



ELECTRICITE DE FRANCE

**PUBLIC LIMITED COMPANY WITH A SHARE CAPITAL OF 930,004,234 EUROS
REGISTERED OFFICE: 22-30 AVENUE DE WAGRAM 75008 PARIS (FRANCE)
RCS 552 081 317 PARIS**

ARTICLES OF ASSOCIATION

As modified by the Shareholder's Meeting of May 15, 2014

Article 1 - Form

Electricité de France (EDF) is a public limited company governed by the laws and regulations applicable to commercial companies, and more especially the Commercial Code, insofar as it is not overridden by more specific provisions such as the Energy Code, Law no. 83-675 of 26 July 1983, and by these articles of association

Article 2 – Corporate Purpose

The corporate purpose of EDF, in France and abroad, pursuant to the laws mentioned in Article 1 above, is to:

Ensure the generation, transmission, distribution, supply and trading of electrical energy as well as to ensure the import and export thereof;

Ensure the public service missions assigned to EDF by the laws and regulations, especially the Energy Code and Article L. 2224-31 of the *Code général des collectivités territoriales* as well as by the concession agreements, and in particular the assignments for the development and operation of the public electricity networks and the assignments for the supply of electricity at regulated prices, the supply of electricity, in the event of emergency, to producers and to customers suffering from unforeseen failures in supplies and the supply of electricity to eligible customers who are unable to find a supplier, contributing to ensure the balanced development of the electricity supply by the achievement of the targets defined by the pluri-annual programme of investments in generation decided by the minister in charge of energy;

More generally, develop any industrial, commercial or service activity, including research and engineering activities, in the field of energy for any category of clientele;

Enhance the value of all of the movable and fixed assets which it holds or uses;

Create, acquire, rent, take on any management under lease of any movables, real property and goodwill, lease, install, and operate, any business, goodwill, factory, workshop, relating to any of the abovementioned purposes;

Register, acquire, exploit or dispose of any process or patent concerning the activities relating to any of the abovementioned purposes;

Participate, directly or indirectly in any operation which may relate to one of the abovementioned purposes, by way of creation of new companies or enterprises, contributions, subscription to or acquisition of securities or social rights, acquisition of interest, merger, association or in any other manner;

And generally speaking, to carry out any industrial, commercial, financial, movable or immovable operations that relate directly or indirectly, in whole or in part, to any of the abovementioned purposes, to any similar or related purposes and also to any purposes which might promote or develop the business of EDF.

Article 3 - Corporate name

The corporate name is “Electricité de France”. The Company may also be legally referred to by the sole acronym “EDF”.

In all the deeds and documents issued by the Company and intended for third parties, especially letters, invoices, various statements and publications, the corporate name should always be immediately and legibly followed by the mention “*société anonyme*”, written in full, or by the acronym “SA”, by the amount of the share capital, the name of the place where the Company is registered and the registration number.

Article 4 -Registered office

The registered office is fixed in Paris (8^e), 22-30, avenue de Wagram.

The Board of Directors or, if applicable, the shareholder's general meeting is authorised to transfer the Company's registered office under the conditions fixed by law.

Article 5 - Term

The term of the Company is ninety-nine years from 19 November 2004, unless wound up in advance or extended.

Article 6 - Share capital

The share capital is fixed at the sum of 930,004,234 euros divided into 1,860,008,468 (one billion eight hundred and sixty million eight thousand four hundred and sixty eight) shares of a par value of fifty centimes (0.5) euros each, fully paid up.

Pursuant to the provisions of Article L. 111-67 of the Energy Code, the French State should, at all times, hold more than 70% of the Company's capital.

Article 7 - Changes in the capital

The share capital may be increased, reduced or amortized under the conditions set down by law.

The changes in capital cannot reduce the French State's participation below the threshold mentioned in Article 6.

