

*Non-binding translation
(for information purposes only)*

MINISTRY OF ECONOMY

Decree-Law no. 91/2015

dated may 29

Within the scope of the Strategic Infrastructures and Transport Plan (PETI3+), the Government laid down, among other issues, the merger of Rede Ferroviária Nacional – REFER, E.P.E. (REFER) and EP - Estradas de Portugal, S.A. (EP, S.A.), aimed at creating one single company for management of transport infrastructures in Portugal, combining road and railway.

The merger of these two companies will achieve two key strategic goals. On the one hand, it will ensure an integrated management of rail and road networks, encouraging intermodality and complementarity between the two modes of transport, while making full use of the synergies and know-how of both companies and reducing operating expenses; On the other hand, it will provide a financially sustainable business model, based on solid strategic guidelines and a financing framework for road and rail infrastructures that will not burden taxpayers.

The merger of REFER, E.P.E. and EP, S.A. will provide efficiency gains, especially at outsourcing level, eliminating the overlapping of internal structures common to both companies, reducing expenses via economies of scale and permitting a better allocation of available resources; this will finally lead to significant improvements in the economic and financial situation of both companies and to the achievement of sustainability goals, creating value to the State and the domestic economy.

Additionally, the merger of the said companies will allow coordinating and articulating operations at regional level, leveraging concession management experience and increasing the revenues of respective infrastructure managers.

As far as the transport system is concerned, the fact of a single entity ensuring an integrated coordination and planning of rail and road infrastructures will enable a better organisation of the transport network and a more efficient allocation of resources.

Moreover, as both companies manage public domain property many of their functions interwoven; therefore, a concerted and single management will leverage their activity, making the best use of synergies and know-how whilst reducing expenses.

In this background, taking into consideration the work developed by the Planning Committee appointed by the Secretaries of State for the Treasury and for Infrastructures, Transport and Communications, the board of directors of REFER, E.P.E. and EP, S.A. approved and presented a document entitled «Memorandum of the Merger» which provides the broad lines of the operation. This comprises information concerning the form, rationale, conditions and objectives of the merger, as well as a description of the activity of the two companies. It also refers to the draft by-laws of the new company, namely the equity structure and results to be achieved by this operation.

Therefore, given the complementarity and the need for an effective coordination of the objectives laid down in PETI3+ for the rail and road sectors, rooted on principles of quality, economy and efficiency and the pursuit of the public interest, it is important to alter the current situation, through the merger by incorporation of EP, S.A. into REFER, E.P.E., transferring respective functions and competences to REFER, E.P.E., which will be transformed into a public limited company called Infraestruturas de Portugal, S.A., provided with adequate levels of corporate and organisational autonomy permitting greater flexibility and better market positioning.

The merger by incorporation will imply the winding up of EP, S.A.; under the terms of the

current regime for the state enterprise sector approved by Decree-Law 133/2013 of 3 October, such winding up shall take effect pursuant to this decree-law.

The restructuring shall abide by the terms laid down in this decree-law rather than provisions in the Commercial Companies Code, since it concerns a state-owned company. Therefore, in order to revise and unify the relevant legal framework, the restructuring will imply the revocation of the by-laws of both companies, and the approval of new by-laws pursuant to this decree-law; the new by-laws will reflect the legal provisions governing the state enterprise sector, approved by Decree-Law 133/2013 of 3 October, specifically, the management and supervisory structure, the complexity and specificity of which justify an exception to the rule laid down in paragraph 2 of article 31 of the said law.

As far as the protection of creditors is concerned, this decree-law establishes specific provisions for creditor opposition to the merger.

Thus:

Under the terms of article 198, paragraph 1, sub-paragraph a) of the Constitution, the Government hereby decrees as follows:

CHAPTER I

Merger and transformation

Article 1

Merger, transformation and name

- 1 - Rede Ferroviária Nacional - Refer, E.P.E. (REFER, E.P.E.) hereby incorporates by merger EP – Estradas de Portugal, S.A. (EP, S.A.) and becomes a public limited company named Infraestruturas de Portugal, S.A. (IP, S.A.) maintaining its current registration and tax number.
- 2 - EP, S.A. is hereby wound up and its duties and competences are transferred to IP, S.A.
- 3 - The by-laws of IP, S.A. are included in Annex I to this decree-law, forming an integral

part thereof.

- 4 - This decree-law provides sufficient basis for all legal and contractual purposes, including registration purposes; as result, no registration of the draft merger will be required.

