

FIRST SUPPLEMENT DATED 21 APRIL 2015 TO THE

BASE PROSPECTUS DATED 12 MARCH 2015

**Banca Monte dei Paschi di Siena S.p.A.**

*(Incorporated with limited liability in the Republic of Italy)*



**€50,000,000,000**

**Debt Issuance Programme**

This first supplement (the **Supplement**) to the Base Prospectus dated 12 March 2015 (the **Base Prospectus**), constitutes a supplement for the purposes of Article 13.1 of Chapter 1 of Part II of the Luxembourg Act dated 10 July 2005 on prospectuses for securities, as amended (the **Prospectus Act**) and is prepared in connection with the Euro Medium Term Note Programme (the **Programme**) established by Banca Monte dei Paschi di Siena S.p.A. (**BMPS** or the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

**Purpose of the Supplement**

The purpose of the submission of this Supplement is to update (i) the “Documents Incorporated by Reference” section of the Base Prospectus to incorporate by reference the BMPS 2014 audited consolidated annual report along with some recent press releases in relation to the Issuer, (ii) the “Banca Monte dei Paschi di Siena S.p.A.” description section of the Base Prospectus and (iii) the “General Information” section of the Base Prospectus to include the new information available on the Issuer.

**Documents Incorporated by Reference**

The "Documents Incorporated by Reference" section on pages 35-37 of the Base Prospectus shall be deemed to be supplemented with the following:

**BMPS 2014 Annual Report**

On 16 April 2015 the Shareholders' Meeting of BMPS approved the 2014 audited consolidated annual report (the **BMPS 2014 Annual Report**)

A copy of the BMPS 2014 Annual Report has been filed with the *Commission de Surveillance du Secteur Financier* (the **CSSF**) and, by virtue of this Supplement, the sections of such document identified in the table below are incorporated by reference in, and form part of, the Base Prospectus:

<b>Document</b>	<b>Information incorporated</b>	<b>Pages</b>
“BMPS 2014 Annual Report”	Governing and Control Bodies	pp 5-6
	Consolidated Annual Report	pp 7-8
	Consolidated Report on Operations	pp 9-118
	Consolidated Financial Statements	pp 119-120
	Consolidated balance sheet	pp 121-122
	Consolidated income statement	pp 123
	Consolidated statement of comprehensive income	pp 124
	Consolidated Statement of Changes in Equity – 2014	pp 125-126
	Consolidated Statement of Changes in Equity – 2013	pp 127-128
	Consolidated cash flow statement: indirect method	pp 129-130
	Notes to the Consolidated Financial Statements	pp 131-508
	Certification of the consolidated financial statements pursuant to art. 81-ter of Consob regulation no. 11971 of 14 may 1999, as subsequently amended and supplemented	pp 509-510
	Independent Auditor’s Report	pp 511-514

The information incorporated by reference that is not included in the cross-reference list above is considered as additional information and is not required by the relevant schedules of Regulation (EC) No 809/2004 of 29 April 2004.

#### **Press releases in relation to BMPS**

On 17 April 2015 BMPS informed that Ordinary and Extraordinary Shareholders' meeting was held in Siena and that the Ordinary Shareholders' meeting approved the financial results as at 31 December 2014.

On 15 April 2015 BMPS informed to have reached on 14 April 2015 an agreement with Poste Italiane S.p.A. concerning the sale of the 10.3% stake of BMPS in Anima Holding S.p.A. (**Anima**) to Poste Italiane S.p.A. The overall counter-value of the transaction amounts to Euro 6.967 per share in line with the average price of the Anima share in the last month.

On 16 April 2015 BMPS informed, as previously disclosed, that the European Central Bank (**ECB**) had required BMPS to fall back within the regulatory limits on its Large Exposure towards Nomura by 26 July 2015. This may be done through a number of different measures – all of which are currently being examined. These measures include the possibility to terminate, either in whole or in part, the Alexandria transaction. BMPS informed that his option cannot be unilaterally implemented by BMPS since it requires the consent of the counterparty.

On 13 April 2015 BMS published some information in response to written request dated 9 April 2015 from the Italian Securities and Exchange Commission (**CONSOB**) pursuant to Article 114, par. 5, of Legislative Decree No. 58/1998, as amended (the **Financial Services Act**). In particular, CONSOB required BMPS to provide some supplemental information with regard to the Report of the Board of Directors drafted pursuant to Article 125-ter of the Financial Services Act and Article 72 of the CONSOB Regulation adopted with resolution No. 11971 dated 14 May 1999, as amended, concerning the proposed rights issue for up to Euro 3 billion, which was submitted for approval to the Extraordinary Shareholders' Meeting of BMPS.

