



ARTICLES OF ASSOCIATION

SECTION I

INCORPORATION, CORPORATE NAME, DURATION AND REGISTERED OFFICE OF THE COMPANY

ARTICLE 1

The following company is in force

Unione di Banche Italiane Società cooperativa per azioni
also shortened to

UBI Banca

(hereinafter, the "Company"), whereby the aforesaid corporate name is the result of the merger - inspired by the principle of joint nature amongst participating companies - of "Banche Popolari Unite Società cooperativa per azioni" (also shortened to "BPU Banca") and "Banca Lombarda e Piemontese Società per Azioni" (also shortened to "Banca Lombarda").

ARTICLE 2

The duration of the Company is established as up to and including December 31st, 2100 and can be extended.

ARTICLE 3

The registered office of the Company is based in Bergamo and its operating offices are located in Brescia and Bergamo.

SECTION II

CORPORATE PURPOSE

ARTICLE 4

Drawing its inspiration from the traditional principles of Credit Societies, the purpose of the Company is the collection of savings and credit management in various forms, both directly and through subsidiary companies, both towards partners and towards non-partners.

To this end, it may, provided it complies with the legislation in force and subject to the obtainment of the prescribed authorisations, both directly and through subsidiary

companies, carry out any transactions and banking or financial services, as well as any other activity credit institutions are allowed to conduct, including issue of bonds and granting of loans regulated by special laws.

Furthermore, the Company may carry out any other transaction serving as a means or in any case connected to achieving the corporate purpose.

The Company, in pursuing the Shareholders' benefit, pays special attention to the exploitation of the resources of the territory where it is located through its own distribution network and that of the Group. In compliance with its own institutional aims, the Company grants special terms to the Shareholder customers with regard to the enjoyment of specific services.

In order to attain its purposes, the Company may become a member of associations and consortia within the banking system, both in Italy and abroad.

The Company, in its capacity as parent company of Unione di Banche Italiane Group, also shortened to UBI Banca Group (hereinafter, the "Group"), pursuant to article 61, fourth paragraph, of Italian Legislative Decree No. 385 dated September 1st, 1993, issues - in exercising its respective management and co-ordination activities - provisions regulating Group companies, also for the carrying out of any instructions issued by the Bank of Italy (*Banca d'Italia*) and in the interest of the Group's stability.

SECTION III

SHARE CAPITAL, SHAREHOLDERS AND SHARES

ARTICLE 5

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.

The issue of new shares may be deliberated:

- 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;
- b) normally, by the Management Board according to the legal

provisions and the prescribed regulations in force in this field.

The share capital may be increased both in monetary terms and by contribution in kind.

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).

The Shareholders' Meeting held on May 9th, 2009 resolved upon a divisible share capital increase for consideration, for an overall maximum counter-value of Euro 393,074,728.50 (inclusive of the relevant premium), by issuing a maximum number of 31,957,295 ordinary shares with a nominal value of Euro 2.50, cum-coupon, and exclusively reserved for the exercise of the 2009/2011 UBI Banca warrants, to be exercised prior to December 31st, 2011:

The Shareholders' Meeting held on May 9th, 2009 assigned a proxy - in compliance with section 2420-ter of the Italian Civil Code - to the Management Board, which grants the right to issue bonds, once or more times, convertible into ordinary shares of the Company - following authorization from the Supervisory Board - within and no later than December 31st, 2009 and for a maximum amount of Euro 640,000,000.00; these will be offered as options to shareholders - with the consequent share capital increase and having an overall counter-value of Euro 640,000,000.00, (inclusive of the relevant premium) - through the issue of 256,000,000 ordinary shares of the Company with a nominal value of Euro 2.50 each, cum coupon, and whose characteristics are identical to those in circulation on the issue date and which are exclusively provided in connection with the conversion thereof. The Management Board retains the right to determine: the nominal value; the underwriting price and option ratio of convertible bonds; the amount of the coupon of the convertible bonds which shall, in any event, not be less than 5%; the conversion ratio for each bond convertible into ordinary shares of the Company; the events and modalities for adjusting the conversion ratio; the regulations of the convertible bonds as well as a premium and, in any event, the reimbursement modalities pursuant to the above criteria and the respective duration; the amount of the share capital increase associated with the conversion which may not, in any event, exceed the maximum counter-value of Euro 640,000,000.00; and any other term and condition relative to the issue and offer of the convertible bonds and of the consequent share capital increase.

