

MANAGEMENT REGULATIONS:

BESTINVER INTERNACIONAL, FI

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CHAPTER I. THE FUND

Article 1.- Name and legal form.

1. BESTINVER INTERNACIONAL, FI (the "Fund") is a mutual fund governed by these Management Regulations and, additionally, by Act 35/2003 of November 4 on collective investment schemes (the CIS Act) and by the Regulations (CIS regulations) and other legal provisions in force or those that may replace them in future.

Article 2.- Objective and rights of Unitholders.

1. The Fund is a collective investment scheme (CIS) set up as a separate asset without legal personality belonging to several investors. It is managed and represented by a fund management company. The fund management company exercises powers of control over the fund, with the assistance of a custodian, but is not its owner. Its purpose is to collect funds, assets and rights from the public which it then manages and invests in assets, rights, securities or other financial instruments. The investor's return shall be determined by the collective results. The Fund shall make no investment that would allow it to exert significant influence over any company.

2. The status of Unitholder, acquired by making a contribution to the collective assets, confers on the Unitholder the rights stated in the CIS Act, its enabling regulations and these Management Regulations. The Unitholder shall enjoy at least the following rights:

- a) To request and be granted redemption of the value of their Units, which, in the circumstances specified in section 12.2 of the CIS Act, shall be done without deduction of any fees or expenses.
- b) To request and be granted the transfer of their investments between CISs in accordance with section 28 of the CIS law.
- c) To receive full, accurate, precise and continuous information on the Fund, the value of the Units and the Unitholder's position in the Fund.
- d) To hold the Management Company and Custodian liable for any failure to comply with their obligations under law and regulations in force.
- e) To have recourse to the customer relations department or the ombudsman (*defensor del cliente*) and, where appropriate, the Investor Protection Commission (*Comisionado de Defensa del Inversor*) in accordance with section 48 of the CIS Act and section 22 et. seq. of Act 44/2002 of November 22, on Measures for the Reform of the Financial System.

Article 3.- Duration.

The Fund is established for an indefinite period.

It shall begin operations on the date of its registration with the Comisión Nacional del Mercado de Valores (CNMV), the Spanish securities exchange commission.

CHAPTER II. THE MANAGEMENT COMPANY AND CUSTODIAN

Article 4.- Management, administration and representation of the Fund.

1. The Fund's Management Company is Bestinver Gestión, S.A. SGIC.

It is registered in the CNMV's Register of CIS Management Companies under number 103 and in the Companies Register. Its head office is at calle Juan de Mena, 8, 1º, Madrid.

2. Management and administration of the Fund is the responsibility of the Management Company which, in accordance with the laws in force and subject to compliance with the obligations set out in the CIS Act and CIS regulations, shall enjoy all powers to represent the Fund and no deeds or agreements made by it with third parties in the exercise of its powers as Management Company can be contested on the grounds of legal incapacity.

Article 5.- The Custodian.

1. The Fund's Custodian is Santander Investment, S.A..

It is registered in the CNMV's Register of CIS Custodians under number 42 and in the Companies Register. Its head office is at Boadilla del Monte (Madrid), Avda. Cantabria, s/n, Ciudad Grupo Santander.

2. The Custodian is responsible for the custody of the securities, other financial assets and cash that make up the Fund's assets and shall remain wholly liable for their safekeeping even if it should entrust the administration of some or all of the securities in its custody to a third party.

It is also obliged to exercise, on behalf of the Unitholders, duties of supervision and vigilance over the Fund Management Company's management of the Fund and other duties specified in section 60 of the CIS law.

Article 6.- Fees and expenses.

1. The Management Company and Custodian may charge the Fund management fees and custody fees, respectively, and the Management Company may also charge the Unitholders subscription and redemption fees. They may also set discounts on subscriptions and redemptions for the Fund. These fees shall be set as a percentage of the assets or returns of the Fund or as a combination of both or, where appropriate, as a percentage of the NAV of the Units. Fees cannot exceed the regulatory limits. Details of the method used to calculate fees and their maximum level, the fees actually charged and the entity to which they are paid are given in the Fund prospectus.

Also, the Custodian can charge the Fund fees for the settlement of transactions provided that these are in accordance with the regulations governing the corresponding rates.

2. Furthermore, the Fund may be charged for other expenses relating to services it receives that are essential for its normal operations. Such expenses may not represent an additional charge for services inherent in the duties of the Management Company or Custodian which are already remunerated through their respective fees.

