the informational flows between Corporate Bodies, even by taking into account the provisions of the subsequent Article 43, last paragraph, and the provisions of Article 150 of the Consolidated Financial Act.

ARTICLE 39

Currently effective text	Proposed text
<p>The Chairman of the Management Board:</p> <p>a) shall have the legal representation of the company and the corporate signature, as stated more in detail in the following Article 40;</p> <p>b) shall convene the Management Board, establish the agenda taking into account also the proposals formulated by the Vice-Chairman and by the Delegated Director, by ensuring that adequate information regarding the items on the Agenda is provided to all members;</p> <p>c) shall maintain the relations with the Supervisory Authorities, in agreement with the Vice-Chairman and the Delegated Director;</p> <p>d) shall maintain the relations with the Supervisory Board and with its Chairman;</p> <p>e) shall see that the Supervisory Board is informed at least quarterly pursuant to the previous Article 38;</p> <p>f) shall maintain, in agreement with the Chairman of the Supervisory Board and with the Delegated Director, the external communication of the information concerning the company;</p> <p>g) shall exercise all the other powers relevant to the carrying on of his office.</p> <p>The Vice-Chairman of the Management Board shall be consulted and involved by the Management Director on the integration process resulting from the merger of BPU Banca and Banca Lombarda.</p> <p>In the event of absolute justified urgency, and if the Management Board cannot be immediately convened, the Chairman of the Management Board or, in case of absence or impediment of the latter, the Vice - Chairman or, in case of absence or impediment of the latter, the Delegated Director, may take decisions with regard to any transaction pertaining to the Management Board, and in particular in the field of loan disbursement, except for the subjects of exclusive competence of the Management Board. The Management Board must be informed of these decisions at its next meeting.</p>	<p>The Chairman of the Management Board:</p> <p>a) shall have the legal representation of the company and the corporate signature, as stated more in detail in the following Article 40;</p> <p>b) shall convene the Management Board, establish the agenda taking into account also the resolution proposals formulated by the Vice-Chairman and by the Delegated Director, by ensuring that adequate information regarding the items on the Agenda is provided to all members;</p> <p>c) shall maintain the relations with the Supervisory Authorities, in agreement with the Vice-Chairman and the Delegated Director and within the realm of the activities of the Management Board;</p> <p>d) shall maintain the relations with the Supervisory Board and with its Chairman;</p> <p>e) shall see that the Supervisory Board is informed at least quarterly pursuant to the previous Article 38;</p> <p>f) shall maintain, in agreement with the Chairman of the Supervisory Board and with the Delegated Director, the external communication of the information concerning the company;</p> <p>g) shall exercise all the other powers relevant to the carrying on of his office.</p> <p style="text-align: center;">In the event of absolute justified urgency, and if the Management Board cannot be immediately convened, the Chairman of the Management Board or, in case of absence or impediment of the latter, the Vice- Chairman or, in case of absence or impediment of the latter, the Delegated Director, may take decisions with regard to any transaction pertaining to the Management Board, and in particular in the field of loan disbursement, except for the subjects of exclusive competence of the Management Board. The Management Board must be informed of these decisions at its next meeting.</p>

In paragraph one, letter b) of this Article, a repeal is proposed of the subsection which is specified in order to make the Articles of Association consistent with the Provisions of the Bank of Italy in relation to the proposal-making powers of the Board resolutions of all Board members.

The integration of the first paragraph of letter c) is hereby proposed in order to more accurately define the competencies of the Chairman of the Management Board, in compliance with the Provisions of the Bank of Italy relating to the clear and distinct identification of duties and responsibilities assigned to each of the Corporate Bodies.

Finally, the elimination of the penultimate paragraph of the Article in question is proposed; this paragraph refers to the expected and essential completion of the integration activities outlined in the Industrial Plan.

ARTICLE 43

Currently effective text	Proposed text
<p>The following powers shall be granted to the Delegated Director:</p> <ul style="list-style-type: none"> a) supervising company and Group management; b) overseeing the strategic coordination and the company and Group management and control; c) overseeing the implementation of the organizational and <i>business</i> structure determined by the Management Board and approved by the Supervisory Board; d) setting the operating guidelines for top Management; e) overseeing the integration of the Group, consulting with and involving the Deputy Chairman of the Management Board; f) reporting to the Management Board on management policies as well as the industrial and strategic plan and the <i>budget</i> and overseeing their implementation by means of the General Management; g) proposing the budgetary policy and the policies on optimization for the use and exploitation of resources and submitting the draft financial statements and the periodical statements to the Management Board; h) proposing qualified individuals to the Management Board as nominees for top management and executive posts in agreement with the Chairman and the Deputy Chairman of the Management Board and after consulting with the General Manager; i) promoting the integrated supervision of risks. <p>The Delegated Director reports - on a quarterly basis - to the Management Board and to the Supervisory Board (and to the latter also within the context of the communication provided by Article 38) with regard to management trends and forecasts as well as on the most significant operations implemented by the company and its main subsidiaries. The Delegated Director also reports – on a monthly basis - to the Management Board and – at least every sixty days - to the Supervisory Board on the main accounting results of the company, the principal subsidiaries and the Group.</p>	<p>The following powers shall be granted to the Delegated Director:</p> <ul style="list-style-type: none"> a) supervising company and Group management; b) overseeing the strategic coordination and the company and Group management and control; c) overseeing the implementation of the organizational, administrative and accounting structure determined by the Management Board and approved by the Supervisory Board; d) setting the operating guidelines for top Management; e) overseeing the integration of the Group; f) formulating proposals for the Management Board in relation to the definition of the general planning and strategic policies of the Company and of the Group as well as the drafting of the industrial and/or financial plans and budgets of the Company and the Group to be submitted to the approval of the Supervisory Board while jointly implementing the above by means of the company's General Management; g) proposing the budgetary policy and the policies on optimization for the use and exploitation of resources and submitting the draft financial statements and the periodical statements to the Management Board; h) proposing qualified individuals to the Management Board as nominees for top management and executive posts in agreement with the Chairman and the Deputy Chairman of the Management Board and after consulting with the General Manager; i) promoting the integrated supervision of risks. l) forwarding extraordinary requests for inspections and/or investigations to the internal control department through the Internal Control Committee. <p>The Delegated Director reports - on a quarterly basis - to the Management Board on management trends and forecasts as well as on the most significant operations implemented by the company and its main subsidiaries. The Delegated Director also reports – on a monthly basis - to the Management Board on the main accounting results of the company, the principal subsidiaries and the Group.</p>

The proposal for modification of the first paragraph of letter c) the Article is due to the opportunity to align its contents with the literal content of the phrase used in the preceding Article 37, paragraph two, letter l).

In the subsequent letter e), a proposal is made to repeal the subsection specified in correlation with the proposal for modification of the penultimate paragraph of the preceding Article 39.

The proposal for modification of letter f) aims to more effectively coordinate its structure with the provisions of the Articles of Association pursuant to Article 37, paragraph II, letter a) and c) and Article 46, paragraph 1, letter b) and m), in compliance with the Provisions of the Bank of Italy relating

to the clear and distinct identification of duties and responsibilities assigned to each of the Corporate Bodies.

In order to again more clearly define the competencies of the Corporate Bodies, the insertion of the new letter l) in paragraph one is proposed in order to integrate the competencies of the Delegated Director with the provision assigning the power of the latter to initiate extraordinary inspections and/or investigations for the purposes of more effectively optimizing corporate structures in terms of internal control systems.

Finally, the proposal for modification of the last paragraph of the Article in question aims to more effectively clarify the information flows between Corporate Bodies.

ARTICLE 43bis

Currently effective text	Proposed text
The Management Board may instruct one of its members to supervise the proper operation of the internal auditing system with the task – to be carried out with a close co-operation and agreement with the Delegated Director and the General Manager – of supervising the promotion and realization of the internal auditing system suitable for the Company and Group from which it depends for what concerns efficacy and efficiency.	The Management Board may entrust one of its members – for the purposes of exclusively supporting the Management Board itself – with an organizational, advisory and information role on internal control matters, to be exercised in close co-operation and agreement with the Delegated Director and the General Manager while respecting the competencies and powers assumed in this area by the Supervisory Board.

