

**RENAULT**

**Limited Liability Company**

**Registered office : 13-15, Quai Le Gallo  
92100 BOULOGNE – BILLANCOURT**

**R.C.S. : NANTERRE 441 639 465**

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**BY-LAWS**

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## **PART I**

### **TYPE OF COMPANY - NAME - OBJECT - REGISTERED OFFICE - DURATION**

#### **ARTICLE 1 - TYPE OF COMPANY**

This limited liability company is governed by legal and regulatory provisions in force and by these by-laws.

#### **ARTICLE 2 - NAME**

The company's name is

**RENAULT**

In all of the company's papers and documents, its name must be immediately preceded or followed by the words "société anonyme" or the initials "SA", the amount of its share capital and its trade and companies register number.

#### **ARTICLE 3 - OBJECT**

The company's object is :

- the design, manufacture, repair, maintenance and lease of and trade in motor vehicles and in particular industrial, commercial, utility or passenger vehicles, tractors, farm machinery and construction equipment, as well as the design, manufacture of all parts and accessories used in connection with the manufacture or operation of vehicles;
- the design, manufacture and sale of all components, including, in particular, those necessary for the manufacture and repair of such products;
- import and export of products of all kinds;
- purchase, sale, application for, use, license and grant of all patents, certificates of addition, licenses, sub-licenses, industrial processes, designs, models and trademarks;
- all carriage of passengers, goods or other articles by land, sea, waterway or air, for its own account or for account of others, by all means, and all related operations;
- acquisition in any way, construction, installation and fitting-up, use, operation, lease and sale of all office and other building, land, industrial establishments, plants and other real properties, as well as related operations;
- all services relative to such operations or which may further the development thereof;
- investment in all companies engaged in financial or banking operations, including consumer or short, medium and long term credit, and insurance and all other types of brokerage;
- direct or indirect investment in all ventures relating to any of the foregoing objects by organization of new companies or firms, capital contributions, subscriptions to or purchases of corporate shares or securities, acquisitions of interests, mergers, partnerships or otherwise;

- and more generally, all industrial, commercial, financial operations relating directly or indirectly, in whole or in part, to any of the foregoing objects, any similar or connected objects, and even any objects which may further or may develop the company's affairs.

#### **ARTICLE 4 - REGISTERED OFFICE**

The registered office is at BOULOGNE – BILLANCOURT (92100), 13-15, Quai Le Gallo.

It may be moved anywhere in the same or adjoining district by decision of the Board of Directors, subject to ratification at the next Ordinary Shareholders' Meeting and anywhere else by virtue of a resolution adopted at an Extraordinary Shareholders' Meeting, subject to the legal provisions in force.

#### **ARTICLE 5 - DURATION OF THE COMPANY**

The company's duration will end on December 31, 2088, subject to earlier dissolution or extension.

### **PART II**

#### **SHARE CAPITAL - SHARES**

#### **ARTICLE 6 - AMOUNT OF THE SHARE CAPITAL**

**The share capital is one billion one hundred twenty-six million seven and one thousand nine hundred and two euros and four cents (1,126,701,902.04 euros). It is divided into 295,722,284 shares of a nominal value each of 3.81 euros.**

The shares are fully subscribed and paid.

#### **ARTICLE 7 – MODIFICATIONS OF THE SHARE CAPITAL**

The share capital can be increased either by issue of ordinary shares, or by increase of the shares' par value. It can also be increased by exercise of rights attached to securities granting access to the registered capital as provided by law. The issuance of new shares can be made either at their par value or by combination of such par value with a share issue premium. The new shares shall be released either by capital contribution including by compensation with "accrued assets" on the Company, or by contribution in kind, or by incorporation into the capital of reserves, profits or share issue premiums, or by use of the right granted by the Shareholders' Meeting to obtain the payment of dividends in shares. The new shares can also be released further to the exercise of a right attached to securities granting access to the share capital, including, if any, the payment of corresponding amounts.