Article 7.- Replacement of the Management Company and Custodian

The Management Company or Custodian may ask to be replaced when it considers this to be appropriate, in a written submission to the CNMV. This submission shall be accompanied by another from the new Management Company or new Custodian, stating that it accepts the duties and requests the corresponding authorisation. Exceptionally, the CNMV may authorise the replacement of the Management Company even when this is unilaterally requested by the

Management Company and may equally authorise the replacement of the Custodian where this is unilaterally requested by the Custodian or by the Management Company. Under no circumstances may the Management Company and the Custodian resign from the exercise of their respective duties without having completed all the requirements and administrative measures to appoint their replacements.

The initiation of bankruptcy proceedings against the Management Company or Custodian shall not automatically entail the dissolution of the Fund, but the Entity concerned shall cease to carry out its duties and proceedings to appoint a replacement shall begin. The CNMV may replace the Management Company even when it has not so requested.

If the Management Company should cease to carry out its duties, for whatever reason, the Fund's management shall automatically and provisionally become the responsibility of the Custodian, which shall be empowered to carry out all the related duties. If no new Management Company registered in the Administrative Register willing to take over management is found within a year, the Fund can be dissolved and begin liquidation. If it should be the Custodian that ceases to fulfil its duties, the Fund's assets shall be deposited with the Bank of Spain and, if no new Custodian can be found within a year, the Fund shall be dissolved and begin liquidation. Liquidation shall be carried out by the Management Company or Custodian, as appropriate, under the terms set out in Article 18 of these Management Regulations.

In the event of the replacement of the Fund's Management Company or Custodian, or changes in control of the former, Unitholders shall have the right to redeem their Units on the terms set out in Article 12.2 of the CIS law and Article 14 of the CIS regulations.

However, no such right of sharing-out or advance notice shall apply for the period of one month, in the event of replacement of the Management Company or Custodian by another member of the same group or in the event of a merger with or creation of a management company or custodian within the same group. In all cases, continuity of management must be demonstrated at the time the request for authorisation is made.

It shall be deemed that there has been a change in control of the Fund's Management Company when an individual or legal entity acquires the power of decision-making over the Company which they did not previously have.

Any replacement or change in control of the Management Company as referred to in the preceding paragraphs shall be published through announcements in the Spanish official state gazette (*Boletín Oficial del Estado*) and two national newspapers.

CHAPTER III. THE UNITS

Article 8.- Basic features.

1. The Fund's assets are divided into identical Units, with no nominal value, which confer on their holders, together with the other Unitholders, ownership interest in the assets under the applicable legal and contractual terms.

The value of each Unit shall be determined by dividing the Fund's assets by the number of Units outstanding. For these purposes, the value of the Fund's assets shall be determined

according to applicable law and specifically CNMV Circular 7/1990 of December 27 or others that may amend or replace it.

2. The number of Units shall be unlimited and subscriptions or redemptions shall depend on the demand and supply for Units. Notwithstanding the above, the Management Company reserves the right to set a maximum limit on Units owned by a single Unitholder under the terms set out in the prospectus.

The transfer of Units, the creation of limited rights or any other class of encumbrance and the exercise of the rights inherent in the Units shall be governed by the general provisions governing marketable securities. By subscribing for Units, the subscriber is deemed to have accepted the Regulations by which the Fund is governed.

3. The Fund's assets shall be denominated in euros.

Article 9.- Form of the Units

The Units shall be represented by bearer certificates with no nominal value and recording one or more Units, which Unitholders shall be entitled to receive. These certificates shall state the order number, number of Units concerned, name and address of the Fund, Management Company and Custodian, as well as information on their registration in the Companies Register, the constitution date of the Fund and information on its registration in the appropriate Registers.

The Management Company may, without in any way diminishing Unitholders' rights to receive the certificates attesting to their holdings, use, as a management document, the receipts used to inform Unitholders of their position in the Fund after each of their transactions.

Article 10.- Subscriptions for Units

The Management Company shall be obliged, in accordance with the requirements in these Regulations and statutory regulations in force, to issue Units in the Fund upon request from the subscriber. Subscriptions for Units shall be paid in cash.

Individuals or legal entities that wish to acquire Units shall submit a completed subscription request to the Management Company which shall be delivered through the legally authorised individuals and entities. The Management Company may issue fractions of Units.

Where Units are held jointly the joint Unitholders shall designate one person to exercise the corresponding rights. For these purposes, where no one is explicitly designated, the person appearing as subscriber in the subscription request shall be considered the Unitholder.

The Management Company reserves the right to set a minimum initial and continuous investment for each Unitholder in the prospectus.