In compliance with the specifications formulated by the Bank of Italy, the modification proposal in question aims to more clearly and specifically outline the competencies assigned to Corporate Bodies, particularly with regards to internal control functions.

ARTICLE 44

Currently effective text	Proposed text
<p>The Supervisory Board consists of 23 (twenty three) members elected among the Shareholders with the right to vote, including a Chairman, a Deputy Vice Chairman, appointed by the Meeting according to what is provided by Article 45, and two Vice-Chairmen chosen by the same Supervisory Board among its own members. The members of the Supervisory Board shall hold office for three years and shall expire on the Shareholders' assembly date provided by the second paragraph of Art. 2364-<i>bis</i> of the Italian Civil Code.</p> <p>The termination due to the end of their term in office shall become effective from the moment the Supervisory Board - that in the meantime maintains full powers - is established.</p> <p>If, during the course of the year, the Supervisory Board lacks one or more members, they will be replaced without delay according to what is provided by Article 45.</p> <p>The members of the Supervisory Board must have the requirements of respectability and professionalism as well as the requirements of independence provided by the currently effective regulations. At least 15 (fifteen) members of the Supervisory Board must have the requirements of professionalism required by currently effective regulations for individuals which implement administrative functions within banks.</p> <p>In particular, at least 3 (three) members of the Supervisory Board must be chosen among the persons entered in the Register of the Auditors who have exercised the legal auditing for a period not shorter than three years.</p> <p>Given compliance with currently effective legal provisions, regulations or Supervisory Authorities, persons already holding offices of regular auditor or members of other controlling bodies in more than five listed companies and/or their parent companies or subsidiaries cannot hold office as member of the Supervisory Board.</p> <p>If the reason of incompatibility of the previous subparagraph is not eliminated within 60 (sixty) days from the election or, if occurred, from the notification to the person concerned, the Director shall automatically fall from office.</p> <p>In addition to expense reimbursement for the implementation of tasks relating to their office, members of the Supervisory Board are paid a compensation which is determined for the entire period of their office as of the date of the Assembly for their appointment. These members are also awarded attendance bonuses for participation in the meetings of the Supervisory Board and in the meetings of the commission and committees established by the Supervisory Board; the amounts is determined by the Assembly.</p> <p>The Supervisory Board, after consulting with the Remuneration Committee, establishes the compensation for the Chairman, the Deputy Vice Chairman, the Vice</p>	<p>The Supervisory Board consists of 23 (twenty three) members elected among the Shareholders with the right to vote, including a Chairman, a Deputy Vice Chairman, appointed by the Meeting according to what is provided by Article 45, and two Vice-Chairmen chosen by the same Supervisory Board among its own members. The members of the Supervisory Board shall hold office for three financial years and shall expire on the Shareholders' assembly date provided by the second paragraph of Art. 2364-<i>bis</i> of the Italian Civil Code.</p> <p>The termination due to the end of their term in office shall become effective from the moment the Supervisory Board - that in the meantime maintains full powers - is established.</p> <p>If, during the course of the year, the Supervisory Board lacks one or more members, they will be replaced without delay according to what is provided by Article 45.</p> <p>The members of the Supervisory Board must have the requirements of respectability and professionalism as well as the requirements of independence provided by the currently effective regulations. At least 15 (fifteen) members of the Supervisory Board must have the requirements of professionalism required by currently effective regulations for individuals which implement administrative functions within banks.</p> <p>In particular, at least 3 (three) members of the Supervisory Board must be chosen among the persons entered in the Register of the Auditors who have exercised the legal auditing for a period not shorter than three years.</p> <p>Given compliance with currently effective legal provisions, regulations or Supervisory Authorities, persons already holding offices of regular auditor or members of other controlling bodies in more than five listed companies and/or their parent companies or subsidiaries cannot hold office as member of the Supervisory Board.</p> <p>If the reason of incompatibility of the previous subparagraph is not eliminated within 60 (sixty) days from the election or, if occurred, from the notification to the person concerned, the Director shall automatically fall from office.</p> <p>In addition to expense reimbursement for the implementation of tasks relating to their office, members of the Supervisory Board are paid a compensation which is determined for the entire period of their office, in accordance with these Articles of Association. These members are also awarded attendance bonuses for participation in the meetings of the Supervisory Board and in the meetings of the commission and committees established by the Supervisory Board; the amounts is determined by the Assembly.</p> <p>The Supervisory Board, after consulting with the Remuneration Committee, allocates the compensation established by the Assembly, in accordance with Article 22,</p>

<p>Chairmen and the members of the Supervisory Board to whom specific offices, powers or functions are ascribed by these Articles of Association or by the Supervisory Board itself.</p>	<p>thereby determining the compensation for the Chairman, the Deputy Vice Chairman, the Vice Chairmen and the members of the Supervisory Board to whom specific offices, powers or functions are ascribed by these Articles of Association or by the Supervisory Board itself. This allocation must also take into account the participation in the Committees pursuant to Article 49 while ensuring that the compensation of the members of the Internal Control Committee is determined by taking into account the professional rates relative to participation in corporate control bodies.</p>
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The modification of the eighth paragraph of this Article is proposed in order to more effectively coordinate its structure with the provisions of the subsequent ninth paragraph as well as with Article 22, second paragraph, letter a) which describe the determination of the compensation of members of the Supervisory Board.

Finally, the proposal for modification of the ninth paragraph of this Article is correlated with the modification proposed for Article 22, paragraph, two, letter a) as well as with its provision for a reference to professional rates for the determination of compensation due to the members of the Internal Control Committee.

ARTICLE 45

Currently effective text	Proposed text
<p>The Meeting shall elect the members of the Supervisory Board according to lists that may be presented by the Shareholders or by the Supervisory Board, as follows.</p> <p>The lists of the candidates, signed by those who present them, must be filed within the registered office of the Company at least 15 (fifteen) days before the Assembly is held on first call and must contain the names of at least two candidates. In the event of presentation by the Shareholders, the signature of each presenting Shareholder must be duly authenticated pursuant to the law or by the employees of the Company or of its subsidiaries intentionally delegated by the Management Board.</p> <p>The lists must also include information relative to the identities of the shareholders which present them with a specification of the number of shares and therefore the overall shareholdings of the presenting shareholders; they must also include a certification for the owner of each shareholding as well as any other information which is requested by currently effective regulations.</p> <p>Exhaustive information on the personal and professional characteristics of the candidates must be deposited with the lists in addition to a declarations from the candidates themselves relative to the possession of the prerequisites required by legal, regulatory and statutory regulations and their acceptance of the candidacy.</p> <p>In the case that – on the expiration date of the deadline pursuant to paragraph 2 – only one list is filed, or in any case for the cases required by currently effective law, the Bank will promptly notify the public by means of a press release sent to at least two press agencies; in this case, lists may be presented up until the fifth day following the cited deadline. In these cases, the thresholds required by the subsequent paragraph are reduced by half.</p> <p>In the event of list presentation by the Shareholders, and without prejudice to any other mandatory law or regulation, each list must be presented by at least 500 (five hundred) Shareholders who have the right to attend and vote during the Assembly convened to elect the Supervisory Board – and who can certify this right by documentary evidence according to the regulations in force - or by a number of shareholders who represent at least 0.50% of the share capital, this limit being determined with reference to the capital existing 90 days before the date established for calling the Assembly and to be indicated in the notice convening it.</p> <p>Each Shareholder may contribute to the presentation of only one list: In case of non-observance, his signature is not calculated in any list.</p> <p>The presentation of a list by an outgoing Supervisory Board must occur upon proposal of the Appointment Committee and by means of a resolution of the Supervisory Board approved with the favorable vote of at least 17</p>	<p>The Meeting shall elect the members of the Supervisory Board according to lists that may be presented by the Shareholders or by the Supervisory Board, as follows.</p> <p>The lists of the candidates, signed by those who present them, must be filed within the registered office of the Company at least 15 (fifteen) days before the Assembly is held on first call and must contain the names of at least two candidates. The signature of each presenting Shareholder must be duly authenticated pursuant to the law or by the employees of the Company or of its subsidiaries intentionally delegated by the Management Board.</p> <p>The lists must also include information relative to the identities of the shareholders which present them with a specification of the number of shares and therefore the overall shareholdings of the presenting shareholders; they must also include a certification for the owner of each shareholding as well as any other information which is requested by currently effective regulations.</p> <p>Exhaustive information on the personal and professional characteristics of the candidates must be deposited with the lists in addition to a declarations from the candidates themselves relative to the possession of the prerequisites required by legal, regulatory and statutory regulations and their acceptance of the candidacy.</p> <p>In the case that – on the expiration date of the deadline pursuant to paragraph 2 – only one list is filed, or in any case for the cases required by currently effective law, the Bank will promptly notify the public by means of a press release sent to at least two press agencies; in this case, lists may be presented up until the fifth day following the cited deadline. In these cases, the thresholds required by the subsequent paragraph are reduced by half.</p> <p>The election of the members of the Supervisory Board shall proceed on the basis of the lists which are presented:</p> <p style="padding-left: 2em;">a) directly by at least 500 (five hundred) Shareholders who have the right to attend and vote during the Assembly convened to elect the Supervisory Board– and who can certify this right by documentary evidence according to the regulations in force - or by a number of shareholders who represent at least 0.50% of the share capital, this limit being determined with reference to the capital existing 90 (ninety) days before the date established for calling the Assembly and to be indicated in the notice convening it.</p> <p style="padding-left: 2em;">b) by the resigning Supervisory Board, upon proposal of the Appointment Committee and by means of a resolution approved by of the Supervisory Board with the favorable vote of at least 17 (seventeen) of its members and, in any case, supported – in accordance with letter a) – by at least 500 (five hundred) Shareholders who have the right to attend and vote during the Assembly convened to elect the</p>