A copy of the press releases listed above (the **Press Releases**) has previously been published and has been filed with the CSSF and, by virtue of this Supplement, is incorporated by reference in its entirety in, and forms part of, the Base Prospectus.

The following information set out in the Press Releases shall be incorporated by reference in, and form a part of, the Base Prospectus:

<b>Document</b>	<b>Information incorporated</b>	<b>Pages</b>
Press release dated 17 April 2014 "Shareholders' meeting of Banca Monte dei Paschi di Siena: appointment of new BoD approval of Eur 3 billion rights issue and 2014 financial results"	Entire Document	All
Press Release dated 16 April 2015 "BMPS and the transaction Nomura/Alexandria"	Entire Document	All
Press Release dated 15 April 2015 "Agreement reached on sale to Poste Italiane of the 10.3% stake of Banca Monte dei Paschi di Siena in Anima Holding"	Entire Document	All
Press Release dated 13 April 2015 "Communication pursuant to article 114 par. 5 of legislative decree No. 58/1998"	Entire Document	All

#### **Description of Banca Monte dei Paschi di Siena S.p.A.**

##### **Banca Monte dei Paschi di Siena S.p.A.**

###### ***General***

The paragraph entitled “*General*” on page 94 of the Base Prospectus is deleted in its entirety and replaced with the information set out in Annex 1 hereto.

### ***Management of the Bank***

The section entitled “*Management of the Bank*”, from page 127 to 136 thereof of the Base Prospectus, is deleted in its entirety and replaced with the information set out in Annex 2 hereto.

### **General Information**

#### ***Significant Change or Material Adverse Change***

The last two paragraphs of the section entitled “*Significant Change or Material Adverse Change*”, on page 150 of the Base Prospectus, are deleted in their entirety and replaced with the information set out below:

“Save as set out above, there has been no significant change in the financial or trading position of BMPS or the Group since 31 December 2014.

Save as set out in (i) the risk factors set out in the section “*Factors that may affect the Issuer’s ability to fulfil its obligations under Notes issued under the Programme*” and (ii) the “Banca Monte dei Paschi di Siena S.p.A.” section, paragraphs 3 (*Major Events*), 4 (*the Restructuring Plan*), 5 (*the Capital Plan*) and 11 (*Legal Proceedings*) of this Base Prospectus, the Issuer declares that, there has been no material adverse change in the prospects of the Issuer since 31 December 2014, being the date of the latest audited financial statements”.

#### **General**

To the extent that there is any inconsistency between (a) any statement in this Supplement or any document incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or any other document incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

Copies of this Supplement and all documents incorporated by reference in the Base Prospectus can be obtained free of charge from the office of the Issuer and, in case of Notes admitted to the Official List and to trading on the Luxembourg Stock Exchange’s regulated market, from the principal office in Luxembourg of *Banque Internationale à Luxembourg, société anonyme*. Copies of all documents incorporated by reference in the Base Prospectus are available on the Luxembourg Stock Exchange’s website ([www.bourse.lu](http://www.bourse.lu)) and will also be published on the Issuer’s website (<http://english.mps.it/Investor+Relations/Comunicati/>) as provided for on page 26 of the Base Prospectus.

In accordance with Article 13.2 of Chapter 1 of Part II of the Prospectus Act, investors who have agreed to purchase or subscribe for Notes issued under the Programme before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances. This right to withdraw shall expire by close of business on 23 April 2015.

## ANNEX 1

### **General**

“Banca Monte dei Paschi di Siena S.p.A. (“BMPS” or the “Bank”) was incorporated on 14 August 1995 as a joint stock company (*Società per Azioni*) under Italian legislation. On 23 August 1995 BMPS was registered with the Bank of Italy’s Register (No. 5274) and with the Companies Register (No. 00884060526). BMPS has its registered office in Piazza Salimbeni 3, 53100, Siena, Italy (telephone number: +39 0577 294 111). BMPS’s duration is currently limited to 31 December 2100 though this may be extended by shareholders’ resolution.