The Management Board, on 27 May 2009 and 18 June 2009 - in execution of the proxy granted from the administrative board following a resolution of the Shareholders' extraordinary Meeting of 9 May 2009, drafted into minutes by the notary public Mr. Armando Santus, of Bergamo, index no. 29916, Collection no. 13260, registered within the Registry of Companies of Bergamo on 15 May 2009 - has deliberated to issue 50,129,088 convertible bonds with a nominal value of Euro 12.75 each and for a total nominal value of Euro 639,145,872.00 (six hundred thirty nine million one hundred forty five thousand seventy two), to be offered as options to those parties which are registered as shareholders of the Company on the start date of the underwriting period, in accordance with the ratio of 4 (four) convertible bonds for every 51 (fifty one) shares of the Company that are owned, thereby increasing the share capital for the convertible bonds to a maximum value of Euro 639,145,872.00 (six hundred thirty nine million one hundred forty five thousand seventy two) to be redeemed in several installments through the issue of a maximum of 255,658,348 ordinary shares of UBI Banca and with a nominal value of Euro 2.50 each with regular dividends and whose characteristics are the same as the ordinary shares of UBI Banca in circulation on the date of issue and which are placed to the exclusive **benefit of the convertible bonds**.

ARTICLE 6

Natural persons, excluding those under the conditions provided in the following Article 7, are allowed as Shareholders.

Corporate bodies and other joint bodies may become Shareholders of the Company, provided that they appoint in writing the natural person authorised to represent same; no change of the latter can be opposed to the Company till the foregoing has been notified with registered letter with acknowledgement of receipt.

Minors may be admitted as Shareholders on request of their legal representative who substitutes for them in all the relations with the Company.

The persons appointed as above, the legal representatives of natural persons, as well as the common representatives as per the second paragraph of Article 15 of these Articles of Association, may exercise all the rights pertaining to the Shareholders but, in the aforesaid capacity, same are not eligible for election in any corporate office.

ARTICLE 7

Disqualified, disabled and non-discharged bankrupt persons as

well as all those who were sentenced with disqualification also temporarily from holding public offices cannot be admitted as Shareholders.

ARTICLE 8

Those who intend to become Shareholders must show the Managing Board the participation certificate to the centralised management system and submit to the Board the request in writing indicating the shares held as well as personal details, domicile, nationality and any other information and/or declaration due by law or by the By-laws or requested by the Company in general.

The presentation of the certification attesting the ownership of at least 250 shares is requested to be admitted as Shareholder.

The Management Board shall be entitled to determine the extent of the preliminary investigation expenses of the request, if accepted, to be placed to the charge of the new admitted Shareholder.

The candidate Shareholder must declare in the application his/her commitment to the obligations provided by the By-laws, the regulations and corporate resolutions.

ARTICLE 9

Knowing the law provisions on credit societies, any decision on the acceptance of the Shareholder applications is taken by the Managing Board, also in the light of the general principles indicated by the Supervisory Board, considering exclusively the objective interests of the Company, including those concerning its independence, as well as the observance of the spirit of the co-operative form; the party concerned is informed of this decision. For the purposes of evaluating these requirements, any previous relation of those submitting the application with companies of the Group will be taken into consideration.

ARTICLE 10

Non-acceptance as shareholder, suitably and consistently justified in relation to the principles as per Article 9, shall be notified in writing to the domicile of the applicant no later than 60 (sixty) days from when the application is received by the Company.

ARTICLE 11

Non-acceptance as Shareholder may be submitted by the party concerned to the analysis of the Board of Arbitrators, set up

in compliance with the Articles of Association and integrated with a representative of the candidate Shareholder, pursuant to art. 30 paragraph 5 of Italian Legislative Decree No. 385 dated September 1st, 1993.

The only effect produced by the non-acceptance as Shareholder, for those holding regularly Company shares, is to prevent exercising rights other than those having an asset value.

ARTICLE 12

The capacity to act as a Shareholder is acquired, following the acceptance resolution, with the admission in the Shareholders' register.

Without prejudice to the provisions of Article 5 above, fourth paragraph, should the new Shareholder be admitted following the issue of shares decided normally by the Management Board pursuant to Article 5, paragraph 2, letter b), the Shareholder shall pay the amount of the subscribed shares, the surplus determined according to section 2528, second paragraph, of the Italian Civil Code, the registration fee, as well as readjustment interests.

For all intents and purposes of the By-laws and of the law, each Shareholder, acting in this capacity, elects domicile at the registered office of the Company, except for the right of notifying in writing a different domicile.

ARTICLE 13

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:

- a) disqualification, disablement or sentenced with disqualification also temporarily from holding public offices;
- b) bankruptcy or subjection to other proceedings;
- c) proven activities which are detrimental for the interests and the prestige of the Company;
- d) non-fulfillment of the contract obligations towards the Company.

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.

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.

Expulsion shall be effective upon recording in the Shareholders' Ledger.

