

(Text in force, restated on the basis of the decisions of the General Assembly held on 20 April 2022).



**BYLAWS OF
CAJAMAR CAJA RURAL,
SOCIEDAD COOPERATIVA DE CRÉDITO**

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CHAPTER I
GENERAL PROVISIONS
ARTICLE 1
NAME AND LEGAL SYSTEM

1. This Cooperative formally intends to have its bylaws fully adapted to THE legislation secondarily applicable to institutions of its kind and scope, contemplated in section 2 below. The name of the Cooperative is CAJAMAR CAJA RURAL, SOCIEDAD COOPERATIVA DE CRÉDITO. Hereinafter, for easier reference, also the COOPERATIVE.

2. The COOPERATIVE, in view of its territorial scope, shall be governed by these Bylaws, specifically subject to the Act, and to the rest of the specific-sector provisions that regulate credit institutions in general, State legislation on Cooperatives to be applicable in the alternative.

With regard to any matter not provided for in these Bylaws, the laws and regulations contemplated in the above paragraph shall be applicable, the provisions applicable to credit cooperatives always to prevail.

ARTICLE 2
PURPOSE

The purpose of the COOPERATIVE shall be to meet the financial needs of its members and of third parties, by performing the activities pertaining to credit institutions for which purpose it may perform any lending and deposit taking transactions and provide banking or quasi-banking services, in addition to investment services and ancillary services permitted to credit institutions under the securities market law, giving priority to meeting the financial demands of its members. Lending transactions with non-members shall be subject to the limits established by law.

To achieve this purpose, the COOPERATIVE will focus mainly on providing financial services in the rural areas included in the territorial jurisdiction of the COOPERATIVE. All the above shall be without prejudice to the promotion and safeguard of the adequate solvency of the institution.

To achieve its purpose and cooperative social aims, the COOPERATIVE shall promote and participate in such solvent corporate initiatives and situations as may improve the quality of living and services of its current and potential members, particularly in the areas in which this Institution performs, or commences to perform, cooperative activity effectively.

ARTICLE 3
CAPACITY, DURATION, LIABILITY
SYSTEM OF THE MEMBERS

1. To achieve its corporate purpose, the COOPERATIVE may acquire, possess, encumber and transfer assets and rights, assume obligations, perform any acts and enter into any agreements as may lead to the achievement of its aims, in addition to cooperating - submitting to the relevant provisions – with the official institutions and bodies of the State, autonomous regions, provinces or municipalities, for the promotion, implementing and channelling of credit and savings in general and of the agri-food industry in particular.

For the most efficient achievement of its purpose the COOPERATIVE may arrange to associate – in compliance with the legal provisions in force- with any credit or other institution, public or private, and acquire holdings of any kind or class, always subject to the best performance of the credit and cooperative functions of the COOPERATIVE.

2. The COOPERATIVE is organised for an indefinite duration.

3. The liability of the members of the COOPERATIVE for the obligations that the COOPERATIVE may acquire shall be limited to the value of the capital contributions made by the members. The liability of members who leave the COOPERATIVE shall be extinguished upon calculation and payment of the appropriate settlement, no amount to be claimed from them thereafter for any debt acquired with the COOPERATIVE before they separated.

ARTICLE 4
REGISTERED OFFICE

1. The registered office of the COOPERATIVE is established at Almería City, Plaza de Juan del Águila Molina, no. 5, where its administration and corporate management is centralised. The Governing Board of the COOPERATIVE may relocate its registered office within the same municipal district.

2. In any event, the relocation of the registered office -once it has been resolved by the competent governing body – shall be announced in two newspapers widely circulated in Almeria province, and published at all the branches, before the relevant public deed is executed and the subsequent registration formalities have been performed.

ARTICLE 5
SCOPE

The activities of the COOPERATIVE shall extend as regards their territorial scope to the Spanish State and abroad, should this be advisable to provide the best service to its members and, as the case may be, to other customers. All the above shall be subject to legislation applicable from time to time.

CHAPTER II
INCLUDED IN THE CAJAMAR GROUP OF COOPERATIVES AND INSTITUTIONAL
PROTECTION SCHEME (IPS)

ARTICLE 6
COMMON SYSTEM

The COOPERATIVE belongs to the Cajamar Group of Cooperatives (hereinafter the Group), and to its institutional protection scheme (hereinafter, IPS), the Parent Institution of which is BANCO DE CREDITO SOCIAL COOPERATIVO, SA, a credit institution having the purpose of ensuring the best achievement of the corporate purpose of its member institutions, putting in common the means and efforts required for the purpose, protecting the financial stability of its member institutions to mutually ensure their solvency and liquidity.

The Group shall be governed and regulated from time to time by its articles of association, as amended, any by any applicable legislation.

Its inclusion in the Group implies that the COOPERATIVE accepts the compulsory instructions issued by the Parent Institution, thus making up a single decision-making unit, with assignment of functions and delegation to the Parent Institution of any matters and issues contemplated in the articles of association of the Group, hereinafter the Articles of Association, attached as a Schedule to these Bylaws. In particular, the institution undertakes to comply with the instructions given by the parent institution should it adopt any of the resolution measures contemplated in the Articles of Association of the Group, likely to be implemented in the event that (i) the Board of Directors of the parent institution has approved the activation of the recovery plan prepared in compliance with Act 11/2015 of 18 June for recovery and resolution of credit institutions and investment firms; or (ii) the Group breaches, or it is forecast will breach, the prudential requirements under applicable legislation; or (iii) the parent considers that objective factors exist leading it to be reasonably forecast that the necessary circumstances exist, or may exist shortly, for a resolution proceeding to commence under Article 19 of Act 11/2015 for one or more Group member institutions or the Group itself; or (iv) a Group resolution process commences under Article 19 of Act 11/2015; or (v) the regulatory body so decides, as a preventive measure, under Article 9 of Act 11/2015 on early action measures, once the necessary conditions for the purpose exist under Article 8 of said Act 11/2015 or where it is forecast that an insolvency proceeding of any of the Group institutions is to commence.

In the exceptional events contemplated in this section, the parent institution shall have especial powers to resolve: (i) bail-in or loss-absorbing schemes; (ii) mergers between Group institutions; (iii) assignments of assets and liabilities en bloc



or in part between Group institutions; (iv) transfers of assets or liabilities or sale of business of the institutions that it may consider necessary.

The term of adhesion to the Group by the COOPERATIVE shall be indefinite, the Group having an unlimited duration, the rest of the adhered institutions to be subject to a compulsory minimum term of adhesion of ten consecutive years, computed from the date of adhesion to the cooperative and its related institutional protection scheme (IPS). Upon the expiry of said term, any institution adhered other than the COOPERATIVE may request its voluntary exit from the Group serving notice at least two years in advance.

PART II – ACTIVITIES OF CAJAMAR CAJA RURAL, SOCIEDAD COOPERATIVA DE CREDITO

CHAPTER I MEMBERS

ARTICLE 72 ELIGIBILITY TO BECOME A MEMBER

The following may become members of the COOPERATIVE:

- a) cooperatives of any kind, degree and scope;
- b) any other Spanish or foreign, publicly- or privately-owned, natural or legal person whose admission is permitted or not prohibited by the legal provisions in force and whose activity is not in competition with that of the COOPERATIVE;
- c) pro indiviso ownership arrangements.

ARTICLE 8 ADMISSION PROCEDURE

1. Admission as a member of the COOPERATIVE shall be applied for in writing to the Governing Board or to its Executive Committee, recording the submission to, and acceptance of the commitments under, these Bylaws.

Documentation evidencing that the applicant meets the requirements established in these Bylaws shall be attached to the application.

In the event of legal persons, the following documents shall also be attached:

- a) Certificate of the resolution adopted by the competent body on the request for admission.

b) Certified copy of the association, corporate, foundational or pro indiviso ownership Bylaws.

c) Approved annual report, balance sheet and profit and loss account of the past two financial years, together with the audit reports, if appropriate, and the composition of the management body and owners of capital.

In the event of non-corporate entities, the financial statements and review reports equal to those mentioned shall be submitted.

2. The Governing Board or, as the case may be, the Executive Committee, within the maximum term of three months from the date of receipt of the application, shall resolve and report its decision on the requested admission, applications in respect of which no resolution is adopted within said term to be deemed admitted. Said general three-month term shall apply in any of the events in which a decision on the admission of members is to be adopted.

The resolution of the governing board, if unfavourable, shall be reasonable and, where it is expressly favourable, it shall be published immediately after it is adopted on the notice board at the registered office of the COOPERATIVE. The admission may be appealed, within the term of one month, by a minority of members reaching, at least, one thousand members.

If admission is denied, the applicant may appeal the decision before the Appeals Committee within the term of twenty days after notification of the resolution.

The appeal shall be decided on by the Appeals Committee, in a secret ballot, within the term of two months. The preliminary hearing of the applicant shall be compulsory.

3. The rights and obligations of the member admitted by the Governing Board or by the Executive Committee shall take effect on the first day of the month following that of publication of the admission resolution, or upon expiry of the three-month term contemplated in number 2, first paragraph, above, provided that the member made the subscriptions, paid the instalments, made the payments and granted the warranties to which the members are obliged under these Bylaws, the validly adopted resolutions and legislation in force. If such resolution were challenged, the admission to member will be suspended until the term to appeal the admission has expired or, if the admission was appealed, until a decision is given by the Appeals Committee.

The agreed term to remain a member of the COOPERATIVE shall be, other than in the event of force majeure, five years.

ARTICLE9 RIGHTS

1. Any absolute member of this Cooperative shall have the following legal powers:

a) To be an elector of and eligible for any office on the governing bodies of the Cooperative -under these Bylaws – and for the functions, in the interim, of members of the Bureau of the Assembly or controllers or delegates of minutes secretaries of assembly meetings. In no event may the election to any office in the COOPERATIVE impose limitations on or the forfeiture of member rights, or -as the case may be-, employee rights. To such effect, employee members elected shall have the reservation of their post of work warranted with a remuneration level not inferior to that which they had before they were elected. Such measures shall apply for the term in office, unless office is revoked due to a very serious offence.

b) To make proposals and requests for information to any governing bodies, within their respective spheres of competence, and to attend and participate, with the right to speak and to vote, at Preparatory Meetings and, through the Delegates, in the adoption of resolutions by the General Assembly, and of those adopted by the rest of the bodies of which the member forms part. Unless otherwise established by law or under the bylaws, the proposals and requests shall be filed at the registered office, at least ten days before the meeting of the competent body, to permit their adequate review and, where they are made in writing by several members, they shall include the duly authenticated signatures of the proposers. The answers may be given by the governing body orally at the Assembly or in writing after it is held, within the terms established by law or under the bylaws, and may never imply an infringement of the law or of these Bylaws, particularly, Article 30.1 hereof.

c) To receive the information necessary to exercise their rights and perform their obligations, on the terms established by legislation in force or these Bylaws or resolved by the General Assembly. The receipt of the documents at the address of each member shall remain compulsory only where the documents in question refer to the member's status as user of the services of the COOPERATIVE or contemplate restrictions on the member rights or actions that may give rise to such a result. Where the request for information is complex, in the founded opinion of the Governing Board, the Governing Board may answer the member in writing within one month after that of approval of the Assembly Minutes or, as the case may be, of the last registration of the resolutions in question. The information on the progress of the Cooperative may refer to the key figures of the previously approved annual accounts and management report, or provide a summary of the most relevant information of the last six months, without affecting the strategy, confidentiality and competitiveness of the Cooperative.

d) To participate, without any discrimination and with equal benefits, in all the activities performed by the Cooperative to achieve its corporate purpose. Thus, where a member ceases to perform the contracts or transactions agreed with the COOPERATIVE, without fair cause, that member shall be deemed to waive the cooperative service and the Cooperative may be immediately released from the obligation to provide it, without prejudice to the application of any rescission, indemnification and disciplinary action that may be appropriate.

e) To receive interest on capital contributions in the amount and on the conditions approved annually by the General Assembly, in compliance with Article 49.2 of these Bylaws.

f) To have the value of their contributions updated and to have them returned in the event of their exit -regardless of the cause and nature of the separation of the member – and where the Cooperative is dissolved and wound up. All the above shall be subject to the limits and requirements established by the aforementioned legislation on credit cooperatives contemplated in Article 1 of these Bylaws.

g) To exit the Company, complying both with the term of advance notice, established at three months, other than in an event of force majeure duly evidenced by the member in question, and with the compulsory term of membership in the Cooperative, established in Article 8.3.

h) To lodge any appeal and take any action contemplated by legislation in force to ensure the rest of their rights and limit the powers of the governing bodies.

i) To sign any requests addressed to the various governing bodies – within the scope of their powers – for which the Act requires a certain minority of votes.

j) The rest of the rights arising from these Bylaws and from legislation in force.

2. All the above rights shall be exercised by the members acting in good faith and in compliance with the law and the bylaws, supplemented by the validly adopted resolutions of the governing bodies of this Cooperative.

ARTICLE 10 OBLIGATIONS OF THE MEMBERS

Members shall have the following obligations:

a) To comply -to the extent applicable to them- with the legislation contemplated in Article 1.2, and with these Bylaws and, as the case may be, with the Internal Regulation.

b) To attend the relevant Preparatory Meetings and, if they are elected to Delegates, the General Assembly, and the meetings of the rest of the governing bodies of which they form part.

c) To comply with the resolutions validly adopted by the governing bodies of the Cooperative, without prejudice to the right to separate on valid grounds for seriously burdensome obligations or burdens.

d) To participate in the cooperative activities performed by the COOPERATIVE to achieve its corporate purpose, to the extent or in the minimum operational proportion established in Article 13 of these Bylaws.

e) To keep secret any affairs and information of the Cooperative the disclosure of which may damage its lawful corporate interests.

f) Not to perform activities in competition with the business activities performed by the COOPERATIVE.

g) To accept the offices and functions to which they may be elected, other than on valid excusing grounds.

h) To perform their economic obligations and, thus, pay their capital contributions in the manner and within the terms established, in addition, as the case may be, to the admission and regular fees; also, to enforce the validly resolved or established duties and warranties and, in general, to perform in a timely manner the economic obligations binding on them under these Bylaws, or the validly adopted resolutions or arising from banking or financial transactions with the COOPERATIVE; and, as the case may be, to provide duly attested evidence of the resolutions that legal person members are to adopt for such obligations and liabilities to be fully enforceable.

i) To participate in the training activities, particularly cooperative training.

j) To report to the Governing Board or to the General Management any fact, action or event that might objectively be detrimental to the economic prosperity and/or cooperative authenticity of this institution, both if the persons responsible for such acts are third parties and if they are members. The person who receives such information shall keep it absolutely secret.

Members shall also report to the COOPERATIVE -within 48 hours after occurrence – any fact, act, information or event that may be relevant for the solvency of the member in question or that may extend, limit, condition or in any other manner change that member’s previous capacity to act.

k) Not to use member status to perform activities that are speculative or contravene the Laws.

l) To behave with due consideration in their relations with the rest of the members and, particularly, with those who hold, from time to time, any office in the COOPERATIVE.

ll) Not to express themselves in terms to the detriment of the good name of the COOPERATIVE.

m) Legal person members shall send -within the month following approval – the Balance Sheet, the Annual Report and the Profit and Loss Account and, as the case may be, the management report and the audit report, in addition to a certificate issued the same month recording the number of members and the members of the Board or equivalent body, and the composition of the holders of the capital of the institution and permit the audit or inspection of its accounts or management where the COOPERATIVE, acting with due prudence and confidentiality, deems this necessary.

n) To discharge any other duties that may arise from provisions of law, of regulation or of the bylaws or that may, on the grounds thereof, be resolved by the General Assembly.

ARTICLE 11 DISCIPLINARY PROVISIONS

1. OFFENCES:

Breaches of corporate obligations shall be deemed offences that, according to their importance and relevance, will be classified as very serious, serious or minor, as provided for below.

1.1 The following shall be very serious offences:

a) Actions or omissions that cause considerable damage to the material interests or good name of CAJAMAR CAJA RURAL, SOCIEDAD COOPERATIVA DE CRÉDITO.

b) Insufficient participation in cooperative activities -credit or debit- assessed as provided for in Article 13 of these Bylaws.

c) Breach of the economic obligations acquired with CAJAMAR CAJA RURAL, SOCIEDAD COOPERATIVA DE CREDITO, arising from member status, in the event of repetition of the offence or dormancy of the member in contempt, as provided for in Additional Provision Five, unless the mere non-disciplinary resolution of the corporate relationship were applicable.