BMPS’s corporate purpose, as set out under Article 3 of its By-laws, is as follows: “The purpose of BMPS is to collect and maintain savings and issue loans and credit, in various forms in Italy and abroad, including any related activity permitted to lending institutions by current regulations. BMPS can carry out, in accordance with the laws and regulations in force, all permitted banking and financial activities and any other transaction which is instrumental, or in any case linked, to the achievement of the company’s purpose.”

BMPS is the parent company of a leading Italian banking group operating throughout Italy and in major international financial centres. The Monte dei Paschi Group (the “BMPS Group” or the “Group”) offers a wide range of financial services and products to private individuals and corporations. The products and services include ordinary and specialised deposit-taking and lending, including leasing and factoring; payment services (home banking, cash management, credit or debit cards and treasury services for public entities); asset management (through joint venture), brokerage services and corporate finance (project finance, merchant banking, financial consulting).

Pursuant to Article 2497 and subsequent of the Italian Civil Code, the role of the parent company is carried out by BMPS which directs and coordinates the activities of its direct and indirect subsidiaries, including companies that, under current regulations, do not belong to the BMPS Group. Founded in 1472 as a public pawn broking establishment (*Monte di Pietà*), BMPS has been a member of FTSE MIB40 since September 1999 with a share capital of €5,765,522,412.60 as at the date of this Prospectus.”

## ANNEX 2

## MANAGEMENT OF THE BANK

The Bank is managed by a Board of Directors tasked with the strategic supervision. The Board of Directors consists of 14 members and a Deputy Chairman. The selection of such members must be notified to the Bank of Italy in accordance with the Bank of Italy Supervisory Rules (*Istruzioni di Vigilanza*). Each member of the Board of Directors is required to meet the honourability and professionalism requirements provided by law. The Chief Executive Officer is appointed by the Board of Directors. Under the Italian Civil Code, the Bank is required to have a board of statutory auditors.

The charter allows also the possibility for the Board of Directors to constitute an Executive Committee to which it can delegate its own powers determining the limits of such delegation.

**Board of Directors.**

The Board of Directors of the Bank is composed of the following persons:

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>	<u>Year Appointed</u>	<u>Other principal activities and roles</u>
Alessandro Profumo	1957	Chairman	2015	Chairman of the Board, Appeal Strategy and Finance S.r.l.  Director, Supervisory Board, Sberbank  Director, International Advisory Board of Itau Unibanco  Director, Fondazione Together To Go  Director, Mossi Aziende Agricole Vitivinicole S.r.l.
Fiorella Kostoris	1945	Director	2015	N/A
Fabrizio Viola	1958	Chief Executive Officer  General Manager	2015	Director AXA MPS Assicurazioni Vita S.p.a.  Director AXA MPS Assicurazioni Danni S.p.a.  Chairman of the Board of Directors, Banca Widiba S.p.A.

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>	<u>Year Appointed</u>	<u>Other principal activities and roles</u>
				Director, Fondazione Accademia D'Arti e Mestieri dello Spettacolo Teatro alla Scala
				Director Associazioni Educatori senza Frontiere Onlus
Fiorella Bianchi	1954	Director	2015	General Manager Conad del Tirreno S.c.a.r.l
				Deputy Chairman of the Board of Directors, Atlantide S.r.l.
				Deputy Chairman of the Board of Directors, Carina S.r.l.
				Director, CBF S.r.l.
				Director, Cecina Sviluppo S.r.l.
				Sole Director, Civitas S.r.l.
				Director, Clodia S.r.l.
				Chairman of the Board of Directors, Commerciale Ortoinvest S.r.l.
				Deputy Chairman of the Board of Directors, Ellisse S.r.l.
				Director, Etrusco S.r.l.
				Chief Executive Officer, Futura S.r.l.

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>	<u>Year Appointed</u>	<u>Other principal activities and roles</u>
				Deputy Chairman of the Board of Directors, I Negozini S.r.l.
				Deputy Chairman of the Board of Directors, Ladis S.r.l.
				Deputy Chairman of the Board of Directors, Leccia S.r.l.
				Deputy Chairman of the Board of Directors, Luce S.r.l.
				Deputy Chairman of the Board of Directors, Lunigiana S.r.l.
				Deputy Chairman of the Board of Directors, Oriolo S.r.l.
				Deputy Chairman of the Board of Directors, Perseo S.r.l.
				Deputy Chairman of the Board of Directors, Picasso S.r.l.
				Director, S.D.I. Società Distribuzione Imballaggi S.r.l.
				Deputy Chairman of the Board of Directors, Sagial S.r.l.
				Deputy Chairman of the Board of Directors, Santo Stefano S.r.l.