ARTICLE 14

The withdrawal from the Company is allowed only in the cases provided for by the law, according to the methods and effects provided by the regulations in force.

ARTICLE 15

Shares are indivisible.

In the event of co-ownership of a share, the co-owners' rights are exercised by a mutual representative appointed according to the methods provided by the regulations in force. If the mutual representative has not been appointed or if the Company has not been informed of this appointment, the communications and declarations made by the Company to any one of the co-owners are effective towards everyone.

Shares can be transferred according to the law. As long as the transferee of the shares has not been admitted as a Shareholder, it is allowed to exercise only the rights having an asset value.

The transfer by the Shareholder of the overall shareholding, taken over by the Company, implies the loss of the capacity as Shareholder.

The Management Board may purchase or reimburse Company shares according to the provision of section 2529 of the Italian Civil Code, within the limits of the distributable profits and of the available reserves deriving from the last duly approved financial statements, intended for these purposes by the Shareholders' Meeting. Purchased shares may be reinvested or discharged.

In all cases of redemption, the Shareholder or its assignees are obliged to deliver the certification attesting the ownership of the relevant shares.

The amount of the redemption is non-interest bearing.

ARTICLE 16

Shares may be levied on the initiative of the Company upon any event of breach of the obligations of any Shareholder towards the Company pursuant to the relevant law provisions.

ARTICLE 17

Sharing in the net assets and in the profits is proportioned

to the shares held.

Dividends that have not been collected within five years from the date on which they became collectable shall be transferred to the Company in order to increase the legal reserve.

ARTICLE 18

No Shareholder is allowed to hold a number of shares greater than the maximum number permitted by law.

In the event of excess of the limit and upon ascertainment of the Company to said extent, the measures provided for by the law provisions in force shall be taken.

ARTICLE 19

In the event of the Shareholders' death, the corporate relation continues with the successors of the deceased. Nonetheless, transfer of shares may be objected to the Company provided that the formalities prescribed by law are fulfilled and those successors who are not already Shareholders obtain the authorisation provided by the third paragraph of Article 15 of these Articles of Association. Co-ownership is governed by the second paragraph of the aforesaid Article 15.

SECTION IV CORPORATE BODIES

ARTICLE 20

The carrying on of the corporate functions, according to their competence, is delegated:

to the Shareholders' Meeting;
to the Management Board;
to the Supervisory Board;
to the Managing Director;
to the General Management;
to the Board of Arbitrators.

SECTION V SHAREHOLDERS' MEETING

ARTICLE 21

The regularly convened Shareholders' Meeting represents all of the shareholders; its resolutions, taken in compliance with the law and these By-laws, are binding for all Shareholders, even if absent or dissenting.

ARTICLE 22

The Shareholders' Assembly is ordinary or extraordinary.

The ordinary Assembly:

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;

b) approves:

- the remuneration policies for the members of the Management Board;

- the remuneration and/or any incentive plans based on financial instruments;

b) resolves upon the liability of the members of the Supervisory Board and, pursuant to section 2393 and section 2409-*decies* of the Italian Civil Code, upon the liability of the members of the Management Board, without prejudice to the concurrent competence of the Supervisory Board;

c) resolves upon the distribution of profits, subject to the filing of the financial statements and of the consolidated financial statements approved pursuant to section 2409-*terdecies* of the Italian Civil Code;

d) appoints and revokes the auditing company in charge of the auditing;

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;

f) deliberates on the other issues that fall within its competence pursuant to the law or these Articles of Association.

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.

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-*bis* 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.

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.

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.

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.

ARTICLE 23

The Meeting is convened, alternatively, in the city or province of Bergamo and in the city or province of Brescia.

ARTICLE 24

The Meetings are convened by the Board of Directors by means of notice - specifying the agenda, the place, the day and the time of the meeting and whatever is prescribed by the applicable law provisions - published as prescribed by the regulations in force on the Official Gazette of the Italian Republic. The notice must also be posted up in the Company branches.

The Meeting in second call may be announced with the same notice convening the first call, for the following day, but not longer than the thirtieth day from the one fixed for the first call.

ARTICLE 25

In compliance with the relevant law provisions, those vested with the relevant voting right in respect of whom the intermediary in charge has notified the Company at least 2 (two) working days prior to the day scheduled for the first call, pursuant to section 2370 of the Italian Civil Code and any law provisions and special regulations, shall be entitled to attend the meeting.

The Shareholder may not withdraw the shares or the relevant

certification before the Meeting.

The capacity to act as a Shareholder shall need be held for at least 90 (ninety) days starting from the registration in the Shareholders' ledger in order to attend the Meeting, exercise one's vote and be eligible for election in any corporate office.

ARTICLE 26

Shareholders are entitled to one vote whatever the number of shares held.