Article 2

Succession

- 1 - IP, S.A. succeeds to REFER, E.P.E. and EP, S.A. preserving the universality of assets, rights and obligations within their legal spheres at the moment of merger.
- 2 - The merger shall not change any circumstances or contract entered by REFER, E.P.E. and by EP, S.A. with third parties.
- 3 - In contracts where guarantees were given in favour of EP, S.A. such guarantees shall remain valid pursuant to the universal transfer of the patrimony of EP, S.A. to IP, S.A.; likewise, the guarantees provided in favour of REFER, E.P.E shall remain valid.
- 4 - For all legal and contractual purposes, the publication of this decree-law shall replace the communication or notification of the succession or assignment of REFER E.P.E., and EP, S.A. contractual positions, as may be required pursuant to any contracts they have concluded.
- 5 - All legal, regulatory and contractual references made to REFER, E.P.E., and/or EP, S.A. shall be deemed made to IP, S.A.

Article 3

Creditors' opposition

- 1 - Creditors whose claims date prior to the publication of this decree-law may file a judicial opposition to the merger, provided they have claimed their credit or required an adequate guarantee thereon at least 15 days prior to the said date and their request was not answered to.
- 2 - Creditors may only file a judicial opposition as provided in the previous paragraph on

the grounds of any damage to the payment of their claims arising out of the merger, and any such opposition shall be made within 30 days from publication of this decree-law.

3 - Creditors' opposition shall not suspend the merger; if settled in favour of the creditor, IP, S.A. shall be held liable in the specific terms of the final court decision.

4 - In case the final decision referred to in the previous paragraph should determine the payment of a claim by IP, S.A., such claim shall rank above identical claims made following the merger.

CHAPTER II

Nature, governing law, object and assets

Article 4

Nature and governing law

1 - IP, S.A. is a state-owned company incorporated as public limited company.

2 - IP, S.A. shall be governed by this decree-law, its by-laws, the legal regime of the state enterprise sector, as provided in Decree-law 133/2013 of 3 October, the Commercial Companies Code, its internal regulations and relevant specific rules.

3 - In relation to the public infrastructure management service entrusted upon it, IP, S.A. shall abide by the rules set forth in its concession contract.

Article 5

Jurisdiction and head-office

IP, S.A. has jurisdiction throughout mainland Portugal; its head office shall be located at Praça da Portagem, Almada.

Article 6

Object

1 - The object of IP, S.A. shall be the design, construction, financing, maintenance,

operation, restoration, widening and modernisation of the national road and rail networks, including command and control of traffic.

- 2 - For the purposes of provisions in the previous paragraph, IP, S.A. shall take on the position of infrastructure manager, under the terms of the general road concession contract entered with the State and any concession contract that may be entered into with the state and into the future, and as manager of any other infrastructure under its administration.
- 3 - The State may delegate onto IP, S.A. the preparation of competitive award procedures for the operation of public rail transport services on railways, sections and branch lines comprised in or which may come to be comprised in the future in the National Railway Network, subject to the prior assessment and binding opinion of the Transport Mobility Authority (Autoridade da Mobilidade e dos Transportes), under the terms of its powers of regulation and promotion and protection of competition.
- 4 - As relevant transport authority for passenger transport on heavy rail, the State may delegate or assign its position of relevant authority for the purposes of awarding to third parties the operation of public railway transport services, under the terms of the relevant European and national laws.
- 5 - Additionally, the object of IP, S.A includes the business operation of the public railway and road domain, including autonomous assets, such as the operation of service stations, parking areas, information and traffic management systems, rail and road safety systems, technical channel and communication networks between infrastructures or between infrastructures and vehicles, or stations, or terminals or other railway facilities.
- 6 - IP, S.A. may exercise complementary or subsidiary activities to its main object, relating namely to the exploitation of the know-how, innovation, technology and material and immaterial assets of IP, S.A. on a business or competitive basis, in Portugal or abroad, and develop any other commercial or industrial activities relating thereto provided they do not hinder or collide with the pursuit of such object.

Article 7

Equity holdings

For the development of its business, IP, S.A. may set up or enter the share capital of any other companies, irrespective of their object, or participate in economic interest groupings, European Economic Interest Groupings, consortia and temporary or permanent joint-ventures with companies subject to either private or public law, in Portugal or abroad.