Upon conditions of stipulations of Article 35 hereunder which provide for the possibility given to the Shareholders' Meetings to allow every shareholder an option between payment of the dividend in cash or in shares, the Extraordinary Shareholders' Meeting has the sole power to increase the capital. Such Extraordinary Shareholders' Meeting can delegate such competency or powers to the Board of Directors in order to realize the said increase.

As regards a competency delegation, the Board of Directors has all competencies in the framework of the delegation to fix the dates and terms of issue, to observe the capital increase arising from any issue and to proceed with the correlative amendment of the Articles of Association.

The Extraordinary Shareholders' Meeting can under those conditions laid down by law decide or delegate to the Board of Directors the right to reduce the share capital.

#### **ARTICLE 8 - TRANSFER OF SHARES**

The shares can be freely transferred in accordance with legal and regulatory provisions and shall be transferred from account to account.

#### **ARTICLE 9 - RIGHTS AND OBLIGATIONS RELATED TO SHARES**

The shareholders whose shares are fully paid up, have, in proportion to their shares, a preferential right to subscribe new shares created for a capital increase. Such preferential right shall be exercised in accordance with the terms, conditions and lead time prescribed by applicable law.

The shareholders may individually waive their preferential right.

A shareholders' meeting deciding a share capital increase may abrogate the preferential right. Subject to nullity of the decision, the meeting decides on the basis of a report by the Board of Directors and a report by the auditors made in accordance with legal and regulatory provisions.

Besides the right to vote, each share entitles to a part, equal to the portion of the share capital that it represents, of the ownership of the social assets and the liquidation surplus.

Each time the holding of several shares is required to exercise a right, the shares which are below the amount required shall not grant their owners any right against the company, and the shareholders shall be in charge, in such case, of gathering the necessary amount of shares.

Ownership of a share automatically entails acceptance of the by-laws of the Company and the Shareholders Meeting's resolutions.

The shares are non dividable vis-à-vis the company.

The joint owners of one or several shares shall be represented at the Shareholders' Meetings by one of them or by a single proxy of their choice.

In case of division of ownership of a registered share the entry in the company's book shall mention the name of the usufructuary (*usufruitier*) and of the bare owner(s) (*nu-propriétaire*). The voting right attached to a share shall belong to the usufructuary at all Shareholders' Meetings.

#### **ARTICLE 10 - NATURE AND FORM OF THE SHARES**

Shares shall be recorded in the accounts subject to the terms and provisions of the law.

Redeemed shares shall be registered or bearer, as the owner wishes, subject to the statutory provisions in force and to these by-laws. However, any non-redeemed share shall only be registered.

The company shall be authorised to make use of statutory provisions to identify holders of shares giving either immediate or eventual voting rights in its Shareholders' Meetings.

In addition to the statutory requirement to inform the company of shareholdings exceeding a certain fraction of the share capital, any shareholder or management company for an undertaking for collective investment in transferable securities in a fund management organization holding a number

of shares or voting rights equal to or greater than 2% of the share capital or a multiple of this percentage which is less than or equal to 5% of the share capital or voting rights, is obliged to disclose to the company the total number of shares he possesses, by registered mail with acknowledgment of receipt, within a period as fixed by Decree adopted by the French *Conseil d'Etat* as of the registration on account of those shares which caused him to attain or exceed said threshold. Beyond 5%, the foregoing mandatory disclosure shall apply to any 1% fraction of the share capital or voting rights.

For the purpose of defining the aforementioned thresholds, accounts shall also be taken of shares held indirectly and shares assimilated to fully-owned shares, as defined by the provisions of articles L 233-7 and following of the French Commercial Code.

The declarer shall certify that the declaration includes all the securities held or possessed in the sense of the foregoing paragraph, and indicate the date(s) of acquisition. The above mandatory disclosure shall apply equally to shareholdings which fall below each of the aforementioned threshold, 2% or 1% as the case may be.

