

# **PROPOSED AMENDED EEB S.A. ESP ARTICLES OF INCORPORATION**

**Amendment to be submitted to the Ordinary  
General Shareholders' Meeting of March 30,  
2017 for consideration**

# Proposed Amended Articles of Incorporation

Current EBB Articles of Incorporation	Proposed Amendment
<p>“Article 66° Functions: The Board of Directors shall have the following responsibilities and functions: (...)</p> <p>12. Approve the Company’s annual budget, investment, maintenance and expense plans, as well as its financial forecasts, and, in general, approve the financial and investment guidelines and policies of the Company.”</p>	<p>“Article 66° Functions: The Board of Directors shall have the following responsibilities and functions: (...)</p> <p>12. Approve the Company’s annual budget, investment, maintenance and expense plans, and, in general, approve the financial and investment guidelines and policies of the Company, <u>and review the Company’s financial forecasts.</u>”</p>
<p>“Article 66° Functions: The Board of Directors shall have the following responsibilities and functions: (...)</p> <p>20. Approve the personnel policies, <del>personnel and the</del> compensation parameters proposed by the President.”</p>	<p>“Article 66° Functions: The Board of Directors shall have the following responsibilities and functions: (...)</p> <p>20. Approve the personnel policies, the compensation parameters proposed by the President <u>and the annual personnel budget</u>”</p>
<p>“Article 70.° Functions: The President’s functions are (...)</p> <p>12. Exercise the appointing power in the company; design the personnel payroll; propose the salary structure, and manage personnel.”</p>	<p>“Article 70.° Functions: The President’s functions are (...)</p> <p>12. Exercise the appointing power in the company; design <u>and approve</u> the personnel payroll; propose the salary structure, and manage personnel, <u>subject to the annual budget limit approved by the Board of Directors</u>”.</p>

# Proposed Amended Articles of Incorporation

Current EBB Articles of Incorporation	Proposed Amendment
<p>“Chapter VII. Company’s President Article 69. Appointment and term: (...) <del>Paragraph 2: The appointments of the President and the alternate presidents must be registered with the commercial registry.</del>”</p>	<p>“Chapter VII. Company’s President Article 69. Appointment and term: (...) <u>Paragraph 2: The Company’s legal representation for judicial and administrative matters before the Judicial and Executive branches of the Government; the Office of the Public Prosecutor; the Office of Attorney General of the Nation and the fiscal control entities, may be executed by attorneys appointed for such purpose by the Board of Directors for one-year periods, being the Board entitled to remove them at any time.</u> <u>Representation will have broad and sufficient powers and will include, among others, the legal representation of the Company in any judicial, extra-judicial or administrative act, including, but not limited to, examinations, acting in constitutional actions and conciliation hearings.</u> <u>Paragraph 3: The appointment of the President and the alternate presidents, and the legal representatives for judicial matters must be registered with the commercial registry.”</u></p>

# Proposed Amended Articles of Incorporation

Current EBB Articles of Incorporation	Proposed Amendment
<p><i>“Article 66. Functions: The Board of Directors shall have the following responsibilities and functions: (...)</i></p> <p><i>Paragraph one: Notwithstanding that the Board may, for its performance, rely on the efforts of the Committees, the Board of Directors shall not delegate to the management such functions provided for in the following numbers of this article: 1, 2, 4, 6, 8, 9, 10, 11, 12, 22, 25, 29, 30, 32, 34, 35, 36 and 37.</i></p>	<p><i>“Article 66. Functions: The Board of Directors shall have the following responsibilities and functions: (...)</i></p> <p><i>Paragraph one: Notwithstanding that the Board may, for its performance, rely on the efforts of the Committees, the Board of Directors shall not delegate to the management such functions provided for in the following numbers of this article: 1, 2, 4, 6, 8, 9, 10, 11, 12, 22, 25, 29, 30, 32, 34, 35, 36 and 37.</i></p> <p><b><i>Paragraph two: Board of Directors or Committee meetings of EEB and its affiliates may be jointly held as required, without this meaning a transfer to EEB of the responsibilities of the Boards of Directors and Committees of its affiliates.”</i></b></p>