Article 8

Title and shareholder function

- 1 - All shares representing the share capital of IP, S.A. shall belong to the State and will be held by the Directorate General of the Treasury and Finance (Direção-Geral do Tesouro e Finanças).
- 2 - Shares shall be nominative and take book-entry form.

Article 9

Share capital

The share capital of IP, S.A. resulting of the merger is of € 2,555,835,000 fully subscribed and paid up by the State as of the date of entry into force of this decree-law.

Article 10

Autonomous assets

- 1 - IP, S.A. autonomous assets shall consist of all tangible and intangible assets and rights which make up the assets of REFER, E.P.E. and the autonomous assets of EP, S.A. as of the date of entry into force of this decree-law, including those deriving from the concession contract.
- 2 - IP, S.A. autonomous assets shall comprise any assets detached from the public domain and integrated in the said assets under the terms provided in respective public railway

and road domain laws.

- 3 - IP, S.A. shall further comprise assets expropriated by REFER, E.P.E. or EP, S.A., and its sub-concessionaires and State concessionaires, and those that may be come to be expropriated by IP, S.A. and which are not required to integrate the public railway or road domain.
- 4 - For all legal purposes including registration, this decree-law shall be treated as purchase title of the property integrated in IP, S.A. assets.
- 5 - It shall be the responsibility of IP, S.A. to register with the relevant registry offices and services any assets or rights included in its autonomous assets subject to registration.
- 6 - IP, S.A. may freely administrate and dispose of any assets included in its autonomous assets.

Article 11

Public railway and road domain

- 1 - IP, S.A. shall withhold the rights and take on the responsibilities of the State in relation to the public railway domain, under the terms of the relevant law and regulations, namely as provided in Decree-law 276/2003 of 4 November, as amended by Decree-law 29-A/2011 of 1 March.
- 2 - Road infrastructures comprised in the public road domain under the regime of allocation to public traffic shall remain under this regime under the administration of IP, S.A. which may exploit them for profit-making purposes pursuant to concession or licence, except if such administration was awarded to a different entity, under the law or pursuant to contract.
- 3 - Notwithstanding the duties entrusted to other entities, IP, S.A. shall keep an updated record of the registration and inventory of public domain assets under its management.

CHAPTER III

By-laws

Article 12

Authority

- 1 - It is the responsibility of IP, S.A. to continuously ensure the preservation of the infrastructure and maintenance conditions and the safety of rail and road traffic in the national road and railway infrastructures under its management.
- 2 - In order to develop its main business, IP, S.A. shall have the powers, prerogatives and obligations conferred by the Government pursuant to the relevant laws and regulations, specifically concerning the following:
 - a) Expropriation proceedings under the terms provided in respective code, including delegating such powers to third parties, under the terms of the law or by contract;
 - b) Licencing and awarding of concession, under the terms of the relevant law, for the operation, use, occupancy or exercising of any activity on the land, buildings or other public railway or road domain infrastructures, comprised in or allocated to respective national networks;
 - c) Summoning, administrative embargo and demolition of building constructions on the public domain managed by IP, S.A. on *non aedificandi* areas and legally protected areas, as well as the removal of other situations likely to violate these areas and the restoration of the state of the land or property as existed before such situation occurred;
 - d) Temporary occupancy and crossing of adjacent and neighbouring land to public railway and road domain assets, as well as the diverting of water courses, pursuant to authorisation conferred by the relevant authority, for the purposes of developing studies, works or preparatory works viewing the construction, renovation, preservation and consolidation of railways and roads or other elements of respective infrastructures which do not require expropriation;

- e)* Compulsory closing of facilities where prohibited or hazardous or non authorised activities are carried out or in cases resulting from failure to comply with contractual obligations;
- f)* Voluntary or enforced settlement and collection of fees and tariffs stemming from their activities;
- g)* Use, protection, management and control of the infrastructures allocated to the public service;
- h)* Enforcement of any authority decisions, including administrative takeover of buildings and land, whenever deemed necessary to ensure the efficacy of the decisions made;
- i)* Protection of its facilities and personnel;
- j)* Regulation and supervision of the services provided within the scope of its activities and the application of corresponding penalties, under the terms of the law;
- k)* Non-contractual civil liability, while exercising respective public powers;
- l)* Filing, directing and decision-making in administrative infraction proceedings, including the application of sanctions.