The Shareholder has the right to be represented by means of written proxy issued to another Shareholder entitled to attend the Meeting.

Representation may not be granted to any members of the management or control bodies or to employees of the Company, or to any controlled companies or to any member of the management or control bodies or employees of the aforesaid controlled companies.

Without prejudice to the provisions of section 2372, paragraph 2, proxies may be conferred only for each Meeting, effective also for the following meetings, and shall in no way be conferred without the name of the relevant representative.

Each Shareholder may not represent by proxy more than 3 (three) Shareholders.

Voting by mail is not allowed.

The members of the Managing Board as well as the members of the Supervisory Board, cannot vote in the resolutions concerning their responsibility.

Only the Shareholder is entitled to the right to vote in case of pledge or usufruct on the shares.

ARTICLE 27

The ordinary and extraordinary meetings are effectively convened, in first call, when at least one twentieth of the Shareholders with the right to vote is present on its own or by representation and proxy.

In second call, the ordinary Meeting is regularly convened regardless of the number of Shareholders present, whereas the extraordinary Meeting, without prejudice to the provisions of article 28 hereunder, is regularly convened when at least 1/400 (one four hundredth) of Shareholders entitled to vote is present on its own or by representation and proxy.

If the agenda is not completed during the day, the Chairman of the Meeting will order its continuation not longer than the seventh following day, informing those present orally without the need of another notice. During the second session, the

Meeting is convened and decides with the same majorities established for the validity of the call and resolutions of the Meeting that is being continued.

ARTICLE 28

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.

The corporate positions must be appointed, for what pertains the Assembly, by secret vote and according to the methods as per Article 45.

In any case, without prejudice to any other mandatory law provision, the favorable vote of at least one twentieth of all the Shareholders vested with the relevant right to vote is required - even during the Shareholders' Meeting in second call - for the passing of any 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 for by law, excluding the assumption set forth under No. 6 of section 2484 of the Italian Civil Code, the cancellation or amendment of articles 23 and 36 of the Articles of Association and/or the insertion of any other provision inconsistent with the text of the aforesaid articles, as well as the approval of the amendment or cancellation of this paragraph and/or of the resolution quorum provided therein.

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.

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.

ARTICLE 29

The ordinary and extraordinary meetings are chaired by the Chairman of the Supervisory Board or, if absent, by the Deputy Vice-Chairman of the Supervisory Board or, in case of absence or impediment, by the Chairman of the Managing Board or, in case of absence or impediment, by the Vice Chairman of the Managing Board; in case of absence or impediment also of the latter, by another person appointed by the Meeting itself.

The Chairman of the Supervisory Board may always appoint the Chairman of the Managing Board to chair the Shareholders' Meeting, and the Chairman of the Managing Board will report the appointment occurred at the opening of the meeting works.

The Chairman of the Meeting is responsible for ascertaining the regularity of the proxies and, generally, the right of attendance at the Meeting, checking that the Meeting has been duly convened and held, directing and controlling the discussion, as well as establishing the ways in which the voting must be carried out, by ascertaining the relevant results.

The Meeting, upon the proposal of the Chairman, appoints a Secretary and four vote-counters.

In the event of an extraordinary Meeting, or when the Chairman deems it advisable, the Secretary functions are held by a notary appointed by the Chairman of the Meeting.

SECTION VI MANAGEMENT BOARD

ARTICLE 30

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.

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.

The members of the Management Board are exempted from putting

down security.

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 subparagraph, 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.

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.

The members of the Supervisory Board can not be appointed members of the Management Board as long as they hold this office.

ARTICLE 31

The Chairman of the Managing Board and the Vice-Chairman of the Managing Board - appointed to carry out the functions as Chairman in case of absence or impediment of the former - are appointed by the Supervisory Board according to what is provided by Article 46.

The Secretary functions are delegated by the Managing Board to a member of the Managing Board itself or to the General Manager or also to another manager or to another external subject of the Company or of the Group.

ARTICLE 32

In case of expiry of one or more members of the Managing Board, the Supervisory Board shall replace them without delay, always upon the proposal of the Appointment Committee. The so-appointed members shall expire at the same time as the members holding office at the time of their appointment.

Should the majority of the members originally appointed by the Supervisory Board no longer hold office for any reason, all the Managing Board is considered expired starting from the date of assumption of the office by the new appointed members.

The latter shall hold office for the residual duration that the expired Managing Board would have had.

ARTICLE 33

The meetings of the Managing Board are chaired by the Chairman or, if absent, by the Vice Chairman. Should they be absent, they are chaired by the eldest member.

The minutes of the meetings of the Managing Board, drawn up by the Secretary, are read and submitted to the approval of the Board itself in the immediately following session or, at the latest, in the next one; they are signed by the person who chaired the Meeting and by the Secretary.

