

## **BY-LAWS OF LEXPRUDENS SL COMPANY-----**

### **CHAPTER I. - GENERAL PROVISIONS.-----**

#### **Article 1. - Name and regime.-----**

The Company shall be named "LEXPUDENS, SL" and it shall be governed by the following B-Laws, the Law of Limited Liability Companies and other Laws that apply to it. In these By-Laws we shall refer to it as "the Company".

#### **Article 2. - Purpose**

2.1. The Company has as corporate purpose the collaboration, cooperation and development of joint activities between Partners, regarding the practice of Law by them, including training, communication, centralization in the acquisition of goods and services, and document and knowledge management.

2.2. Under no circumstances the activity of the Company shall be deemed a joint professional practice but a support to the individual practice by the Partners. Hence, all performance of the Partners must clearly identify themselves as the acting and responsible entity, so the rights and duties relating to the exercise of professional

practice shall not be attributable to the Company, without prejudice to referring to the Company as an instrument and collaborative link. Thereby, the holder of the legal relationship entered into with the Client shall be exclusively the Partner and never the Company. To conclude, the application of the Professional Company Act shall be excluded.

**Article 3 .- Term.**-----

The Company shall last indefinitely, and it shall begin operations in the day of issuance of the Public Deed of Incorporation.

**Article 4 .- Address.**-----

1 The corporate registered office shall be Fernanflor, 8-1º C, 28014 Madrid.

4.2. The Board of the Directors of the Company may establish, remove or relocate all the branches, agencies or offices that seem appropriate, or change the registered office within the city of Madrid.

4.3. Nevertheless, the tax residence of the Company may be located in another town or city, depending on where its management is hold.

**CHAPTER II. THE CAPITAL, COMPANY'S QUOTES AND THEIR TRANSMISSION**-----

**Article 5. Capital.**-----

Corporate capital is fixed at the amount of THREE THOUSAND

SIX EUROS (€ 3,006). The capital is fully paid up and divided into one hundred (100) quotes, indivisible and cumulative, with a nominal value of THIRTY EUROS and SIX CENTS (€ 30.06) each, numbered consecutively from 1 to 100, that may not be represented by certificates or book entries nor named shares.

**Article 6 .- Partners and Associates.-----**

6.1. Partners may be natural or legal persons exercising the Bar or, generally, providing legal services of all kinds, including representation before the Courts at all levels as well as out of the Courts legal advice.

6.2. The Company shall keep a registry or Book of Partners, which will contain the original ownership and subsequent transfers, voluntary or forced, of the quotes, as well as the constitution of real or security interest and other charges on them; each entry shall indicate the identity and address of the holder of quotes or real or security interest on them.

6.3. Any Partner may have access to the Book of Partners, whose keeping and custody corresponds to the Company's Direction.

Partners and holders of real or security interests over quotes are entitled to obtain certification of ownership of the quotes registered on their name. Personal data of the Partners may be modified when required, not being effective any change towards the Company until modified.

6.4. The following shall be deemed as grounds for separation and exclusion of Partners, in addition to those established by Law: the Partner's disengagement from the practice of Law or, in general, the provision of legal services, whether by voluntary decision or due to suspension or deprivation of the practice of Law by means of an administrative, associative or court resolution, as well as breach of the accessory commitments to the Company for more than six (6) months.

6.5. Organizational and Operation Rules passed by the General Meeting may authorize the Associate's status as different from the Partner's. Associates shall not hold quotes, and they shall not vote nor be included in the Book of Partners.

**Article 7. - Joint holdership and real interests.-----**

7.1. In case of co-ownership of quotes, co-owners shall appoint one person to exercise holder's rights. All the co-owners shall be held liable jointly and severally. The same rule applies to other cases of joint ownership of rights or interests over the quotes.

7.2. In case of usufruct of quotes, the condition of Partner lies in the bare owner. However, the beneficial owner will be entitled to dividends as agreed by the Company during the usufruct. The exercise of other rights of the Partner corresponds to the bare owner.