3 - IP, S.A. is also entrusted, under the terms of the law, the following powers required to ensure the integrity of the assets under its administration, as well as the safety of traffic and infrastructures under its management:

- a)* Determine for preventive purposes and with immediate effect, pursuant to written and duly substantiated order, the suspension or cessation of activities or the shut-down of facilities jeopardising road and railway traffic or causing damage or threaten to cause damage to railways and roads or parts of respective infrastructures;

- b)* Identify people or entities carrying out any activity infringing any legal or regulatory provision on the protection of railways and roads and public assets allocated to respective operation, especially in what concerns safety of railway and road, immediately filing respective complaint with the relevant authorities, if such infringements are likely to incorporate any type of crime or administrative offence;
- c)* Request the collaboration of administrative and police authorities to enforce within the scope of their respective powers, any rules and decisions which are so required for safety reasons or to ensure the inviolability of public assets.
- d)* Determine and carry out the immediate removal of any illegal occupation from the public domain under its management or allocated to its business operations, requesting, where necessary, the collaboration of police authorities;
- e)* Replace the owner of adjacent buildings, at such owner's expense, if he/she fails to comply with any requirement as provided in the previous paragraphs.

CHAPTER IV

Organisational structure

Article 13

Corporate Bodies

1 - The corporate bodies of IP, S.A. shall be as follows:

- a)* The General Meeting;
- b)* The executive board of directors;
- c)* The general and supervisory board;
- d)* The certified auditor or firm of certified auditors.

2 - Notwithstanding provisions in paragraph 4 of article 20, corporate body function

holders shall be elected at the first general meeting of IP, S.A. which shall be held on the day following the date of entry into force of this decree-law, under the terms of article 54 of the Commercial Companies Code.

- 3 - The general and supervisory board shall set up a committee for financial matters.
- 4 - The executive board of directors may approve the setting up of commissions and committees, which may or not include any of its members, to follow up specific matters, on a continuous or temporary basis, establishing respective duties and duration, where appropriate.

CHAPTER V

Financial and equity regime

Article 14

Financial and equity management

- 1 - As far as its financial and equity management is concerned, IP, S.A. shall comply with the legal and regulatory rules and follow principles of good corporate governance, in order to ensure a viable and financially sustainable business, while pursuing the public interest.
- 2 - Unless legally provided otherwise, notwithstanding provisions in paragraph 2 of the following article, it shall be the exclusive responsibility of IP, S.A. the collection of revenues from its operations or provided to it under the terms of the law or its by-laws, as well as the execution of expenditure required for the pursuit of its object.

Article 15

Revenues

- 1 - The revenues of IP, S.A. shall consist of the following:
 - a) The product of the road service contribution;

- b)* The amount of tolls charged;
- c)* The product of fees, emoluments and other revenues collected for services provided within the scope of its operations;
- d)* Track access charges or railway user fees and other revenues from its operations and the use of the infrastructure, including those resulting from other rendered services;
- e)* Contributions, appropriations, subsidies and financial compensation provided by the State or other national or European entities;
- f)* Indemnities, the product of donations, inheritances or legacies granted or due by any entity;
- g)* Legal sums resulting from the application of fines and other penalties;
- h)* The product of the sale of publications and patented processes for the purposes of the awarding of contract works and projects;
- i)* Income from financial applications;
- j)* Earnings and dividends of companies where it owns a holding;
- k)* All income deriving from the management and business development of the public domain under its management and the private domain of the State under its administration;
- l)* Income from own assets and the product of their disposal and the setting up of any rights over them;
- m)* Any other income or sums arising out its business operation or allocated to it under the terms of the law or by contract;
- n)* Revenues from the development of complementary or subsidiary activities.

- 2 - Compulsory collection of own revenues stemming from its main operation shall be made under the terms of the tax enforcement proceedings provided in the Code of Tax Procedure and Proceedings, where appropriate; corresponding claims shall be deemed equivalent to Government claims for all legal purposes, and respective invoices, debt certificates or equivalent documents shall constitute enforceable titles.
- 3 - IP, S.A. may obtain short, medium and long term loans in national or foreign currency with financial institutions, and perform other operations on the domestic and international financial markets, under the terms provided in the law governing the state enterprise sector, as approved under Decree-law 133/2013 of 3 October, or provided the company has positive own capital, upon the favourable prior opinion of Agência de Gestão da Tesouraria e da Dívida Pública - IGCP, E.P.E. and prior approval of the holder of the shareholder function.