ARTICLE 34

The Managing Board is convened at least once a month, as well as each time the Chairman deems it advisable to convene it or when 5 (five) members request it.

The Meetings shall take place, alternatively, in the city of Bergamo and in the city of Brescia, and once a year in the city of Milan.

Without prejudice to the calling powers expressly vested in the Supervisory Board and in each of its members, the call, with the brief indication of the items on the agenda, is made by the Chairman, with notice to be sent in any means, at least 3 (three) days before the day of the meeting, to the domicile of each member, except for the urgent cases for which the term is reduced to one day. The members of the Supervisory Board must be informed of the calls in the same way.

The meetings of the Managing Board shall be deemed valid in the presence of the majority of the members holding office, without prejudice to the provision of Article 36.

Remote participation to the meeting of the Management Board is allowed by using proper audio-videoconference and/or teleconference systems, provided that all persons entitled thereto may participate and be identified and that they are allowed to follow the meeting and intervene in real time on the issues under the Agenda, as well as receive, send or view documents, provided that the relevant deliberative examination and decision are concomitant. In this case, the Managing Board's meeting is considered carried out in the place where the person chairing the meeting and the Secretary are found.

ARTICLE 35

In addition to the relevant expense reimbursement for their respective office, members of the Supervisory Board are entitled to a remuneration which is determined for the entire

period of their office, pursuant to Article 46, first paragraph, letter a) of these Articles of Association. Same are also awarded attendance bonuses for participation in the meetings of the Management Board and in the meetings of any commissions and committees established by the Supervisory Board to the extent set forth by the Supervisory Board, whereby the members of the Management Board vested with special offices as provided for under the Articles of Association shall be entitled to remuneration as established by the aforesaid Supervisory Board.

ARTICLE 36

The resolutions of the Management Board are assumed by open voting, with the favorable vote of the majority of the members present.

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:

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;

b) any proposal, which must be presented for authorization to the Supervisory Board, relative to:

- 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;

- 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;

- 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;

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;

d) if deemed fit, the assignment of the task pursuant to Article 43 bis to one of its members .

ARTICLE 37

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.

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:

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;

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;

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;

d) the management of risks and internal controls, given the competencies and powers of the Supervisory Board pursuant to Article no.46;

- 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;
- 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;
- 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 c);
- 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;
- i) the opening and closing branches and representative offices;
- 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;
- m) approval and amendment of business and Group regulations, without prejudice to the competences and powers of the Supervisory Board pursuant to Article 46, first paragraph, letter s) of these Articles of Association;
- n) the determination of the criteria for the co-ordination and management of Group's companies, as well as the criteria for carrying out instructions issued by the Bank of Italy;
- n) subject to the compulsory opinion of the Supervisory Board, appointment and revocation of the Manager in charge of drawing up the accounting documents, pursuant to art. 154-bis of Italian Legislative Decree No. 58 of February 24th, 1998, and to establishment of the relevant remuneration. 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) 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;

q) the drafting of the draft financial statements of the year and the draft consolidated financial statements;

r) the exercise of the proxy for share capital increase purposes, granted pursuant to section 2443 of the Italian Civil Code, as well as the issue of convertible bonds pursuant to section 2420-ter of the Italian Civil Code, subject to the authorization of the Supervisory Board;

s) the fulfilments referred to the Management Board pursuant to sections 2446 and 2447 of the Italian Civil Code.

t) drawing up of merger or splitting projects;

u) any proposals on strategic transactions pursuant to Article 46, paragraph I, letter m), which must be presented for approval purposes to the Supervisory Board;

v) the definition of identification criteria of transactions with correlated parties to be reserved to one's own competence.

ARTICLE 38

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.

The communication is implemented on a quarterly basis.

ARTICLE 39

The Chairman of the Management Board:

a) shall have the legal representation of the company and the corporate signature, as stated more in detail in the following

Article 40;

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;

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;

d) shall maintain the relations with the Supervisory Board and with its Chairman;

e) shall see that the Supervisory Board is informed at least quarterly pursuant to the previous Article 38;

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;

g) shall exercise all the other powers relevant to the carrying on of his office.

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.

ARTICLE 40

The Chairman of the Managing Board, the Vice Chairman of the Managing Board and the Managing Director shall represent the Company severally before third parties and in legal proceedings, before any Court of all levels and stages, and they are also entitled to free corporate signature.

The Chairman of the Managing Board, the Vice-Chairman of the Managing Board and the Managing Director have individually the right to start legal proceedings for all the deeds concerning the corporate management and administration, appeal to all the Legal and Jurisdictional Authorities, the Administrative and tax Authorities and Commissions, grant proxies to general and special warrant of attorneys with choice of domicile, also for bringing an action against third parties.