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>	<u>Year Appointed</u>	<u>Other principal activities and roles</u>
				Director, Sapori di Forno S.r.l.
				Deputy Chairman of the Board of Directors, SD Store Firenze S.r.l.
				Deputy Chairman of the Board of Directors, SD Store Siena S.r.l.
				Deputy Chairman of the Board of Directors, Siena Store S.r.l.
				Director, Signo S.r.l.
				Director, Sviluppo Roma Supermercati S.r.l.
				Deputy Chairman of the Board of Directors, Teckno Service S.r.l.
				Director, Tropico S.r.l.
				Director, Universo S.r.l.
Christian Whamond	1973	Director	2015	Director of Corporate Credit, Fintech Advisory Inc.
				Director, Fintech Europe SaRL
				Director, SeaMex Ltd.
Lucia Calvosa	1961	Director	2015	Director, Telecom Italia S.p.A.
				Director, Il Fatto S.p.A.

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>	<u>Year Appointed</u>	<u>Other principal activities and roles</u>
Roberto Isolani	1964	Director Deputy Chairman	2015	Member of the Global Management Committee, BTG Pactual
Beatrice Bernard Derouvroy	1963	Director	2015	Chairman of the Board, AXA MPS Financial Limited  Director, AXA MPS Assicurazioni Vita S.p.A.  Director, AXA MPS Assicurazioni Danni S.p.A.
Antonino Turicchi	1965	Director	2015	Chairman of the Board, Alstom S.p.A.  Chairman of the Board, Alstom Power Italia S.p.A.  Chairman of the Board, Alstom Grid S.p.A.  Director, Alstom Ferroviaria S.p.A.  Director, Autostrade per Italia S.p.A.  Director, Alitalia - CAI (Compagnia Aerea Italiana) S.p.A.
Stefania Truzzoli	1968	Director	2015	Director, BT Italia S.p.A.  Director, Consorzio TOPIX S.p.A.
Alessandro Falciai	1961	Director	2015	Sole Director, Millennium Partecipazioni S.r.l.  Chairman of the Board, Mondo Marine

<u>Name</u>	<u>Year of Birth</u>	<u>Position</u>	<u>Year Appointed</u>	<u>Other principal activities and roles</u>
				S.p.A.  Chairman of the Board, Hyperstem Sa  Chairman of the Board and Chief Executive Officer, La Farnia Società Agricola a R.L.  Chairman of the Board and Chief Executive Officer, I Puntoni Società Agricola a R.L.  Sole Director, Millennium Directory Holding S.r.l.  Director, Stemgem S.p.A.  Sole Director, Deneb S.r.l.  Sole Director, Alcione S.r.l.  Sole Director, Cassiopea S.r.l.
Stefania Bariatti	1956	Director	2015	Chairman of the Board, SIAS S.p.A.  Director, ASTM S.p.A.  Director, Canova Guerrazzi S.p.A.
Daniele Bonvicini	1949	Director	2015	N/A
Maria Elena Cappello	1968	Director	2015	Director, Sace S.p.A.  Director, Prysmian S.p.A.

The business address of each member of the Board of Directors is Banca Monte dei Paschi di Siena S.p.A., Piazza Salimbeni 3, 53100, Siena, Italy.

Shareholders' meetings may be called by the Board of Directors and generally must be called at the request of holders of at least 5 per cent. of the outstanding ordinary shares. Directors hold office for a period of three years and are elected by *voto di lista*. Directors may be re-elected for a maximum of two consecutive terms and their office may be revoked at any time by the voting Shareholders in general meeting. The Chairman and the Deputy Chairmen are nominated by a majority of the voting Shareholders among the elected Board of Directors.

The Board of Directors meets regularly at the Bank's registered office. Meetings of the Board of Directors are convened on a monthly basis upon request of the Chairman. Meetings may also be convened upon reasonable and detailed request of at least three Directors or upon written request of the Board of Statutory Auditors or at least every Statutory Auditor addressed to the Chairman. Meetings may be held in person or through video-conference. The quorum for meetings of the Board of Directors is a majority of the Directors in office. Resolutions are adopted by the vote of a majority of the Directors attending the meetings.