CHAPTER VI

Human resources

Article 16

Safeguarding of employees rights

- 1 - The working contracts of the employees of EP, S.A subject to the legal working contract regime governed by the Labour Code shall be transferred as of the date of the entry into force of this decree-law to IP, S.A. which shall take the position of employer, under the terms provided in articles 285 and following of the Labour Code.
- 2 - Provisions in the previous paragraph comprise any rights deriving from the law, collective regulation instruments or respective employment contracts, including the length of service actually completed in the transferring company.

Article 17

Transitional staff

- 1 - The transitional staff of EP, S.A. comprising the employees subject to the Public Administration regime stemming from the staff of former Junta Autónoma de Estradas, under the terms of Decree-law 374/2007 of 7 November, shall be kept within IP, S.A.
- 2 - Employees integrated in the transitional staff may opt to enter into an employment contract governed by the Labour Code, pursuant to an agreement in writing entered into between IP, S.A. and each of the said employees.
- 3 - It is the responsibility of the executive board of directors to establish how the option process referred to above shall be performed, define the general rules relating to working conditions and the draft of the working contract to be entered into.
- 4 - The cessation of the employment contract in public functions in the case of employees opting for entering an employment contract under the terms provided in the previous paragraphs shall become effective as of the date of its publication in the II Series of the Official Gazette.
- 5 - Employees opting for entering an individual employment contract under the terms of paragraph 2 shall be covered by the general social security scheme, applying where necessary, provisions in Decree-law 117/2006 of 20 June, as amended by Law 53-A/2006 of 29 December.
- 6 - In relation to the personnel allocated to the transitional staff, the executive board of directors of IP, S.A. shall exercise all its duties, specifically the management and disciplinary powers entrusted upon the top manager of the service.

Article 18

Leaves, mobility, assignment and commission of service

Employees comprised in the transitional staff who on the date of entry into force of this decree-law are on leave, or mobility, assignment or commission of service situation, shall be subject to the provisions in the General Labour Law for Public Functions as approved in annex to Law 35/2014 of 20 June, notwithstanding their right to opt for an employment contract governed by the Labour Code, as provided in the previous article.

CHAPTER VIII

Final and transitional provisions

Article 19

Registration

IP, S.A. shall be registered with the Commercial Registry upon presentation of this decree-law, which shall govern respective registration; no further formality shall be required.

Article 20

Transitional provisions

- 1 - Until the conclusion of the concession contract referred to in paragraph 2 of article 6, within the railway scope, IP, S.A. shall exercise the public service of management of the national railway network under the regime of delegation of powers arising out of this decree-law in relation to the public railway domain, specifically the powers provided in paragraph 2 of article 12 of Law 10/90 of 17 March, as amended by Law 3-B/2000 of 4 April and Decree-laws 380/2007 of 13 November and 43/2008 of 10 March.
- 2 - For the purposes of provisions in the preceding paragraph, railway infrastructure shall consist of all the items referred to in annex II to this decree-law, forming an integral part thereof, and management of the railway infrastructure shall mean the management of the capacity, preservation and maintenance of such infrastructure, as well as

respective regulation and safety systems.

- 3 - The merger by incorporation of EP, S.A. into REFER, E.P.E. shall be subject to the tax regime provided in article 74 and paragraphs 1 and 2 of article 75-A of the Corporate Income Tax Code, in accordance with the legal requirements for its application.
- 4 - The current members of the boards of directors of EP, S.A. and REFER, E.P.E., shall form the executive board of directors of IP, S.A. continuing their respective terms of office of three years ending on 31 December 2017.

Article 21

Final provisions

- 1 - IP, S.A. shall be declared as under restructuring until 31 December 2017, for the purposes of provisions in sub-paragraph *d)* of paragraph 2 of article 10 of Decree-law 220/2006 of 3 November.
- 2 - Employees comprised in the transitional staff shall have access to early retirement in case they opt for terminating their legal relationship of public service employment with IP, S.A. provided they meet the requirements in terms of age and length of service established in the Retirement Status of Civil Servants, but they shall stay in their job until effective acceptance of their retirement request.

Article 22

Revoking rule

The following shall be revoked:

- a)* Decree-law 104/97 of 29 April, as amended by Decree-laws 394-A/98 of 15 December, 270/2003 of 28 October, 95/2008 of 6 June and 141/2008 of 22 July, except for paragraph 1 of article 1, in what concerns the creation of REFER, E.P.E. and article 5;
- b)* Decree-law 374/2007 of 7 November, as amended by Decree-law 110/2009 of 18

May;

c) Article 4 of Decree-law 160/2014 of 29 October.