The Chairman, the Deputy Vice-Chairman and the Managing

Director, individually and with their powers, appoint attorneys ad hoc for specific deeds or categories.

ARTICLE 41

The Managing Board has the right to grant the corporate signature jointly or individually, with the limitations and specifications it shall deem proper, to the General Manager, to the managers, to the officers and to other personnel of the premises and branches, and to appoint attorneys also with certain powers.

Likewise, the Managing Board has the right to grant to the subjects indicated in the previous sub-paragraph its own powers relevant to the write-off and reduction of mortgages, also if they are not respectively related to the paying off or decrease of loans against collateral.

SECTION VII CONSIGLIERE DELEGATO

ARTICLE 42

The Managing Board, in compliance with the law provisions and By-laws, and particularly with what is provided in Article 37, delegate its own tasks, that do not fall within its exclusive competence pursuant to the law or these By-laws, to one of its members, who acts as Managing Director, without prejudice to what is provided for the urgent case of Article 39, last sub-paragraph.

Decision-making powers, concerning loan disbursement and whatever is related to risk bearing of typical banking, except those that cannot be delegated, may be delegated to special committees, consisting of Directors and managers and also, within preset amount limits, to the General Manager, to managers, to officers, as well as to persons in charge of branches.

The Managing Board shall delegate powers also to each of its members in order to carry out single deeds and acts.

ARTICLE 43

The following powers shall be granted to the Delegated Director:

- 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 risk supervision;
- l) forwarding extraordinary requests for inspections and/or investigations to the internal control department through the Internal Control Committee.

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.

ARTICLE 43 BIS

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.

SECTION VIII SUPERVISORY BOARD

ARTICLE 44

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 remain in office for three fiscal years and shall expire on the date of the Shareholders' meeting provided by the second paragraph of Section 2364-*bis* of the Italian Civil Code.

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.

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.

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.

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.

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.

If the reason of incompatibility of the previous sub-paragraph 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.

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.

The Supervisory Board, after consulting with the Remuneration Committee, allocates the remuneration established by the Shareholders' Meeting, pursuant to Article 22, 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 duties are ascribed by these Articles of Association or by the Supervisory Board itself. The aforesaid allocation shall in any event also take into account the participation in the Committees pursuant to Article 49 while ensuring that the remuneration of the members of the Internal Control Committee is determined by taking into account the professional rates related to the participation in corporate control bodies.

ARTICLE 45

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.

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.

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.

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 pre-requisites required by legal, regulatory and statutory regulations and their acceptance of the candidacy.

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.

The election of the members of the Supervisory Board shall proceed on the basis of the lists which are presented:

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.

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 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 thereof, 20 (twenty) or 18 (eighteen) members of the Supervisory Board are taken from the list that having obtained the majority of votes expressed by the Shareholders, following the progressive order with which they appear therein;

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

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 Directors who, for any reason, could not be elected following the procedure provided for in the paragraphs above, or should no list whatsoever be presented, the Shareholders' Meeting shall resolve upon relative majority; 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 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.

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.

If, on the other hand, it becomes necessary to replace Directors belonging to minority lists, the following procedure is implemented:

- 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 event that additional 2 (two) or 4 (four) Directors from the minority lists are appointed on the basis of Shareholder votes, the relevant substitutes shall be chosen from the list in which the Director requiring substitution was present or, should the latter not be possible, from any other possible minority list identified on the basis of the decreasing number of votes and which has attained either 15% or 30% of Shareholders' Meeting votes; should the foregoing not be possible, those Directors to be substituted will be selected from the majority list or, should the latter not be possible, the Shareholders' Meeting will resolve upon relative majority;

- in the event that the two or four directors from the minority list have already been replaced - pursuant to the previous paragraph - by selecting same from the majority list or have been appointed by means of an Shareholders' Meeting resolution to said extent approved by relative majority - pursuant to the foregoing -, replacement of the additional minority Director is implemented by using the first candidate specified in the other possible minority lists identified on the basis of the decreasing number of votes attained by these lists; should the foregoing not be possible, the Shareholders' Meeting will provide for replacement in compliance with the principle of appropriate representation of minorities.

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.

The member of the Supervisory Board called upon to replace the missing Director shall remain in office until expiry of the

replaced Director.