Failing disclosure in accordance with the foregoing, shares in excess of the fraction which should have been declared shall be deprived of voting rights in any Shareholders' Meeting for a period of two years as of the date of due compliance with the declaration rules, insofar as one or several shareholders jointly holding at least 1% of the capital so request at the Shareholders' Meeting.

### **PART III**

#### **ADMINISTRATION AND MANAGEMENT OF THE COMPANY**

##### **ARTICLE 11 - BOARD OF DIRECTORS - COMPOSITION - TERM**

The company shall be administered by a Board of Directors comprising:

A/ From 3 to 14 directors appointed by the Shareholders' General Meeting, including, as the case may be, pursuant to Article 6 of Order No. 2014-948 dated August 20, 2014.

Directors may be natural persons or legal entities. Legal entities must, upon appointment, designate a permanent representative who is subject to the same obligations and the same responsibilities as directors acting on their own behalf, without prejudice to the joint liability of the corporation represented.

Subject to the requirements related to the reappointment of Board members, the term of office of directors is four (4) years.

However, when a director is appointed to replace another director during his term of office, he shall exercise his functions only during the remainder of the term of office of his predecessor.

A director must be under the age of seventy-two (72), it being specified that if the age limit is reached during the term of office, the director concerned will continue to hold office for the duration of the term, however the director will not be eligible for reappointment at the expiry of this term.

Moreover, the number of directors exceeding seventy (70) years of age cannot be greater than one third of the number of directors.

The duties of directors expire at the end of the Ordinary General Meeting called to approve the financial statements for the preceding fiscal year, held in the year during which the said director's term expires.

In case of vacancy by death or resignation of one or more directorships, and even if, in spite of these events, the number of directors remains at least equal to the statutory minimum, the Board of Directors may, between two General Meetings, proceed with the temporary appointment of a corresponding number of replacement directors to replace the directors who have died or resigned.

B/ As the case may be, a French State representative designated pursuant to Article 4 of Order No. 2014-948 of August 20, 2014.

C/ Directors elected by the employees:

There are three such directors, one of whom shall represent the engineers, executives and similar. They shall be elected by the employees of the Company and of its direct or indirect subsidiaries, having registered office on the French territory.

The term of their office shall be four (4) years. However this shall cease ipso jure when these representatives no longer fulfill the eligibility requirements provided for in Article L. 225-28 of the French Commercial Code, or again in the event of breach of their employment contract in accordance with Article L. 225-32 of said code.

The status and the modalities of election of these directors are laid down by the provisions of Articles L. 225-27 to L. 225-34 of the French Commercial Code and by the present by-laws.

The three directors representing employees shall be elected by separate electorates:

- one seat for college “engineers – executives and similar” comprising electors usually voting in the third electorate (for companies having 3 electorates) for the election to the Works Council (*Comité d’Entreprise*). In companies or establishments not having three electorates or not having a Works Council, the classification of “Executive”, as defined by the Collective Agreements applicable to the companies and establishments under consideration, shall be used.

This seat shall be filled by a two-round majority vote. Each candidacy shall comprise the name of the candidate plus that of his possible replacement;

- two seats for the electorate “other employees”, comprising all the other employees (two seats). Seats shall be filled by a ballot for lists by proportional representation, the list with the greatest number of votes winning, but with no possibility of including a name on one list in another. Each list shall contain twice as many candidates as the number of seats to be filled.

In the event of a tie, those candidates who have worked in the Company longest shall be elected.

Candidates or lists of candidates may be presented either by one or several representatives organizations under applicable regulations, or by 100 electors.

To be eligible, candidates must be party to an employment contract with the Company or one of its direct or indirect subsidiaries, with registered offices on the French territory, this for a minimum of two years prior to the date of effect of the term of office for which they have been elected, and corresponding to an effective work.