Article 8 - Paying up of the shares

In the event of an increase in capital, the shares paid in cash, when subscribed, should be paid up, up to the minimum number provided for by law, both for the payment of the par value and for the payment of the premium, if any. The partly paid up shares are registered until they are fully paid. Subject to the legal provisions applicable in the event of the issuance of new shares reserved for the employees, the payment of the surplus occurs in one or several instalments on decision of the Board of Directors or, in applicable cases, on decision of the president of the Commercial Court ruling in *référé*, within a maximum period of five years from the date upon which the increase of capital has become final.

Shareholders are informed of any calls for capital by letter sent by recorded delivery or through the insertion in a gazette of the place where the Company has its registered office at least fifteen days before the date fixed for each payment. The payments are made either at the registered office or at any other place indicated for the purpose.

In case of default by the shareholder in making payments at the times fixed by the competent corporate body, the amounts due automatically and rightfully carry interest at the legal rate from maturity date, without prejudice to any other recourses and sanctions set down by law and the Company may in particular have the non paid-up shares sold in accordance with the terms and conditions set down by the legal provisions and regulations.

Article 9 - Form of shares

The shares are registered shares or bearer shares, at the shareholder's discretion, subject to the provisions laid down by the law and regulations.

The shares may be listed in the name of an intermediary, on the terms set out in articles L.228-1 *et seq.* of the Commercial Code. The intermediary is bound to declare his capacity as intermediary holding securities on behalf of other people, subject to the provisions laid down by the law and regulations.

The provisions of the above paragraphs are also applicable to other securities issued by the Company.

The Company is entitled under current laws and regulations and against remuneration payable by the Company itself, to request the central securities depository, depending on the case, the name or corporate name, the nationality, year of birth or incorporation and the address of the holders of bearer shares immediately or in the future conferring a right of vote at its own shareholders' meetings, as well as the number of shares held by each of them and the restrictions, if any, imposed on the securities. The Company, on the basis of the list forwarded by the above-mentioned organisation, has the possibility of asking the persons mentioned in this list, and that the Company considers could be registered on behalf of third parties, for the above information concerning the owners of the securities.

If the shares are registered shares giving immediate, or in the future, access to the capital, the intermediary registered under the conditions set out in article L.228-1 is bound to reveal the identity of the owners of these securities, within 10 working days of the request, on simple request from the Company or its legal representative and such request may be presented at any time.

Article 10 - Disposal and transfer of shares

The shares are freely negotiable subject to the provisions laid down by the law and regulations. They are created and transferred by book entry. These provisions are also applicable to any other securities issued by the Company.

In addition to the legal obligation to inform the company of the holding of certain thresholds of the share capital or of the voting rights, any individual or entity, acting alone or in concert, who would come to directly or indirectly hold a number of shares corresponding to 0.5% of the share capital or of the voting rights of the company must, at the latest prior to the closing of the negotiations of the fourth trading day following the day of the threshold crossing, notify the Company, by registered letter with return receipt requested, the total number of shares, voting rights and securities giving access to the capital it holds.

The rules governing the legal thresholds will apply for the calculation of the thresholds to be declared in accordance with this article and for the determination of the information to be provided in the declarations.

The intermediary registered as holder of the securities in accordance with paragraph 2 above is bound, without prejudice to the obligations of the owners of these securities, to make the declarations provided for in this article.

This declaration should be renewed under the above conditions every time a new threshold of 0.5% is reached or exceeded, whether upwards or downwards, for any reason whatsoever and included in excess of the threshold of 5% provided for in article L. 233-7 of the Commercial Code.

In the event of any non-compliance with the above provisions, the shareholder(s) concerned are, under the conditions and limits fixed by law, deprived of the voting right related to the securities having exceeded the thresholds subject to declaration.

Article 11- Rights and obligations attached to the shares

Each share gives right, in the Company profits and assets, to a proportional share in the amount of capital it represents.

Furthermore it entitles its owner to vote and take part in general meetings, on the conditions and in compliance with the restrictions laid down by the law, regulations and articles of association.

The ownership of a share rightfully entails the adhesion to the articles of association and decisions of the general meeting.

The shareholders are only liable for losses in proportion to their contributions. The heirs, creditors, assigns or other representatives of a shareholder cannot request the affixing of seals on the Company's assets and values, nor request their distribution or sale at auction, nor interfere in any of its management's acts; to

exercise their rights, they should refer to the Company inventories and to the decisions of the general meeting.