Repetition of the offence shall exist where the member was sanctioned for a serious offence consisting of failure to perform economic obligations with the COOPERATIVE, in the previous six months.

d) Use of member status to perform speculative or unlawful transactions.

e) Falsification of documents relating to the COOPERATIVE and unauthorised use of identification items of the COOPERATIVE or performance of any other activity that may be deemed a criminal offence in its relationship with the COOPERATIVE.

f) **Encroachment of functions of any governing bodies or of the executives of this COOPERATIVE and of the powers delegated to or entrusted with attorneys in fact of such bodies or executives.**

g) **Disclosure of secret, confidential and relevant reports and information of the Cooperative seriously damaging its lawful interests or to make a profit.**

h) **Lack of consideration and verbal abuse or mistreatment of persons holding office, or to the members or to the employees, with damaging effects, respectively, on the self-respect or physical safety of the victims.**

i) **Pressure or coercion of a governing body or any of its members or of employees of any ranking, of other members or at any governing body meeting or work group of the COOPERATIVE.**

j) **Delay of over THREE months in the performance of economic obligations.**

1.2 The following shall be serious offences:

a) **non-repeated breach of economic obligations or delay of less than three months in the performance of such obligations;**

b) **disclosure of reports and information of the COOPERATIVE, where this does not seriously damage the corporate interest or seek a profit for the indiscrete member;**

c) **lack of consideration to and verbal abuse or mistreatment of -without damaging effects- the rest of the members or the employees of the COOPERATIVE;**

d) **perpetration, by members not holding office in the institution, of criminal offences having effects on activities related to the COOPERATIVE or on its assets or rights;**

e) **repetition of the perpetration of minor offences of the same class or persistence in the minor offence for one year and failure in the communication duty contemplated in Article 54.1.a) of these Bylaws;**

f) **recklessness in the lodging of appeals to the Appeals Committee, assessed in compliance with these Bylaws;**

g) **unfounded absence from the General Assembly where the member holds office in the institution or was elected to Delegate at the relevant Preparatory Meeting, as provided for in Article 25.4 of these Bylaws; or second unfounded absence from the Appeals Committee meetings of any of its members.**

1.3 The following shall be minor offences:

a) failure to notify the change of address of the member to the Secretary of the cooperative, within two terms after occurrence;

b) failure to send the documents and information required for the proper organisation of the cooperative.

2. SANCTIONS:

2.1 The following sanctions may be imposed for very serious offences:

a) fines of between 10,000 and 100,000 euros;

b) deprivation from or temporary suspension of member rights, for which this sanction is admitted, for a time period of between six months and one year, unless the situation is regularised earlier; or

c) expulsion from the COOPERATIVE.

2.2 The following sanctions may be imposed for serious offences:

a) fines of between 1,000 and 9,999 euros;

b) temporary deprivation or temporary suspension of member rights, admitting this sanction, for a time period of less than six months, unless and until the situation is regularised;

c) public admonition, at the Preparatory Meeting to which the member is adhered and, as the case may be, at the General Assembly.

2.3 Minor offences may be sanctioned with fines below 1,000 euros or a private oral or written admonition.

2.4 The temporary suspension of member rights -as a sanction – may be imposed only where the offence perpetrated consists of overdue economic obligations of the member or the member having participated in the corporate obligations below the minimum thresholds established in Article 13 of these Bylaws. The sanction will cease as soon as the member regularises the situation, the suspension not to include the right to information, to receive the return, to have interest accrue on capital contributions or to the update of such contributions.

3. SANCTIONS PROCEDURE:

The Governing Board shall have powers to impose sanctions, after a proceeding instituted for the purpose, designating by drawing lots among its members -excluding the Chairman- the Examiner and the Secretary, which offices, in the case of minor or

serious offences, may be held by the same person. In the proceeding, the party concerned will be granted a hearing to file a reply within ten days.

The resolution of the Governing Board shall be adopted by secret ballot provided that the proposal of the Examiner is for expulsion or where so requested by at least ten Board members. The resolution shall always be founded and it shall be adopted and notified within the term of four months computed from the institution of the proceeding. Upon expiry of said term without a resolution having been adopted and notified, the term under the statute of limitations of the potential offence shall recommence, without prejudice to the right of the COOPERATIVE to take any court action to which it may be entitled to claim any liability on the part of the member.

The resolution ending the proceeding shall be notified in writing to the party concerned recording the appeals that may be lodged.

4. STATUTE OF LIMITATIONS OF THE OFFENCES:

Very serious offences will fall under statute of limitations after six months, serious offences after four months and minor offences after two months. The terms will commence to be computed from the date on which the offences were perpetrated. The term under the statute of limitations of the offences will be interrupted by the institution of the disciplinary proceeding but it shall recommence unless the decision is given and notified within a term of four months.

5. PROCEDURE TO CONTEST SANCTIONING RESOLUTIONS:

Resolutions adopted by the Governing Board ending a disciplinary proceeding, without prejudice to their enforceability -other than in the event of expulsion – may be appealed before the Appeals Committee. The appeal shall be lodged in writing and submitted at the registered office within the term of one month after the notice to the member of the resolution in question. The Committee shall make a decision within a term of two months. Upon expiry of such term without the appeal having been decided and notified, the appeal shall be upheld.

The resolution not admitting, or, as the case may be, dismissing, the appeal may be contested within the term of one month of its notification through the procedure established to contest the resolutions of the General Assembly.

ARTICLE 12. PRECAUTIONARY SUSPENSION OF RIGHTS

1. Under Article 16.1 of Act 27/1999, and related provisions, the Governing Board may apply the precautionary suspension of rights in the following events:

- a) where the member is in conflict of interest;

b) where the member may be reasonably deemed to attempt to use member status, an office in the institution or the information obtained to hinder, damage or deviate to himself, his family relatives and close acquaintances, other undertakings or entities external to the COOPERATIVE, business opportunities planned or undertaken by the COOPERATIVE;

c) where there is evidence, even if partial or provisional, of presumed serious or very serious infringements of provisions or law or the bylaws applicable to the members of the COOPERATIVE.

2. The precautionary suspension resolution shall never be disciplinary, shall be founded and proportional to its causes and shall not affect the members' voting or other rights. In any case, it shall be preceded by a five-day term in which the member may file submissions and it may be appealed within ten days before the Appeals Committee, without prejudice to its being immediately enforceable as from the notification of the resolution of suspension issued by the board.

ARTICLE 13

QUANTIFICATION OF THE MINIMUM COMPULSORY PARTICIPATION OF THE MEMBER IN THE COOPERATIVE ACTIVITY

1. For the adequate achievement of the purpose of the COOPERATIVE, given its cooperative nature, all members undertake to participate in the cooperative activities and services set out below, at least, in the following amounts:

1.1 Natural person members:

a) deposit-taking transactions: to have an account open with the COOPERATIVE, using any of the possible forms, with an annual average balance of at least 100 euros;

b) lending transactions: to request the COOPERATIVE for the financial assistance that the member may need for any of its spheres of activity (personal, family, business or professional), and to accept it provided that the conditions offered by the COOPERATIVE are comparable -assessed as a whole- at least to those finally offered by the non-cooperative credit institutions of the place of residence of the member.

1.2 Legal person and pro indiviso owner members:

a) Deposit taking transactions: to have an account open in any of the possible forms, with an annual average balance at least five times the amount established for natural person members, i.e., 500 euros.

b) Lending transactions: to request the COOPERATIVE for the financial assistance that the member may need to perform its business or institutional activity, and to accept it provided that the conditions offered by the COOPERATIVE are comparable – assessed as

a whole- at least to those finally offered by the non-cooperative credit institutions of the place where the member institution has its registered office.

2. The General Assembly may resolve to update the amounts set out in the preceding number of this provision provided that the update does not exceed the annual CPI or this is essential to maintain the financial balance, solvency or sound business of the COOPERATIVE. In addition, the General Assembly may permit interim offsets in cash to replace the minimum operational thresholds, but only on justified grounds, on an exceptional basis, and including, as the case may be, the appropriate surcharge for damages, calculated at least at the rate of legal interest on money in effect in the year in which such offset is permitted.

ARTICLE 14

SEPARATION OF MEMBERS: CLASSES AND CONSEQUENCES. PROCEDURE FOR REFUND OF CAPITAL CONTRIBUTIONS

1. In addition to application of the provisions of these Bylaws on the disciplinary exclusion or expulsion of members who perpetrate a very serious offence, the members of the COOPERATIVE may separate from it and/or request the full or partial refund of the contributions they made to capital, as set out below:

A) Voluntarily, where so decided by the cooperative member notifying this to the Governing Board.

B) Compulsorily, where the natural person or legal person member ceases to meet the requirements established by law and under the bylaws, to continue to be members of this institution or cease to meet such requirements in respect of its scope. The Governing Board shall decide, in each case, if -in the case of legal persons – the resolution for their dissolution, given the cause and effects of such dissolution, should cause the immediate compulsory separation of such members.

The compulsory separation shall be resolved, after granting the party concerned a hearing for ten days, by the Governing Board, ex officio, at the request of any member or of the member who ceased to meet the requirements to remain a member. The member in disagreement may appeal against the resolution of the Governing Board, in which event the provisions of law and of the bylaws on the body with jurisdiction to hear the case, the enforceability of the resolution and the possibility of contesting the decision before the courts established for events of expulsion shall apply.

C) Due to death or, as appropriate, extinguishment of the member.

2. The voluntary separation shall be deemed founded:

A) Where it is processed in good faith and meeting the necessary formalities by the member, notice is given to the Governing Board at least three months in advance and provided that it is to be realised after expiry of the relevant compulsory term of membership of the COOPERATIVE.

B) Where it is submitted in writing to the Governing Board within forty calendar days computed from the day after receipt of a resolution of the General Assembly implying the assumption of seriously burdensome obligations or encumbrances, not provided for in these Bylaws, provided that the member, in addition to expressing its disagreement, expressly voted against or was absent and in disagreement.

The compulsory separation shall be deemed founded where cessation in meeting the requirements set out in number 1.B) is not due to the deliberate intention of the member to evade, in whole or in part, obligations towards the Cooperative – including those that may arise from previously instituted disciplinary proceedings – or to obtain an undue benefit with the compulsory separation.

Voluntary or compulsory separations not contemplated in the above two paragraphs shall be deemed unfounded.

3. The separating member -or his successors – may receive the refund of the contributions made by the separating member to the capital of the institution as provided for in this article.

The refund shall in any case be made if it conforms to the following sections and after applying, where appropriate, any deductions contemplated from time to time by legislation applicable to Credit Cooperatives.

Without prejudice to the above, the breach of the advance notice by the member shall give rise to liability for damages to the COOPERATIVE, to be established proportionally to the volume of transactions of the separated member with the COOPERATIVE, between a minimum amount equal to the legal interest on money and a maximum amount equal to three times that interest, depending on the existing circumstances.

4. Requests for capital contributions of the member to be refunded, in whole or in part, shall be met in strict order of entry into the registered office or branch in question, paying the refunds to the members in the appropriate amount pursuant to sections 3 and 6 of this article.

5. The refund of capital contributions shall in any case conform to the provisions in force from time to time of legislation regulating treasury shares, the solvency ratio and other prudential financial soundness requirements. This shall be deemed without prejudice to the right of the members, or successors in question, to bring their claim before the courts and adopt any other lawful measures to have their claims satisfied.

Without prejudice to the above paragraph, refunds of capital contributions shall require the prior resolution in favour of the Governing Board.

6. The Governing Board shall have powers to apply this provision and, accordingly, to classify the type of separation, set the amount to be refunded to the separating member and establish the procedure and term to make the refund to the member or the member's successors, or, as provided for in the above section, to refuse the refund.

To calculate the value of the contributions refundable to the entitled persons, the balance sheet, approved by the Annual General Assembly, of the year of separation of the partner shall be used as a basis.

CHAPTER II GOVERNING BODIES

ARTICLE 15 LIST AND NATURE

The governing bodies of the COOPERATIVE are:

1. For the general term in office by law and of a necessary and unrepealable nature:

- a) The General Assembly.
- b) The Governing Board.

2. For a specific term in office under law or self-regulated under the bylaws:

- a) The Executive Committee and, as the case may be, the Managing Directors.
- b) The Appeals Committee.
- c) The Audit Committee.
- d) The Appointments and Remuneration Committee.

SECTION ONE: THE GENERAL ASSEMBLY

ARTICLE 16 THE GENERAL ASSEMBLY. DEFINITION AND POWERS

1. The General Assembly validly assembled, as a General Meeting of Delegates, by the members of the COOPERATIVE having legal standing to attend the meetings under the bylaws, is the supreme body expressing the corporate will. Its resolutions, adopted in compliance with the laws and these Bylaws, are binding on all the members, including those absent and those dissident.

The corporate will is expressed by resolutions of the General Assembly and of the Governing Board, but the Preparatory Meetings shall powers to raise to such bodies written, founded and non-binding proposals for the best achievement and development of the corporate purpose.

2. The General Assembly may only adopt compulsory resolutions on matters that the Act does not deem to fall within the exclusive competence of any other governing body. Its powers to give instructions, grant authorisations or adopt resolutions shall be limited to the acts set out in the following sections.

A resolution adopted by the General Assembly shall be mandatory for the following acts:

a) To appoint and revoke the appointment of the Governing Board members - other than the workers' representative-, including honorific members, and of the external auditors, members of the Appeals Committee and, as the case may be, members of the Liquidators Committee; and, to establish the amount of the remuneration of the Board Members and Liquidators, applying the statutory system and policies. The Assembly shall also have powers to resolve any incidents or questions, raised at the Assembly before, during or after the ballot.

b) To review of the corporate management, establish the general policy of the COOPERATIVE and approve the annual accounts, the annual report and the distribution of excesses or attribution of losses.

c) To approve new capital contributions and update the existing contributions and to adopt other relevant resolutions on capital contributions and fees in compliance with the Law and these Bylaws.

d) To resolve the issue of debentures and other third-party finance arrangements permitted by legislation in force, through the issue of tradeable securities.

e) To amend and adapt the Bylaws, without prejudice to Article 4.1, second sentence, of these Bylaws.

f) Merger, spin off and dissolution of the Institution, unless its dissolution is the result of a decision given in compliance with the Law by the court or administrative body with jurisdiction.

g) To transfer or assign the Institution, in whole or in part, through any procedure or other decisions implying a material change in the economic -equity related or financial-, corporate, organisational or functional structure of the Cooperative. Material changes shall mean those implying transfers or assignments of office or turnover, with a value exceeding ten per cent of the total deposits of the COOPERATIVE.

h) To resolve the creation of a Cooperative of second or higher degree, or of a consortium, or the adhesion to any of such entities or to others for which a resolution of the Assembly is required expressly under a legal provision.

- i) To approve, amend or repeal Internal Regulations.

The General Assembly shall also have powers for the following acts:

- j) To resolve forms of financing by the members other than debentures and not incorporated into the capital of the cooperative.

- k) To resolve to finally enter into inter-cooperative agreements and other economic cooperation arrangements contemplated in Act 27/1999, approving the relevant terms.

- l) To resolve to take, if appropriate, corporate action for liability against the Board Members, Auditors, Appeals Committee members and Liquidators.

- m) To adopt, if appropriate, any statutory resolutions required by the Group Parent Institution, in events of activation of the Delegation of Especial Powers contemplated in Article 6 of these Bylaws, as contemplated in the Cajamar Cooperative Group Articles of Association, and to adopt resolutions for its dissolution and, if appropriate, winding up and extinguishment, in the framework of European legislation on the resolution of financial institutions.

- n) To adopt other resolutions that should necessarily be adopted by the General Assembly under the Law, the provisions applicable to credit cooperatives or these Bylaws.

3. Those powers of the General Assembly that are mandatorily assigned to it under a provision with the ranking of law or these Bylaws shall never be delegated to other governing bodies, with the exception of the powers that may be delegated within the cooperative group.

ARTICLE 17

THE GENERAL ASSEMBLY AND ITS CLASSES

1. In view of the high number of members of the COOPERATIVE, its extra-regional scope and the ensuing difficulty for all of them to be simultaneously present at the General Assembly, the powers of this body shall be exercised through a General Assembly attended by the Delegates designated at the Preparatory Meetings and the persons holding office in the cooperative.

2. The Annual General Assembly shall be held once per year, within the six months following the financial year end date for main purpose of reviewing the management of the cooperative, approving, if appropriate, the annual accounts, resolving on the distribution of excesses or, as the case may be, attribution of losses, and establishing the general

policy of the COOPERATIVE. The agenda of the Annual General Assembly may also include any other matters within the competence of the Assembly.