Article 11.- Redemptions of Units

1. The Management Company shall be obliged, in accordance with the requirements in these Regulations and statutory regulations in force, to redeem Units in the Fund upon request from the Unitholder.

Redemption requests may be submitted at the offices of the Custodian or at the Management Company, either directly or through legally authorised individuals and entities.

Payments in respect of Unit redemptions shall be made by the Custodian in a maximum of three working days from the date of the NAV used for the redemption. Exceptionally, where the investments to be redeemed exceed five per cent of the fund's assets this term may be extended to five working days if required.

2. Notwithstanding the above, for redemptions of more than EUR 300,000 the Management Company may require prior notice of up to 10 days.

Similarly, when the total amount redeemed by a single Unitholder within a period of up to 10 days is equal to or greater than EUR 300,000, the Management Company may require prior notice for further redemption requests of whatever size from the same Unitholder within the 10 days following the latest redemption. All the amounts relating to the provisions of this clause are calculated taking into account all redemptions ordered by a single authorised representative.

3. Redemptions of Units shall be paid in cash. In exceptional circumstances the CNMV may allow, following a request by the Management Company giving reasons, Units to be redeemed in securities forming part of the fund. In these cases, the CNMV shall determine the terms, conditions and timing during which these exceptional measures can be used.

Article 12.- NAV applying at subscription and redemptions.

1. The NAV of the Units shall be calculated daily by the Management Company. The NAV used for subscriptions and redemptions shall be that of the request date or the following working day, in accordance with the provisions stated in the simplified prospectus. The request date for subscriptions shall be understood as being the value date of the amount of the subscription paid into the Fund's account, adjusted as appropriate for any fees accruing to the Management Company and discounts to the Fund as specified in Article 6 of these Regulations.

2. When some listed securities are suspended from trading and these and other similar unlisted securities issued by the same Company form part of the Fund, redemptions and subscriptions for Units shall be made at the normal price as described in the previous sections of this Article, provided that the securities in question are not valued at more than 5 per cent of the Fund's assets.

Otherwise, subscriptions and redemptions shall be made in cash for that part of the Unit price which does not relate to the suspended securities, and the remainder shall be paid when trading is resumed on the basis of the security's value on the first day of renewed trading. In subscriptions the Unitholder and in redemptions the Management Company shall state that they undertake to make good the difference as calculated in accordance with the specified method. The Management Company shall compensate the Unitholder for differences when the Unitholder asks to redeem the Units before the circumstances that gave rise to the difference.

Notwithstanding the above, when trading in listed securities is suspended for technical or other reasons that affect trading in an entire market or organised trading system and where these securities represent more than 80 per cent of the Fund's asset value, the Management Company may suspend Unit redemptions and subscriptions until the reasons that originally gave rise to the suspension are resolved, subject to notification to the CNMV.

The CNMV may, either on its own initiative or on request of the Management Company, temporarily suspend subscriptions or redemptions when it is impossible to determine their price or under other circumstances of force majeure.

Article 13.- Transfers of Units.

1. The transfer of investments between CISs shall be governed by section 28 of the CIS law and, in all matters not covered by this Article, by the general regulations governing subscription and redemption of Units in investment funds as well as the buying and selling of shares in investment companies.

2. To initiate the transfer the Unitholder must instruct the management company, distributor or investment company to which the investment will be transferred (“the transferee”) in writing to carry out the necessary procedures. The transferee shall then pass on the duly completed transfer request to the original Management Company (“the Original Company”) within one working day of receiving it. The Original Company shall have a maximum of two days after receiving the request to carry out any checks it considers necessary. Both the transfer of cash and the communication by the Original Company to the transferee of all the financial and tax information necessary for the transfer, must be completed within the time laid down by regulations for the payment of redemptions counting from the third working day after receipt of the request. In all cases, the cash shall be transferred by the Original Company ordering the Custodian to make a bank transfer from the account of the Fund (“the original CIS”) into the account of the transferee CIS.

3. The NAVs used for transfers as described in the previous section shall be those laid down in the regulations of each fund for subscriptions and redemptions or in the articles of association of the company for the buying and selling of shares.

4. In transfers involving an investment company whose shares are publicly listed, the intervention of a stock broker may in no circumstances allow the amount of the redemption of Units to be made available to the Unitholder. Also, the Unitholder shall be responsible for custody of the financial and tax information relating to the transfer and for communicating it, where necessary, to the transferee management company or distributor.

CHAPTER IV. INVESTMENT POLICY

Article 14.- Investment policy and security selection procedures.

1. The Management Company shall set out the Fund’s investment policy, investment style and risk profile in the prospectus. It shall be responsible for carrying out all the trades required to buy and sell assets, and shall pass all necessary instructions to the Custodian to formalise the trades.