Each time it is necessary to own several shares in order to exercise any right, in the event of any exchange, grouping or allocation of shares, or as a consequence of an increase or reduction of the share capital, merger or other corporate operation, the owners of isolated shares or owning a smaller number than the required number cannot exercise this right unless they personally decide to group such shares and possibly to buy or sell the necessary shares.

Article 12 - Indivisibility of shares - Usufruct

1. The shares are indivisible with respect to the Company.

The joint owners of indivisible shares are represented at general meetings by one of them or by a sole representative. In the event of disagreement, the representative is appointed by the court at the request of the most diligent joint owner.

2. The voting right attached to the share belongs to the usufructuary at ordinary general meetings and to the bare owner at extraordinary general meetings.

Article 13 - Board of Directors

I. - The Company is managed by a Board of Directors of eighteen members composed in compliance with the provisions of the above mentioned law of 26 July 1983, amended, concerning the democratisation of the public sector, in particular article 6, and with the provisions of the decree-law, amended, of 30 October 1935 organising the financial control of the Government over the companies having called on the financial assistance of the Government.

Within this framework, the Board of Directors includes six representatives of the French State, appointed by decree, and six representatives of the employees elected in compliance with the provisions of title II of the law of 26 July 1983.

It may include at the most two members of Parliament or holders of a local electoral mandate, chosen because of their knowledge of the regional, departmental and local aspects of the questions of energy.

II. – The Board appoints a secretary who may be chosen outside its members.

The Chairman and Chief Executive Officer is bound to communicate to each director all the documents and information necessary for the accomplishment of his assignment.

III. – The term of office of the members of the Board of Directors is five years. Should the seat of any member of the Board of Directors become vacant for any reason, his stand-in will only exercise his functions for the remaining term until the renewal of the entire Board of Directors.

IV. - The general meeting fixes the amount of the attendance fees, allotted, if applicable, to the Directors. The office of Directors not appointed by the General Meeting is free.

The expenses incurred by the Directors for the exercise of their mandate are reimbursed by the Company on presentation of supporting documents.

The representatives of employees are allowed a certain number of hours to fulfil their duties equal to half of the legal number of working hours.

V. – Directors appointed by the annual meeting may be dismissed by this meeting and should own at least one share of the Company held as a registered share.

VI. – On the initiative of the Chairman and Chief Executive Director, the Board of Directors may, if it is deemed necessary and depending on the agenda, invite members of the Company or personalities from outside the Company, to attend meetings of the Board of Directors without right to vote.

The secretary to the works council, or the organisation standing in for it, is present at meetings of the Board of Directors without right to vote.

VII. – The persons invited to be present at the deliberations of the Board of Directors should observe the same obligations of discretion as the Directors.

Article 14 - Chairing of the Board of Directors and general management

Pursuant to the above-mentioned law of 1983, the Chairman of the Company's Board of Directors is selected by the Board among the Directors and appointed by decree. The period during which he exercises his duties shall not exceed his term Director. His term can be renewed following the same procedure as the one pursuant to which he was appointed. He may also be removed from office by decree. The Chairman cannot be more than 68 years old. When he has exceeded such age, it shall be considered that he has resigned.

The management of the Company is assumed, under his responsibility, by the Chairman of the Board of Directors, who has the title of Chairman and Chief Executive Officer. The provisions laid down by the law and regulations related to the general manager apply to him.

In application of article L. 228-40 of the commercial code, the Board of Directors may delegate to the Chairman and Chief Executive Officer or, in agreement with the latter, to one or several Executive Vice-Presidents, the necessary powers to realise within a period of one year, the issuance of bonds and to decide on the terms of conditions. The same deliberation fixes the conditions under which the exercise of these powers is reported to the Board of Directors.

Article 15 - Deliberations of the Board of Directors

1. The Board of Directors meets as often as the interests of the Company require and is convened by its Chairman in compliance with the provisions laid down by the laws and regulations. At least one third of the members of the Board of Directors can, by indicating the agenda for the meeting, convene the Board if it has not met for more than two months.