The number, place and composition of polling stations shall be fixed by the Company’s establishments and subsidiaries concerned thereby, in conformity with accepted usage in force for the elections of employee representatives.

Voting arrangements which are not specified by law or by the present by-laws, and the exercise conditions of the offices of directors elected by the employees, shall be laid down by senior management after consultation of the unions which are representative at the Company’s level.

D/ One director representing the employee shareholders:

The appointment procedure for the director representing employee shareholders is laid down pursuant to the French Commercial Code, and by the present by-laws.

His term of office shall be four (4) years.

However, his term of office shall cease ipso jure and the director representing employee shareholders shall automatically be deemed to have resigned:

- in the event of loss of his employment with the Company or with of one of its direct or indirect subsidiaries;
- in the event of loss of his quality as shareholder of the Company, save if he rectifies this within three months;
- or in the event that the subsidiary of which he is an employee is no longer controlled by the Company.

In the event of death or resignation, the seat vacated by the director representing the employee shareholders shall be filled with all dispatch, in the same conditions as those governing the appointment of the director vacating the seat. The term of office of the director thus appointed to replace another shall end at the date the term of office of the replaced director would have ended.

Designation of candidates:

The calendar for the designation of candidates shall be fixed by the Chairman of the Board of Directors. It shall be posted in the companies concerned at least one month prior to the General Meeting called to appoint the director representing the employee shareholders.

The Chairman of the Board of Directors shall consult the employee shareholders holding securities with a view to designating their candidates before holding the General Meeting called to appoint the director representing the employee shareholders.

Minutes shall be drawn up indicating the number of voting rights polled by each candidate.

The two candidates having polled the greatest number of votes among those with a number of votes at least equal to 5% of the employee shareholders, shall be candidates for election by the Ordinary General Meeting.

In the event that no candidate attains the threshold of 5%, the two candidates with the largest number of voting rights shall be presented for election by the Ordinary General Meeting of Renault shareholders.

Each candidate shall present himself with a substitute who will take the place of the principal candidate in the event that he definitively leaves office as director during the term of office to which he is elected. In that case, the substitute shall replace the principal for the remaining duration of the latter's term of office.

In addition to the voting conditions described above, rules drawn up upon the designation of the director representing the employee shareholders shall describe the practical terms for this vote.

Appointment procedures:

The director representing employee shareholders shall be appointed by the Ordinary Shareholders' Meeting, after a majority vote by the shareholders present or represented by proxy.

## **ARTICLE 12 - ORGANIZATION OF THE BOARD OF DIRECTORS**

The Board of Directors shall designate a Chairman among its members, who shall be a natural person. The Chairman is re-eligible.

The term of office of the Chairman of the Board of Directors cannot exceed his term of office as director. The term of office of the Chairman of the Board of Directors shall fully and automatically come to an end at his term of office as a director.

The provision of the by-laws relating to the age limit of the directors is also applicable to the Chairman of the Board of Directors. The Chairman of the Board of Directors must be less than seventy-two (72) years old, it being specified that in the event this age limit would be reached during his office as Chairman of the Board of Directors, he will continue to exercise his functions until his term, without being re-eligible on the expiry of this term of office.

Board meetings are chaired by the Chairman. In his absence or in case of impediment, the Board meeting shall be chaired by a director designated by the Chairman for this purpose, or, failing such designation, the Board shall designate a meeting chairman.

The Board appoints a Secretary and may appoint an assistant Secretary, neither of whom need be a director.

On the Chairman's motion, the Board of Directors may decide the setting up of committees which are assigned specific tasks.

## **ARTICLE 13 - MEETINGS AND DEBATES OF THE BOARD OF DIRECTORS**

The Board of Directors shall meet as often as the company's interest so requires. It meets on call by its Chairman, or of one third of the directors if a Board meeting has not been held in over two months, either at the registered office, or at any other place specified in the notice of meeting.