(seventeen) of its members.

Each candidate may be placed in only one list, otherwise the same shall be deemed ineligible.

The lists not pursuant to such provisions shall be considered as never submitted.

Each Shareholder may vote only one list.

The appointment of the members of the Supervisory Board shall proceed as follows:

a) 22 (twenty-two) members of the Supervisory Board are taken from the list that has obtained the majority of votes expressed by the Shareholders, following the progressive order with which they appear in the same list;

b) one (1) member of the Supervisory Board is taken from the list that has obtained the second majority of votes – and which is not connected to the list pursuant to letter a), in compliance with currently effective regulations; the first person appearing in the list is selected.

If only one list is proposed or if no list is presented, the Assembly shall appoint the Supervisory Board by a majority vote; with an equal number of votes, the eldest candidate is appointed.

Where two or more lists obtain the same number of votes, these lists will be resubmitted to the voting process until one of the lists obtains a higher number of votes.

The offices of Chairman and Deputy Vice Chairman of the Board belong to the member indicated in the first and second position, respectively, of the list that has obtained the majority of votes, or in the only list presented or to the members appointed as such by the Assembly, if no list was presented.

If, during the course of the year, the Board lacks one or more members for the case of substitution of the Directors elected in the majority list, the appointment occurs by a relative majority vote with no list obligation, since the Supervisory Board itself may present candidacies, if necessary, upon proposal of the Appointment Committee.

If the Directors belonging to the minority list must be replaced, the first non-elected candidate which was previously specified in the list of the director requiring replacement will be selected or, subordinately, the candidate from other minority lists will be selected on the basis of the number of decreasing votes of the latter; the candidate must confirm his/her acceptance together with the declarations concerning the non-existence of any causes for ineligibility and incompatibility, as well as their fulfillment of the requirements provided for the office by law and by the Articles of Association. If this is not possible, the assembly will provide for the replacement, in compliance with the principle of appropriate representation of minorities.

Supervisory Board – and who can certify this right by documentary evidence according to the regulations in force – or by a number of shareholders who represent at least 0.50% of the share capital, this limit being determined with reference to the capital existing 90 days before the date established for calling the Assembly and to be indicated in the notice convening it.

Each Shareholder may contribute to the presentation of only one list: In case of non-observance, his signature is not calculated in any list.

Each candidate may be placed in only one list, otherwise the same shall be deemed ineligible.

The lists not pursuant to such provisions shall be considered as never submitted.

Each Shareholder may vote only one list.

The appointment of the members of the Supervisory Board shall proceed as follows:

a) in the case of presentation of several lists and given the provisions of letter b) below, 22 (twenty-two) members of the Supervisory Board are taken from the list that has obtained the majority of votes expressed by the Shareholders, following the progressive order with which they appear in the same list;

b) one (1) member of the Supervisory Board is taken from the list that has obtained the second majority of votes – and which is not connected to the list pursuant to letter a), in compliance with currently effective regulations; the first person appearing in the list is selected. If this list has attained at least 15% of the Assembly votes, an additional two (2) members of the Supervisory Board are taken from this list – the second and third names - in addition to the first name of the list. If this list has attained at least 30% of the Assembly votes, an additional four (4) members of the Supervisory Board are taken from this list – the second, third, fourth and fifth names - in addition to the first name of the list. As a result, 20 (twenty) or 18 (eighteen) members of the Supervisory Board are taken from the list that has obtained the majority of votes expressed by the Shareholders, following the progressive order with which they appear in the same list;

c) if the minority list pursuant to letter b) only contains the names of two (2) candidates, the third Director, and potentially the fourth and fifth in the case of attainment of 30% of votes, will be selected from the majority list of the candidates which are not already elected, following the progressive order with which they appear in the list itself.

In the case that a single list is validly proposed, all 23 members of the Supervisory Board will be selected from this list if the latter attains the majority required in the ordinary Assembly.

For the appointment of those Director which, for any reason, could not be elected with the procedure provided for in the paragraphs above, or if no list is presented, the Assembly shall deliberate by a majority vote; with an equal

	<p>number of votes, the eldest candidate is appointed.</p> <p>Where two or more lists obtain the same number of votes, these lists will be resubmitted to the voting process until one of the lists obtains a higher number of votes.</p> <p>The offices of Chairman and Deputy Vice Chairman of the Board belong to the member indicated in the first and second position, respectively, of the list that has obtained the majority of votes, or in the only list presented or to the members appointed as such by the Assembly, if no list was presented.</p> <p>If, during the course of the year, the Board lacks one or more members for the case of substitution of the Directors elected in the majority list, the first non-elected candidate from this list will be chosen; if this is not possible, the appointment occurs by a relative majority vote of the Assembly with no list obligation, since the Supervisory Board itself may present candidacies, if necessary, upon proposal of the Appointment Committee.</p> <p>In the case of expiration of the office of the Chairman and/or of Deputy Vice Chairman of the Supervisory Board, the ordinary Assembly will immediately provide for an integration of this Board as well as the appointment of a Chairman and/or of Deputy Vice Chairman, thereby not applying the replacement mechanism described above since the Supervisory Board itself may present candidacies, if necessary, upon proposal of the Appointment Committee.</p> <p>If, on the other hand, it becomes necessary to replace Directors belonging to minority lists, the following procedure is implemented:</p> <ul style="list-style-type: none">- in the case that only one Director has been appointed from the minority lists, the first non-elected candidate which was previously specified in the list containing the director requiring replacement will be chosen; if such a candidate is not available, another candidate from other potential minority lists will be chosen on the basis of the decreasing number of votes attained by these lists. If this is not possible, the Assembly will provide for the replacement in compliance with the principle of appropriate representation of minorities;- in the case that an additional two (2) or four (four) directors from the minority lists are appointed on the basis of Shareholder votes, the relative replacements will be chosen from the list in which the Director requiring replacement was present or, if this is not possible, by potentially another minority list identified on the basis of decreasing number of votes and which has attained either 15% or 30% of Assembly votes; if this is not possible, the Directors requiring replacement will be selected from this majority list or, if this is also not possible, the Assembly will deliberate with a relative majority;- in the case that the two (2) or four (four) directors from the minority lists have already been replaced - in accordance with the previous paragraph - by selecting them from the majority list or have been appointed by means of an Assembly resolution approved by relative majority vote -
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	<p>in accordance with the above – the replacement of the additional minority Director is implemented by using the first candidate specified in the potential other minority lists which are identified on the basis of the decreasing number of votes attained by these lists; if these is not possible, the assembly will provide for the replacement in compliance with the principle of appropriate representation of minorities.</p> <p>The new candidates – identified in accordance with this Article - must confirm their acceptance of the office together with the declarations concerning the non-existence of any causes for ineligibility and incompatibility, as well as their fulfillment of the requirements provided for the office by law or by the Articles of Association.</p> <p>The member of the Supervisory Board which is called upon to replace the missing Director will hold office until the expiration of the latter's term.</p>
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The proposal for modification of the Article in question aims to ensure that the Articles of Association are consistent with the specifications formulated by the Bank of Italy in its letter no. 467903 of 24/04/08 in relation to the presentation of a list by the Supervisory Board.