The meeting takes place at the registered office or any other place indicated in the notice.

The meetings of the Board of Directors, with the exception of those relating to Executive Vice-President the transactions described in articles L. 232-1 and L. 233-16 of the French Code de Commerce (Commercial Code), may be held by videoconference or any other means of telecommunication allowing them to be identified and enabling them to participate, the characteristics of which are set forth by decree of the French Conseil d'Etat, in accordance with the with legislative and regulatory provisions and under the conditions set forth in the Board's internal regulations. For calculating quorum, Directors who attend by videoconference or any other of previously mentioned telecommunications are considered as present.

The notice should be made at least seven days in advance by letter, telegram, fax or electronic mail or by any other means in the event of an emergency. It mentions the agenda. It can be made twenty-four hours in advance in the event of an emergency. The Chief Executive Officer communicates the necessary information and documents to all of the Directors in order to exercise their assignment.

The meetings of the Board of Directors are chaired by the Chairman of the Board of Directors or, in the absence of which, by the eldest of the Directors present.

2. The deliberations of the Board are valid only if at least half of its members are present. The internal regulations may stipulate that are deemed present for the calculation of the quorum and the majority of shareholders, the Directors who take part in the meeting through videoconference or by any other means of telecommunication under the stated conditions above-mentioned under legal conditions.

Decisions are taken by a majority of the members present or represented. If the votes are equal, the Chairman has the casting vote.

3. An attendance register is kept and signed by the members present at the meeting of the Board of Directors. The register also mentions the name of the Directors taking part in the meeting through videoconference or by any other means of telecommunication under the stated conditions above-mentioned. The deliberations of the Board are noted in the minutes established in compliance with the current legal provisions and signed by the Chairman of the meeting and by one of the Directors or, should the Chairman of the meeting be prevented from doing so, by two Directors. Copies or extracts from the minutes of the deliberations are validly certified by the Chairman and Chief Executive Officer, an Executive Vice-President, the Director temporarily delegated to the function of Chairman, the secretary to the Board of Directors and a duly authorised signatory.

Article 16 - Powers of the Board of Directors

Pursuant to the provisions of article 7 of the above-mentioned law of 26 July 1983, the Board of Directors determines the orientations of the Company's activity and supervises their implementation. Subject to powers expressly granted to shareholders meetings and within the limit of the corporate purpose, it may deal with any issues concerning the proper running of the Company and through its deliberations settles any business concerning it.

The Board of Directors may decide to establish specialised consultative committees from among its members, in particular an audit committee, a strategy committee, and a compensation committee. It determines the duties of said committees along with their composition, which must provide for at least one employee director. The committees report to the Board with regard to the performance of their assignments.

The internal regulations specify the committees' assignments and their terms and conditions of operation.

Article 17 - Powers of the Chairman and Chief Executive Officer and Executive Vice-Presidents

The Chairman and Chief Executive Officer organises and directs the work of the Board of Directors, and reports on this work to the general meeting. He supervises the proper working of the organs of the Company and in particular ensures that the Directors are able to fulfil their assignment.

Subject to the legal provisions applicable to the companies of the public sector in particular and the powers that the law expressly grants to shareholders' meetings, the powers that it especially reserves for the Board of Directors and within the limit of the corporate purpose, the Chairman and Chief Executive Officer is entrusted with the widest powers to act under any circumstances on behalf of the Company.

On proposal of the Chairman and Chief Executive Officer, the Board of Directors may appoint one or several natural persons charged with assisting the Chairman and Chief Executive Officer, with the title of Executive Vice-President. The maximum number of Executive Vice-Presidents is fixed at five. The Board of Directors determines the length of the term of office and any limits to the powers of each of the Executive Vice-Presidents.

When the Chairman and Chief Executive Officer ceases or is prevented from exercising his functions, the Executive Vice-Presidents preserve their functions and attributions, unless otherwise decided by the Board, until the appointment of a new Chairman and Chief Executive Officer.