Notices of meeting may be made by all means, even verbally. The Board of Directors may validly take resolutions, even without notice of meeting, if all members are present or represented.

Resolutions are adopted under the legal forum and voting rules provided for by law; in the event of a tie, the chairman of the meeting has a casting vote, unless the vote is on the appointment or revocation of the Chairman of the Board of Directors.

Any director may, for any meeting, give his proxy in any way to another director to vote in his stead; no director may represent more than one other director. In the event of one or several vacancies for any reason whatsoever in the seats of directors elected by the employees, whom could not be replaced as laid down by the provisions of article L 225-34 of the French Commercial Code, the Board of Directors shall be deemed validly composed with the remaining directors and may validly meet and take resolutions before the election of the new directors representing employees.

Persons invited by the Chairman to attend Board of Directors' meetings shall be bound by the same duty of confidentiality as the directors.

The internal regulations appended to these by-laws shall, pursuant to laws and regulations, determine the conditions for the organisation of meetings of the Board of Directors which may take place through videoconferencing or means of telecommunication which guarantee the effective participation of the Directors.



## **ARTICLE 14 - MINUTES**

Board resolutions are evidenced by minutes signed by the chairman of the meeting and at least one director. If the chairman of the meeting cannot sign, the minutes are signed by at least two directors who took part in the resolution. The minutes are entered on loose-leaf sheets numbered and initialled continuously and bound in a special book, all in accordance with legal and regulatory provisions.

Copies or excerpts from the minutes are validly certified by the Chairman of the Board of Directors, a general manager, the acting chairman or the Secretary of the Board of Directors expressly authorised to do so.

The number of incumbent directors and their presence at a Board meeting, in person or by proxy are sufficiently evidenced by a copy of or an excerpt from the minutes.

## **ARTICLE 15 - POWERS OF THE BOARD OF DIRECTORS**

The Board of Directors determines the orientation of the company's activity and ensures its implementation.

Subject to those powers expressly assigned by law to Shareholders' Meetings and within the scope of the company's object, it may deal with any question concerning the proper working of the company and shall settle matters which concern it through its decisions.

In relations with third parties, the company shall be bound by the Board of Directors even in matters which are not within the scope of the company's object, unless it proves that the third party was aware the act in question exceeded the scope of said object or that he could not have been unaware of the same considering the circumstances. In this respect, the mere publication of the By-Laws shall not be deemed sufficient.

The Board of Directors shall proceed with such inspections and verification as it thinks fit.

## **ARTICLE 16 – CHAIRMAN OF THE BOARD OF DIRECTORS**

The functions of Chairman shall be exercised according to legal and regulatory provisions.

The Chairman organises and directs its work, accounts for the same to the Shareholders' Meetings and executes its decisions. He ensures the proper working of the corporate decision-making bodies and ensures that the directors are able to fulfil their tasks.

The Chairman of the Board of Directors may delegate to anyone such temporary or standing authority as he sees fit, with or without power of re-delegation in whole or in part.

In case the Chairman cannot exercise his functions for any reason whatsoever, the Board may assign them in all or in part to a director, provided such assignment which may be renewed, is made for a limited time.

## **ARTICLE 17 - GENERAL MANAGEMENT**

### **I. - Organisational principles**

Pursuant to statutory provisions, the general management of the company shall be assumed, and responsibility shall in this respect be held, either by the Chairman of the Board of Directors, who shall then take the title of Chairman and Chief Executive Officer, or by another natural person appointed by the Board of Directors with the title of general manager.

The choice between these two forms of exercise of the general management shall be made by the Board of Directors which must inform the shareholders and third parties under regulatory conditions.

The decision of the Board of Directors concerning the choice of the means of exercise of the general management shall be made by a majority of directors present or represented.

On the expiry of this period, the Board of Directors must decide on the terms of exercise of the general management.

A change in the terms of exercise of general management shall not give rise to an amendment of the By-Laws.