It is also more specifically explained that the presentation of the list on the part of the Supervisory Board must, in any case, be implemented by complying with the same conditions provided for during the presentation of shareholder lists.

The modification of the Article is also proposed in light of the need to align the Articles of Association with the Provisions of the Bank of Italy in relation to the adequate representation of the various shareholders within Corporate Bodies.

More specifically, the introduction of a mechanism which appoints up to three or five members of the Supervisory Board for the attainment of a pre-defined quorum of consent during assemblies is provided for; correlation mechanisms for the replacement of members of the Supervisory Board – elected from minority and/or majority lists – are also introduced.

ARTICLE 46

Currently effective text	Proposed text
<p>The Supervisory Board:</p> <p>a) appoints, upon proposal of the Appointment Committee, and removes the members of the Management Board and its Chairman and Vice-Chairman, determining their fees after hearing the Remuneration Committee; determines, after hearing the Remuneration Committee, the fees of the members of the Management Board vested with special offices, tasks or proxies or assigned to committees; without prejudice to what is provided by Article 32, sub-paragraph 2, of the Articles of Association, and without prejudice to the case of substitution of members of the Management Board suspended before time, the Supervisory Board renews the Management Board in the first meeting following its appointment by the Assembly;</p> <p>b) upon proposal of the Management Board, decides on the definition of the general planning and strategic policies of the Company and of the Group;</p> <p>c) approves the financial statements and the consolidated financial statements prepared by the Management Board;</p> <p>d) authorizes the Management Board to exercise the proxy for increases in share capital or for issuing convertible bonds if granted by the Assembly pursuant to art. 2443 of the Italian Civil Code and/or of art. 2420-ter of the Italian Civil Code;</p> <p>e) attends the meetings of the Management Board, delegating this task to the Chairman and the Deputy Vice Chairman;</p> <p>f) carries out the supervision functions provided for by Art. 149, first and third paragraphs, of the Legislative Decree no. 58 of 24 February 1998;</p> <p>g) promotes the exercise of the liability action with respect to members of the Management Board;</p> <p>h) presents the statement to the Bank of Italy pursuant to Art. 70, sub-paragraph 7, Legislative Decree no. 385 of 1 September 1993;</p> <p>i) reports in writing to the Shareholders' Assembly convened pursuant to Art. 2364-bis of the Italian Civil Code on the supervisory activity carried out, on omissions and blameworthy events observed as well as, on occasion of any other ordinary or extraordinary Assembly convened, for what concerns the subject-matters considered part of its competences;</p> <p>l) informs the Bank of Italy without delay of all the deeds or facts, that comes to its notice when carrying out its duties, which may consist of a mismanagement or of a violation of the rules governing banking;</p> <p>m) expresses a binding opinion concerning the person in charge of drawing up the accounting documents set forth in Art. 154-bis of Legislative Decree no. 58 of 24 February 1998;</p> <p>n) upon proposal of the Management Board, decides</p>	<p>The Supervisory Board:</p> <p>a) appoints, upon proposal of the Appointment Committee, and removes the members of the Management Board and its Chairman and Vice-Chairman, determining their fees after hearing the Remuneration Committee, in compliance with the provisions of Article 22, paragraph 2, letter b); determines - after hearing the Remuneration Committee and in compliance with the provisions of Article 22, paragraph 2, letter b) - the fees of the members of the Management Board vested with special offices, tasks or proxies or assigned to committees; without prejudice to what is provided by Article 32, sub-paragraph 2, of the Articles of Association, and without prejudice to the case of substitution of members of the Management Board suspended before time, the Supervisory Board renews the Management Board in the first meeting following its appointment by the Assembly;</p> <p>b) deliberates, after taking into account the relative proposals of the Management Board, on the definition of the general planning and strategic policies of the Company and of the Group;</p> <p>c) approves the financial statements and the consolidated financial statements prepared by the Management Board;</p> <p>d) authorizes the Management Board to exercise the proxy for increases in share capital or for issuing convertible bonds if granted by the Assembly pursuant to art. 2443 of the Italian Civil Code and/or of art. 2420-ter of the Italian Civil Code;</p> <p>e) carries out the supervision functions provided for by Art. 149, first and third paragraphs, of the Legislative Decree no. 58 of 24 February 1998;</p> <p>f) promotes the exercise of the liability action with respect to members of the Management Board;</p> <p>g) presents the statement to the Bank of Italy pursuant to Art. 70, sub-paragraph 7, of Legislative Decree no. 385 of 1 September 1993;</p> <p>h) reports in writing to the Shareholders' Assembly convened pursuant to Art. 2364-bis of the Italian Civil Code on the supervisory activity carried out, on omissions and blameworthy events observed as well as, on occasion of any other ordinary or extraordinary Assembly convened, for what concerns the subject-matters considered part of its competences;</p> <p>i) informs the Bank of Italy without delay of all the deeds or facts, that comes to its notice when carrying out its duties, which may consist of a mismanagement or of a violation of the rules governing banking;</p> <p>l) expresses a binding opinion concerning the person in charge of drawing up the accounting documents set forth in Art. 154-bis of Legislative Decree no. 58 of 24 February 1998;</p>