The Chairman and Chief Executive Officer has the possibility of partially substituting in his powers as many representatives as he may deem necessary. The Executive Vice-Presidents have the same powers with regard to third parties.

Article 18 - Regulated conventions

All agreements entered into directly, or through an intermediary, between the Company and its chief

executive officer, one of its executive directors, one of its directors, one of its shareholders holding more than 10% of the voting rights or in the case of an entity shareholder, its controlling Company in the sense of article L. 233-3 of the French commercial code, whether directly or through an intermediary, must be subject to the prior authorization of the Board of Directors.

The same applies to agreements in which one of the persons mentioned in the preceding paragraph have an indirect interest, as well as agreements which take place between the Company and an entity, if the chief executive officer, one of its executive directors or one of the directors of the company is the owner, general partner, manager, director, member of the supervisory board or, generally, a senior manager of such entity.

The provisions of the preceding paragraphs do not apply to agreements concerning standard transactions concluded under normal conditions.

Article 19 - Auditors

The control of the company's financial statements is carried out by two statutory auditors, appointed by the shareholders' meeting for a period of six financial years, pursuant to article L. 823-3 of the French commercial code, and performing their duties in accordance with the law.

They are convened, in application of article L. 823-17 of the French commercial code, to all of the board of directors meetings, which examine or decide on the annual or interim financial statements, as well as all of the shareholders' meetings.

Pursuant to article L. 225-228 of the French commercial code, the chairman and chief executive officer and, as the case may be, the deputy chief executive officer, where such persons are directors, do not take part in the vote of the board of directors which proposes the appointment of the statutory auditors to the shareholders' meeting.

Alternate auditors are appointed to replace the auditors in the event of refusal, difficulty, resignation or death.

Article 20 – Shareholders' meetings

1. Shareholders' meetings consist of all the shareholders whose shares are fully paid up and for which the right to attend shareholders' meetings is justified by the registration of the shares to an account in their name or, for shareholders who are not French residents, in the name of their registered financial intermediary, at 00:00 (Paris time) of the third business day before the date of the meeting.

The registration of the shares within the three-day period mentioned above must be done either in the Company's nominal share register, or in the bearers' securities accounts held by an authorized intermediary.

Access to the shareholders' meetings is open to its members upon simple production of documentation confirming their status and identity. The Board of Directors may, should it see fit, produce and distribute to shareholders personal admission cards and require these cards to be presented.

Any shareholder may grant powers to any individual or entity of its choice for the purpose of being represented to a shareholders' meeting. The proxy as well as its possible revocation have to be in written form and communicated to the Company. The proxy is revocable under the same form as that required for the appointment of a representative, electronically as the case may be. The holders of shares duly registered on behalf of an intermediary under the conditions of article L. 228-1 of the French commercial code may be represented under the conditions of the aforementioned article by a registered intermediary.

A shareholder may also vote by correspondence. Once the shareholder has voted by correspondence or by power of attorney sent to the Company, he will no longer be able to choose any other method of participation at the shareholders' meeting. The Company must receive the ballot at least three days before the meeting, with the exception of electronic ballots, which must be received by the Company no later than 3 P.M. Paris time on the day before the meeting is held.

Powers of attorney, correspondence voting forms and shareholding certificates of presence may be prepared in electronic form and duly signed in accordance with the legislative and regulatory conditions applicable in France.

2. The shareholders' meetings are convened by the board of directors or, failing which, by the statutory auditors or any person duly authorized for such purpose. They are held at the registered office or at any other location indicated in the notice of meeting. They can be held by videoconference or by telecommunications means enabling the identification of the shareholders and which types and conditions of use are set out in articles R. 225-97 to R. 225-99 of the French commercial code. In this case, the shareholders who attend the meeting via such means in compliance with legal requirements are deemed present, for the calculation of the quorum and of the majority.

Unless otherwise provided by law, the notices of meeting occur at least fifteen days before the date contemplated for the shareholders' meeting and such period is reduced to ten days for shareholders' meetings held upon second notice and for postponed shareholders' meetings.

3. The meeting's agenda is stated in the notification and is drafted by the author of such notification.

The meeting can only discuss matters included in the agenda.