## **II. – Chief Executive Officer**

### **1. Appointment - Dismissal**

Depending on the choice made by the Board of Directors pursuant to the provisions of § I above, the general management shall be assumed either by the Chairman of the Board of Directors or by a natural person appointed by the Board of Directors with the title of Chief Executive Officer.

Where the Board of Directors chooses to dissociate the positions of Chairman and Chief Executive Officer, it shall appoint a Chief Executive Officer and fix the length of his term of office, his remuneration and, where necessary, the limitation of his powers.

The Chief Executive Officer must be less than 65 years old, it being specified that, in the event this age limit would be reached during his office, the Chief Executive Officer will continue to exercise his functions (i) either if he is not a director, until the close of the next Ordinary General Meeting deciding on the accounts of the financial year during which he attained the age of 65 years, (ii) or, if he is a director, until the end of his term of office as a director.

The Chief Executive Officer may be dismissed at any time by the Board of Directors.

Where the Chief Executive Officer does not assume the position of Chairman of the Board of Directors, his dismissal may give rise to damages in the absence of proper grounds.

### **2. Powers**

The Chief Executive Officer shall be vested in the broadest powers to act in all circumstances in the name of the company. He shall exercise those powers within the limits of the company object and subject to those powers which are expressly attributed to the Shareholder's Meeting and to the Board of Directors by law.

The Chief Executive Officer shall represent the company in its relations with third parties.

The company shall be bound by the Chief Executive Officer even in matters which are not within the scope of the company's object, unless it proves that the third party was aware the act in question exceeded the scope of said object or that he could not have been unaware of the same considering the circumstances. In this respect, the mere publication of the By-Laws shall not be deemed sufficient as proof.

## **III. - Deputy general managers**

On the proposal of the Chief Executive Officer, whether this position is assumed by the Chairman of the Board of Directors or by another person, the Board of Directors may appoint one or more natural persons who shall be responsible for assisting the general manager with the title of deputy general manager.

The maximum number of deputy general managers is fixed at 3.

In agreement with the general manager, the Board of Directors shall determine the extent and duration of powers granted to the deputy general managers. With respect to third parties, the deputy general managers shall have the same powers as the general manager.

The Board of Directors shall determine the deputy general managers' remuneration.

In the event of leaving office by or impossibility for the general manager, the deputy general managers shall conserve their powers and responsibilities until the appointment of a new general manager.

The provisions of the by-laws relating to the age limit applicable to the Chief Executive Officer also apply to the deputy general managers.

#### **ARTICLE 18 - REMUNERATION OF DIRECTORS - EXPENSES**

The Shareholders' Meeting may grant to the directors, as attendance fees, a remuneration which amount, fixed by the Shareholders' Meeting shall be maintained until a new decision.

The Board of Directors allocates such amount among the directors in a manner that it deems fit and in compliance with the law.

Directors may, upon presentation of relevant documents, obtain the reimbursement by the company of expenses incurred in the exercise of their functions.

#### **ARTICLE 19 - LIABILITY**

Directors shall be liable, individually or jointly as the case may be, vis-à-vis the company or third parties, for any infringement of the statutory provisions applicable to limited liability companies, and for any infringement of the by-laws.

### **PART IV**

#### **ARTICLE 20 - AUDITORS**

The Shareholders' Meeting shall elect at least two auditors having the audit duties prescribed by law.

Said auditors must have the qualifications prescribed by law. They are elected for six fiscal years and are re-eligible.

One or more alternate auditors are elected to replace the regular auditors in the event of death, disability, refusal to act or resignation.

## **PART V**

### **SHAREHOLDERS' MEETINGS**

#### **ARTICLE 21 - ATTENDANCE - REPRESENTATION**

Entitlement to attend General Meetings is subject to the registration or accounting record of the shares under the conditions set forth by the applicable laws or regulations.

Any shareholder may give his proxy to be represented at a Shareholders' Meeting, under the conditions set forth by the applicable laws or regulations.