Article 23

Entry into force

- 1 - This decree-law shall enter into force on the first day of the month following respective publication, which is the date the merger shall take effect.
- 2 - For accounting and tax purposes, the operations of EP, S.A. shall be deemed as made on behalf of IP, S.A. as from 1 January 2015.

Passed and approved in the Council of Ministers held on 9 April 2015 - *Pedro Passos Coelho* — *Maria Luís Casanova Morgado Dias de Albuquerque* — *António de Magalhães Pires de Lima* — *Luís Pedro Russo da Mota Soares*

Enacted on 25 May 2015

Published

The President of the Republic, ANIBAL CAVACO SILVA

Countersigned on 26 May 2015

The Prime Minister, PEDRO PASSOS COELHO

ANNEX I

(referred to in paragraph 3 of article 1)

BY-LAWS OF INFRAESTRUTURAS DE PORTUGAL, S.A.

CHAPTER I

General Provisions

Article 1

Form, name and duration

The company shall be a state-owned corporation in the legal form of public limited company, under name Infraestruturas de Portugal, S.A., hereinafter simply referred to as IP, S.A., and shall exist for an indefinite duration.

Article 2

Object

- 1 - The object of IP, S.A. shall be the design, construction, financing, maintenance, operation, restoration, widening and modernisation of the national road and rail networks, including the command and control of traffic.
- 2 - The State may delegate onto IP, S.A. the preparation of competitive award procedures for the operation of public rail transport services on railway, sections and branch lines comprised in or which may come to be comprised in the future in the National Railway Network, subject to the prior assessment and binding opinion of the Transport Mobility Authority (Autoridade da Mobilidade e dos Transportes), under the terms of its powers of regulation and promotion and protection of competition.

- 3 - As relevant transport authority for passenger transport on heavy rail, the State may delegate or assign its position of relevant authority for the purposes of awarding to third parties the operation of public rail transport services, under the terms of the relevant European and national law.
- 4 - Upon delegation or concession of the State, IP, S.A. may be given the relevant powers to grant to third parties the operation of the public service of railway transport on railway lines, sections and branches comprised or which may come to be comprised in the National Railway Network.
- 5 - Additionally, the object of IP, S.A shall comprise the exploitation of public road and railway domain assets, including autonomous assets, such as the operation of service stations, parking areas, information and traffic management systems, road and railway safety systems, the technical channel and communication networks between infrastructures or between infrastructures and vehicles, or stations, or terminals or other railway facilities.
- 6 - IP, S.A. may exercise complementary or subsidiary activities to its main object, relating namely to the exploitation of the know-how, innovation, technology and material and immaterial assets of IP, S.A. on a business or competitive basis, in Portugal or abroad, and develop any other commercial or industrial activities relating thereto provided they do not hinder or collide with the pursuit of such object.

Article 3

Shareholdings

For the development of its business, IP, S.A. may set up or enter the share capital of any other companies, irrespective of their object, or participate in economic interest groupings, European Economic Interest Groupings, consortia and temporary or Permanent joint-ventures with companies subject to either private or public law, in Portugal or abroad.

Article 4

Head-office and services

- 1 - IP, S.A. shall have its head office in Almada, Praça da Portagem, and may open delegations or offices in any part of mainland Portugal.
- 2 - The general meeting may decide to change the head office to any other place in mainland Portugal.

Article 5

Share capital and shares

- 1 - The share capital of IP, S.A. shall be of € 2,555,835,000 fully subscribed and paid up by the State as of the date of entry into force of the decree-law approving these by-laws.
- 2 - The share capital shall be represented by 511,167 book entry nominative shares with the nominal value of € 5 000 each.
- 3 - All shares representing the share capital of IP, S.A. shall belong to the State and are held by the Directorate General of the Treasury and Finance (Direção-Geral do Tesouro e Finanças).

Article 6

General structure

The organic structure of IP, S.A. shall be approved by the executive board of directors.

CHAPTER II

Governing bodies

Article 7

Corporate Bodies

1 - The corporate bodies of IP, S.A. shall be as follows:

- a)* The General Meeting;
- b)* The executive board of directors;
- c)* The general and supervisory board;
- d)* The certified auditor or firm of certified auditors.

2 - The general and supervisory board shall set up a committee for financial matters.