7.3. In case of pledge of quotes, the exercise of Partner's rights shall correspond to the owner thereof. In case of enforcement of the pledge, rules governing forced transfer of quotas under Article 31 of the Law of Limited Liability Companies shall be applicable.

**Article 8. - Transfer of quotes.-----**

8.1. The transfer of quotes is subject to the limitations set forth by the Law of Limited Liability Companies, particularly in its Article 29.2, as well as any other applicable Laws. Voluntary transfers envisaged by Article 29.1 of the Law of Limited Liability Companies shall not be free of limitations but subject to those established under Article 29.2, unless the transfer is made in favour of companies within the same group of the transferor and those companies practice Law or provide legal services.

8.2. The transfer of quotes will be executed in accordance with applicable Law and it must be notified in writing to the Company for their registration in the Book of Partners.

8.3. The transmission of quotes not complying with the provisions of these By-Laws and applicable and Law shall not be effective towards the Company.

8.4. The Company may not acquire its own quotes, with the exception of those circumstances provided in Article 40 of the Law of Limited Liability Companies.

**Article 9. – Accessory commitments.-----**

9.1. Partners shall collaborate among them, giving preference in each location to local Partners, except in case of practice by themselves, whenever the decision of the Client so determines or when it is more convenient to look for the expertise of Lawyers or firms outside the network.

9.2. In addition to the funds provided in exchange of quotas, Partners must contribute to the expenses of the Company, satisfying the quotes approved by the General Meeting.

**CHAPTER III. - CORPORATE GOVERNANCE.-----**

**Article 10. – CORPORATE GOVERNANCE. -----**

The Company is governed by the General Meeting and it will be managed and represented by the Directors appointed by the former.

**Section 1. - The General Meeting.-----**

**Article 11. - Powers and majorities. -----**

11.1. The Partner's will expressed by the majority of them shall govern the Company's life. Every Partner, including dissenters and even absents, must abide by the agreements of the General Meeting, without prejudice to the rights of challenging the resolutions and separation of the Partner when legally appropriate.

11.2. It is up to the General Meeting to deliberate and agree on the following issues:

a) The censorship of the management of the Company, the approval of annual accounts and statements and the application of the results.

b) The appointment and removal of Directors, Liquidators and, depending on the case, Auditors, and also bringing actions in the name of the Company as regards the liability of any of the former.

c) The amendment of the By-Laws.

d) The approval, amendment or revision of the Organizational and Operation Rules.

e) The increase and reduction of capital, transformation, mergers and split-offs of the Company, and the dissolution of the same.

f) Any other matters determined by Law.

11.3. Resolutions shall be passed by the majority of the valid votes cast, always representing at least one third of the total possible votes and at least one third of the Partners. The blank votes shall not count.

As exceptions:

a) The increase or reduction of capital and any other amendment to the By-Laws require a favourable vote of more than half of the total possible votes, and more than half of the Partners.

b) The transformation, merger or split-off of the Company, the suppression of pre-emptive rights in capital increases, Partner exclusions and the authorization referred to in paragraph 1 of Article 65 of the Law of Limited Liability Companies require the affirmative vote of, at least, two thirds of the total possible votes and, also, at least two thirds of the Partners.

In order to decide the bringing of the liability action against the Directors, a majority of valid votes representing at least one third of the Company's capital shall be deemed sufficient.

**Article 12 .- Calling of the General Meeting -----**

12.1. The General Meeting shall be called by the Directors (or Liquidators, if it is the case).

12.2. The Directors are obliged to call the General Meeting within the first six months of every financial year in order to censor the Directors' management, approve the accounts of the previous year and decide on the application of the results. If not done, any Partner may request the Meeting before the Judge of First Instance of the registered office.

12.3. The General Meeting shall also be called by the Directors whenever it seems necessary or convenient and, in any case, when Partners who request it represent at least five per cent of the capital. In this case, the General Meeting shall be convened within a month, counted from the day in which it was requested by means of Notary's notification. If not called, it can also be requested before the Judge of First Instance of the registered office.