ARTICLE 46

The Supervisory Board:

- 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 the provisions of Article 32, paragraph 2, of the Articles of Association, and without prejudice in any event to the case of substitution of members of the Management Board suspended prematurely, the Supervisory Board renews the Management Board in the first meeting following appointment thereof by the Shareholders' Meeting;
- 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;
- c) approves the financial statements and the consolidated financial statements prepared by the Management Board;
- 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;
- 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;
- f) promotes the exercise of the liability action with respect to members of the Management Board;
- g) presents the statement to the Bank of Italy pursuant to art. 70, seventh paragraph, of Italian Legislative Decree No. 385 dated September 1, 1993;
- h) reports in writing to the Shareholders' Meeting convened pursuant to section 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 Shareholders' Meeting convened, with respect to any issues deemed to fall within the scope of authority of the respective competences;
- 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;

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;

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:

(i) transactions on share capital; the issue of convertible bonds and cum warrant in company securities; mergers and spin-offs;

(ii) modifications to the Articles of Association

(iii) transactions pursuant to article 36, second paragraph, letter b);

(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;

(v) the acquisition and transfer on 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;

(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;

(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;

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 Statutory Auditor of the subsidiaries listed under article 36, paragraph 2, letter b) of these Articles of Association;

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) upon proposal of the Management Board, deliberates on the policies for managing compliance risk and on the creation of a legal regulations compliance department;

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;

r) periodically approves and verifies the organizational, administrative and accounting structure of the company determined by the Management Board;

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;

t) approves the remuneration policies relative to employees or collaborators which are not linked to the company by full-time employee contracts;

u) upon the proposal of the Chairman of the Supervisory Board - drafted in compliance with article 47, second paragraph, letter h) - resolves upon the policies and projects relevant to cultural and charitable initiatives as well as on the Company and Group image, with special reference to the enhancement of the historical and artistic heritage whilst verifying attainment of planned initiatives with undertaken aims;

v) resolves upon the mergers and spin-offs set forth in sections 2505 and 2505-bis of the Italian Civil Code

z) exercises any other power provided by temporary regulations in force or by the Articles of Association.

The Supervisory Board is also exclusively assigned, in compliance with section 2436 of the Italian Civil Code, resolutions concerning:

- a) the opening and closing of secondary offices;
 - b) the decrease in the share capital in case of a Shareholder's withdrawal;
 - c) adjustment of the Articles of Association to regulatory provisions, subject to consultation with the Management Board.
- 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.

ARTICLE 47

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.

Moreover, and for the purposes of exercising the competencies of the Board itself, the Chairman of the Supervisory Board:

- 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;
- 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;
- 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;
- 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;

- e) convenes and chairs the Appointment Committee;
- f) maintains relations with the Supervisory Authorities within and for the purposes of the auditing and supervising activity of the Supervisory Board;
- 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;
- 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 artistic legacy, and which will be presented to the Supervisory Board. The proposals and projects will be drafted by consulting the Chairman and Vice Chairman of the Management Board by taking into account their specifications. The Supervisory Board shall allocate a sum, which shall in no event be greater than 5% of the amount annually allocated by the Shareholders' Meeting - in accordance with Article 52, fourth paragraph - to a specific fund to be utilized by the Chairman of the Supervisory Board for disbursements concerning minor non-profit initiatives not falling within the realm of projects approved as described above. The Supervisory Board shall also allocate a sum, which shall in no event be greater than 5% of the amount annually allocated by the Shareholders' Meeting - pursuant to article 52, fourth paragraph - to a specific fund available to the Chairman of the Management Board for disbursements concerning minor non-profit initiatives not falling within the realm of projects approved as described above.
- i) exercises all the other powers relevant to the implementation of his office.

Upon absence or impediment of the Chairman of the Supervisory Board, the Deputy Vice-Chairman of the Supervisory Board fulfils his duties; upon absence or impediment of the latter, the relevant duties are carried out by the most senior Vice-Chairman or, upon the latter's absence or impediment, by the other Vice-Chairman; upon absence or impediment of both of these Chairmen, duties are exercised by the most senior member of the Supervisory Board - in terms of office - in attendance and, seniority being equal, by the youngest member.

ARTICLE 48

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.

It is convened by registered letter, telegram, fax, e-mail or other means that can be proved by documents.

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.

In order for meetings to be deemed valid, the majority of Board members in office at that time must be present.

The Board decides with the favorable vote by the absolute majority of the Directors present.

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.

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.

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.

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.

The Board may appoint a Secretary, also permanently, who need not be a member.

ARTICLE 49

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.

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.

The replacement of members of the Internal Control Committee on the part of the Supervisory Board must be duly justified.

At least one member of the Internal Control Committee participates in the meetings of the Management Board, in compliance with currently effective regulations.

The Supervisory Board also sets up a Top Management Remuneration Committee consisting of some of its members, by determining their powers and operating rules.

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.

The Appointment Committee shall operate and be governed, also with reference to the valid passing of the relevant resolutions, by a regulation, which shall set forth the competences and operation thereof, without any reference or cross-reference to any agreements, structures or persons foreign to the Company whatsoever. Same is approved by the Supervisory Board upon the favourable vote of at least 17 (seventeen) of its members.