3. Any Assembly other than that contemplated above shall be Extraordinary.

ARTICLE 18 CALL

1. Without prejudice to the powers vested, as the case may be, in the court authority or the official supervisors of credit institutions, the Governing Board shall have powers for the call -autonomous or corporate- of General Assemblies.

Upon expiry of the statutory term without the Annual General Assembly having been called, the Board Members shall request the Governing Board or, as the case may be, the court authority, to call it, through the procedure established by law.

Extraordinary General Assemblies shall be called at the initiative of the Governing Board or at the request of five hundred members or a number of members representing 10 per cent of the cooperative census, provided that, in the latter, event, the request is made in a written notice recording the signatures authenticated by a notary public of the requesting members, with the agenda of the Assembly attached not including any matter within the exclusive competence of the Annual General Assembly, the notice to be sent through a duly attested procedure to the Governing Board.

After 15 days have elapsed from the date of receipt of the request (if the request is for an Annual Assembly to be called) or one month has elapsed (for Extraordinary Assemblies) the applicants may request the Judge with jurisdiction to call the meeting in question.

2. General Assemblies shall always be called through a public announcement placed at the registered office of the COOPERATIVE and at each of the centres where it performs its activity. The notice of call shall also be published in two widely circulated newspapers of the place where the COOPERATIVE performs its activities.

The Governing Board shall put in place the measures necessary for the publications of the notice of call in the press be made at least fifteen calendar days in advance of the date set for the first Preparatory Meeting. The General Assembly may not be held after two months have elapsed from the date of the notice of call.

The fifteen-day term shall be calculated by excluding from its computation both the day of the placing, sending or publication of the announcement and the day on which the first Preparatory Meeting is held after the notice of call.

3. The resolution and the notices of call shall record -both for the Preparatory Meetings and for the General Assembly- the respective dates, times -allowing at least 30 minutes between the meeting at first and at second call- and places of the meeting, stating clearly and accurately the matters on the agenda and including one item for suggestions and questions of the Delegates to the Governing Board relating to the notice of call itself. In respect of the first matter to be discussed on the agenda of the Preparatory Meetings, Article 23.3 shall apply.

In addition, the resolution and notices of call shall inform the members that the documents on which the Assembly is to decide -including the financial statements, the management report, the proposal for the distribution of profit or loss and the audit report, in the case of Annual general assemblies, shall be available, exclusively to the members, for the term of publication of the notice of call, at the registered office and at the main operational offices of the COOPERATIVE. Such offices, unless otherwise established by the Internal Regulation, shall be: the first five of each province where the COOPERATIVE is established, according to the ranking of average total assets of the previous financial year, the five offices to be recorded in the notice of call.

4. The agenda shall be established by the Governing Board and shall include the matters proposed, in a notice sent to the Board, by a number of members representing 10 per cent or reaching 200. Such proposals may be submitted at any time, but only those submitted before the end of the eighth day after that of the last publication in the press of the notice of call for the meeting in question shall be included in the first General Assembly to be held. The Governing Board, as the case may be, shall publicise the new agenda at least four days in advance of the date of the General Assembly, through the procedure established for the initial notice of call.

ARTICLE 19 RIGHT TO ATTEND

1. Base members with absolute rights may -under these Bylaws- attend, speak and vote at the Preparatory Meeting to which they are attached. However, they shall be unable to retain the right to attend any other Preparatory Meeting or General Assembly.

The members of the Governing Board -by proxy, in the cases strictly necessary- and the persons holding other offices in the cooperative have powers to report at any Preparatory Meeting. Where any Board Member is unable to attend, the report shall be read by that board member's proxy or by the Secretary of the Preparatory Meeting. In addition, Board Members shall have the right to attend in order to speak at the Preparatory Meetings that they have the right to attend, but they shall be unable to elect or be elected to Delegates.

2. Only the following persons shall have the right to attend General Assemblies:

A) The Delegates -in office or substitutes- elected at each Preparatory Meeting, duly accredited by the certificate of the minutes of the Meeting in question, signed by the Chairman and by the Secretary of the Meeting. They may cast as many votes as may have been entrusted to them at the Preparatory Meeting in question.

B) Persons holding any office in the COOPERATIVE; in other words, members of the Governing Board, of the Appeals Committee and of other bodies that the General Assembly may have decided to create. Each one of them shall have the right to cast one vote.

3. Technical staff of the COOPERATIVE and other persons -whether or not employees of the COOPERATIVE- the attendance of whom the Board itself deems appropriate for professional or technical reasons for a better conduct of the General Assembly may attend, with the right to speak but not to vote, provided that they are called by the Governing Board and for the time that the board decides. In any case, the member(s) of the General Management and the Legal Advisor of the Governing Board shall also attend the General Assemblies.

ARTICLE 20 RIGHT TO PROXY

1. The following rules shall be taken into account for Preparatory Meetings:

A) Persons sanctioned or in conflict of interest to vote may not act as proxies of other members.

B) Members holding office in the cooperative may only act as proxies of other persons in office provided that the former and the latter are attached to the same Preparatory Meeting.

C) Proxies granted by a member not holding office to their spouse, forebear or descendant with full capacity to act shall be valid.

D) Proxies shall always be especial, revocable, nominative and written, including the full agenda, and shall be granted after the joint notice of call for the Preparatory Meetings and for the General Assembly has been published and before the date on which the General Assembly in question is held.

E) The limit of votes that a member may hold, adding to the votes of the member by suffrage those that the member may receive by delegation from other members, shall be: three votes, including that of the member, each member thus to act as proxy of a maximum two other members.

2. At the General Assembly, given its statutorily established composition, only the following events of proxy shall apply:

A) Delegates in office who, for fair cause, are unable to attend, shall serve notice of this with the maximum urgency on the Governing Board for the Governing Board to adopt the relevant substitution measure with the substitute delegates elected at the Preparatory Meeting in question. Other than in such event, once the Preparatory Meeting has been held, no Delegate may transfer or sub-delegate the votes entrusted to that Delegate at that preparatory meeting; the infringement of this rule shall be a very serious offence.

B) Persons holding office in the cooperative may only act as proxy of other persons holding office and unable to attend, for fair cause, each one of such persons in attendance to be able to represent -as the maximum number – two absent members.

ARTICLE 21 ATTENDANCE LIST

1. The attendance list -which shall be recorded at the beginning of the minutes- shall meet the following requirements:

A) Although it may commence to be prepared while the attendees access the premises in question, it must be completed and reviewed immediately before starting to discuss the first item on the Agenda, and shall be the responsibility of the Chairman and of the Secretary.

B) The attendance lists of each meeting (Preparatory Meeting or General Assembly) shall be signed by the persons who will act as Chairman and as Secretary of the meeting in question, who shall be elected or established before discussing the Agenda.

C) In order to facilitate and expedite the preparation of the List, at the entrance to the premises, signature pages may be prepared for the attendees, after they are identified, or attendance forms may be used, such forms to be available to the members at the registered office and at the operating offices. Such pages and forms shall be kept together with the attendance list, for verification purposes, until the minutes of the General Assembly have been approved.

2. The Attendance List shall have the following structure:

A) For each Preparatory Meeting, a nominative list shall be drawn up containing at least the following information: surnames, name and national identification document of each of the cooperative members attending in person; for proxies, their surnames, name and national identification document, stating their statutory or voluntary proxy status, and surnames, individual or corporate name and national identification document or taxpayer number of the member(s) that they represent; where the proxy is the spouse, forebear or descendant of the represented member, this circumstance shall also be recorded.

B) For the General Assembly, the List shall differentiate: 1) duly identified persons holding office in the cooperative, stating²⁷ whether they attend only in their own name

or also as proxy of other persons in office; and 2) Delegates elected at each Preparatory Meeting, stating whether they are Delegates in office or substitutes and the number of votes entrusted to each one of them, which shall conform to the number on record in the Minutes of the relevant Meetings.

ARTICLE 22 VOTING RIGHTS

1. At Preparatory Meetings, each member, present in person or by proxy, shall have one vote that may be exercised other than in the following events:

A) Where the Meeting is held during the term of effectiveness of the sanction suspending such rights, in respect of the sanctioned members.

B) Where the member was expelled from the Meeting by decision of the Chairman founded on the anti-social conduct of the member, for impeding or repeatedly hindering the exercise by other members of their rights to vote and to speak, for offending, scorning or attempting to supplant the Chairman and Secretary of the Meeting or for repeatedly obstructing the ordinary conduct of the meeting. In any case, before ordering expulsion, the Chairman shall admonish the member, expressly and publicly, once, that if the member persists in the anti-democratic attitude, the member will be expelled from the meeting. All the above shall be recorded in the Minutes of the Meeting.

C) Where the member must abstain for being in conflict of interest with regard to the subject matter of the resolution. It shall be deemed that such conflict of interest exists in the following events:

a) Votes on acts or contracts in which the member, or family relatives of the member up to the second degree of kinship by blood or affinity, will be an interested party as a third parties to contracts with the Cooperative, cooperative activities and services not included.

b) Votes having particular effects on the member, either because they seek to assess the fair cause of excuse alleged to reject an office or function or because a decision is to be made on whether that member should be exempted or benefit, on a temporary basis and for fair cause, from the performance of certain obligations.

c) Those events not contemplated in the above two paragraphs but established by the Spanish Companies Act.

2. At the General Assembly, each of the Delegates shall have as many votes -in addition to their own- as may have been entrusted to them according to the certificate of the minutes of each Preparatory Meeting. No Delegate attending in person may hold delegated votes exceeding thirty per cent of the votes present in person and by proxy, such figure to be that which the Delegate shall represent should it be exceeded.



In turn, attendees at the General Assembly who attend because they hold office in the COOPERATIVE shall each one of them have one vote and, as the case may be, those of another two persons holding office and who appointed them as their proxy.

The procedure for conflict of interest contemplated in section C).1 of this Article shall apply to persons holding office, together with the ensuing duty to abstain.

ARTICLE 23 PREPARATORY MEETINGS

1. Preparatory Meetings shall be organised by Provinces, following the rules set out below:

In each Province where the COOPERATIVE is set up -open office – one Preparatory Meeting, at least, shall be held. The Preparatory Meetings shall group sets of between one and ten Offices of the same Province.

Thus, the first Preparatory Meeting shall include from the first or single Office up to the first ten Offices, as the maximum, existing in the same province.

Once ten Offices are exceeded, an additional Preparatory Meeting shall be called, to group up to a further ten Offices, as the maximum, the same rule to apply successively until the number of all the Offices in the province is completed.

Thus, if from one to ten Offices exist in the province, at least one Preparatory Meeting shall be held, if from eleven to twenty Offices exist, two Preparatory Meetings shall be held, if from twenty-one to thirty Offices exist, three Preparatory Meetings shall be held and so on successively. No maximum number of Preparatory Meetings shall exist per Province.

The Governing Board shall establish the places where the Preparatory Meetings are to be held, subject to the following rules:

a) If there is a single Office in the Province, the Preparatory Meeting shall be held in the Municipality where that Office is located.

b) Where the Province has two or more Offices, the Governing Board shall establish the Municipalities where the Preparatory Meetings are to be held, depending on the number of members attached to the various Offices, the geographical distance or similar factors, to facilitate the attendance by the members.

c) Municipalities with ten or more Offices, or Offices with 1,000 or more members shall have priority in the establishment of Preparatory Meetings.

d) The notice of call for Preparatory Meetings shall record the Offices grouped at each Meeting, always up to a maximum ten, giving priority to the grouping of Offices

of a same Municipality, or of different but close Municipalities, and ensuring that the number of members is distributed in a balanced manner.

e) The number of Preparatory Meetings of the Province covered by applying the above rules notwithstanding, the Governing Board may organise Preparatory Meetings in such Municipalities as it may deem advisable -without applying the grouping rules -, taking into account the number of members attached to the various Offices, the geographical distance between them or similar reasons, always ensuring that the participation of the members is facilitated.

For the purposes of this section, it is established that:

1) The premises at which each Preparatory Meeting is to be held shall be established by the Governing Board, which may decide that the meeting be held outside the Municipal district of the Office giving the name to the Meeting –always ensuring that it is close -, in order to have an adequately enabled set of premises for the purpose or, in general, to facilitate the conduct of the Preparatory Meeting in question.

2) Census of members of an Office: These are the members attached to an Office, with which they are related for having filed at that Office the application for admission as members of the COOPERATIVE, without prejudice to the fact that any member may notify, before the notice of call for the General Assembly is published, any relocation of domicile implying attachment to a new Office to exercise their cooperative rights in the scope of their domicile and of the centre of their economic interest, applying in the event of dispute the policies established by applicable tax law.

2. The notice of call for the Preparatory Meetings shall be included in that made for the General Assembly, Preparatory Meetings to be held within the terms established in Article 18, 2, paragraph last but one, and in any case at least five days before the General Assembly is held.

The Governing Board, seeking a more democratic and agile process, and for the due independence of the respective meetings, may call all the Preparatory Meetings for them to be held the same day at the same time, save for supervening occurrence of an event of force majeure.

If the Governing Board prepared memorandums or any other reports or documents to be reviewed by the General Assembly, a copy of such documents shall be made available also for each Preparatory Meeting when it is called, in addition to their remaining available at the offices contemplated in Article 18.3.

3. Each of the Preparatory Meetings shall be held in the place, on the date and at the time established in the notice of call, under the management -merely organisational, interim and not including the functions contemplated in number 4 below- of one member designated by the Governing Board, until the Bureau of the Meeting has been elected from among the members present. After the attendance list has been drawn up, such election, for which no secret ballot will be required, shall be the first item on the Agenda



The Bureau shall consist of at least one Chairman – who shall be the Chairman of the COOPERATIVE where such chairman attends the meeting – and one Secretary for the Minutes, and a reporting or assistant Secretary may also be elected.

4. Special Committees, formed by the three most senior members present of those attached to each Preparatory Meeting who hold no other office, shall be responsible for the preliminary control of attendances and to assess the suitability of the proxies.

5. The quorum for the valid assembly of the Preparatory Meetings shall be subject to the following rules:

A) On first call, members holding at least 51 per cent of the total votes of the members attached to the Meeting in question must be present in person or by proxy.

B) On second call, the attendees -including proxies, shall reach 5 per cent of the total votes of the base members attached to the Preparatory Meeting; however, if the total members with the right to attend were less than 100, at least six members with voting rights must attend; where the attached members are over 500, at least 25 cooperative members with the right to vote must be present at the meeting in person or by proxy.

C) In any case, for the sole purpose of the quorum, up to a maximum two members represented by each attendee in person shall be computed, giving priority to the first two proxies granted, i.e., those granted earlier in respect of the date of the Preparatory Meeting.

6. In respect of the election of the Delegates, the procedure established in the following Article shall apply.

7. The Minutes, which shall be approved by the Preparatory Meeting itself, at the end of the meeting, or within the next five days, shall record, at least, the place and date of the Meeting, the times at which it started and ended, the full text of the notice of call including the agenda, the attendance list, if it was held on first or on second call, a statement on the sufficiency of the quorum to hold the meeting, the addresses made and that it was requested be placed on record, the summary of the discussions, the incidents that the Chairman had to resolve, the names of the Delegates and the number of votes delegated to each one of them and the transcription of the resolutions adopted with the result of the ballots.

A certificate of the minutes, signed by the Chairman and by the Secretary of the Preparatory Meeting, shall serve as accreditation for the Delegates at the General Assembly. Said certificate shall be sent by urgent mail to the registered office for it to be in the possession of the Governing Board Secretary, at least, seventy-two hours before the General Assembly is held.

8. For any matter not provided for in the above numbers, the provisions of law and the rest of the rules established in these Bylaws for Preparatory Meetings shall be applicable and, secondarily, to the extent necessary and where so permitted given their composition, nature and purpose, such preparatory meetings shall complete their legal procedure applying the regulation for single member or one stage General Assemblies.

ARTICLE 24 ELECTION AND TERM OF OFFICE OF DELEGATES

1. After discussing the matters on the Agenda, the members attached to each Preparatory Meeting and attending it shall proceed, in a secret ballot, to elect Delegates.

At such election, neither the members of the Governing Board nor the members of the Appeals Committee, even if they are attached to the Meeting in question, shall participate as electors or eligible candidates, since they shall have the right and be under the obligation to attend General Assemblies with the right to speak and to vote.

Members attached to the respective Preparatory Meeting, who have not been sanctioned and are not in conflict of interest, are present at the meeting and do not hold office in the Institution may be elected to Delegates; where the member is a legal person, its legal representative shall be eligible on the aforementioned conditions.