One or several shareholders representing at least the proportion of capital set out by law, or any association of shareholders meeting the legal requirements and acting in compliance with law and within the legal timeframe, may require the addition of items [*points*] or draft resolutions to the agenda. The request to add items to the agenda must be justified. In addition, pursuant to the French labor code, the works council may require the addition of draft resolutions to the agenda.

For each meeting an attendance sheet is prepared in accordance with the legal requirements.

The Chairman and Chief Executive Officer presides over the meeting, or if he is absent, a director empowered to do so by the Board of Directors will so preside. The shareholders' meeting can appoint a president if both the Chairman and the appointed director are absent.

Two members of the shareholders' meeting who hold, for themselves or as proxies; the largest number of individual votes, will be appointed as scrutineers if they are present and they accept.

The meeting's officers will appoint a secretary, who can be someone who is not a shareholder.

The meeting's officers are responsible for checking, certifying and signing the attendance sheet, settling the incidents which could occur during the meeting, resolving meeting's incidents, controlling the votes issued and drafting the minutes.

The minutes are drafted and the excerpts of the decisions are issued and certified according to law.

An ordinary shareholders' meeting is held to make all decisions that will not amend the bylaws. It is held at least once a year, within six months following the closing of each fiscal year, or in the case of adjournment, within the period of time determined by a court ruling, to discuss and approve the annual financial statements.

The ordinary shareholders' meeting cannot make any valid decisions unless the present or represented shareholders and those having voted by correspondence hold at least a one-fifth of the shares with voting rights. If the meeting is convened for the second time, there are no quorum requirements. Decisions are made by the majority of the individual votes expressed by shareholders present, represented or having voted by correspondence.

4. An extraordinary shareholders' meeting is authorized solely to amend the bylaws. However, amendments to the bylaws cannot increase shareholders' obligations towards the Company, except concerning operations resulting from a regular consolidation of shares.

Subject to the special legal provisions applicable to share capital increase operations carried out by incorporating reserves, profits or share premiums into the capital, it cannot make any valid decisions unless the present or represented shareholders and those having voted by correspondence hold at least a quarter, when convened for the first time, or one-fifth, when convened for the second time, of the shares with voting rights. If for the second meeting, such quorum requirement is not met, the shareholders' meeting can be adjourned for a period of up to two months from the date when it was previously convened.

Subject to the provisions mentioned above, decisions are taken by the majority of two-thirds of the individual votes expressed by shareholders present, represented or having voted by correspondence.

Article 21 - Shareholders' right of communication

All shareholders have the right to obtain communication of the documents necessary to review the management and running of the Company, in accordance with the provisions set down by the law and regulations.

Article 22 - Financial year

The length of the financial year is twelve months: it begins on January 1 and ends on December 31 of each year.

Article 23 - Annual accounts

The Board of Directors keeps the Company's books in accordance with the regulations and closes the annual accounts in accordance with the commercial laws and usage.

Article 24 – Allocation of financial results

1. The profit and loss account which recapitulates the income and expenses for the financial year underlines by difference, after deduction of the amortization and depreciations, the profit or loss for the financial year.

Out of the profit for the financial year less any previous losses, if any, at least 5% is deducted for the legal reserve fund. This deduction is no longer compulsory once the reserve has reached one tenth of the share capital; it starts again if, for any reason, the legal reserve falls below this tenth.

The distributable profit is composed of the profit of the financial year, less the previous losses and the amounts to be entered in the reserves in application of the law or bylaws and increased by the profits carried forward from prior years. The shareholders' meeting shall withhold any amounts from this profit it deems appropriate either to allocate to any optional reserve funds or to carry it forward.

In addition, the shareholders' meeting may decide to distribute part of the distributable reserves; in such event, the decision shall state expressly the reserve items from which the distribution has been made. However, dividends shall be paid first from the financial year's distributable profit.

Except in case of share capital reduction, no distribution may be made to shareholders where the equity are or may become, further to such distribution, less than the amount of capital increased by the reserves which are non-distributable as per applicable laws and bylaws. The difference of revaluation is not distributable, it may be incorporated in all or in part of the share capital.