**Article 13 .- Form and content of the call.-----**

The calling of the Board shall be made by registered letter with acknowledgment of receipt, telegram, burofax or fax with receipt to

the address designated by the Partners, or, if no address is designated, to the address recorded in the Book of Partners.

13.2. Between the last call and the day of the meeting there shall be a period of at least fifteen days, except in cases of merger or split-off, in which the Meeting must be called at least a month before, and whenever the Law of Limited Liability Companies requires a different timeframe.

13.3. The calling shall contain the name of the Company, the date, time and place of the Meeting, the name of the person making the calling and the agenda. The calling shall clearly express the matters to deliberate and any other legal requirements. If the place of the meeting is omitted that means that it is convened to be held at the registered office of the Company.

**Article 14 .- Universal Meeting.-----**

The Board shall be validly formed to address any matter, without prior notice, whenever the entire capital is present or represented and the attendees unanimously agree with calling the Meeting and the agenda thereof. The Universal Meeting may meet anywhere in the Country or abroad.

**Article 15 .- Attendance and representation.-----**

All Members are entitled to attend the General Meeting.

**Article 16.- Officers of the General Meeting, deliberations and proceedings.-----**

16.1. President and Secretary to the Board of Directors shall also act in those positions in the General Meeting. In their absence, said positions shall be held by those appointed at the beginning of the Meeting by the attending Partners.

16.2 The deliberations will be leaded by the President, and each item on the agenda shall be voted on separately.

16.3. Resolutions passed by the General Meeting shall be recorded in the minutes, including the list of the attendees and it must be approved by the Meeting at the end of the same or, if not passed at the same Meeting, they must be approved, within fifteen days, by the President of the General Meeting and two "controller" Partners, each acting on behalf of a the majority and the minority.

**Section 2 .- Directors-----**

**Article 17 .- The Board of Directors.-----**

The Company shall be managed and represented by a Board of Directors composed of a number of Members neither less than three

nor more than twelve. The precise number of its Members shall be fixed by the General Meeting.

**Article 18 .- The operation of the Board of Directors.-----**

18.1. The Board of Directors shall meet, at the request of the President or whoever substitutes him/her, whenever required by the corporate interest or requested by any of its Members.

18.2. The calling will be made by individual letter (letter with acknowledgment of receipt, telegram, burofax, facsimile with receipt or email with confirmation of delivery) to all Members with five days in advance. The Board shall be considered as validly constituted when half the Members plus one assist. Members may confer their representation to another Member. Notwithstanding the foregoing, the Board shall be validly constituted to discuss any matter, without prior notice, in case all Members are present or represented and accept the Meeting and the agenda thereof.

18.3. The deliberations shall be carried out by separate points and they shall be directed by the President. In order to pass resolutions, which are also voted separately, an absolute majority of those attending the meeting shall be required, except for the permanent delegation of powers in an Executive Committee or one or more CEOs, and for the appointment of Directors holding such positions, that will require the affirmative vote of two thirds of the

Members.

18.3. The Board shall appoint, among its Members, a President, Vice Presidents, Treasurer and Secretary, unless directly appointed by the General Meeting.

18.4. The arguments and resolutions of the Board shall be recorded in the minutes, and shall be signed by the President and the Secretary or by those who have replaced them. Certifications of the resolutions shall be issued by the officers designated in Article 109 et seq. of the Mercantile Registry Regulation. They also can be formalized in Public Deed by officers mentioned in Article 108 of the abovementioned Regulation.

**Article 19 .- Term .-----**

Members of the Board shall hold office for an indefinite period, but may they can be removed from office at any time by the General Meeting, even in case their dismissal is not included in the agenda. The dismissal as a Member of the Board also involves the dismissal as President, Vice President, Treasurer or Secretary.

**Article 20 .- Representation.-----**

20.1. The representation of the Company both in and outside a Law suite, with the scope set forth by Article 63 of the Law of Limited Liability Companies, is entitled to the Board of Directors, who shall act collectively.

20.2. Without prejudice to the representation powers of the Board, the President of the Company shall also represent the same individually.