The Delegates shall be elected proportionally to the votes delegated to them, at least one Delegate and no more than two to be elected per Preparatory Meeting. A minimum number of votes -direct or by assignment of other votes at the same Meeting- equal to 50 per cent of the votes cast must have been delegated to each Delegate. Should none of the delegates reach the aforementioned percentage, the person to whom the highest number of votes was delegated shall be elected to Delegate. The maximum votes that a Delegate may hold at the General Assembly shall be equal to thirty per cent of the votes present in person or by proxy. If no candidatures exist, no Delegate shall be elected at the Preparatory Meeting. All the above shall be deemed without prejudice to the provision of the above article for Preparatory Meetings in respect of legal person members subject to cooperative legislation.

2. Those who obtain, in this order, the highest number of votes -once the percentage established in the above paragraph is reached- until the aforementioned maximum number of Delegates is completed shall be elected to Delegates. In the event of a tie, a new ballot shall be held to decide which of those in tie is the proclaimed candidate.

The ballot shall be conducted using voting forms recording the name of the candidates to Delegate in office and to substitute or, if no candidates exist, two dotted



lines to write two names members of the cooperative. Each member may vote only for one Delegate and that Delegate's substitute.

Candidates who fail to reach the minimum number of votes necessary to be proclaimed delegates may: (i) assign to any other candidate the votes received for that other candidate to be elected to Delegate (ii) assign votes to an elected delegate who will thus increase the votes received (iii) if the votes are not assigned, they will be deemed forfeited. Any assignment or delegation of votes may only be made between candidates who have expressed the same opinion or position in respect of the items on the agenda to be put to ballot.

3. The Delegates, who shall have as many votes as may have been entrusted to them, shall not be subject to a statutory term in office.

Delegates shall remain in office from the time of their election at the Preparatory Meeting in question at which they are elected, until the Annual General Assembly for the next year is called, thus remaining in office for any Extraordinary General Assemblies that may be held in the interim, unless the content of additional provision five applies, in which case they shall not remain in office for any Assembly to which such provision is applicable.

4. In compliance with legislation in force preferentially applicable to this Institution -and without prejudice to other expressions of the right to information -, the following rules shall apply:

a) The notice of calls shall be sent to the Delegates for assembly meetings after the first Assembly that they attended, after they were elected at their Preparatory Meeting, without prejudice to their publication on the notice boards and newspapers as provided for Annual Assemblies, by registered mail return receipt requested, attaching to the Agenda an excerpt with the list of documents on which the Assembly will decide, which documents may be consulted at the registered office and at the main operational offices, pursuant to Article 18.3 of these Bylaws.

b) After any assembly meeting attended by the Delegates has been held and once the relevant Minutes have been approved, the Delegates shall have the right to obtain from the Secretary, within the following month, an excerpt of the resolutions adopted at the General Assembly, and to request that a notice to the members be placed on the notice board of each of the Branches of the Province, informing them that they may request a copy of the excerpt at their branch, signing the relevant receipt.

c) Informative inter-zone Preparatory Meetings may only be self-called and validly held, in the inter-assembly period of years without elections to office, if the following requirements are met: 1) it is an inter-zone meeting because it includes, at least, the territorial scope and members attached to ten Preparatory Meetings, whether or not they are adjacent; 2) they are promoted by, at least, one third

of the active members and of the Delegates of such inter-zone scope, in a notice sent to the Governing Board 50 days before it resolved to call a General Assembly, meeting the statutory formalities; 3) it is attended by at least one half plus one of the promoters, in person or by proxy; 4) the aforementioned notice contains the commitment of the signatories to pay half the cost incurred to send the notice of call by mail and rent the premises in question, the balance to be borne by the COOPERATIVE; 5) the Bureau of that informative Meeting consists of, at least, three Board members, one Controller and three Delegates of three Preparatory Meetings; 6) the proposed Agenda is reviewed, validated and, if necessary corrected, by the Delegates of the Preparatory Meetings in question and advises of the informative and non-decision-making nature of the meeting; 7) the Governing Board, before ordering that the self-notice of call be sent by mail, after the appropriate legal counsel, has no raised legal objections.

The board resolution contemplated in the last sentence of paragraph c) above may be appealed before the Appeals Committee within the term of twenty business days through a document signed -with due authentication- by, at least, one third of the promoters.

d) In addition, the Governing Board, where the Delegates attended more than two General Assemblies, during their term in office, may call informative meetings, subject to the following procedure:

1. They shall be held in the last six months of the year.

2. The meetings shall be held at the following cities: Alicante, Almeria, Barcelona, Castellon, Malaga, Madrid, Murcia, Valencia, Valladolid and Palma de Mallorca attended by the Delegates of the respective provinces and, at least, three Board Members.

3. Within the month after the date of the last meeting, a Note will be published containing a summary of the items subject to Report, for the members' information, to be published in two newspapers widely circulated in the jurisdiction of this Cooperative and placed on the notice boards of each Branch for a term of fifteen days.

e) Any act, statement or resolutions seeking or resulting in pressure or coercion on or interference in the will of the Candidates, whose office shall in any case be voluntary and not mandatory, shall be null and void.

ARTICLE 25 PROCEDURE OF GENERAL ASSEMBLIES

1. General Assemblies shall be held in the city or town where the COOPERATIVE has its registered office, or in any of the cities or towns that meets the requirements expressly



set out below: it is located in national territory, provided that, in addition, there are members, suitable facilities to conduct the meeting and easy communication or means of transport enabled by the Cooperative in that city or town.

2. General Assemblies, -under Article 25.4 of Spanish Act 27/1999- may also hold online meetings, warranting:

- a. the identity and legal standing of the members, their proxies and other persons attending the meeting;
- b. the security and content of the communications;
- c. the real time broadcasting of the General Assembly, with bi-directional video and sound communication, for all members to be able to participate in the discussion and adoption of resolutions, for which purpose Cajamar shall put in place the measures necessary to ensure the effectiveness thereof;
- d. the procedure to exercise voting rights, the identity of the voter and, as the case may be, the confidentiality of the vote.

The notice of call shall record the formalities and procedures to be observed to register and draw up the list of attendees, for the exercise of their rights and for the conduct of the meeting to be adequately recorded in minutes.

In the minutes, the Secretary shall record the accreditation of the identity of each and every one of the attendees.

3. Because they are General Assemblies, the following requirements, at least, shall be met:

A) more than three quarters of the total Preparatory Meetings contemplated in these Bylaws must have been effectively held in advance;

B) they shall be attended, to be validly assembled on first call, by at least half plus one of the Delegates elected at the Meetings previously held and of the total members holding office in the COOPERATIVE; on second call, it will suffice for more than 40 per cent of the total Delegates elected and persons in office to attend such General Assemblies.

C) the above requirements shall be placed on record in the minutes of each General Assembly.

4. The prior control of attendance and verification of the suitability of the proxies fall within the competence of the Appeals Committee. Said body shall also be responsible for settling any doubt that may eventually be raised on the legal

standing of the attendees who are persons holding office in the cooperative or their representatives.

5. In compliance with the Credit Cooperatives Regulation, it is established that the unfounded absence of the Delegates in office or, as the case may be, their substitutes, at the General Assembly shall be a serious offence. The same rule shall apply to those who hold office in the cooperative on the date on which the General Assembly is held, who are also under an especial duty to attend General Assemblies.

6. The General Assembly shall be chaired by the Chairman of the Governing Board and, in his absence, by the First Vice-Chairman and, in the absence of them both, by the person elected by the Assembly; the Secretary of the Governing Board or his statutory substitute at the last Governing Board Meeting or, in their absence, the person elected for the purpose by the Assembly, shall act as Secretary.

Where ballots are to be held to renew the Governing Board in its entirety, a Ballot Bureau will be organised, as provided for in Article 31. 5 of these Bylaws.

The Chairman of the Assembly shall manage the discussions, establish the order of the addresses and ensure compliance with the formalities established by the Law.

7. Ballots shall be secret where they have the purpose of electing or revoking the appointment of the members of the governing bodies, or to adopt a resolution to take corporate action for liability against them, and to reach settlement or waive the right to take action. The ballot shall also be secret to adopt a resolution on any item on the Agenda where so requested by, at least, 20 per cent of the members present in person at the General Assembly. Nevertheless, in the latter event it is established -under Article 25.3 of Spanish Act 27/1999- that a request for secret ballot may only be promoted at each General Assemblies at the request of the minority of the attendees where such limitation is, in the opinion of the Bureau, the most adequate procedure to conduct the meeting, given the number of attendees, the density of the agenda, the relevance of the matters pending discussion, the time already consumed from the start of the meeting or the time, in the morning or otherwise. Such limitation shall never apply to ballots that must be secret under a provision of law or of the bylaws.

8. The Secretary of the General Assembly shall be responsible for drawing up the minutes of the meeting, which shall record, at least, the place, date and start and end times of the meeting, the full text of the notice of call, the reference of the newspapers where the notice was published, the attendance list, if the meeting is held on first or on second call and whether the requirements established in number 2 of this article have been met, a summary of the matters discussed, the addresses that it has been requested be placed on record in the minutes and the incidents that the Chairman may have had to resolve, in addition to the resolutions adopted with the results of the ballots. The

attendance list -meeting the requirements of Article 21.2.B)- shall be included at the beginning of the minutes.

The minutes of the meeting may be approved by the General Assembly after the meeting and, failing this, it shall be approved within the term of fifteen days by the Chairman of the General Assembly and three members designated at the General Assembly in question from among the attendees who, having remaining in the meeting room throughout the entire meeting, do not hold office in the cooperative and are not in conflict of interest to vote, all of whom will sign the minutes together with the Secretary.

9. For any matter not provided for in the above numbers, the regulation for unitary General Assemblies shall apply, to the extent compatible with their structure and purpose.

ARTICLE 26

SYSTEM OF MAJORITIES AT GENERAL ASSEMBLIES

1. The General Assembly shall adopt its resolutions, as a general rule, by at least half plus one of the votes validly cast, not computing for such purposes blank votes or abstentions. Electoral resolutions, to designate the holders of office and substitutes of the governing bodies and others for designation purposes shall be decided by the highest number of votes cast.

In no event shall any casting vote exist.

2. A majority of two thirds of the votes present and represented shall be necessary in the following events:

a) To adopt resolutions on the adhesion to a cooperative group regulated by the Law, to exit such a group, to create a new cooperative group and, in general, any resolution adopted relating to the relationship with a Cooperative Group.

b) To amend these Bylaws

c) To approve the merger, transfer en bloc, spin off or dissolution of the Institution, unless it is due to a statutory event for which an ordinary majority will suffice for its validation by the General Assembly.

d) Transfer or assignment of the Institution, in whole or in part, through any procedure implying a material change to the equity, financial, organisational or functional structure of the Cooperative, assessed as provided for in Article 16.2.g) of these Bylaws.

e) To reactivate, as the case may be, the Institution.

f) To issue debentures or other securities, if so required by applicable legislation.

g) To resolve the revocation or early removal of the Governing Board or the Appeals Committee or any of their members, other than in event of flagrant criminal offence, very serious infringement confirmed by the Ministry of Economy and Competitiveness or in an event of compulsory immediate removal of the liable party.

h) Any other matter for which the provisions in force require such a majority.

SECTION TWO: ORDINARY GOVERNING BODY

ARTICLE 27 THE GOVERNING BOARD: NATURE AND POWERS

The Governing Board is the collegiate governing body responsible for the senior management, supervision of executives and representation of the COOPERATIVE, with the fullest powers to govern and manage the COOPERATIVE, on the terms of these Bylaws and legislation in force.

The Governing Board has powers to establish the general guidelines of action of the Institution, subject to the Law, to these Bylaws and to the policy established by the General Assembly. Its powers extend not only to the cases expressly contemplated by law and these Bylaws but also to all matters not reserved to the competence of other bodies by law or under the bylaws.

The Governing Board shall represent the COOPERATIVE legally in any actions, both in court and out of court, binding it with third parties under any acts and contracts of any kind and scope included, directly or indirectly, in the trade or business of the COOPERATIVE, and has competence to perform directly, or through the committees contemplated in these bylaws, or through attorneys in fact who it may designate, any actions seeking to achieve, prepare or facilitate the achievement of the corporate purpose, even if extraordinary or exceptional, subject to no limitation other than those expressly established by the Law.

ARTICLE 28 BOARD MEMBERS AND TERM IN OFFICE

1. The Governing Board of the COOPERATIVE shall consist of at least eight and no more than twelve members, including the Labour Board Member, as may be established from time to time by the General Assembly -which shall thus without need for amendment of the bylaws set the accurate number of members -, all of whom

other than the Labour Board Member shall be elected -from among the natural person members or from among the representatives of legal person members of the cooperative- by the General Assembly, in a secret ballot, by the highest number of votes cast. The candidatures submitted to the Assembly will designate directly the offices of Chairman, Vice-Chairman or Vice-Chairmen, Secretary and Vice-Secretary, Ordinary Board Members and Substitutes, without to the power vested in the governing board in the following section. The remaining member of the Governing Board shall be a worker of the Institution, under a permanent employment contract, who shall be elected to Ordinary Board Member by a special General Meeting of permanent workers, where more than one Workers' Committee exists in this Institution; otherwise, such member shall be elected by said Committee.

For the above purposes, the Governing Board shall consist, in any case, of one Chairman, one First Vice-Chairman and one second Vice-Chairman, one Secretary and the correlative Ordinary Board Members.

The General Assembly, simultaneously and subject to the same procedure as the election of members of the Governing Board, shall elect at least four and no more than six substitutes, as may be required from time to time, to fill any final vacancy that may arise during the term in office, which vacancies shall be filled by the substitutes who will access the Board in the order recorded in the candidature that the General Assembly voted for by majority.

2. The Governing Board members, including all offices and the workers' representative, shall be elected for a term of four years, all of their appointments to be simultaneously renewed, and may be re-elected.

The Governing Board, by a qualified majority in favour of two thirds of its members, even if this is not on record in the agenda of the meeting, shall have powers to remove and distribute the offices of Chairman, First Vice-Chairman, Second Vice-Chairman, Secretary and Managing Director, at any time, designating those persons from among the board members to hold said offices. Such decisions shall be reported at the first General Assembly held after they are adopted.

3. The candidatures shall be collective, contained in a closed list, recording the various offices to be elected; for such purpose, the respective candidates to Board Members in office -and their respective substitutes- submitted to election by the Assembly shall be recorded stating their name, surnames, Spanish identification documents and place of residence, adding, as the case may be, the name of the legal person member of the COOPERATIVE that they represent and, always, the statement recording that all of them meet the established requirements under applicable legislation, with seniority of at least 1 year, in addition to including their acceptance -signed- as persons aspiring to be candidates, other than in the events of merger with another Credit Cooperative, in which case the seniority acquired in the original Cooperative shall be computed.

The candidatures shall be submitted within the term in advance and through the procedure contemplated in the following section.

4. Candidatures may be proposed to elect or renew the Governing Board either by the Board itself, in which case it may propose a single candidature, which must be supported by the majority of its members, the Chairman to have the casting vote in the event of a tie, or by a number of members equal to half plus one of any of the minorities entitled to request an Extraordinary General Meeting to be called, or to three times the result of dividing the capital expressed in millions of euros, according to the last audited balance sheet, by the total number of board members. Each proposer may submit only one candidature.

At elections to access the Governing Board, which shall be appropriate due either to expiry of the term in office or to the express resolution of the General Assembly, adopted directly or by express resolution to such effect adopted by the majority of the Governing Board, establishing the commencement of the electoral process in any event and that may establish the time schedule for the process in compliance with this provision, the candidatures submitted shall be collective using the closed list system. The candidatures shall be submitted through a notice sent to the Governing Board of the Cooperative at its registered office. With regard to the term for submission it shall commence on the date of publication of the Notice of Call for the General Assembly and end 20 calendar days before the first of the Preparatory Meetings is held, if these are held on different days, stating and recording clearly the names and surnames, in addition to the taxpayer number and the member number of the various proposed candidates, recording also the offices of Chairman, Vice-Chairman or Vice-Chairmen in correlative order, Secretary and, if appropriate, Vice-Secretary, and the number of each ordinary board member, and the numbers of the substitutes, recording also the statement that all of them meet the requirements established in Spanish Act 13/1989 of 26 May on Credit Cooperatives and in Royal Decree 84/1993 of 22 January passing the Regulation implementing said Act, the acceptance to form part of the candidature, the commitment to accept the office, if elected, and the signatures of all the candidates. The candidature shall likewise include the identification and signature of the proposing members, with a photocopy of the identity document of said members attached.