The Appointment Committee, in compliance with what is provided elsewhere in these Articles of Association, amongst other things:

- 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.

SECTION IX GENERAL MANAGEMENT

ARTICLE 50

General Management consists of the General Manager and Joint General Manager, if appointed, of one or more Deputy General Managers, according to the personnel defined by the Managing Board, who determines its functions.

Should the Management Board be composed of 11 (eleven) members, the General Manager and the Joint General Manager are appointed by the Management Board itself with the favourable

vote of at least eight members. If the Managing Board consists of a smaller number of members, the above-mentioned offices shall be appointed with the favourable vote of all the members minus one.

The Management Board may also appoint one or two Vice General Managers, upon simple majority.

The General Manager:

a) is responsible for the operating structure;

b) is the head of the personnel;

takes care, as a rule (unless otherwise indicated by the competent management bodies), to the carrying out of the relevant resolutions of the Management Board and of the Managing Director;

manages day-to-day business in compliance with the instructions of the management bodies;

e) attends, with advisory vote, the meetings of the Managing Board;

f) sees to the business and Group working co-ordination.

The Joint General Manager helps and supports the General Manager to supervise all the functions assigned to it.

SECTION X BOARD OF ARBITRATORS

ARTICLE 51

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.

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.

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.

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.

The Board of Arbitrators controls the carrying out of the judgement as it deems it advisable with no procedural formalities.

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.

For all purposes, the domicile of the Board of Arbitrators is elected at the registered office of the Company.

SECTION XI

FINANCIAL STATEMENTS, PROFITS AND RESERVES

ARTICLE 52

The corporate year shall close at 31 December of each year.

The Management Board draws up the financial statements, after observing legal regulations.

Within the relations pursuant to section 2428 of the Italian Civil Code, members of the Management Board shall supply the information required by section 2528 and section 2545 of the Italian Civil Code.

The net profit recorded in the financial statements, after having deducted the legal reserve to the minimum extent provided for by law and the amounts resolved upon by the Shareholders' Meeting for setting up or increasing extraordinary or other reserves, pursuant to the relevant precautionary rules, may be allocated by the Shareholders' Meeting for a quota not exceeding 1.5% of the portion distributable to initiatives and institutions with non-profit, humanitarian, social, cultural and artistic goals; the Management Board - following reporting from the Chairman thereof - may perform same, in compliance with the instructions resolved upon by the Supervisory Board and with particular concern for the territories of reference of the Group.

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.

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.

During the financial year, the Management Board may resolve on the distribution of down payments on dividends in accordance with the currently effective regulations.

SECTION XII
COMPANY WINDING-UP AND LIQUIDATION

ARTICLE 53

In the event provided for by No. 6 of section 2484 of the Italian Civil Code, the early winding-up resolution of the Company shall be passed during the extraordinary Meeting attended, also in second call, by at least one thirtieth of the Shareholders entitled to vote, without prejudice to the provisions of the third paragraph of Article 28 of these Articles of Association.

The said extraordinary Meeting appoints the liquidators determining their powers, as well as the methods of liquidation, except for mandatory provisions of the law and the authorisations and prescriptions provided by the law provisions in this field.

The extraordinary Meeting, with its own resolution, may remove the liquidators.

* * *

Text approved upon the resolution of the Extraordinary Shareholders' Meeting of Banche Popolari Unite S.c.p.a. dated March 3rd, 2007 upon approval of the merger project of Banca Lombarda e Piemontese S.p.A., by way of minutes having the same date under Record No. 22699/9831, under notarial deed of Notary Public Dott. Armando Santus, member of the Companies' Register of Bergamo dated March 29th, 2007, amended on:

October 10th, 2007 resolution of the Supervisory Body filed with the Companies' Register of Bergamo on October 11th, 2007 by way of alignment with the new regulatory provisions issued by CONSOB

May 10th, 2008 Shareholders' Meeting resolution filed with the Companies' Register of Bergamo on May 4th, 2008

May 9th, 2009 Shareholders' Meeting resolution filed with the Companies' Register of Bergamo on May 15th, 2009

May 27th, 2009

solution of the Board of Directors registered at the Companies Registry of Bergamo on May 28, 2009, carrying out the task in pursuance of art. 2420 ter of the Italian Civil Code entrusted by the extraordinary shareholders' meeting of May 9, 2009

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resolution of the Management Board registered within the Registry of Companies of Bergamo on 15 May 2009, in execution of the proxy pursuant to Article 2420 ter of the Italian Civil Code granted by the Shareholders' extraordinary Meeting of 9 May 2009