### **Chief Executive Officer**

The Chief Executive Officer (*Amministratore Delegato*) carries out its functions within the limits of the delegated powers and in the manner determined by the Board of Directors. The Chief Executive Officer also holds powers to be exercised as a matter of urgency by the Chairman of the Board of Directors, in the event of an absence or impediment of him or any substitute.

The Chief Executive Officer is Mr. Fabrizio Viola who was appointed by the Board of Directors of the Bank on 20 April 2015.

The address of the CFO for the duties he discharges is: Piazza Salimbeni 3, Siena, Italy.

### **General Manager**

The current General Manager (*Direttore Generale*) is Fabrizio Viola who was appointed by the Board of Directors on 16 January 2012. Fabrizio Viola has also been appointed as Chief Executive Officer. The General Manager is appointed by the Board of Directors which may also remove or suspend the General Manager from his office. The General Manager attends the meeting of the Board of Directors but has no right to vote on proposed resolutions at such meetings.

The General Manager undertakes all operations and acts which are not expressly reserved for the Board of Directors or the Executive Committee. He oversees and is responsible for the overall administration and structure of the Bank and implements resolutions of the Board of Directors. He participates in meetings of the Board of Directors and proposes matters to the Board of Directors for approval, including matters relating to loans, the coordination of activities of the Group and the employees.

The address of the General Manager for the duties he discharges is: Piazza Salimbeni 3, Siena, Italy.

### **Financial Reporting Officer**

On 14 May 2013, in accordance with Article 31 of the Bank's Articles of Association the BMPS's Board of Directors appointed Arturo Betunio as Financial Reporting Officer, pursuant to article 31 of the Articles of Association, starting from the date on which he was employed (10 June 2013) as Head of Administration and Accounting.

Until that date, the position of Financial Reporting Officer was held by the BMPS's Chief Financial Officer,

Bernardo Mingrone.

### Managers with strategic responsibilities

The table below sets forth the names of the current management of the Bank with strategic responsibilities, together with their positions.

The address of the senior with strategic responsibilities of the bank for the duties they discharge is: Piazza Salimbeni 3, Siena, Italy

<b>Name</b>	<b>Position</b>
Fabrizio Viola	Chief Executive Officer / General Manager
Angelo Barbarulo	Deputy General Manager Vicar, Head of Credit
Bernardo Mingrone	Deputy General Manager, Head of Finance and Operations
Ilaria Dalla Riva	Head of Human Resources, Organization and Communication
Alfredo Montalbano	COO
Andrea Rovellini	Head of Risk
Marco Bragadin	Head of Retail and Network
Sergio Vicinanza	Head of Corporate and Investment Banking

### Board of Statutory Auditors

The Bank, like all Italian *società per azioni*, is required to have a Board of Statutory Auditors, who have a duty to Shareholders, to whom they report at the annual general Shareholders' meeting approving the financial statements. The Board of Statutory Auditors is required to verify that the Bank complies with applicable law and its by-laws, respects the principles of correct administration, and maintains adequate organisational structure, internal controls and administrative and accounting systems. The members of the Board of Statutory Auditors are required to meet at least once every 90 days take part in meetings of the Board of Directors, the Shareholders' meetings and meetings of the Executive Committee. The Board of Statutory Auditors of the Bank is composed of three standing members and two alternate members. Statutory Auditors are appointed by the Shareholders at a general meeting for a three year term and may be re-elected. The general meeting of Shareholders also sets the remuneration of the Statutory Auditors for their entire terms.

The Board of Statutory Auditors of the Bank, who will remain in office until the Shareholders' meeting to approve the financial statements for the year ending 31 December 2014, is as follows:

<b>Name</b>	<b>Year of Birth</b>	<b>Title</b>
Elena Canderelli	1947	Chairman of the Board of Statutory Auditors
Paolo Salvadori	1947	Auditor
Anna Girello	1971	Auditor
Carmen Regina Silvestri	1967	Auditor

**Statutory Auditing**

On 7 April 2010, Legislative Decree n. 39 of 27 January 2010 (the "Decree 39") concerning the "Implementation of Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Directive 84/253/EEC" entered into force. Decree 39 implemented new rules concerning the "statutory audit" by introducing innovations relating to the audit of annual financial statements and consolidated financial statements.