The members proposing a candidature shall be identified by appearing before a public attesting officer or the Secretary of the Governing Board, submitting their original identity document and the photocopy to be attached to the candidature and signing before him the document in which the candidature is to be proposed.

Candidatures submitted after the term for submission has expired or that fail to meet the admission requirements established by law and under these Bylaws shall not be proclaimed. Events of non-proclamation of candidatures shall include, in addition to submission after expiry of the established term shall include, inter alia, those set out below:



To repeat names of candidates on the same list, not to record in the list the established number of candidates, existence of any event of incapacity or ineligibility or not to record the identification details established for the candidate or proposing members, or their signatures. The non-proclamation of candidatures shall be reported to the member promoting the candidature by the Governing Board at least five calendar days in advance of the date of the General Assembly.

In the events of death or supervening incapacity of candidates, the inclusion of new candidates may be requested, always at least 72 hours in advance of the date of the first preparatory meeting.

Upon expiry of the term for the submission of candidatures, the Governing Board shall draw up the final lists including each and every one of the proposed candidatures that meet all requirements under law and the bylaws and shall display them on the notice board of the registered office of the COOPERATIVE, at least 48 hours in advance of the date of the General Assembly.

Any claim that may be filed on the validity of the submitted candidatures shall be resolved by the General Assembly the Agenda whereof contemplates the election of offices, at the start of the meeting. In such event, the board members submitted for renewal or election shall be unable to decide on the validity of the candidatures.

The Cooperative shall print up the only valid ballot papers which shall record the proclaimed candidatures. Blank ballot papers will also be provided. All the ballot papers will be of the same size and will be prepared ensuring that they show no distinctive or other sign that could have adverse effects on the free vote of the members or the secret nature of the ballot.

Going on to discuss the item on the agenda of the General Assembly for the election of Governing Board members, the submitted candidatures will be read and the election will be held by secret ballot through any procedure that, in the opinion of the Chairman of the General Assembly -after hearing the Bureau- respects the secret nature of the meeting and permits the number of voters, in person or by proxy, and the number of votes cast to be clearly known, the candidature that obtained the highest number of votes to be elected.

The General Assembly, in compliance with the provisions of law and of these Bylaws, may from time to time establish the procedures and resolve any questions, within the limits strictly necessary, to permit the normal conduct of the electoral process.

The same procedure, as appropriately adapted in accordance with the governing body to be elected, shall apply for the election of the Appeals Committee of the Cooperative.

5. Only members of the COOPERATIVE who are natural persons or natural person representatives of legal person members -as specified in number 1 of this article- and who, in addition to meeting the statutorily established business and professional good repute requirements, and holding full member rights are not included in any of the events of prohibition or incompatibility by law or regulation -under the legislation contemplated in number 3 above, third paragraph-.

Full member rights shall mean that the eligible members are exercising their rights in the manner established in Article 9.2 and performing loyally their obligations under Article 10 of these Bylaws. In no event shall full member rights be held by persons who, directly or representing other persons or entities, hold due and outstanding debts of any kind with the COOPERATIVE or in the discharge of their duties fail to perform their obligations with the COOPERATIVE.

The business and professional good repute requirements will be deemed met by those persons whose personal career has been one of observance of commercial and other laws regulating economic activity and business life, in addition to good commercial, financial and banking practices. In any event, such good repute requirements shall be deemed lacking in those who, in Spain or abroad, have a criminal record for wilful crime, are disqualified from holding public offices or managerial or executive positions in financial institutions or are disqualified under Spanish Act 22/2003 of 9 July on Insolvencies, until the disqualification period established in the judgment classifying the insolvency has expired, in addition to undischarged bankrupt or insolvent persons under insolvency proceedings preceding the entry into force of said Act.

The business and professional good repute and clean criminal record requirements contemplated in Royal Decree 84/1993 are also applicable to the Labour Board Member.

Where the member is a legal person, either its legal representative, or the natural person who, under any relationship with it, may be designated and proposed for each election by that legal person, may be elected to Board Member. The elected person shall act as if he were the Board Member in his own name and will hold office for the entire term, unless he ceases to have the status he had in the legal person in question, in which event he shall also cease to hold office as Board Member.

In respect of those candidates who are employees of the COOPERATIVE at the date of their election, upon conclusion of the electoral procedure in which they are elected, and after they have accepted office as member of the Governing Board, shall have their employment relationship immediately suspended, without any legal requirement or process, thus taking an extended leave of absence for the time during which they hold office as Board Members. Once their term in office has ended for any reason, they will be reinstated in their previous situation as employees. Said rule shall never apply to the Employees' Board Member.

6. The Assembly of permanent workers shall also elect a substitute for the Employees' Board Member on the Governing Board.

**ARTICLE 29
CONSIDERATION, LIABILITY,
REMOVAL AND PRECAUTIONARY SUSPENSION**

1. The office of Governing Board member shall be remunerated, in compliance with applicable legislation, the general remuneration policies of the Cajamar Cooperative Group and the provisions of these Bylaws.

2. Without prejudice to the powers delegated to the Parent of the Cajamar Cooperative Group, the remuneration system of the Cooperative board members shall be subject to the following provisions:

2.a) The remuneration of the Governing Board members for holding said office shall consist of a fixed amount that, subject to the maximum remuneration established for the purpose, shall be distributed by the Governing Board as it may decide, taking into account the conditions of each board member, the functions and duties assigned to them by the Board and their belonging, as the case may be, to the Executive Committee and/or the Committees that may be organised from time to time, which may give rise to different remuneration for each one of them, the Board likewise to establish the payment terms and conditions of the allowance. In addition, post contractual non-compete clauses may be established to apply after the removal of a board member for a maximum term of two years each of said years to be remunerated in an amount equal to one year of their fixed remuneration.

The maximum annual amount established as stipulated in the above paragraph shall remain in effect until its amendment is decided, although the Governing Board may reduce the amount in the years in which it deems this advisable.

2.b) The remuneration of the board members shall also consist of the respective daily allowances for attendance to meetings, without prejudice to the refund of the duly justified expenses that they may incur to attend the Board meetings. The amount of the daily allowances for attendance shall also be included within the maximum annual amount of the remuneration of directors established for the purpose, and shall apply both to Board members and to the members of each of its bodies (Executive Committee, other Committees, as the case may be).

2.c) Board members having executive duties in the COOPERATIVE, regardless of the nature of their legal relationship with the COOPERATIVE, shall have the right to receive additional remuneration for discharging such functions, such remuneration to consist of: a fixed amount, adequate for the services and duties assumed, a supplementary variable amount, the incentive systems and the supplementary

corporate welfare benefits and other remuneration in kind that may be established in general with the Senior Management of the COOPERATIVE. If they are removed for any reason other than failure in their duties, they shall be entitled to compensation.

2.d) The General Assembly shall establish at the regular intervals required under legislation in force from time to time the maximum annual remuneration contemplated in the above sections, on the basis of the framework established for the Cajamar Cooperative Group by the Parent. In this regard, the General Assembly shall know the provisions contemplated in respect of the COOPERATIVE in the overall remuneration framework of the Cajamar Cooperative Group, adjusting its remuneration resolution and reporting the adopted decision to the Parent.

3. The Board Members shall be subject to the liability system applicable to directors of Companies, by imperative of applicable Law.

4. The waiver of the Board Members may be accepted by the Governing Board, and also by the General Assembly, even should the matter not be on the agenda.

The Governing Board members shall cease to hold office in the events established by law or regulation and where their election is due to the General Assembly they may be removed from office by a resolution adopted by the board with the majorities established by the provisions in force. In addition, the appointment of the Labour Board Member elected by the employees may be revoked, for fair cause, by a resolution adopted by the respective body representing the employees.

5. Without prejudice to the provisions of the above paragraph, in duly evidenced serious events, in defence of the Institution, to avoid damage to the institution or to interrupt that already commenced to be caused, the Governing Board is expressly empowered to resolve the precautionary suspension of duties of those Board Members who failed in the standards of loyalty, devotion and discretion required from persons holding such offices. This resolution, which shall be preceded by a report issued by the Appeals Committee, which shall be voted on by the board members not affected -after granting those affected a hearing- in a secret ballot with a majority of at least two thirds of the total board members, excluding those included in said serious event, who shall be deemed in conflict of interest. Account of all the above shall be rendered at the first General Assembly held for the appropriate purposes.

ARTICLE 30 OBLIGATIONS AND RIGHTS OF BOARD MEMBERS

1. The Board Members, in addition to performing, meeting special standards of care and diligence -for obvious reasons of exemplarity-, the obligations required from the base members of the group -corporate or labour- to which they belong, shall:

a) Discharge their duties in office with absolute loyalty, devotion and discretion, giving priority to the interests of the COOPERATIVE over their own personal or professional aspirations and the pretensions of any other person or entity.

b) Conduct themselves honourably at all times.

c) Not use their position in the entity to claim, propose, entice or achieve privileges for themselves, their family relatives or other persons or entities, whether or not they are member of the COOPERATIVE.

d) Report diligently to the Chairman, to the Managing Directors, if any, and to the General Management any facts or news of which they may become aware, provided that they may foreseeably influence the projects, programs, plans, corporate or business structure or progress of the Cooperative.

e) Not become included in any event of statutory incompatibility or prohibition under law, regulation or the bylaws or perpetrate, organise or promote, support or conceal actions or omissions punishable under banking legislation.

f) Attend, other than with fair case, without possibility of attending by proxy, any Board meetings to which they may be called and the General Assembly meetings, in addition to their respective Preparatory Meetings. In the latter two events, the Board Members may vote by proxy.

g) Submit proposals and suggestions whenever these may be feasible, duly founded and do not refer to settled matters, and review and assess, with due consideration and attention, any proposals or projects submitted by the Chairman, the Managing Directors, if any, the rest of the Board Members, other corporate bodies, the General Management and the base members.

h) Keep strictly secret the discussions or resolutions of the Governing Board unless such secrecy is inapplicable or unnecessary under a provision of law or by express resolution of the Chairman of the meeting, given the nature of the matters. Said confidentiality duty is permanent and shall thus remain in effect even after the Board Member ceases to hold office as such for any reason.

i) Object, requesting that the objection be placed on record in the minutes, eventual proposals that they may deem to contravene the imperative or prohibiting provisions of law or of the bylaws.

j) Promote or support initiatives seeking the best cooperative or economic training of the Board members and of the rest of the members of the cooperative, to ensure that the employees of the COOPERATIVE are better qualified or to improve or consolidate its good name, solvency and economic-social function.

k) Demand, where the relevance or importance of the matter render this advisable and regardless of the authors or promoters of the proposals, that these be submitted accompanied by the relevant technical, economic, financial, accounting,

financial, tax, labour or cooperative reports and reviews, depending on the content of such proposals.

l) Not resign, other than for fair cause which shall be assessed in the event of supervening sufficient grounds for the purpose, or because the Board Member considers that any imperative or prohibiting provision will be or has been contravened perpetrating a serious or very serious infringement, under legislation regulating the procedure and control of credit institutions relating to credit cooperatives.

ll) Exercise in good faith their rights and functions and, in particular, not to hinder, encumber or obstruct the conduct of the business with abusive, disproportionate or unreasonable requests, claims or projects, taking into account the content, purpose or reasons and circumstances of place, time, form, frequency or extension in which they are made.

m) Care for, very particularly, over the good name of the COOPERATIVE, answering appropriately, as a body or in individual statements agreed in advance with the Chairman, any unfounded, biased or prejudiced news, rumours or leaks that could damage the food name, prestige, solvency, seriousness or cooperative nature of the Institution, or the honourability or independence of any of its bodies or their members.

n) Abstain from voting when in conflict of interest.

ñ) Request the immediate opening of secret information where there is reasonable prima facie evidence of any infringement of law, regulation or bylaws on the part of any member, either a base member or member in office, or of senior officers or advisors of the COOPERATIVE.

o) Promote, lawfully, a Governing Board meeting to discuss particularly serious or urgent matters, including the removal of any Board Member or of other officers for their being included in any event of prohibition or incompatibility contemplated by law or regulation, or the provisional suspension from duties under these Bylaws.

p) Perform the rest of the obligations pertaining to the Board Member under the law, regulations or bylaws.

2. In addition to their rights -as members or, as the case may be, as permanent worker under the respective contracts made- the Board Members shall have the following legal powers:

a) To form part of the candidature for elections to the Governing Board or other bodies; in the latter event, they shall resign from office as Board Members in advance. The Labour Board Member may only be a candidate for re-election to the same position, provided that the board member remains fully bound by his permanent employment contract and continues not to be an employee in active service, under any contract, of any other undertaking.

b) To be called to General Assemblies and plenary meetings of the Board and, as the case may be, to the meetings of the Executive Committee.

c) To receive the information necessary to form a founded opinion before the relevant resolutions are submitted to ballot.

d) To speak and vote freely at the meetings they attend, obtaining protection from the chairman if required.

e) To demand that any affairs they deem relevant or that reflect their statement to abstain or vote against be recorded in the minutes.

f) To request -on justified grounds-, and obtain, a certificate of the minutes or adopted resolutions, which shall be delivered within the month following the approval of the minutes in question.

g) To report to the Chairman -and receive protection and defence of the chairman from and against- any fact or event that may compromise the impartiality, discretion and devotion with which the Board Member should hold office.

h) To obtain the accreditation, title or document evidencing Board Member status and display it where necessary in the COOPERATIVE or outside its context if so required to make the arrangements and perform the tasks or meet the commissions entrusted to them by the Board.

i) To receive timely compensation for the expenses incurred for holding office, provided that such expenses are justified and proportional to the volume and position of the Institution.

j) Not to be disturbed, coerced or pressured, in the discharge of their offices, by any other member of the COOPERATIVE, or by any natural or legal person, either if it is a member of the cooperative or if it intends to make or has made contracts, performed transactions or procured services of any kind with the COOPERATIVE.

k) To request and obtain protection from the Chairman, and through the Chairman from the COOPERATIVE, for the effective exercise of the aforementioned rights.

l) The rest of the rights arising from provisions in force, these Bylaws or resolutions of the General Assembly.

3. If the General Assembly resolves to designate any member to Ordinary Board Member or to a specific office, of an honorific nature, the person designated shall have the rights and be subject to the obligations established in numbers 1 and 2 of this article, unless they are necessarily linked to the power to vote, since persons designated to honorific office are lacking such power on the Board. In any case, the respective proposal shall be prepared by the Governing Board and raised for due decision to the General

Assembly; however, given the strictly singular nature of honorific appointments, the proposal may only be based on exceptional, and duly evidenced, circumstances of particular devotion to the COOPERATIVE, notable prestige and excellent cooperative career maintained over time. Persons appointed to an honorific office shall also be subject to the provisions of law and of the bylaws on conflict of interest but, in addition to the functions that the General Assembly may resolve to entrust to that office, they may attend the Preparatory Meetings and the General Meetings and the meetings of the Governing Board and of the Executive Committee, holding at all such meetings and any others to which they may be invited a prominent position given the ethical hierarchy and personal authority recognised to them in their appointment.

ARTICLE 31 CONFLICT OF INTEREST

1. It shall be deemed that the Board Members are in conflict of interest where:

a) They attempt to acquire obligations or agree non-cooperative transactions with themselves or their family relatives up to the second degree of kinship by blood or affinity, under Article 42.1 of Act 27/1999 on Cooperatives.

b) Ballots are to be held on corporate action for liability against the Board Members: to take action, reach settlement or waive action.

c) A decision is to be made on cooperative transactions or services for the benefit of a Board Member or one of his family relatives mentioned in paragraph a) above.

d) A resolution is to be adopted to create, suspend, amend, novate or extinguish obligations or rights of the Cooperative with entities in which the Board Member(s) or their aforementioned family members are employers, directors, senior officers, advisors or base members with a share in capital of 5 per cent or higher.

e) In any of the events contemplated in Article 29.5, or in other provisions, of these Bylaws.

f) In the rest of the events of conflict of interest contemplated in the Spanish Companies Act or any other applicable provision.

2. The resolutions contemplated in number 1 above shall be adopted by the bodies and meeting the requirements and safeguards established by applicable legislation and these Bylaws.

3. The event of conflict of interest, as regulated above, obliges the Board Member(s) in question to abstain from voting at any bodies that are to take a decision on the matter.

4. If a secret ballot is mandatory this shall not impede the qualifications and differences with respect to the adopted resolution from being recorded in the minutes once the ballot is held and the result is proclaimed.