#### **ARTICLE 22 - CALL AND NOTICE**

Shareholders' Meetings are convened and vote in accordance with the legal and regulatory provisions.

#### **ARTICLE 23 - AGENDA**

The agenda of every Shareholders' Meeting is set by the author of the notice.

However, one or more shareholders may, in the conditions prescribed by law, request the entry of proposed resolutions in the agenda.

#### **ARTICLE 24 - PLACE OF MEETINGS**

Every Shareholders' Meetings is held at the company's registered office or any other place specified in the notice.

#### **ARTICLE 25 - QUORUM AND VOTING**

Resolutions are adopted by Shareholders' Meetings under statutory quorum and voting rules.

The calculation of the quorum and voting majority shall include those shareholders who attend the Meetings through videoconferencing or via means of telecommunications allowing them to be identified, the nature and conditions of which shall be fixed by a Decree enacted in the *Conseil d'État* (supreme body responsible for administrative law).

#### **ARTICLE 26 - OFFICERS OF THE MEETING**

Every Shareholders' Meeting is chaired by the Chairman of the Board or, in his absence or in case of unavailability, by the Director delegated by the Board of Directors for this purpose.

The member(s) of the Shareholders' Meeting having the largest number of votes and willing to do so serve(s) as teller(s) (*scrutateur*).

Said officers appoint the Secretary of the meeting, who need not be a shareholder.

## **ARTICLE 27 - ATTENDANCE LIST**

An attendance list is kept at every Shareholders' Meeting in accordance with the law.

The officers of the Shareholders' Meeting attach to the attendance list the proxies of the shareholders present by proxy and the ballot received by mail.

The attendance list, duly initiated by the shareholders and proxy agents, is certified by the officers of the meeting.

## **ARTICLE 28 - VOTING RIGHTS**

Shareholders may vote by correspondence or give proxy powers according to the terms laid down by law and in regulatory provisions.

On a decision of the board of directors, the shareholders may, in accordance with Article 25 of these Articles of Association, take part in the General Meeting by video conferencing means or vote by any means of telecommunication and teletransmission, including via the Internet, under those conditions laid down in applicable regulations at the time such means are used. This decision shall be communicated in the notice of the meeting published in the Bulletin des Annonces Légales Obligatoires (B.A.L.O.).

Those shareholders who use the electronic voting form proposed on the site for this purpose, within the given deadlines, shall be assimilated to shareholders who are present or represented. The completion and signature of the electronic form may be undertaken on this site by any process decided upon by the Board of Directors which meets those conditions defined in the first phrase of the second paragraph of Article 1316-4 of the Civil Code [namely the use of a reliable identification process guaranteeing a connection between the signature and the form], which may in particular consist in the use of a login and password.

The proxy power or the vote which is thereby expressed prior to the General Meeting via such electronic means, as well as the confirmation of receipt which is given, are deemed to be non-revocable writs which may be relied upon against all parties, it being specified that in the event of sales of shares prior to 0:00 hours (Paris time) on the second business day preceding the General Meeting, the company will consequently invalidate or amend, as applicable, the proxy powers or votes expressed prior to that time and that date.

## **ARTICLE 29 - MINUTES OF SHAREHOLDERS' MEETINGS**

Shareholders' decisions are evidenced by minutes entered on loose-leaf sheets numbered and initialed continuously and bound in a special book, all in accordance with legal and regulatory provisions.

Copies or excerpts from the minutes are validly certified by the Chairman of the Board, a General Manager, or the Secretary of the Shareholders' Meeting.

## **ARTICLE 30 - ORDINARY SHAREHOLDERS' MEETINGS**

An Ordinary Shareholders' Meeting is the one called to make all decisions which are not to be taken by the Extraordinary Shareholders' Meeting.