**Conflict of Interest**

BMPS is an Italian bank with shares listed on regulated markets and as such deals with any conflicts of interest of the members of its administrative, management and supervisory body in accordance with the requirements of Article 2391 ("Directors' interests") and Article 2391-*bis* of the Italian Civil Code ("Related party transactions"), Article 53, paragraph 4 ("Regulatory supervision") and article 136 ("Obligations of bank corporate officers") of the Consolidated Banking Law (TUB) and the regulatory provisions on related party transactions adopted by CONSOB with Resolution no. 17221 of 12 March 2010 ("Regulation on Related Party transactions") and by the Bank of Italy on 12 December 2011 ("Circular 263/2006—Update no. 9 on risk and conflicts of interest with respect to affiliated parties").

In the context of these requirements, the Board of Directors has adopted procedures designed to identify the criteria and rules to be followed, together with the BMPS's subsidiaries, to ensure the substantial and procedural transparency and fairness of transactions with Related Parties and affiliated parties, prescribing controls that are consistent with those required by the aforementioned legal requirements. The procedures were approved by the Board of Directors after receiving the prior favourable opinion of the Related Party Transactions Committee (consisting of independent directors) and the Board of Statutory Auditors.

In addition, having importance in this respect are certain provisions in the Bank's Articles of Association which require specific information flows in the case of interests held by members of the administrative, management and supervisory bodies which are designed to ensure the independence of directors and statutory auditors. Article 17 of the BMPS's Articles of Association requires the Board of Directors to promptly report on a timely basis to the Board of Statutory Auditors on any transactions in which its members have an interest, on their own behalf or on behalf of third parties, while the obligation still remains for each director to inform the other directors and the Board of Statutory Auditors of any interest which they may have in a specific transaction of BMPS, on their own behalf or on the behalf of third parties, as required by Art. 2391 of the Italian Civil Code. In addition to requiring compliance with the provisions of article 136 of the Consolidated Banking Act, article 21 of BMPS's Articles of Association expresses the obligation for the members of the Board of Directors and the Executive Committee to inform the Board of Directors and the Board of Statutory Auditors as to any affair in which they personally have an interest or which regards entities or companies of which they are directors, statutory auditors or employees, unless Group companies are concerned.

Finally, article 15 and article 26 of BMPS's Articles of Association state respectively that the directors shall not hold positions as members of the board of directors, the management board or the supervisory board of competitor banks and that the members of the Board of Statutory Auditors shall not hold other positions in other banks (not belonging to the Group or subject to joint control). In addition, the statutory auditors may only hold positions in control bodies in other Group companies or in companies in which BMPS holds, directly or indirectly, a strategic interest.

To the best of BMPS's knowledge and belief, as of the date of this Prospectus there are no conflicts involving the members of its administrative, management and supervisory bodies, current or potential, between their obligations towards the Bank and their private interests and/or their obligations towards third parties, other than those occurring within the context of specific resolutions adopted by BMPS in accordance with the mentioned Article 2391 of the Italian Civil Code and article 136 of the Consolidated Banking Law. Given the BMPS's business, the private interests that can occur relate mainly to transactions which entail financing and loans typical of the bank

business.

The means by which the Board of Directors is appointed, as governed by BMPS's Articles of Association, ensures that directors fulfill the independence requirements. More specifically, pursuant to article 15, when the Board of Directors is appointed, each list filed by shareholders would have a number of candidates, specifically indicated, fulfilling the independence requirements established for the statutory auditors by the law and the additional independence requirements prescribed by the Corporate Governance Code, not lower than two and at least equal to 1/3 of the candidates in the list. Pursuant to article 3 of the Corporate Governance Code, the Board of Directors has the duty to assess the independence of its non-executive members on an annual basis. The assessment of independence of the directors prescribed by the Consolidated Financial Act and the Corporate Governance Code has been conducted during the meeting of March 11, 2014.

As prescribed by the Corporate Governance Code, the Supervisory Provisions on the organization and corporate governance of banks issued by the Bank of Italy (as amended by the Title IV, Chapter 1 of the Circular no. 285 of 17 December 2013), the Board of Directors performed the self-assessments annually (at last on 11 March 2014) Furthermore on 29 April 2014 the shareholders' meeting, in extraordinary session, amended article 15 of the BMPS's Articles of Association in order to set a minimum number of independent directors of at least 1/3 of the members of the Board of Directors