5. Where ballots are to be held to renew the entire Governing Board, the following procedure shall apply:

a) Before discussing the agenda, the member present with the highest number of votes, and in the event of a tie the most junior member from among them, assisted by the Secretary or by the Vice-Secretary of the Governing Board, shall organise the Ballot Bureau, which shall not require secret ballot.

b) The positions to be elected for the Ballot Bureau are: Chairman, Secretary for minutes and assistant or reporting Secretary.

c) Those Delegates who are present and are not running the election to hold office on the Governing Board shall be eligible for the Ballot Bureau.

d) Those elected, once they have accepted their appointment at the act, shall immediately start to form part of the Ballot Bureau which will organise and manage the entire assembly meeting, including the electoral process.

The organisation and operation of the Ballot Bureau, regulated under this article, does not imply any transfer or delegation to the bureau of powers, competence and duties of the Governing Board, the Managing Directors, as the case may be, or the Appeals Committee.

ARTICLE 32 GOVERNING BOARD PROCEDURE

1. The Governing Board shall hold an ordinary meeting once per month and an extraordinary meeting whenever any matter exists that must be resolved before the next ordinary meeting.

Governing Board meetings shall be called by the Chairman, or by the person acting as such, on his own initiative or at the request of, at least, two Board Members or the General Management. If the request is not met within the term of ten days, the meeting may be called by the applicants, provided that, at least, one third of the Board adheres to the call, such third to be computed on the basis of the number of existing Board Members with full rights on the date on which the adhesion is signed.

2. The Chairman shall call Governing Board meetings, or give instructions for it to be called, in writing, or electronically, at least five days in advance of the meeting, recording in the notice of call the agenda, date, time and place of the meeting. In case of urgency, the advance term may be reduced, always with written record of the notice of call and the procedure used to call the Board Members, with the signature of the Chairman.

In the event of absence, incapacity or impossibility of the Chairman, Board meetings shall be called by the First Vice-Chairman.

No notice of call need be sent if all the Governing Board members were called at the previous meeting, stating the Agenda to be discussed.

The Governing Board shall be deemed validly assembled without need for advance notice of call, if all the members are present and accept that the meeting be held.

The Governing Board shall hold its meetings at the registered office unless otherwise stated in the notice of call.

In those cases in which this is necessary, the Governing Board may hold its meetings online, through digital procedures with real-time bidirectional sound and video communication, for which purpose the entity shall provide the means necessary, attesting the identity of the attendees, ensuring the security and content of the communications and warranting the procedure to exercise voting rights and protect the confidential nature of the votes, as the case may be. In such event, the Governing Board shall be deemed held at the registered office, regardless of the location of the Chairman.

The members of the General Management, the Legal Advisor and other technical staff of the Institution and other persons whose presence and contributions may be deemed of interest for the COOPERATIVE may be called to the meeting to attend without voting rights.

The Board shall be validly assembled where at least half plus one of its members are present in person, either electronically or on site. No Board member may attend by proxy.

3. Each Board Member shall have one vote, which may be cast online or on site depending on the type of meeting to be held, unless the Board Member in question is to abstain for being in conflict of interest or in an event of suspension. The Chairman shall have the casting vote in the event of a tie, in decisions on matters that do not require a qualified majority.

Resolutions shall be adopted by at least half plus one of the votes validly cast, other than in the events established by the Law, credit cooperatives regulation or in

these Bylaws. To resolve on the matters to be included on the agenda of the General Assembly, the vote in favour of one third of the members making up the Board will suffice.

Ballots shall be secret where so required by a provision of law or regulation or where so requested by at least one third of the Board Members present, and where they may give rise to the institution or conclusion, at first instance, of a disciplinary proceeding, and -unless otherwise agreed by the Board- where they precede the submission of proposals to the General Assembly that the General Assembly is also to resolve on in a secret ballot.

Regardless of the ballot system applied, the discussions and resolutions of the Governing Board shall be secret or confidential, save for a legal provision or decision of the chairman under these Bylaws against such secrecy. The breach of such secrecy duty shall be a very serious corporate or labour infringement, giving rise to removal and providing sufficient grounds to analyse any other liability of the infringing party.

4. The minutes of the meeting, signed by the Chairman and by the Secretary, shall record, in addition to the details of the notice of call, the list of attendees, duly separating, if appropriate, Board Members from attendees without voting rights, a summary of the discussions, the addressed that it has been requested be recorded in the minutes, the result of the ballots and the text of the resolutions.

ARTICLE 33

EXECUTIVE COMMITTEE AND MANAGING DIRECTORS

1. The Governing Board may designate from among its members, by a resolution in favour of two thirds of the Board Members, an Executive Committee formed by the Chairman, one or more Vice-Chairmen, the Secretary and a number of Ordinary Board Members to be defined by the Governing Board that designates the Committee. It may likewise appoint Managing Directors.

In any case, in addition to the business and professional good repute pertaining to all Board Members, two of said members and the Managing Board Members shall have adequate knowledge and experience to discharge their duties, within the meaning of the Credit Cooperatives Regulation.

2. The Executive Committee and the Managing Directors shall exercise the powers that, after a resolution adopted by the qualified majority contemplated in number 1 above and in compliance with legislation in force, may be delegated to them by the Governing Board, but permanent delegations of powers and the appointments of committee members shall not take effect until they have been registered at the Commercial Registry and the Registry of Cooperatives, after the members in question have been registered on the Register of senior officers of the Bank of Spain.

3. The Executive Committee shall hold a meeting at least once per month, at the place, on the date and at the time that it may establish, without need for any additional

notice of call or to process a closed agenda in advance. It shall be validly assembled where at least half plus one of its members are present in person and never by proxy at the meeting; in respect of the eventual presence of other persons, the procedure contemplated in Article 32.2, paragraph last but one, shall be applicable.

In events in which this is required, the Executive Committee may hold its meetings online, using digital real-time sound and video bi-directional communication media.

4. Resolutions shall be adopted by at least half plus one of the votes validly cast by the members present, either online or on site, the Chairman to have the casting vote in the event of a tie.

5. The Secretary shall draw up the minutes of each meeting, recording, at least, the details contemplated in Article 32.4, but with reference to the Executive Committee. The Minutes shall be approved at the same or the next meeting, shall be signed by all the members present and, once approved, shall be transcribed in the appropriate Minutes Book.

6. The Managing Directors may hold -with all due functional coordination and after the Governing Board has defined the territorial, material and economic scopes of their respective duties- any powers of the Governing Board other than those not apt for delegation by law or under the bylaws.

ARTICLE 34 OTHER DELEGATE BODIES

The Governing Board may resolve to create and provide Work Groups, Sub-Committees or Seminars to prepare, only if commissioned by the Board, reports, opinions, reviews and other activities or functions referred to certain matters that do not have the nature, of fall with the exclusive competence of, the intermediate tiers contemplated in Article 19 of Spanish Act 27/1999 on Cooperatives.

ARTICLE 35 POWERS CONFERRED BY THE GOVERNING BOARD

The Governing Board may confer powers of attorney upon any person, the specific powers to be exercised to be established in the relevant public deeds.

ARTICLE 36 CHAIRMAN OF THE GOVERNING BOARD



The Chairman of the Governing Board, who shall be the President of the COOPERATIVE, shall have the following powers:

- a) To chair, manage the discussions and order the debates at the meetings of the governing bodies of the COOPERATIVE, save for those of the Appeals Committee, and any informal meetings of cooperative members that may be held with the presence of the Chairman, save for founded waiver in the latter case.
- b) To represent the Institution legally, in court and out of court, with powers to delegate such representation, all the above in compliance with applicable legislation.
- c) To sign on behalf of the COOPERATIVE.
- d) To call meetings of any chaired bodies, other than those that need not be called or require a resolution to be adopted by a certain body.
- e) To execute the corporate resolutions and the decisions to be made by the chairman for due compliance with these Bylaws and other applicable provisions.
- f) To inspect the services of the COOPERATIVE.
- g) To countersign the duly drawn up minutes of the body meetings chaired.
- h) Any functions attributed to the chairman by law or under the bylaws or that may be entrusted with the chairman by the General Assembly, the Governing Board or the Executive Committee.

ARTICLE 37 VICE-CHAIRMAN OF THE BOARD

The Vice-Chairman shall substitute for the Chairman, where the Chairman is unable to perform his functions. If the Chair were left vacant, the Chairman's duties shall be assumed by the Vice-Chairman until the vacancy is filled through the procedure established by the Law and these Bylaws.

The Vice-Chairman shall also have such duties as may be expressly entrusted with him by the Governing Board or the Chairman.

If there are two vice-chairmen, each one of them shall be the First vice-Chairman and the Second vice-Chairman, respectively, discharging their duties as substitute for the Chairman in the established order, without prejudice to any duties that may be expressly entrusted to them by the Governing Board or the Chairman.

ARTICLE 38
THE SECRETARY

The Secretary of the Governing Board shall also be the Secretary of the Executive Committee and shall have the following functions:

- a) To keep -directly or through a duly authorised person- the Minutes Books of the General Assembly, of the Governing Board and of the Executive Committee.
- b) To keep -in either of the aforementioned manners- the Register of Members and other corporate documents.
- c) To draw up the minutes of the meetings of each of the governing bodies of which the Governing Board Secretary acts as secretary.
- d) To issue certificates on the corporate books, registers and documents of the Cooperative, countersigned by the Chairman.
- e) To manage the corporate correspondence.
- f) Any other functions attributed to the Secretary under provisions in force or these Bylaws.

Where the Secretary is unable to perform his functions, he shall be replaced by the Vice-Secretary, who shall be elected from among the Ordinary Board Members and, in the event of impossibility of that vice-secretary, an ordinary Board Member elected for such function by those present at the meeting shall act as secretary.

SECTION THREE
MANAGEMENT

ARTICLE 39
APPOINTMENT, POWERS AND REMOVAL AND MEMBERS OF
GENERAL MANAGEMENT

1. The General Management of the Institution (hereinafter, the Management) shall consist of one or more General Managers, their structure to be decided by the Governing Board within the limits established in this and related articles. If the General Management is entrusted to a single General Manager, the General Manager shall perform his functions personally and in compliance with the procedure established in the following paragraph and in any others implementing it. If the General Management is entrusted to two or more General Managers, the resolution of the Governing Board on the appointment shall include the scope or areas of action of each of the General

Managers and the manner in which each one of them will conduct the General Management, and may establish the procedure and rules for deliberation applicable to their actions.

In any case, the powers of the General Management, duly conferred under a public deed(s) of power of attorney, shall never exceed the ordinary business of the Institution, in accordance with the following basic scheme of duties:

a) To hold general powers of attorney of the undertaking, without affecting the powers not apt for delegation of the Governing Board.

b) To represent the institution on the terms of such powers of attorney.

c) To conduct the ordinary management of personnel and immediate supervision of the services, offices and facilities.

d) To decide transactions and make contracts, within the limits established in the conferred powers.

e) To request the Chairman of the Governing Board to call the board, proposing the matters to be discussed.

f) To adopt specific urgent economic-business decisions not exactly entrusted to him but which if delayed could cause serious economic damage, rendering immediately account to the Chairman.

g) To propose to the Chairman any organic or non-organic, economic or corporate measures the adoption whereof, by the person in question, is considered necessary by the Management for the benefit of the COOPERATIVE.

h) To report to the Chairman, to the Managing Directors, if appropriate, and to the rest of the bodies the business progress of the institution, as provided for in these Bylaws or agreed in the contract or in the public deed of powers of attorney.

i) The rest of the powers under the contract and the public deed of powers of attorney or these Bylaws or expressly conferred by the General Assembly.

The Management shall be designated, engaged and removed by the Governing Board. The removal shall be resolved with the vote in favour of at least half plus one of the votes of the Board and, on justified grounds, such as having reached the age of 65 or others contemplated by law or contract.

2. The member(s) of Management, in addition to the commercial and professional honourability required from the Board Members, shall meet the conditions of capacity, technical preparation and experience sufficient to perform their functions, shall perform them with the diligence of an orderly manager and loyal representative and shall be liable to the Institution, members and third parties, as established by the legal provisions on credit institutions and cooperatives.

3. The member(s) of Management may attend, with the right to speak but not to vote, the meetings of the Governing Board and of the Executive Committee to report on their management and make proposals and raise technical alternatives relating to the economic progress of the Institution. They shall also attend, with the right to speak but not to vote, any meetings of any other bodies as provided for in these Bylaws or to which they may be called.

**ARTICLE 40
OBLIGATIONS AND INCOMPATIBILITIES
OF THE MEMBERS OF GENERAL MANAGEMENT**

1. The member(s) of General Management shall be bound to the COOPERATIVE, on the terms of the Law and of the stipulated contract.

They shall submit to the Governing Board, on a quarterly basis at least, a report on the economic situation of the Institution and, within the term of three months after the financial year end, they shall submit to the board the draft annual accounts (annual report, balance sheet and profit and loss account) and the draft management report. They shall also report to the Governing Board Chairman without delay any matter that in their opinion requires a Board meeting to be called or that, given its relevance, should be known by the board.

The member(s) of Management, for the best operation of the services of the COOPERATIVE, may delegate – in part and not permanently- the execution of the functions entrusted to them to one or more attorneys in fact.

Under Article 19.3 of these Bylaws, the member(s) of Management shall attend General Assemblies with the right to speak but not to vote.

2. The members of Management, to ensure their credibility, independence and devotion, shall be subject to the following limitations:

A) The same prohibitions, incapacities and incompatibilities contemplated for members of the Governing Board in the provisions of law and regulation on Credit Cooperatives.

B) They shall be unable to hold the same or an equivalent office, of office as Board Member in any other credit institution, Cooperative of company, other than representing the COOPERATIVE.

C) Neither may they hold any other office in this Cooperative even if they are members of the Cooperative.

D) Lastly, the position of each of the members of Management shall be incompatible with a family relationship of up to the second degree of kinship by blood of affinity with the Board Members.

SECTION FOUR
DELEGATE COMMITTEES OF THE GOVERNING BOARD

ARTICLE 41
THE AUDIT COMMITTEE

The Governing Board may set up an Audit Committee, from among its members, of a voluntary nature, which, with independence in its activities and in compliance with a Regulation, shall perform audit and control functions in the specific areas of action of the COOPERATIVE, shall be formed by a number of members of the Governing Board to be established from time to time and shall report, as the case may be, to the Governing Board, on the matters within its competence, as may be established in the relevant Regulation.

ARTICLE 42
OTHER DELEGATE COMMITTEES

The Governing Board may set up other specialised Committees, from among its members, who shall be voluntary, which, with independence in its activities and in compliance with a Regulation, shall perform control functions over the areas of action of the COOPERATIVE, consisting of a number of members of the Governing Board to be established from time to time and reporting to the Governing Board on the matters within its competence, as may be established in the relevant Regulations. In any case, an Appointments and Remuneration Committee will be set up the resolutions of which shall by way of exception be executive.

SECTION FIVE
THE APPEALS BODY

ARTICLE 43
THE APPEALS COMMITTEE:
COMPOSITION, PROVISION AND TERM

1. This Cooperative shall have an Appeals Committee consisting of five members, one of whom shall be the Chairman another to be the Secretary; three substitutes shall also be elected.

2. All members of the cooperative with full rights and not involved in a disciplinary proceeding at the date of the elections shall be eligible provided also that they meet the

requirements of commercial and professional good repute established for the Board Members, whose prohibitions and incompatibilities -in addition to those contemplated in number 4 of this article- shall apply also to the members of the Appeals Committee. To elect the latter, the General Assembly shall especially value the corporate initiative, equanimity, corporate experience and repute in the community of the candidates, always for the sole purpose of selecting the most apt members.

The election of members of the Committee shall be organised using the closed lists system, similarly to the procedure established for the Governing Board and shall be decided by secret ballot, at the General Assembly, by the highest number of votes cast. The agenda shall record the matter duly separately and clearly.

3. The term in office on the Committee shall be, for all its members, four years with the possibility of re-election. If the term in office expires without new elections having been held, the Committee members shall continue to hold office until they are renewed and may request that a General Assembly be called for the purpose.

4. The status of Committee member is incompatible with any other elective office or with an employment relationship, either ordinary or special, with the Cooperative. Thus, the following persons may not be Committee members: Board Members, either in office or substitutes or members of the General Management of the institution, or other members who are simultaneously employees -of any ranking- of the Cooperative.

In addition, under Article 44.4 of Act 27/1999, the Committee members shall be subject to the events of abstention and challenge applicable to Judges.

ARTICLE 44 FUNCTIONS AND POWERS

1. The functions of the Committee are to process and resolve the following appeals:

A) Those lodged against sanctions imposed by the Governing Board on the members of the Cooperative.