<p>on the authorizations relevant to the strategic operations, as well as on the industrial and/or financial plans and the budgets of the company and of the Group prepared by the Management Board, in any case without prejudice to its liability for fulfilled deeds. In particular, the Supervisory Board decides on the authorizations relevant to:</p> <p>(i) proposals of transactions on the share capital; the issue of convertible bonds and cum warrant in company securities; mergers and spin-offs;</p> <p>(ii) proposals for modifications to the Articles of Association;</p> <p>(iii) purchases or transfers by the company and by the Subsidiaries of controlling interests in companies with important strategic value or with a total value higher than the 5% value of the consolidated equity, as well as the purchase or sale of undertakings, relations in bulk, business units with an important economic and/or strategic value;</p> <p>(iv) strategically important investment and and/or divestments and/or implying commitments for the Company whose overall amount exceeds, for each transaction, the 5% value of the consolidated shareholders' equity;</p> <p>(v) stipulates strategically important commercial, collaboration and shareholders' agreements, it being understood that the authorization of the Supervisory Board for the transactions listed above will not be necessary if the transactions are contemplated in the industrial plans already approved by the Supervisory Board;</p> <p>o) deliberates on the policies relevant to cultural and charitable initiatives as well as to the image of the Company and of the Group, with a special reference to the valorization of the historical and artistic legacy, checking the meeting of the programmed initiatives with the undertaken aims;</p> <p>p) decides on the merger and splitting set forth in art. 2505 and 2505-bis of the Italian Civil Code;</p> <p>q) exercises any other power provided by the <i>temporary</i> regulations in force or by the Articles of Association.</p> <p>The Supervisory Board is also exclusively assigned, in compliance with art. 2436 of the Italian Civil Code, any resolutions concerning:</p> <p>a) the opening and closing of secondary offices;</p> <p>b) the decrease in the share capital in case of a Shareholder's withdrawal;</p> <p>c) adjustment of the Articles of Association to regulatory provisions, subject to consultation with the Management Board.</p> <p>The Supervisory Board and its members exercise the powers set forth in art. 151-bis of the Leg. Decree no. 58 of 24 February 1998, pursuant to the terms and conditions therein provided.</p>	<p>m) upon proposal of the Management Board, deliberates on the industrial and/or financial plans and budgets of the company and the Group prepared by the Management Board, as well as on any of the strategic operations mentioned below and in any case without prejudice to the Management Board's liability for fulfilled deeds and the fact that the abovementioned resolution of the Supervisory Board will not be required for the operations pursuant to points (iii), (iv), (v), (vi) and (vii) if these operations have already been defined in terms of their primary elements within the realm of the industrial plans previously approved by the Supervisory Board itself:</p> <p>(i) transactions on share capital; the issue of convertible bonds and cum warrant in company securities; mergers and spin-offs;</p> <p>(ii) modifications to the Articles of Association</p> <p>(iii) operations pursuant to Article no. 36, paragraph 2, letter b);</p> <p>(iv) acquisitions on the part of the company and its subsidiaries of controlling shareholdings in companies as well as operations involving the reduction of shareholdings held directly or indirectly held in subsidiaries;</p> <p>(v) the acquisition and transfer n the part of the company and its subsidiaries of companies, groups of contracts, company branches, contributions, spin-offs and investments or divestments involving commitments whose value per operation is greater than 4% of the Supervisory Asset Value used in the determination of the consolidated Core Tier 1 or which affects the Core Tier 1 Ratio by more than 50 b.p., as recorded in the last report sent to the Bank of Italy, in accordance with currently effective provisions;</p> <p>(vi) acquisitions or transfers on the part of the company and its subsidiaries of non-controlling shareholdings whose value per operation is greater than 1% of the Supervisory Asset Value used in the determination of the consolidated Core Tier 1, as recorded in the last report sent to the Bank of Italy, in accordance with currently effective provisions, or which is relevant from an institutional or systems perspective;</p> <p>(vii) the stipulation of commercial and partnership agreement of strategic value, after taking into account the relevant activities and/or volumes and/or the profile of the partners as well as the planning policies and objectives included within the approved Industrial Plan;</p> <p>n) expresses its non-binding assessment - with the favorable vote of at least 17 (seventeen) of its members – on the candidates proposed by the Management Board for the office of Director and Auditor of the subsidiaries listed in Article 36, paragraph 2, letter b) of these Articles of Association;</p> <p>o) determines– after taking into account the proposals of the Management Board - the general planning and strategic policies for risk management and control while continually verifying their adequacy and implementation on the part of the Management Board itself;</p>
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	<p>p) upon proposal of the Management Board, deliberates on the policies for managing compliance risk and on the creation of a legal regulations compliance department;</p> <p>q) formulates its assessment with regards to the definition of the essential elements of the overall structure of the internal control system; assesses - for that falling under its competence - the degree of efficiency and adequacy of the internal control system; expresses an assessment on the appointment and revocation - on the part of the Management Board - of the manager of the internal control function and the manager of the compliance department;</p> <p>r) periodically approves and verifies the organizational, administrative and accounting structure of the company determined by the Management Board;</p> <p>s) approves company regulations pertaining to its functioning and approves - in collaboration with the Management Board - the regulations relative to informational flows between company bodies as well as those relative to internal control systems;</p> <p>t) approves the remuneration policies relative to employees or collaborators which are not linked to the company by full-time employee contracts;</p> <p>u) upon the proposal of the Chairman of the Supervisory Board - drafted in compliance with Article 47, paragraph II, letter h) - deliberates on the policies and projects relevant to cultural and charitable initiatives as well as on the image of the Company and of the Group, with a special reference to the valorization of the historical and artistic legacy while verifying the attainment of planned initiatives with undertaken aims;</p> <p>v) deliberates on the mergers and spin-offs set forth in Art. 2505 and 2505-bis of the Italian Civil Code;</p> <p>z) exercises any other power provided by <i>temporary</i> regulations in force or by the Articles of Association.</p> <p>The Supervisory Board is also exclusively assigned, in compliance with art. 2436 of the Italian Civil Code, any resolutions concerning:</p> <p>a) the opening and closing of secondary offices;</p> <p>b) the decrease in the share capital in case of a Shareholder's withdrawal;</p> <p>c) adjustment of the Articles of Association to regulatory provisions, subject to consultation with the Management Board.</p> <p>The Supervisory Board and its members exercise the powers set forth in art. 151-bis of the Leg. Decree no. 58 of 24 February 1998, pursuant to the terms and conditions therein provided.</p>
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The proposal for modification of the first paragraph, letter a) of this Article is correlated to the proposed operation for adjustment of the preceding Article 22, paragraph two, letter b) relative to the competencies of the Assembly in relation to the definition of remuneration for members of the Management Board.

The proposal for modification of the first paragraph, letter b) is designed to more effectively clarify that the power to “determine the strategic policies and objectives” - which the Provisions of the Bank of Italy assign to the Corporate Body entrusted with strategic supervision – is applied by taking into account the proposals of the Management Board which must subsequently implement the policies themselves.

A repeal of letter e) of the first paragraph is proposed in order to comply with the Provisions of the Bank of Italy which exclusively reserve participation in the meetings of the Management Board to the members of the Internal Control Committee.

The proposal for modification and integration of the currently effective first paragraph, letter m) aims to more accurately identify the realm of the effectively strategic operations which fall under the competency of the Supervisory Board, in compliance with the Provisions of the Bank of Italy.

In the preceding Article 36, second paragraph, letter c), a proposal is made to insert the new letter n) within this Article.

In connection with the proposed operation for adjustment of the preceding Article 37, paragraph two, letter d), the insertion of the new letter o) is proposed in order to more accurately define the competencies of the Supervisory Board in relation to risk management and control policies.

The insertion of the new letter p) is proposed in relation to the opportunity to include – within the Articles of Association - a specific resolution of the Supervisory Board, upon proposal of the Management Board, relating to the approval of policies for compliance risk management and the creation of a compliance department, in compliance with the Provisions of the Bank of Italy and Letter no. 688006 dated 10/07/2007 of the Bank of Italy.

The proposal for integration of the structure with the insertion of the new letter q) is due to the need to more effectively define the realms of competency of the Supervisory Board in relation to internal control systems, in compliance with the Provisions of the Bank of Italy relating to a transparent and precise specification of the nature and contents of the deliberative powers of the Supervisory Board itself with respect to those of the Management Board; this is consistent with the contents of Memorandum no. 263/2006 of the Bank of Italy.

A proposal is also made from this perspective for the insertion of the new letter r) in relation to the need to more effectively define the realms of competency of the Supervisory Board in relation to organizational structures, in compliance with the Provisions of the Bank of Italy relating to a transparent and precise specification of the nature and contents of the deliberative powers of the Supervisory Board itself with respect to those of the Management Board.

The insertion of the new letter s) is also proposed in order to more effectively clarify the realm of competency of the Supervisory Board in relation to the approval of company regulations.

The insertion of the new letter t) is also proposed in order to adjust the Articles of Association to the Provisions of the Bank of Italy relating to the deliberative powers of the Supervisory Board with respect to the remuneration policies for employees/collaborators.

Finally, the proposal for modification of the currently effective letter o) aims to more clearly define - in compliance with the subsequent Article 47 and the Provisions of the Bank of Italy pertaining to the clear and precise separation of powers and responsibilities amongst Corporate Bodies – the competencies assigned to the Supervisory Board with regards to cultural/non-profit initiatives while taking into account the proposal rights attributed to the Chairman of this Board.