The Board's report on the company's affairs at the Ordinary Shareholders' Meeting. The auditors' report is also reported to the Ordinary Shareholders' Meeting. The Ordinary Shareholders' Meeting approves or disapproves the balance sheets and accounts or requires correction thereof.

The Ordinary Shareholders' Meeting allocates the profits and declare dividends in accordance with article 34 hereunder.

The Ordinary Shareholders' Meeting appoints the auditors.

The Ordinary Shareholders' Meeting fixes the attendance fees granted to the Board of Directors.

The Ordinary Shareholders' Meeting decides on the special auditor's report on conventions authorized by the Board of Directors in accordance with the law.

### **ARTICLE 31 - EXTRAORDINARY SHAREHOLDERS' MEETING**

The Extraordinary Shareholders' Meeting may amend the by-laws in all respect authorized by law.

## **PART VI**

### **ANNUAL FINANCIAL STATEMENTS - ALLOCATION OF PROFITS**

#### **ARTICLE 32 - FISCAL YEAR**

The fiscal year is the calendar year. It starts on January 1 and ends on December 31 of each calendar year.

#### **ARTICLE 33 - ANNUAL FINANCIAL STATEMENTS**

At the end of each fiscal year, the Board of Directors prepares an inventory of the assets and liabilities on that date, the income statement and the balance sheet, taking the amortization and establishing the provisions which are necessary.

The Board of Directors prepares a written report relating to the Company, its foreseeable development, its activities together with those of its affiliates during the past financial year. The documents hereabove mentioned shall be put at the Auditors and shareholders' disposal according to forms and delays required by law.

#### **ARTICLE 34 - DISTRIBUTION OF PROFITS**

The income statement summarizing the fiscal year's income and expenses shows the year's profit or loss as the difference after deduction of the amortization and provisions.

The sums required by law are first appropriated to reserves out of the profit of every year less accumulated losses. Thus, at least 5% is appropriated to the legal reserve. That appropriation may be discontinued when that reserve amounts to 10% of the share capital. It is resumed if the legal reserve falls below that percentage for any reason.

The distributable profit is the year's profit less the accumulated losses and the sums appropriated to reserves, pursuant to law plus the retained earnings.

On the board's recommendation, the Shareholders' Meetings may then appropriate such amount of such distributable profit as they see fit to any ordinary or extraordinary voluntary reserves or to retained earnings.

The balance, if any, is distributed on the shares in proportion to the unamortized paid-up par value thereof.

#### **ARTICLE 35 - PAYMENT OF DIVIDENDS TO SHAREHOLDERS**

The Shareholders' Meetings may allow every shareholder an option between payment of all or part of the declared dividends in cash or in shares as provided by law.

Payment of a dividend in shares must be requested within the lead time set by the Shareholders' Meeting, which may not exceed three months from the date of such meeting. The Board of Directors may suspend that lead time, for a duration not exceeding three months, in case of share capital increase.

#### **ARTICLE 36 - METHOD OF PAYMENT OF DIVIDENDS**

Dividends are paid at the places and times set by the Shareholders' Meeting, or failing which, by the Board of Directors.

Dividends not claimed within five years within five years of the date of payability escheat in the conditions prescribed by law.

**PART VII**

**DISSOLUTION - LIQUIDATION**

**ARTICLE 37 - LIQUIDATION - APPOINTMENT AND POWERS OF LIQUIDATORS**

The company is dissolved at the expiry of the duration set forth by the by-laws or by decision of the Extraordinary Shareholders' Meeting.

One or more liquidators are then appointed by such Extraordinary Shareholders' Meeting under the quorum and voting rules governing Ordinary Shareholders' Meetings.

The liquidator represents the company. He has the broadest powers to liquidate the assets, even by private negotiated sale. He is authorized to pay the creditors and to distribute the surplus.

The Shareholders' Meeting may authorize him to continue pending business or to engage in new business for purposes of the liquidation.

The net assets subsisting after return of the par value of the shares are distributed to the shareholders in proportions to their shares.