B) Those lodged against the decisions of the Governing Board in events of voluntary resignation or compulsory exit of a member of the cooperative.

C) Appeals lodged against the resolutions of the Governing Board in respect of requests for information made by the members of the cooperative.

D) Claims on denials of admission to membership of the Cooperative decided by the Board, in respect of requests for admission made.

E) Claims against other decisions adopted at first instance by the Governing Board or its attorneys in fact, provided that such channels of appeal are expressly contemplated in Act 27/1999 on Cooperatives, or special regulation applicable to this institution given its corporate purpose.

2. In addition, the Appeals Committee shall contest in court the resolutions of the General Assembly that contravene the Law or the Bylaws; it may also act as co-claimant and contest null resolutions of the Governing Board or its voidable resolutions where the Committee members attended the General Assembly and their decision is supported by, at least, one Board Member present who records his vote against the adopted resolution and decides to contest it.

3. The functions of the Committee shall not be delegated to any other body.

4. The Committee may never give resolutions or decisions at first instance or assume functions of direct interpretation of the Bylaws or hinder in any manner or way the management of the institution, the promotion, guidance and development of which fall within the competence of the Governing Board, under applicable legislation.

ARTICLE 45

ACCESS TO AND FUNCTIONING OF THE COMMITTEE

1. Any cooperative member or potential member affected directly by a decision of the Governing Board, which may be appealed before the Appeals Committee, may file the claim before said committee, provided that the claim is filed within the term established by law or the Bylaws from time to time or, failing a provision, before twenty days have elapsed from the day after the notification of the board resolution in question.

2. Those members who, before two years have elapsed from the first unfavourable committee decision, have had three new appeals on similar matters dismissed by the Committee, and those others whose claim is obviously unfounded in the opinion of said body shall be deemed reckless claimants. Recklessness in a claimant is classified as a serious offence under Article 11, 1.2.f) of these Bylaws.

3. The Appeals Committee may deliberate validly provided that it is attended by at least half plus one -computed downwards – of its members, whose eventual unjustified absences shall be deemed a serious offence from the second time, that second time included.

The Appeals Committee may hold meetings online, using electronic real-time sound and video bidirectional transmission media.

The Appeals Committee shall assemble with the frequency necessary for its work burden within the terms established by law or under the bylaws.

The resolutions of the Committee shall be adopted by a simple majority of members present, without possibility of voting by proxy; where the resolutions refer to disciplinary matters, they shall be adopted by secret ballot without a casting vote pursuant to Article 44.4 of Spanish Act 27/1999.

In the event of a tie, first of all, to correct any possible error, the ballot will be repeated; should the tie continue, the Chairman shall have the casting vote to resolve the tie other than in the events mentioned at the end of the paragraph above.

The minutes of each Committee meeting, signed by the Secretary and by the Chairman, shall record, in addition to the identification details of the meeting and of the attendees, the full text of the resolutions and shall be transcribed in the minutes book of this body.

4. Committee members in any of the events of abstention and challenge of the Judges, which shall be applicable to them, shall be unable to participate in the processing and resolution of the appeals.

5. Given the relevance under Law of the resolutions of the Appeals Committee, the meetings of this committee shall necessarily be attended by the Legal Advisor of the Cooperative or any other of its Legal Consultants, who shall report on the correction of the proposals that may be made, from the standpoint of law and of the bylaws. In addition, the Committee may request the Management of the Cooperative for assistance from its members or experts in any other areas.

ARTICLE 46

ECONOMIC SYSTEM AND LIABILITY

1. The provisions of these Bylaws on the remuneration and expenses of the Ordinary Members of the Governing Board of the Cooperative shall apply to the members of the Appeal Committee.

2. The Committee members shall be liable for their actions in the same manner as is provided for Board Members.

ARTICLE 47

SECONDARY REGULATION

For any matter not provided for in the above articles on the Appeals Committee, whose resolutions shall be immediately enforceable and final as an expression of the corporate will, the provisions of Article 44 of Spanish Act 27/1999 on Cooperatives and other applicable legislation -and of these Bylaws – for the Governing Meeting shall apply, to the extent applicable, in addition to the internal regulation that may be passed by the General Assembly.

ARTICLE 48 THE LEGAL ADVISOR OF THE GOVERNING BOARD

Under Spanish Act 39/1975 of 31 October and Royal Decree 2288/1977 of 5 August, since the Cooperative is a Credit cooperative subject to supervision, the Cooperative, by resolution of the Governing Board shall designate a Legal Advisor, a function that may be performed by the Secretary or by the Vice-Secretary of the Governing Board if they meet the requirements established in said provisions, or by the Manager of the Legal Department of the Cooperative, or by the Lawyer that the Governing Board may establish meets the legal requirements to perform said function.

The Lawyer shall sign, together with the Chairman and the Secretary, the respective minutes and certificates of the minutes in the case of resolutions subject to registration with the public registries, issuing an opinion on whether such resolutions as may be adopted by the General Assembly, by the Governing Board, by any of the delegate Committees of the latter, that may be apt for registration with any public registry, conform to law, both if the Lawyer was present at the meetings in question and otherwise.

The Lawyer, after obtaining consent from the Governing Board, may in turn delegate his duties to other Lawyers members of the Legal Department of the Cooperative for all meetings to be attended by a Legal Advisor.

CHAPTER III ECONOMIC SYSTEM

ARTICLE 49 CAPITAL: MINIMUM THRESHOLD, COMPOSITION, DISTRIBUTION AND REMUNERATION

1. The capital of the COOPERATIVE is established at a minimum amount of twenty-five million euros, fully subscribed for and paid up, consisting of contributions to capital, all of them having the same features and legal nature, meeting the requirements of remuneration, duration and refund contemplated in the Regulation for Credit Cooperatives and prudential legislation on the solvency of credit institutions. All of them will be evidenced by the relevant vouchers which shall contain the statements to be established by the Governing Board and shall never be deemed securities. The par

value of each instrument shall be sixty-one euros, without prejudice to the possibility of issuing instruments representing more than one contribution.

Contributions shall be made in legal tender.

The total amount of the contributions held or controlled, directly or indirectly by each member, may never exceed the limits established from time to time by applicable legislation in force.

2. The contributions of the members to capital may generate interest on the terms set out below, such remuneration to conform in any event to the requirements and limits established by legislation in force applicable from time to time. With regard to the capital contributions, the Annual General Assembly shall establish each year the interest applicable to them, in addition to the framework and extension of the remuneration, and it may delegate the execution of the resolution to the Governing Board subject to the limits and on the terms it may deem advisable.

The Governing Board may resolve the payment of interest on account, provided that such payment does not impede the persistence of the interim profits used as a basis for such payments on account and, in any case, these are not exceeded, after taking into account the capitalisation needs of the Cooperative arising from its members' equity. The payment of interest, on account or final, shall be subject to the existence of sufficient net profit to pay it, save for authorisation from the Bank of Spain to be met charged to freely available reserves, and to the rest of the conditions in force for the computation as capital and as members' equity of the contributions generating the interest.

3. All contributions shall be subject, where appropriate given their relevance, to the legal procedure for significant holdings in the capital of credit institution. In any case, the all capital contributions shall have the same consideration and shall confer on their holders the same rights and attribute to them the same obligations, no distinction to exist between them in any event of liquidation.

4. Each natural person member of the cooperative shall subscribe for, at least, one capital contribution instrument with a par value of sixty-one euros. Legal person and similar members of the cooperative shall subscribe for, at least, five times the aforementioned par value. In addition, with the favourable qualification of the Governing Board and meeting the requirements that it may establish from time to time, the members may subscribe for capital contributions in excess of the aforementioned minimum, which contributions shall have the same consideration, legal nature and features as that initially subscribed for to acquire member status. In addition, the General Assembly and, as the case may be, the Governing Board may resolve any issue of capital contributions permitted by legislation in force, which contributions shall necessarily be paid up at the time of their subscription and may generate interest at the rate that may be annually resolved by the Annual General Assembly, within the limits



and meeting the requirements established by legislation in force. Likewise, the General Assembly may resolve, with the vote in favour of two thirds of the members present in person or by proxy, the requirement of new capital contributions or to increase those in existence.

5. Payment shall be made in full at the time of the subscription.

**ARTICLE 50
FINANCING NOT INCLUDED IN
CAPITAL**

1. The General Assembly may establish admission and/or regular fees, which shall not be included in capital or be refundable. Such fees may differ depending on the various classes of members, their nature or the commitment to or potential use of the cooperative activity, as provided for by the Law.

The amount of the admission fees payable by the new members may never exceed 25% of the respective contributions that they are to make to enter the Cooperative.

2. The General Assembly may resolve the admission of voluntary financing by the members, through any legal procedure and subject to the term and conditions established in the resolution in question. Other than in the case of permanent especial holdings, they shall not be included in the capital of the cooperative.

**ARTICLE 51
ISSUE OF DEBENTURES AND OTHER FINANCING
FORMULAS**

The COOPERATIVE, after a resolution of its General Assembly and meeting all requirements established by law from time to time, may issue debentures and participating instruments, in addition to any other form of borrowing, not included in capital, using any legal procedure, unless such procedure is expressly prohibited. The issue procedure shall conform to legislation in force.

In addition, after a resolution of the Governing Board, under Article 53.2 of Act 27/1999 on Cooperatives, the COOPERATIVE may collect subordinate funding, under any instrument, specifically by issuing debentures and participating instrument, and any other form of borrowing, not included in the capital.

**ARTICLE 52
TRANSFER OF CONTRIBUTIONS**

1. Capital contributions may only be transferred, through inter vivos acts, to other members and to those acquiring such status within three months after the transaction which, in such event, shall be subject to said requirement.

Such transfers of contributions shall not be effective:

a) Unless and until they have been reported to the Governing Board or to its Executive Committee to be recorded in the register of Capital Contributions. Failure by the transferor member to report the event within the term of ten days after the transfer shall be a serious offence.

b) To the extent that they affect the minimum contribution of the transferor member, unless such members requests to exit the cooperative in a timely manner and with the required formalities.

c) To the extent in excess of the legal limits on the capital contributions of members, on accruing to those held by the transferee member. In such event, the voting rights of the member in question shall be suspended and an informative proceeding will be instituted to verify the corporate liability of that member and of the transferor.

2. In events of mortis causa transfers, the successor may request, within the term of six months after the death admission as a member if the successor meets the objective requirements for the purpose established in these Bylaws. The transferred contributions shall be computed in the contributions to be made by the new member, who shall not be liable for payment of admission fees.

If the successor does not request to be admitted as a member, or should the application be denied, the successor shall be entitled to the settlement of the capital contribution of the deceased member, which settlement shall be made within the maximum term of one year, computed from the date of death. In the case of more than one successors, the COOPERATIVE may request that the right to apply for membership be exercised by only one or by several successors, with the express consent of the rest and, failing an agreement, the settlement contemplated in the above section shall be applicable. In addition, the COOPERATIVE may offer admission as members to all the successors, in which case the contribution of the deceased member shall be distributed among them pro rate, in the proportion established by law, creating such contributions as successors will be admitted as members; in such event, they shall have to be completed if all or only some of them were below the minimum contribution established in these Bylaws.

ARTICLE 53 FINANCIAL YEAR, AUDIT AND DEPOSIT OF ACCOUNTS

1. The financial year shall coincide with the calendar year.

The Governing Board undertakes to prepare, within the maximum term of three months computed from the financial year end, the balance sheet, the profit and loss account, the annual report, the management report and the proposal for distribution of excesses or attribution of losses.

The balance sheet, the profit and loss account and the annual report and the management report shall be worded in a manner such that on reading them an accurate picture will be conveyed of the financial position of the Institution, of the economic results of the year and of the evolution of the business activity of the COOPERATIVE, conforming the rules, guidelines and standards established by legislation applicable to credit cooperatives.

2. The annual accounts shall be subject to external audit, to be conducted by the persons and meeting the requirements established by the Spanish Audit Act and implementing Regulation, the General Assembly to have competence for the ordinary designation of the auditors before the end of the year to be audited.

3. The submission and deposit of such accounts shall conform to the procedure established in Article 365, and related articles, of the Commercial Registry Regulation.

ARTICLE 54

ACCOUNTS

The COOPERATIVE shall keep its accounts in compliance with the legislation established for credit institutions and, particularly, for Credit Cooperatives.

ARTICLE 55

CALCULATION AND ALLOCATION OF PROFIT OR LOSS

1. The balance of the profit and loss account shall be calculated in accordance with the policies and methods applicable by other credit institutions, including the results of the transactions with third parties and capital gains or atypical gains of any kind, no remuneration to members for their capital contributions to be considered operating costs or expenses of the Company pursuant to Spanish Act 13/1989 and its implementing Regulation. All the above shall be without prejudice to the provisions of Spanish Act 20/1990 on the Tax Regime for Cooperatives, in respect of the result of those transactions and the deductibility of the interest on the capital contributions conforming to cooperative legislation, including said Regulation. The amount of the assets delivered by the members for the cooperative management and the remuneration on financial investments, excluding capital contributions, contemplated in Spanish Act 27/1999, Article 57.2, shall also be a deductible expense.

2. The balance of the debit side of the profit and loss account, calculated as established in number 1 above, after setting off, if appropriate, any previous losses that could not be covered with members' equity, shall be the net excess of the financial year. Such excess, after deducting due taxes and interest on paid capital, meeting the

requirements of accrual and observing the limits established in said Regulation, shall be the available excess.

3. Such available excess, after performance of any obligations that may eventually arise from the compulsory capital hedging or from the solvency ratio, respecting in any case the minimum allocations and provisions contemplated by applicable legislation, shall be distributed as set out below:

a) The amount of non-cooperative revenues shall be allocated in full to the Compulsory Reserve Fund.

b) At least 10 per cent of the available excess shall be allocated to the Education and Promotion Fund.

c) In addition, the part of the cooperative revenues necessary to reach, jointly with the aforementioned non-cooperative revenues, at least 20 per cent of the available excess shall be allocated to the Compulsory Reserve Fund.

d) The remainder of the available surplus after the distribution contemplated in the above paragraphs shall be allocated at the free discretion of the General Assembly to Voluntary Reserve Funds or similar distributable funds, or to increase the amount allocated to the Education and Promotion Fund, or to both of them, in the proportion also to be approved by the General Assembly.

4. The uses and allocations of the last percentage above mentioned shall be resolved by the General Assembly at the proposal of the Governing Board.

In the event that the eventual remuneration on capital were to be paid through a procedure other than the payment of interest established in these Bylaws, the General Assembly shall establish the terms of such remuneration in compliance with applicable legislation.

ARTICLE 56 COMPULSORY RESERVE FUND

The COOPERATIVE remains obliged to have created a Compulsory Reserve Fund, to be allocated to the consolidation, development and security of the Institution, not distributable among the members and to be provided as set out below:

a) In a percentage equal at least to twenty per cent of the available surplus of each financial year, on a compulsory basis, after covering the losses of previous years, if any, and taking into account the procedure established in Article 57.3. a) and c).

b) With the deductions on the capital contributions, to apply in events of exist of members without fair cause, as established in these Bylaws.

- c) With the admission fees that may have been established by the General Assembly.
- d) With the respective percentage of the result of the balance sheet regularisation, as established by applicable legislation from time to time.
- e) With the result of the transactions arising from the inter-cooperative agreements contemplated in Article 79.3 of Spanish Act 27/1999.

ARTICLE 57
EDUCATION AND PROMOTION FUND

1. The Education and Promotion Fund shall be allocated to:

a) The training and education of the members and employees of the COOPERATIVE on cooperative principles and values, or other matters or activities contemplated in Article 56.1.a) of Spanish Act 27/1999, and the dissemination of the features of cooperative activities in the social and rural spheres, and other cooperative socio-cultural actions for the benefit of its members and of the environment in which it performs its activity.

b) The promotion of actions and relations to disseminate cooperative action, inter-cooperation and the integration of cooperatives.

c) The promotion of cultural, professional and welfare actions of the local surrounding or of the community in general, preferentially through the respective associations, corporations and representative public entities; also, the improvement of the quality of living and community development and environmental protection actions.

2. The Governing Board shall be responsible for proposing to the General Assembly the basic guidelines for the allocation of this Fund, always at the ultimate service of the human communities where the COOPERATIVE is set up and with a sense of community function and social utility or interest, respecting the current technical, professional and agricultural promotion and experimenting activities currently performed by the Institution.