ARTICLE 47

Currently effective text	Proposed text
<p>The Chairman of the Supervisory Board convenes on its own initiative and in any case in all the cases provided for by the law and by these Articles of Association, and chairs the meetings of the Board itself, establishes the agenda, taking into account also the proposals formulated by the Deputy Vice-Chairman and by the other Vice-Chairmen, by ensuring that adequate information regarding the items on the Agenda is provided to all members of the Supervisory Board.</p> <p>Moreover, and for the purposes of exercising the competencies of the Board itself, the Chairman of the Supervisory Board:</p> <p>a) attends, together with the Deputy Vice Chairman, the meetings of the Management Board with the right to delegate another member of the Supervisory Board to replace him;</p> <p>b) receives the proposals of the Management Board concerning subject-matters to be submitted to the approval of the Supervisory Board, including those concerning the strategies and general policies of the Company and of the Group, formulating proposals on this point;</p> <p>c) formulates to the Supervisory Board the proposals relevant to the auditing of the company management, with a special attention to its consistency with the strategies and general policies approved by the Supervisory Board;</p> <p>d) supervises and enables the procedures and auditing systems on the activity of the Company and of the Group, and this also by asking and receiving information from the subject in charge of drawing up the corporate accounting documents and from the subjects in charge of the different functions concerned;</p> <p>e) enables the IT tools required for monitoring the correctness and adequacy of the organizational structure, of the administrative and accounting system used by the Company and by the Group;</p> <p>f) convenes and chairs the Appointment Committee;</p> <p>g) maintains the relations with the Supervisory Authorities within and for the purposes of the auditing and supervising activity of the Supervisory Board;</p> <p>h) keeps up the required and advisable relations with the Managing Board and, in particular, with its Chairman and/or Vice- Chairman and/or Delegated Director;</p> <p>i) requests and receives information on specific aspects of the Company and Group management and on the general management trends and forecasts;</p> <p>l) supervises, for what is within the competence of the Supervisory Board, the management of the external communication of information concerning the Company, in agreement with the Chairman and the Vice-Chairman of the Management Board and with the Delegated Director; plans, after hearing the Chairman and the Vice-Chairman of the Management Board and the Delegated Director, and takes</p>	<p>The Chairman of the Supervisory Board convenes on its own initiative and in any case in all the cases provided for by the law and by these Articles of Association, and chairs the meetings of the Board itself, establishes the agenda, taking into account also the proposals formulated by the Deputy Vice -Chairman and by the other Vice-Chairmen, by ensuring that adequate information regarding the items on the Agenda is provided to all members of the Supervisory Board.</p> <p>Moreover, and for the purposes of exercising the competencies of the Board itself, the Chairman of the Supervisory Board:</p> <p>a) entertains – in compliance with currently effective provisions – the required and necessary relations with the Management Board and, in particular, with its Chairman and the Vice-Chairman of the Management Board and with the Delegated Director, in accordance with regulations; receives the proposals of the Management Board relating to topics that must be submitted to the Supervisory Board for approval; requests and receives information on specific elements pertaining to management of the company and the group as well as on general management trends and forecasts;</p> <p>b) formulates to the Supervisory Board the proposals relevant to the auditing of the company management, with a special attention to its consistency with the strategies and general policies approved by the Supervisory Board;</p> <p>c) supervises and enables the procedures and auditing systems on the activity of the Company and of the Group, and this also by asking and receiving information from the subject in charge of drawing up the corporate accounting documents and from the subjects in charge of the different functions concerned;</p> <p>d) enables the IT tools required for monitoring the correctness and adequacy of the organizational structure, of the administrative and accounting system used by the Company and by the Group;</p> <p>e) convenes and chairs the Appointment Committee;</p> <p>f) maintains relations with the Supervisory Authorities within and for the purposes of the auditing and supervising activity of the Supervisory Board;</p> <p>g) oversees – for topics falling under the competencies of the Supervisory Board and in agreement with the Chairman and Vice-Chairman of the Supervisory Board and with the Delegated Director- the management of external communication of the information concerning the company;</p> <p>h) formulates proposals – following a consultation with the Deputy Vice Chairman relative to the policies and projects relevant to cultural and charitable initiatives as well as on the image of the Company and of the Group, with a special reference to the valorization of the historical and</p>

<p>care of the realization of the cultural and charitable initiatives of the Company and of the Group, to be submitted to the Supervisory Board, with a special reference to the valorization of the historical and artistic legacy;</p> <p>m) exercises all the other powers relevant to the carrying on of his office.</p> <p>In case of absence or impediment of the Chairman of the Supervisory Board, the Deputy Vice-Chairman of the Supervisory Board fulfils his functions; in case of absence or impediment of the latter, the functions are carried out jointly with the two Vice-Chairmen, or, in case of their absence or impediment, by the most senior member of the Supervisory Board in terms of office present and, seniority being equal, by the youngest.</p>	<p>artistic legacy, and which will be presented to the Supervisory Board.</p> <p>The proposals and projects will be drafted by consulting the Chairman and Vice Chairman of the Management Board by taking into account their specifications.</p> <p>The Supervisory Board will allocate a sum that is not greater than 5% of the amount annually allocated by the Assembly - in accordance with Article 52, paragraph IV - to a specific fund utilized by the Chairman of the Supervisory Board for disbursements relative to minor non-profit initiatives that do not fall within the realm of projects approved as described above.</p> <p>The Supervisory Board will also allocate a sum that is not greater than 5% of the amount annually allocated by the Assembly - in accordance with Article 52, paragraph IV - to a specific fund available to the Chairman of the Management Board for disbursements relative to minor non-profit initiatives that do not fall within the realm of projects approved as described above.</p> <p>i) exercises all the other powers relevant to the implementation of his office.</p> <p>In case of absence or impediment of the Chairman of the Supervisory Board, the Deputy Vice-Chairman of the Supervisory Board fulfils his functions; in case of absence or impediment of the latter, the functions are carried out by the most senior Vice-Chairman, or, in case of his/her absence or impediment, by the other Vice-Chairman; in the case of absence or impediment to both of these Chairmen, functions are exercised by most senior member of the Supervisory Board - in terms of office - in attendance and, seniority being equal, by the youngest in terms of age.</p>
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In correlation with the modification of Article 46, paragraph I, the repeal of letter a) of this Article, a repeal is proposed in order to ensure compliance with the Provisions of the Bank of Italy in relation to the attendance of members of the Supervisory Board in meetings of the Management Board.

The incorporation of letter ex b) with the subsequent letters ex h) and ex i) and the integration of the structure with a reference to internal regulations is proposed in order to ensure that the contents are more consistent with the Provisions of the Bank of Italy in relation to the role/function of the Chairman of the Supervisory Board.

The proposal for modification of the currently effective letter g) is hereby proposed in order to more accurately define the competencies of the Chairman of the Supervisory Board, in compliance with the Provisions of the Bank of Italy relating to the clear and distinct identification of duties and responsibilities assigned to each of the Corporate Bodies.

Finally and by means of modification of the currently effective letter l) and the insertion of the new letter h), a reformulation of the structure is proposed in order to more clearly define – in compliance with the provisions of the preceding Article 46, paragraph I, letter u) – the competencies of the Chairman of the Supervisory Board in relation to non-profit/cultural initiatives while specifying the proposal-making powers of this office within the realm of the definition of any relative policies and

strategies on the part of the Supervisory Board and following consultations with the Chairman and Vice-Chairman of the Management Board.

Finally, a proposal is made to establish specific limits for the Chairmen of the Supervisory Board and Management Board in relation to disbursements to minor non-profit initiatives that do not fall within the realm of projects deliberated by the Supervisory Board.

Finally, the modification of the last paragraph of the Article is proposed in order to ensure greater flexibility in the exercising of the functions of Chairman of the Supervisory Board in the case of absence or impediment to the latter.

ARTICLE 48

Currently effective text	Proposed text
<p>The Supervisory Board shall convene at least every 60 (sixty) days; the Meetings take place, alternatively, in the city of Bergamo and in the city of Brescia, and once a year in the city of Milan.</p> <p>It is convened by registered letter, telegram, fax, e-mail or other means that can be proved by documents.</p> <p>The notice convening the meeting contains the agenda and is sent at least four days prior to the meeting except for urgent cases in which only one days' notice is given.</p> <p>In order for meetings to be deemed valid, the majority of Board members in office at that time must be present.</p> <p>The Board decides with the favorable vote by the absolute majority of the Directors present.</p> <p>However, the Board shall decide with the favorable vote of at least seventeen of its members to approve the amendments to the Regulation of the Appointment Committee.</p> <p>The same majority provided by the previous paragraph is required for the amendment proposals to the Articles of Association, and for the other subject-matters with reference to which these Articles of Association provide for reinforced majorities.</p> <p>The remote participation to the meeting of the Supervisory Board is allowed within the limits and under the conditions set forth in Article 34 last paragraph of these Articles of Association.</p> <p>The Board may appoint a Secretary, also permanently, who need not be a member.</p>	<p>The Supervisory Board shall convene at least every 60 (sixty) days; the Meetings take place, alternatively, in the city of Bergamo and in the city of Brescia, and once a year in the city of Milan.</p> <p>It is convened by registered letter, telegram, fax, e-mail or other means that can be proved by documents.</p> <p>The notice convening the meeting contains the agenda and is sent at least four days prior to the meeting except for urgent cases in which only one days' notice is given.</p> <p>In order for meetings to be deemed valid, the majority of Board members in office at that time must be present.</p> <p>The Board decides with the favorable vote by the absolute majority of the Directors present.</p> <p>However, the Board shall decide with the favorable vote of at least seventeen of its members to approve the amendments to the Regulation of the Appointment Committee.</p> <p>The same majority provided by the previous paragraph is required for the amendment proposals to the Articles of Association as well as for resolutions concerning the proposals pursuant to Article 36, paragraph two, letter b) and for the other subject-matters with reference to which these Articles of Association provide for reinforced majorities.</p> <p>Members of the Supervisory Board report on any interests they may have – on their own behalf or through third parties - in a specific operation of the Company or of the Group, specifying the nature, conditions, origin and scope of these interests. The relative resolution of the Supervisory Board must adequately justify the reasons and profit of the operation for the Company, given any other applicable legal or regulatory provision.</p> <p>The remote participation to the meeting of the Supervisory Board is allowed within the limits and under the conditions set forth in Article 34 last paragraph of these Articles of Association.</p> <p>The Board may appoint a Secretary, also permanently, who need not be a member.</p>

The proposal for modification of the seventh paragraph of this Article is associated with the opportunity to introduce reinforced majorities for all resolutions of the Supervisory Board in relation to issues presented to the latter by the Management Board and which were approved by the latter by means of reinforced majorities.