3 - The executive board of directors may approve the setting up of commissions and committees, which may or not include any of its members, to follow up specific matters, on a continuous or temporary basis, establishing respective duties and duration, where appropriate.

Article 8

General Meeting

1 - The general meeting shall be composed of the shareholders of IP, S.A.

2 - Members of the executive board of directors and the general and supervisory board shall attend general meetings, with no voting rights, and the official auditor or firm of official auditor shall attend the annual general meeting.

Article 9

Powers of the general meeting

1 - It is the responsibility of the general meeting:

- a)* to define the strategy of IP, S.A. and its main objectives, especially for the purposes of preparing investment and financing plans and budgets;
- b)* to decide, under the terms of the law on the acquisition, disposal or encumbrance of holdings in the share capital of other companies, as well as of bonds and similar securities, or on the creation of joint-ventures or foundations with a corporate object related thereto;
- c)* to decide on the acquisition, disposal or encumbrance of assets comprised in its autonomous assets in an amount exceeding 10% of the share capital, as well as to establish respective terms and conditions;
- d)* to assess and approve the annual management report, the financial statements and the opinion of the supervisory bodies and decide on the appropriation of the results for the year;
- e)* To appoint and dismiss the members of the board of the general meeting and decide on the appointment and dismissal of members of the executive board of directors, the general and supervisory board and the audit board;
- f)* to appoint the chairman of the committee for financial matters;
- g)* to decide on any changes to these by-laws;
- h)* to decide on the remuneration of the members of the corporate bodies;
- i)* to approve the annual report of the general and supervisory board;
- j)* to decide on all matters under its responsibility as provided in the law and these by-laws.

- 2 - The election of the members of the corporate bodies shall take into account the rules relating to respective composition, specifically provisions in articles 21, 31 and 32 of the law governing the state enterprise sector, as approved by Decree-law 133/2013 of 3 October and rules set forth in the Public Manager Statute.

Article 10

Board of the general meeting

- 1 - The board of the general meeting shall be composed of a chairman, a vice-chairman and one secretary, elected by the general meeting for a period of three years, renewable upon decision of the general meeting.
- 2 - Members of the board of the general meeting shall remain in office until they are replaced.

Article 11

Meetings of the general meeting

- 1 - The general meeting shall meet at least once a year and whenever convened under the terms of the law, at the request of the executive board of directors, the general and supervisory board or the shareholders.
- 2 - The general meeting shall be convened, under the terms of the law, with a prior notice of at least 21 days, by registered letter or email with read receipt, specifying the items on the agenda.

Article 12

Executive board of directors

- 1 - The executive board of directors consists of a number of five to seven members, including the chairman, who shall have a casting vote.
- 2 - Up to two members of the executive board of directors may be appointed as vice-chairmen, replacing the chairman of the executive board of directors, with casting vote,

in his/her absence or in case of any impediment on his/her part, in accordance with the general order of precedence fixed in the appointment.

- 3 - The general meeting shall appoint the chairman and the vice-chairmen, if any, pursuant to the resolution that will appoint the members of the executive board of directors.
- 4 - In case of definitive absence of any director, the executive board of directors shall take the necessary measures to replace such director; the term of office of such new director shall end at the same time as of remaining directors, if occurring in the meantime.

Article 13

Powers of the executive board of directors

- 1 - It is the responsibility of the executive board of directors:
 - a)* to propose and present the strategy and establish the management policy of IP, S.A.;
 - b)* to prepare and propose the business plan and budget, taking into account the guidelines referred to in article 24, following the guidelines and objectives provided in sub-paragraphs a) and b) of paragraph 1 of article 38 and paragraph 4 of article 39 of the law governing the state enterprise sector, as approved by Decree-law 133/2013 of 3 October, and remaining provisional management instruments legally set forth;
 - c)* to develop and implement the approved business plan and budget;
 - d)* to prepare the annual management and budget control report, the financial statements for the year and remaining reporting instruments;
 - e)* to approve the internal regulations, including rules on relations with the various governing bodies and officers;
 - f)* to prepare quarterly budget execution reports, which must be accompanied by the reports of the supervisory body;