Losses, if any, are entered into a special account to be deducted from the profits of later financial years until they have been absorbed or to be discharged by means of a reduction of the share capital.

2. Any shareholder who, at the end of the financial year, has held registered shares for at least two years and still holds them at the date of payment of the dividend in respect of this financial year, shall receive in respect of such shares a bonus equal to 10% of the dividend paid for the other shares, including any dividend which is paid in new shares. Where applicable, the increased dividend will be rounded down to the nearest cent. New shares thus issued shall rank *pari passu* with the existing shares in respect of which they were issued, for the purpose of calculating the rights to bonus dividend and increased distributions.

Similarly, any shareholder who, at the end of the financial year, has held such registered shares for at least two years and still holds them at the issuance date of a share capital increase by way of capitalization of reserves, profits or premiums that gives rise to bonus shares distribution, shall receive additional bonus shares equal to 10% of the number distributed, rounded down to the nearest whole number in case of fractions.

The number of shares giving entitlement to such increases may not exceed 0.5% of the share capital per shareholder as at the end of the relevant financial year.

In the event of a dividend payment in shares or bonus shares distribution, any additional shares shall rank *pari passu* with the shares previously held by the shareholder for the purpose of determining any bonus dividend or bonus shares distribution. However, in the event of fractions:

- where the shareholder exercises its option for the payment of the dividend in shares, the shareholder meeting the legal requirements may pay a balancing amount in cash to receive an additional share;
- in the case of a bonus shares distribution, the rights to any fractions of a share arising from the increase shall not be negotiable and the corresponding shares shall be sold and the proceeds distributed to the holders of such rights no later than thirty days after the registration in their account of the whole number of shares allocated to them.

The provisions of this paragraph shall apply for the first time to the payment of the dividend to be distributed in respect of the financial year ending on December 31, 2013, determined by the ordinary shareholders' meeting to be held in 2014.

Article 25 - Payment of dividends

The Shareholder's Meeting is entitled to give, in accordance with applicable legal conditions, to each shareholder, for all or part of the allocated dividend, a right to choose between payment in cash and payment in shares.

The conditions of the payment of dividends voted by the Shareholders' Meeting shall be established by the Shareholders' Meeting or, in the absence of such a decision, by the Board of Directors. Nevertheless, the payment of dividends, whether in cash or in shares, shall take place within nine months after the end of the prior fiscal year, except in case an extension is authorized by the court.

When a balance sheet drawn up during or at the end of the fiscal year and certified by the statutory auditor reveals that the Company has made a profit after deduction of amortization and depreciation and deduction, if any, of previous losses and amounts to be allocated to the reserves pursuant to the law or to the bylaws and taking into account the profit carry-forward since the end of last fiscal year, interim dividends may be distributed, in accordance with applicable legal conditions, prior to the approval of the financial statements for the then current fiscal year.

Provided that it has been authorized by the Shareholders' Meeting to do so, the Board of Directors may give the shareholders, for all or part of the interim dividend, the right to choose between payment in cash and payment in shares. The amount of the interim dividend shall not exceed the amount of realized profit as defined above. Dividends that are not requested for payment within five years of their payment date are lost.

Article 26 - Disputes

- Translation for information purposes only -

Any disputes that may arise during the duration of the Company or its winding up, either between the shareholders and the Company or between the shareholders themselves, concerning any Company matters are referred to the jurisdiction of the place where the Company has its registered office.

For this purpose, in the event of dispute, shareholders should elect domicile within the jurisdiction of the registered office and any notices or summons are regularly served at this address.

Failing an election of domicile, notices or summons are regularly served at the office of the public prosecutor at the *Tribunal de grande instance* of the place where the Company has its registered office.

Article 27 - Winding up - Liquidation

In the event of termination or winding up of the Company, the ordinary meeting settles the method of liquidation and appoints one or more liquidators and determines the extent of their powers in accordance with the law.

The net proceeds of the liquidation after discharge of the liabilities and reimbursement to the shareholders of the undepreciated nominal amount of their shares is divided out between the shareholders.