Finally, the insertion of a new eight paragraph is proposed in order to comply with the Provisions of the Bank of Italy which – in terms of regulation of the interests of directors - require suitable provisions within the Articles of Association that ensure adequate transparency and substantive fairness

when assuming resolutions concerning operations for which even the members of the Supervisory Board retain interests on their own behalf or for third parties.

ARTICLE 49

Currently effective text	Proposed text
<p>The Supervisory Board sets up an Internal Control Committee whose members range from 3 (three) to 5 (five), by determining their powers and operating rules.</p> <p>At least a majority of the members of the Internal Control Committee must possess the pre-requisites pursuant to Article 44, paragraph five of these Articles of Association. The Internal Control Committee - by availing itself of the corporate departments entrusted for these purposes – may proceed, at any time, with implementing inspections and audits as well as exchanging information with supervisory bodies of companies of the Group in relation to administration and control systems and on company trends.</p> <p>The Supervisory Board also sets up a Top Management Remuneration Committee consisting of some of its members, by determining their powers and operating rules.</p> <p>It also sets up an Appointment Committee consisting of six members, including the Chairman of the Supervisory Board, acting as Chairman, and the Deputy Vice Chairman.</p> <p>The Appointment Committee shall operate and be governed, also with reference to the valid passing of the relevant resolutions, by a resolution approved by the Supervisory Board with the favorable vote of at least 17 (seventeen) of its members.</p> <p>The Appointment Committee, in compliance with what is provided elsewhere in these Articles of Association, amongst other things:</p> <ul style="list-style-type: none"> a) appoints the candidates for the offices as members of the Supervisory Board to be sent to the Supervisory Board itself which will present the list to the Assembly; b) appoints the candidates for the offices of members of the Management Board to be submitted to the Supervisory Board; <p>The Chairman of the Management Board, the Vice-Chairman of the Management Board and the Delegated Director attend - without the right to vote - the meetings of the Appointment Committee whose agenda consists of appointments pertaining to the Management Board with reference to the offices in the subsidiaries.</p>	<p>The Supervisory Board sets up an Internal Control Committee whose members range from 3 (three) to 5 (five), by determining their powers and operating rules.</p> <p>At least a majority of the members of the Internal Control Committee must possess the pre-requisites pursuant to Article 44, paragraph five of these Articles of Association. The Internal Control Committee - by availing itself of the corporate departments entrusted for these purposes – may proceed, at any time, with implementing inspections and audits as well as exchanging information with supervisory bodies of companies of the Group in relation to administration and control systems and on company trends.</p> <p>The replacement of members of the Internal Control Committee on the part of the Supervisory Board must be duly justified.</p> <p>At least one member of the Internal Control Committee participates in the meetings of the Management Board, in compliance with currently effective regulations.</p> <p>The Supervisory Board also sets up a Top Management Remuneration Committee consisting of some of its members, by determining their powers and operating rules.</p> <p>It also sets up an Appointment Committee consisting of six members, including the Chairman of the Supervisory Board, acting as Chairman, and the Deputy Vice Chairman. The remaining members of the Appointment Committee are appointed by means of a resolution approved by the Supervisory Board with the favorable vote of at least 17 (seventeen) of its members.</p> <p>The Appointment Committee shall operate and be governed, also with reference to the valid passing of the relevant resolutions, by a regulation approved by the Supervisory Board with the favorable vote of at least 17 (seventeen) of its members.</p> <p>The Appointment Committee, in compliance with what is provided elsewhere in these Articles of Association, amongst other things:</p> <ul style="list-style-type: none"> a) identifies the candidates for the offices of members of the Supervisory Board to be proposed to the Supervisory Board itself which will present the list to the Assembly; b) identifies the candidates for the offices of members of the Management Board to be submitted to the Supervisory Board.

The insertion of a new third paragraph is proposed in order to ensure that the Articles of Association comply with the Provisions of the Bank of Italy which require justification for the replacement of members of the Internal Control Committee on the part of the Supervisory Board.

In correlation with the modification of the currently effective Article 46, paragraph I, letter e) and Article 47, paragraph II, letter a), the integration of the Article in question is proposed in order to ensure that the Articles of Association comply with the Provisions of the Bank of Italy in relation to the participation of members of the Internal Control Committee in the meetings of the Management Board.

The integration of the currently effective fourth paragraph of the Article - in compliance with the specifications of the Bank of Italy - is also proposed.

In addition, the modification of the penultimate paragraph of the Article is also proposed in order to ensure that the Articles of Association comply with the Provisions of the Bank of Italy in relation to the modalities for the appointment of Corporate Bodies.

Finally, the repeal of the last paragraph of the Article is proposed in accordance with the modification of the preceding Article 36, second paragraph, letter c).

ARTICLE 51

Currently effective text	Proposed text
<p>The Board of Arbitrators consists of a Chairman, 2 (two) regular members and 2 (two) alternate members, elected by the Assembly among the Shareholders and non-Shareholders of the Company. The Auditors shall remain in office for 3 (three) financial years and can be re-appointed. They perform their office for free, except for refund of expenses.</p> <p>If, during the three-year period, a regular Auditor is not present, he is replaced by the alternate member in order of age. If the Chairman of the Board is not present, the eldest regular Auditor takes the chair for the remaining part of the three-year period.</p> <p>The Board of Arbitrators to whom reference can be made to settle any dispute between the Company and/or Shareholders relating to the interpretation or application of the Articles of Association and relating to any other resolution or decision of the bodies of the Company on social relations, decides as out of court by the absolute majority of votes.</p> <p>Without prejudice to the assumptions provided by any currently effective regulations, resorting to the Board of Arbitrators is optional and its decisions are not binding for the parties and do not hinder the proposal of judicial controversies or before any competent authority.</p> <p>The Board of Arbitrators controls the carrying out of the judgement as it deems it advisable with no procedural formalities.</p> <p>The Management Board and the General Manager or the employee appointed by him are obliged to supply the Auditors all the information and news required by them concerning the controversy to be resolved.</p> <p>For all purposes, the domicile of the Board of Arbitrators is elected at the registered office of the Company.</p>	<p>The Board of Arbitrators consists of a Chairman, 2 (two) regular members and 2 (two) alternate members, elected by the Assembly among the Shareholders and non-Shareholders of the Company. The Auditors shall remain in office for 3 (three) financial years and can be re-appointed. They perform their office for free, except for refund of expenses. Their revocation must be duly justified.</p> <p>If, during the three-year period, a regular Auditor is not present, he is replaced by the alternate member in order of age. If the Chairman of the Board is not present, the eldest regular Auditor takes the chair for the remaining part of the three-year period.</p> <p>The Board of Arbitrators to whom reference can be made to settle any dispute between the Company and/or Shareholders relating to the interpretation or application of the Articles of Association and relating to any other resolution or decision of the bodies of the Company on social relations, decides as out of court by the absolute majority of votes.</p> <p>Without prejudice to the assumptions provided by any currently effective regulations, resorting to the Board of Arbitrators is optional and its decisions are not binding for the parties and do not hinder the proposal of judicial controversies or before any competent authority.</p> <p>The Board of Arbitrators controls the carrying out of the judgement as it deems it advisable with no procedural formalities.</p> <p>The Management Board and the General Manager or the employee appointed by him are obliged to supply the Auditors all the information and news required by them concerning the controversy to be resolved.</p> <p>For all purposes, the domicile of the Board of Arbitrators is elected at the registered office of the Company.</p>

The insertion of the passage aims to make the content consistent with the Provisions of the Bank of Italy in relation to the modalities for the appointment and revocation of Corporate Bodies.