2. The Fund assets shall be invested subject to the limits and percentages regarding diversification of risk, investment, liquidity, debt and operations affecting assets including their use as collateral, as stated in sections 30 and 66 of the CIS Act, sections 36, 38, 40, 41 and 99 of the CIS regulations and other provisions in force or that may replace them in the future.

Without prejudice to compliance with the above limits the Fund shall not invest more than 10 per cent of its assets in other CIS’s.

Article 15.- Risky transactions and commitments.

The Fund shall not deal in derivative financial instruments for risk-hedging purposes or invest to more efficiently manage the portfolio including management designed to achieve a specific profit target, within the limits set by laws and regulations in force at the time and the terms set out in the prospectus.

CHAPTER V. CRITERIA FOR THE CALCULATION AND DISTRIBUTION OF RESULTS.

Article 16.- Criteria for the calculation and distribution of results.

1. In calculating Fund profits, the value or cost price of assets sold shall be calculated using the weighted average cost method. This method shall continue to be used for at least three years.

2. Profits after tax shall not be distributed to Unitholders, i.e. they shall be retained as part of the Fund's assets.

CHAPTER VI. GENERAL PROVISIONS

Article 17.- Changes to the Management Regulations.

Changes to the Regulations that do not require prior authorisation under section 12 of the CIS Act shall be notified in the first quarterly report following the change as well as in the subsequent half-yearly and annual reports. Changes may be noted as being of little significance at the time they are recorded in the corresponding register of the CNMV.

Any amendment to the Regulations that requires prior authorisation shall be published by the CNMV once it has been authorised and notified by the Management Company to Unitholders within 10 days of being informed of its authorisation. In these cases, before the change can be recorded in its administrative registers, the CNMV shall require evidence of compliance with this notification obligation in the form of certification by the Management Company and submission of a copy of the letter sent to Unitholders.

When the change to the Management Regulations or the prospectus concerns the investment policy, profit distribution policy, replacement of the Management Company or Custodian, delegation of portfolio management to another entity, merger, transformation or splitting of the fund, or the introduction or increase of fees it shall be notified to Unitholders at least one month before coming into effect. Such changes shall take effect at the moment that the change to the Management Regulations or update of the prospectus is registered. A change of control of the Management Company, once completed and notified to the CNMV shall be notified to the Unitholders within 10 days.

Where there are redemption fees, or expenses or discounts associated with redemption, Unitholders may opt within one month from the date the change was published or from the date the notifying letters were sent out to Unitholders, if this was later, to redeem or transfer their Units, in whole or in part, free of any deduction of redemption commission or expense, at the NAV applying on the last day of the month in which the information was announced.

Changes to Management Regulations may be registered automatically when these are due to changes in statutory regulations or to changes in other CNMV registers.

Article 18.- Dissolution and liquidation of the Fund.

The fund may be dissolved upon the expiry of the term stated in its founding agreement, by agreement of the Management Company and Custodian when the fund was created for an indefinite period and under other circumstances specified by the law in force.

The dissolution resolution shall be adopted by common consent between the Management Company and the Custodian except where the dissolution has been caused by the termination of the Management Company. In these circumstances, only the Custodian need approve the resolution. The resolution to dissolve the Fund must be immediately notified to the CNMV, which shall publicly announce it, without prejudice to its publication in the *Boletín Oficial del Estado* and one of the largest circulation newspapers in the place of the Management Company's head office. The news shall also be immediately notified to the Unitholders.

Once the Fund has been dissolved, the liquidation period begins in which the right to subscribe for and redeem Units is suspended. The Management company, with the assistance of the Custodian, shall act as liquidator, and shall with all due diligence and with the least possible delay, sell the securities and assets of the fund and settle and collect all debts. Once these transactions have been completed, they shall draw up the corresponding financial statements and determine the share corresponding to each Unitholder.

These statements shall be audited in the manner laid down by law and the balance sheet and income statement shall be published in the *Boletín Oficial del Estado* and one of the largest circulation newspapers in the place of the Management Company's head office.

One month after its publication, if no objections have been lodged, the Fund's assets may be distributed among its Unitholders. Sums that are not claimed within three months shall be placed on deposit in the *Caja General de Depósitos* for collection by their legal owners. If any objections are lodged, distribution shall be in accordance with the ruling of the competent Judge or Court. Advance payments may be paid to Unitholders as provisional liquidation.

Once all the assets have been distributed, the Management Company and Custodian shall request the deletion of the relevant entries from the corresponding Registers.