20.3. If the Board, by means of the corresponding delegation resolution, appoints an Executive Committee or one or more CEOs, it also shall indicate the representation powers of the same.

**Article 21 .- Remuneration, allowances and expenses.----**

21.1. The position of Director or Member of the Board is pro bono (free), as well as the position of President, Vice President, Treasurer or Secretary.

21.2. However, if one of them, with full respect for the provisions of Article 67 of the Law on Limited Liability Companies, provides services to the Company for positions to which he/she has been appointed, or professional services or any other kind of tasks, the remuneration received for this purpose will be based on the work developed according to Labour or Mercantile Law.

21.3. Similarly, Members of the Board shall be entitled to compensation for any costs or damages incurred in the lawful

exercise of their office.

**Article 22. - Prohibition of competition.-----**

Directors may not engage, on their own or on behalf of others, to the same corporate purpose or to any analogous or complementary activity unless authorized by the General Meeting. It is hereby clarified that the activity of the Company is related to collaboration between professional firms and, therefore, it is perfectly compatible with the exercise of professional activities by Partners and Directors of the Company.

**Article 23 .- Book of minutes.-----**

23.1. The Company shall keep a Book of Minutes which must contain all resolutions passed by the General Meeting and the Board of Directors, expressing the relevant data relating to the calling and constitution of the meeting, a summary of the topics discussed, arguments whose author has requested to be included, the resolutions passed and the results of voting.

23.2. Any Partner and any other persons who have attended the General Meeting in the name of Partners may request at any time

certification of the resolutions and minutes of General Meetings.

**CHAPTER IV .- THE FINANCIAL YEAR-----**

**Article 24 .- Financial year.-----**

The financial year begins the first of January each year and ends on the thirty first of December of the same year.

Exceptionally, the first financial year will begin on the date of the execution of the Articles of Association of the Company and will end the thirty first of December of that year.

**Article 25.- Annual Accounts.-----**

25.1. Within the first three months after the closure of each financial year, the Board must pass the annual accounts, the management report and the proposed application of the results and, if applicable, the consolidated accounts and annual report.

25.2. From the date of the calling for the General Meeting, which shall be held before every 31<sup>st</sup> of March of each year and to which those documents must be submitted, any Partner may obtain them for free from Company, including, if required, the report from the auditors. In the calling of the meeting that right will be recalled.

**Article 26 .- Application of results.-----**

26.1. The Board shall decide on the allocation of profits, with strict observance of the Laws on reserves, provisions and amortizations.

26.2. Profits shall be distributed to the Partners in proportion to their participation in the capital up to a maximum of ten (10) percent of net revenues of the Company. Above this percentage it shall be distributed among the Professional Members in the proportions specified in Article 8 for accessory commitments.

**CHAPTER V - DISSOLUTION AND LIQUIDATION.-----**

**Article 27 .- Dissolution.-----**

The Company shall be dissolved on the grounds specified in the Law of Limited Liability Companies and Article 4.5 of the Professional Companies Act. The dissolution shall start the liquidation and winding-up of the Company. Those who were Directors at the time of dissolution shall be converted into Liquidators, unless the General Meeting appoints others.

**Article 28 .- Inventory and initial balance sheet.-----**

Within three months from the initiation of the liquidation, the liquidators shall prepare an inventory and an initial balance sheet of the Company referred to the date of dissolution.

**Article 29 .- Final Balance sheet.-----**

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29.1. After completion of the liquidation process, Liquidators shall submit a final Balance sheet, a report on the liquidation operations and a projected division of the assets among the Partners for the approval of the General Meeting

29.2. The liquidation quota shall be proportional to the quote of each Partner in the corporate capital, and it may not be satisfied without the prior payment to creditors of the amount of their claims, or the prior deposit of the same in a bank in the same town or city of the registered office.

**Article 30. - Public Deed of termination.-----**

The final liquidation Balance and the relation of Partners, stating their identity and the value of their liquidation quotes, shall be included in the Deed of termination of the Company.