ARTICLE 52

Currently effective text	Proposed text
<p>The corporate year shall close at 31 December of each year.</p> <p>The Management Board draws up the financial statements, after observing legal regulations.</p> <p>Within the realm of relations set forth in art. 2428 of the Italian Civil Code, the members of the Management Board supply the information required by art. 2528 and art. 2545 of the Italian Civil Code.</p> <p>The net profit recorded in the financial statements, after deducting the legal reserve to the minimum extent provided for by the law and the amounts decided by the Assembly for setting up or increasing the extraordinary or other reserves, according to precautionary rules, may be allocated by the Assembly – for a quota not exceeding 1.5% of the quota distributable to initiatives and institutions with non-profit, humanitarian, social, cultural and artistic goals – for disbursement on the part of the Management Board, in compliance with the policies deliberated by the Supervisory Board and with particular concern for the territories of reference of the Group.</p> <p>The remainder is allocated as a dividend to be assigned to the shares, according to the resolution of the Assembly, which also decides on the allocation of any surplus.</p> <p>Accumulated earnings and surplus reserves formed by applying the international accounting principles cannot be allocated among the Shareholders in the cases provided for by law.</p> <p>During the financial year, the Management Board may resolve on the distribution of down payments on dividends in accordance with the currently effective regulations.</p>	<p>The corporate year shall close at 31 December of each year.</p> <p>The Management Board draws up the financial statements, after observing legal regulations.</p> <p>Within the realm of relations set forth in art. 2428 of the Italian Civil Code, the members of the Management Board supply the information required by art. 2528 and art. 2545 of the Italian Civil Code.</p> <p>The net profit recorded in the financial statements, after deducting the legal reserve to the minimum extent provided for by the law and the amounts decided by the Assembly for setting up or increasing the extraordinary or other reserves, according to precautionary rules, may be allocated by the Assembly for a quota not exceeding 1.5% of the quota distributable to initiatives and institutions with non-profit, humanitarian, social, cultural and artistic goals; the Management Board – following reporting from the Chairman of the latter - may execute these events, in compliance with the policies deliberated by the Supervisory Board and with particular concern for the territories of reference of the Group.</p> <p>The remainder is allocated as a dividend to be assigned to the shares, according to the resolution of the Assembly, which also decides on the allocation of any surplus.</p> <p>Accumulated earnings and surplus reserves formed by applying the international accounting principles cannot be allocated among the Shareholders in the cases provided for by law.</p> <p>During the financial year, the Management Board may resolve on the distribution of down payments on dividends in accordance with the currently effective regulations.</p>

The modification of the Article aims to define – within the realm of the policies and projects deliberated by the Supervisory Board – the competencies of the Management Board in relation to non-profit/cultural initiatives, in accordance with the provisions of the Articles of Association pursuant to Articles 46, paragraph I, new letter u) and 47, paragraph II, new letter h).

TRANSITIONAL NORMS

Currently effective text	Proposed text
<p style="text-align: center;">I</p> <p>In derogation to the regulations concerning the admittance of new shareholders, contained in the articles 6 and subsequent of the Articles of Association, the shareholders owning shares of former Banca Lombarda e Piemontese S.p.A. who due to the conversion ratio of the merger set forth in Article 1 of these Articles of Association hold at least one share of the merging Company, automatically become, without the need of any procedure, formality, application, or acceptance, shareholders with full rights of Company ownership from when the merger is effective.</p> <p>Those holding the shares of former Banca Lombarda e Piemontese S.p.A. have however the right, making an exception to what is provided for in Article 25 of the Articles of Association, to attend the assemblies of the Company effective from the date of the merger itself.</p> <p style="text-align: center;">II</p> <p>Making an exception to what is provided by the first sub-paragraph of Article 29, all the Shareholders' Assemblies until the one convened to approve the distribution of profits relevant to the 2007 financial year shall be chaired by the Chairman of the Management Board. In case of his absence or impediment, the Assembly shall be chaired by the first subject of those available listed in the first paragraph of Article 29.</p> <p style="text-align: center;">III</p> <p>The Company resulting from the merger between BPU Banca and Banca Lombarda adopts, effective from the merger day, the Appointment Committee Regulation enclosed with the merger project.</p> <p style="text-align: center;">IV</p> <p>In derogation to that established by Article 25, last paragraph, by Article 30, first sub-paragraph and by Article 44, first paragraph, the first members of the Supervisory Board and of the Management Board may also be appointed among subjects as Shareholders even if registered in the Shareholders' register for less than 90 (ninety) days.</p> <p style="text-align: center;">V</p> <p>Even in derogation to these Articles of Association, which shall be in force when the merger between BPU Banca and Banca Lombarda is effective, 23 members of the Supervisory Board shall be appointed for the first time, for a period of three financial years, by the ordinary Assembly of the merging company BPU Banca applying the list voting provisions described below.</p> <p>The Shareholders shall be invited to present lists where the candidates for the office of member of the Supervisory Board must be indicated.</p> <p>The lists signed by those who present them shall have</p>	

to be deposited at the registered office of the Company at least 15 days before the Meeting is held on first call. The signature of each presenting Shareholder must be duly authenticated pursuant to the law or by the employees of the Company or of its subsidiaries intentionally delegated by the Board of Directors.

Declarations, including appropriate documentation, in which each single candidate accepts to stand as a candidate and attests, under its responsibility, the absence of causes of ineligibility and incompatibility, as well as the fulfillment of the requirements prescribed by the law and by the rules of these By-laws for the members of the Supervisory Board, and the list of the administration and control offices held in other companies shall have to be deposited along with each list, otherwise the same shall be deemed ineligible.

Each Shareholder may contribute to the presentation of only one list: In case of non-observance, his signature is not calculated in any list.

Each candidate may acknowledge joining only one list, otherwise the same shall be deemed ineligible.

Each list must be presented by at least 500 (five hundred) Shareholders who have the right to attend and vote during the Assembly convened to elect the Supervisory Board, who support this right by documentary evidence according to the regulations in force, who represent at least 0.50% of the share capital, this limit being determined with reference to the capital existing 90 (ninety) days before the date established for calling the Assembly and to be indicated in the notice convening it.

The lists not pursuant to such provisions shall be considered as never submitted.

Each Shareholder may vote only one list.

The appointment of the members of the Supervisory Board shall proceed as follows:

a) 22 members of the Supervisory Board are taken from the list that has obtained the majority of votes expressed by the Shareholders, following the progressive order with which they appear in the same list;

b) a member of the Supervisory Board is taken from the list that has obtained the second majority of votes, as the first person appearing in the list.

The lists that have not reached at least 10% of the all the votes expressed during the Assembly shall not be taken into consideration for voting purposes. If only one of the presented lists has exceeded this limit, all the members of the Supervisory Board shall be taken from it.

If only one list is proposed or if no list is presented, the Assembly shall appoint the Supervisory Board by a majority vote; with an equal number of votes, the eldest candidate is appointed.

Where two or more lists obtain the same number of votes, these lists will be resubmitted to the voting process until one of the lists obtains a higher number of votes.

The offices of Chairman and Deputy Vice Chairman

of the Board belong to the member indicated in the first and second position, respectively, of the list that has obtained the majority of votes, or in the only list presented or to the members appointed as such by the Assembly, if no list was presented.

VI

The Assembly convened to approve the distribution of profits relevant to the 2006 financial year may allocate – after deducting the portion allocated to the legal reserve – 1% of the net income attained by the incorporating company in the year 2006 to the remuneration of the members of the Board of Directors holding office up until 31 December 2006.

The removal of the Transitional Norms is proposed given that they were introduced at the time of the merger operation and can now be considered outdated.

Brescia, 10 April 2009

THE MANAGEMENT BOARD

Brescia, 10 April 2009

THE SUPERVISORY BOARD