The provisions of these bylaws shall expressly include any especial cooperations and actions with such Foundations as may be related from time to time to the Cooperative, and those Entities that are particularly qualified such as Universities, Authorities, etc., that perform actions for the benefit or a relevant set of beneficiaries.

3. The following amounts shall be allocated to said Fund:

A) Ten per cent, at least, of the available surplus of each financial year.

B) Any economic sanction imposed, in disciplinary proceedings, by the Institution on its members.

C) The aid, donations and any assistance received from the member or from third parties to achieve the purposes of this Fund.

With regard to the extent of the non-attachable nature of the assets that may have been allocated to this Education and Promotion Fund, the allocation of any revenue on their investments, and the tax deductibility conditions of the provisions funding it, the Credit Cooperatives Act shall apply relating to the applicable prudential or tax legislation.

ARTICLE 58 OFFSET OF LOSSES

1. Losses shall be offset, after a General Assembly at the proposal of the Governing Board, charged either to members' equity of the COOPERATIVE, as established below, or to the profits of the three financial years after the losses appeared, or to the profit of the period applicable from time to time under accounting legislation.

2. To offset the losses against members' equity, the losses shall be attributed subject to the following procedure:

a) All losses may be attributed to the Compulsory Reserve Fund.

b) If Voluntary Reserve Funds exist, the term to include the former Fund for Insolvency Risks, the percentage to be established by the General Assembly may be charged to them, after authorisation obtained from the Bank of Spain.

c) The resulting difference, if any, shall be attributed to the part of the Education and Promotion Fund realised in real estate provided that the rest of the requirements of prudential legislation on solvency, and to the members by reducing all contributions proportionally.

CHAPTER IV DISSOLUTION, WINDING UP AND EXTINGUISHMENT

ARTICLE 59 DISSOLUTION

The following shall be events of dissolution of the COOPERATIVE:

- 1 Conclusion of the enterprise making up its corporate purpose.**
- 2 Obvious impossibility to perform the cooperative activity.**
- 3 Deadlock of the governing bodies for two years, without fair cause, impeding their operation.**
- 4 Cessation of the cooperative activity for the same period and in the same circumstances contemplated in the above paragraph.**
- 5 Reduction of the number of members below the minimum threshold established by the Law.**
- 6 Reduction of capital to an amount below the minimum compulsory capital established by the Credit cooperatives regulation not restored within the term of one year established by said regulation or breaching the scheme for restoration of capital approved by the Bank of Spain. In addition, the reduction of members' equity, unless it is restored as provided for above, where it remains for over one year below the compulsory minimum capital mentioned above.**
- 7 Merger, unless the COOPERATIVE is the surviving company, and spin off.**
- 8 Insolvency proceeding ending in winding up.**
- 9 A resolution of the General Assembly adopted by the statutorily established majority of two thirds of the member present in person and by proxy.**
- 10 In any other event established by the provisions applicable to Credit Cooperatives and, in particularly, in the events contemplated in Article 6 of these Bylaws, for exceptional cases of resolution and delegation of special powers to the Parent of the Group contemplated therein.**

**ARTICLE 60
WINDING UP**

- 1. Once the legal formalities for the dissolution of the Institution have been performed, the winding up period will commence, other than in events of merger or spin off or any other transfer en bloc of assets and liabilities.**
- 2. The General Assembly shall appoint three liquidator members from among members who were not in office on the last Governing Board, in a secret ballot, for them to perform any outstanding transactions and any new ones necessary to wind up the Cooperative, and any others contemplated by law, conforming in its action to the legal provisions in force.**

3. The assets shall be awarded in the following order:

A) No assets may be awarded or distributed until all the debts of the cooperative have been paid or deposited and payment of any claims not yet due has been secured.

B) Upon the satisfaction of said debts, the balance of the assets, without prejudice to the subordinate financing as agreed, shall be awarded in the following order:

a) The amount of the Education and Promotion Fund (EPF) shall be made available to the federative entity to which the cooperative is adhered. If it is not adhered to any one, the General Assembly may designate the federative entity to which it is to be allocated.

In the absence of such designation, the amount shall be paid to the State Confederation of Cooperatives of the same class as the COOPERATIVE and, in the absence of such Confederation, it shall be paid to the Public Treasury to be allocated to create a Fund for the Promotion of Cooperatives.

Notwithstanding the above, under special provisions on Credit Cooperatives, the provisions of the above two paragraphs shall not apply to the part of the EPF realised in real estate that, for meeting the rest of the statutory requirements to be members' equity, is subject to loss hedging.

b) The amount of the capital contributions evidenced, once the profits or losses of previous years have been paid or deducted, updated, if appropriate, shall be refunded to the members.

c) The share of the members in the voluntary reserve funds -including the fund for insolvency risks- that are distributable under the bylaws or by a resolution of the General Assembly shall be refunded to the members, distributing them among the members not in default proportionally to the average deposit-taking transactions with such members in the past five years.

d) Any net excess assets, if any, shall be made available to the Cooperative or federative entity that may be designated by a resolution of the General Assembly. In the absence of such designation, the amount shall be paid to the Confederation mentioned in section a) and, in the absence of such a Confederation, it shall be paid to the Public treasury to be allocated to create the promotional Fund contemplated in the same section.

If the designated entity were a Cooperative or Association, the regulation contained in Article 75.2, paragraph last but one, of Spanish Act 27/1999 shall apply.

As regards the especial economic right of the members intending to enter other Cooperatives, the provisions of the last paragraph of the aforementioned legal provision shall apply.

This article shall not apply in events of winding up due to the rules for the resolution of financial institutions which shall be governed by the specific banking legislation in force from time to time, all the above in compliance with the rules and instructions given by the authorities responsible for the resolution of financial institutions, within the single European resolution framework.

ARTICLE 61 EXTINGUISH MENT

After the winding up formalities have been completed, the liquidators shall execute a public deed of extinguishment, complying with the provisions of the Law. Such public deed shall have attached the final liquidation balance sheet, the project for the distribution of assets and the certificate of the resolution of the General Assembly. In addition, the liquidators shall request the Commercial Registry and the Cooperatives Registry to cancel the entries relating to the Institution and deposit at the Cooperatives Registry the books and documents of the Cooperative, for them to be kept for six years. All the above in compliance with applicable legislation.

This article shall not apply in events of extinguishment arising from provisions for the resolution of financial institutions, which shall be governed by the specific banking legislation in force from time to time, all the above in compliance with the standards and instructions to be given by the authorities responsible for the resolution of financial institutions within the framework of the European single resolution mechanism.

SUPPLEMENTARY PROVISIONS

ADDITIONAL PROVISION ONE

The system of substitutions, both occasional and irreversible, between the various offices on the Governing Board, to the extent that no electoral process is necessary under law or the bylaws, shall be as follows: the Chairman shall be substituted for by the First Vice-Chairman and, in the absence of the latter, by the rest of Vice-Chairmen in correlative order, or provisionally, the Board Member elected from those remaining. In the absence of such Board Member elected from among those remaining, the Chairman shall be substituted for by the next Ordinary Board Member listed from among those remaining in the first term in the candidature and so on successively, in the order in which they are listed, the Ordinary Board Members of the candidature in question (as mentioned as Ordinary Board Member 1, 2 and so on successively); the Secretary shall be substituted for by the Vice-Secretary, and the Vice-secretary shall be substituted for by the Labour Board Member elected for such function by the attendees at

the meeting; the Board Member representing the workers may only be substituted for by the substitute elected by the workers. The rest of the offices, and events not expressly contemplated, shall be substituted for and resolved -respectively- in the manner and order to be resolved by the Board itself, in compliance with these Bylaws. The substitutes shall act to the extent necessary to complete the composition of the Board.

ADDITIONAL PROVISION TWO

The Governing Board of the COOPERATIVE is expressly empowered to rectify, clarify or complete these Bylaws to the extent essential to comply with decisions or instructions of the responsible Bodies and authorities, and to enable any of its members to execute any necessary public deeds and documents.

ADDITIONAL PROVISION THREE

Without prejudice to the fact that non-business days should not be rejected in any eventual action before the Courts, the terms established in these Bylaws shall be governed by the Spanish Civil Code; thus, terms established by days shall be understood to refer to all of them, not excluding public holidays, and those established by months or years shall be computed date to date. If no date equal to the initial date of computation were to exist in the month of expiry, the term shall be deemed to expire on the last day of the month.

ADDITIONAL PROVISION FOUR

1. Dormant members shall be those who, for at least two months, fail to perform or delay the performance of any of their ordinary and main obligations of activity and cooperation with the COOPERATIVE contemplated in Article 10. D), g), h) and i), of these Bylaws.

Dormant members shall have their voting-corporate rights contemplated in Article 9.1.a), b) and j), and their economic rights contemplated in d) and e) thereof preventively restricted for two months after notification of the demand sent by the Governing Board for them to recommence their cooperative activity fully and loyally, unless, before such term has expired, they return to their full cooperating activity. In the event of such regularisation, all rights for which this is feasible shall be activated with backdated effects.

2. Upon the expiry of one quarter from the first breach, without the member meeting the demand, the member shall be deemed dormant in contempt and, once the fourth month has elapsed from the breach, if the breach persists, the Governing Board -after reviewing the existing circumstances- will send a new demand to the member in question,

repeating the need for that member to perform immediately his commitments with the COOPERATIVE and warning that, should the member fail to meet this second demand, within the term of ten days, one of the following two consequences shall arise, depending on the circumstances of the case: a) institution of a disciplinary proceeding for expulsion; or b) non-disciplinary and contractual termination of the cooperative relationship, the member to forfeit member status immediately and to be deregistered as such, for all purposes, on the Books and registers of the Cooperative.

Where it is appropriate to decide, in respect of the dormant member in contempt, the institution of a disciplinary proceeding for expulsion, the notice shall be served by the designated Examiner, who shall advise the member that the term granted for a hearing in that proceeding will be open for ten days after the notice.

3. The above provisions shall be deemed without prejudice to the COOPERATIVE exercising and enforcing, in respect of the former member, any rights and remedies to which it may be entitled under the Law, these Bylaws and the contracts made with the former member.

The demands mentioned in the above numbers shall be sent to the dormant members by registered mail return receipt requested.

4. In events in which, applying legislation for the prevention of money laundering and terrorist financing, instructions of public or court bodies or instances of similar features, of occurrence of freeze, cancellation of similar measures of the positions, contracts and relationships with members, the procedure of the above sections of this Additional Provision shall apply, taking into consideration the following particularities:

a) The situation of supervening dormancy, and its declaration by the Governing Board, shall not prejudice the qualification of the exit and will instead attest the event de facto generated.

b) The first demand of the Governing Board, having the nature of a mere notice for the Member, voluntarily, to reimburse the contributions and cease to hold member status, may be made after the date on which the cancellation, freeze or application of the decision, order, court settlement or judgment becomes effective.

c) Upon expiry of the term of two months without the notice of the Governing Board having been met, a new notice may be served which shall give rise within the term of one month to the non-disciplinary and contractual termination of the cooperative relationship, the member to forfeit immediately such status and to be deregistered from the Books and Registries of the Cooperative.

d) The declaration of supervening dormancy, after it has been notified, shall have the same effects as those contemplated in section 1, second paragraph, of this Additional Provision Four.

ADDITIONAL PROVISION FIVE

In the event that at the time when an Annual or Extraordinary General Meeting is called any cooperative member exists with voting rights at that Assembly holding, at the date designated by the Governing Board as the reference for these purposes which shall not exceed the sixty days before the first day of the month in which the Governing Board decides to call the Assembly, capital contributions that at that date represent at least 10% of the capital of the cooperative, the rules of the bylaws regulating the right to attend of the members, the preparatory general meetings, the voting rights, the adoption of resolutions and other provisions of the bylaws that may be affected, shall be rendered null and void and shall be replaced by the rules contained in this additional provision regulating plural votes proportional to the capital held by each member. Thus:

1 Attendance.- Only the following persons shall be entitled to attend General Assemblies:

A) The Delegates -in office or substitutes – elected at each Preparatory Meeting and duly accredited by the certificate of the minutes of the Meeting in question, signed by the Chairman and by the Secretary of that meeting. The elected Delegate(s) shall attend the General Assembly with the right to vote of the Preparatory Meeting of origin in relation to the total capital of the entity at the reference date established by the Governing Board, except for the rights to capital held by members adhered to the Preparatory Meeting who expressed, in a notice sent to the Governing Board up to 5 days before the Meeting is held, their intention not to be represented by the elected delegate(s). if more than one delegate is elected, each one of them shall have 50% of the total voting rights of the Preparatory Meeting at which they were elected. The limitation contemplated in Article 24.1, fourth paragraph, of the Bylaws shall not apply neither shall the extension of the term in office of the delegates contemplated in Article 24.3 thereof be applicable.

B) Persons holding any office in the COOPERATIVE, i.e., the members of the Governing Board, of the Appeals Committee and the members of the rest of the bodies that the Assembly may have resolved to create. Each one of them shall have as many votes as may correspond to the capital held by that person, plus those votes that each one of them may represent subject to the following rules.

C) Members holding at least 10% of the capital of the cooperative at the reference date established by the Governing Board.

Persons having the right to attend the General Assembly shall be unable to cease to be members from the capital reference date established by the Governing Board to the date established for the Assembly in question to be held and, in the case of members holding at least 10% of the capital, they shall not have transferred capital in an amount reducing their holding to below the aforementioned percentage and, should they do so, they shall forfeit the right of direct access to the General Assembly.

Under the above rules, the General Assembly will be attended by the sum of the percentage of voting rights of all the Preparatory Meetings plus those of the members with the right to direct attendance under section c) above.

2 Proxies

Any member may be represented at the Preparatory Meeting by any other member adhered to the same meeting, who shall exercise by proxy the votes of the constituent, subject to the following limitations:

- a) Proxies shall be appointed in writing, before the date of the Preparatory Meeting, and after the notice of call for the General Assembly is published.
- b) Proxies shall always be nominative and revocable.
- c) No member may receive votes by proxy that, added to his own, exceed the voting limits established in these Bylaws and in legislation in force from time to time.

Votes may only be delegated for a particular Preparatory Meeting accompanying the document that evidences the proxy at the Preparatory Meeting in question, which shall necessarily include its full agenda, the suitability of which document will be appropriately verified.

Members sanctioned or who are in conflict of interest in respect of the decision to be voted on may never be represented by another member.

Members holding office in the cooperative, who will access the General Assembly directly, may only be represented at the assembly by other members also holding office in the cooperative. Delegates may never attend by proxy, even if the proxy is another delegate.

3 Voting right

1) At Preparatory Meetings each member has one vote. Each member shall also exercise the votes of his constituents, subject to the limits and requirements applicable established by law and under the bylaws.

In addition to said vote, members not in default at the date of the notice of call for the General Assembly shall have a weighted plural vote proportional to their contribution to capital at the reference date established by the Governing Board, at the rate of one additional vote per capital contribution in excess of the minimum compulsory contribution required from each member depending on whether the member is a natural or legal person.

2) For the general knowledge of the members, the Governing Board shall publish simultaneously with the notice of call the list of members with plural voting rights and

the number of votes of each one of them on the notice board at the registered office.

3) Members who are, in respect of the businesses, transactions or services subject matter of the resolutions to be adopted, in any of the events of conflict of interest contemplated in these Bylaws, particularly the events of conflict of interest contemplated in Spanish Legislative Royal Decree 1/2010 of 2 July passing the restated Companies Act, shall be in conflict of interest to vote.

4) At the General Assembly, no attendee with voting rights may hold any suffrage in excess of the limits contemplated in Act 13/1989 of 26 May, Article 7.3., or those that may be contemplated from time to time by applicable legislation in force, in a manner such that, should any attendee have voting rights exceeding said limits, they shall vote for a number of suffrages equal to the aforementioned maximum legal limit.

The rules contained in this additional provision shall not apply if at the reference date established by the Governing Board in the resolution to call the General Assembly as established in the first paragraph of this provision no member exists who holds the percentage of capital at that date established in the first paragraph of this additional provision, in which case each member shall have one vote and the ordinary provisions of the bylaws shall apply.

If this additional provision is applicable, any provisions of the bylaws inconsistent with this procedure shall be rendered null and void and any provision contemplated in the bylaws shall however apply provided that it does not contravene this procedure which shall prevail over the former if this provision and, particularly, Article 24.3 of the Bylaws apply since if this provision is applicable the preparatory meetings shall in any case be held.

FINAL PROVISION

None of the clauses of these Bylaws may be alleged, interpreted or applied in contravention of the provisions contemplated in Article 1.2 and, particularly, legislation on the solvency of credit institutions.