- g)* to define the internal structure and organisation of IP, S.A. and its operation;
- h)* to approve the personnel statute, namely the remuneration and career schemes, working and disciplinary terms and conditions and remaining internal regulations;
- i)* to prepare and present the report on good corporate governance practice, under the terms provided in paragraph 1 of article 54 of the law governing the state enterprise sector, as approved by Decree-law 133/2013 of 3 October;
- j)* to decide, under the terms of the law, on the entering of loans and other financial operations;
- k)* to decide on the acquisition, disposal or encumbrance of assets comprised in its autonomous assets in an amount up to 10% of the share capital, and establish respective terms and conditions;
- l)* to accept donations, inheritances or legacies on behalf of IP, S.A.;
- m)* to appoint proxies with such powers as it may deem fit, including those of appointing substitutes, to act on its behalf in court and otherwise;
- n)* to appoint the representatives of IP, S.A. with external bodies;
- o)* to approve the drafts of any contract entered into by IP, S.A.;
- p)* to exercise staff management and disciplining powers, under the terms of the law, the statutes and the regulations in force at IP, S.A.;
- q)* to request, through the chairman of the executive board of directors to the relevant authorities, under the terms of the Expropriations Code, expropriation measures on the grounds of public utility, land occupation, deployment of plans and fixing of limits to the use of buildings or protection zones and easements;
- r)* to manage corporate businesses and perform all actions comprised in the corporate object that are not the responsibility of other corporate bodies of IP, S.A.;

- s) to approve the setting up of commissions and committees that may or not include any of its members, to follow up specific matters, on a continuous or temporary basis, establishing respective duties and duration, where appropriate;
- t) to exercise the powers conferred on them as provided in the law or pursuant to general meeting resolution;
- u) to exercise the powers conferred on IP, S.A. by the Government, pursuant to law or contract.

2 - The business plan and budget shall be prepared in such a way as to comply with the projections for the year they concern and respective 3-year period, and shall include the investment plan and financing sources; they must be prepared taking into consideration the specific procedures set forth in the state enterprise sector statute, specifically those provided in article 39 of the law governing the state enterprise sector, as approved by Decree-law 133/2013 of 3 October.

3 - It is the responsibility of the members of the executive corporate board to present substantiated quarterly reports, illustrating the level of implementation of the objectives fixed in the business plan and budget.

4 - The executive board of directors shall communicate to the general and supervisory board:

- a) at least once a year, the management policy and the key facts and issues sustaining its main options;
- b) The general situation of IP, S.A. and the evolution of its general operations and businesses, including information on investments, financing and fiscal implementation, prior to each quarterly meeting of the general and supervisory board;
- c) The management report for the previous year, on the date legally established for its preparation and conclusion;

- d)* Any business likely to have a significant influence on the return or liquidity of IP, S.A. or any unusual or relevant occurrence likely to affect the present or future situation of the company.

Article 14

Representation and delegation of powers

- 1 - IP, S.A. shall be represented in court or in any legal matter by the executive board of directors, which may delegate such powers onto any of its members, namely to represent IP, S.A., for the purposes of testimony, defining respective limits and conditions pursuant to specific resolution, or it may be represented by proxies specifically appointed for such purpose.
- 2 - The executive board of directors may delegate powers including sub-delegation powers onto any of its members.
- 3 - Members of the executive board of directors may be assigned specific areas of responsibility, namely the management of one or more organic services or units of IP, S.A..

Article 15

Binding of the Company

- 1 - IP, S.A. shall be bound:
 - a)* by the joint signature of two members of the executive board of directors;
 - b)* by the signature of one member of the executive board of directors, within the scope of respective delegation of powers;
 - c)* by the signature of proxies, within the scope of the powers conferred onto them pursuant to respective powers of attorney;
 - d)* by the signature of the chairman of the executive board of directors, in contracts where IP, S.A. will intervene, in compliance with the resolutions of corporate

bodies.

- 2 - In respect to debt securities of IP, S.A. or other documents issued in large number signatures may be replaced by the company's official seal.

Article 16

Resolutions

- 1 - The executive board of directors shall meet ordinarily once every week and extraordinarily whenever convened by the chairman, either at his/her initiative or at the request of any other executive board member; notwithstanding, the executive board of directors may fix a schedule of more frequent meetings.
- 2 - Decisions shall be valid only if the majority of the members of the executive board of directors is present at the meeting; the chairman or the vice-chairman acting on the chairman's behalf shall have casting vote.
- 3 - Voting by correspondence or through a power of attorney shall not be permitted.

Article 17

Statute of the members of the executive board of directors

- 1 - Members of the executive board of directors are subject to the public manager statute, specifically, to the obligations of transparency, independence, exemption, equity and information as provided in the state enterprise sector statute.
- 2 - Members of the executive board of directors shall receive the remuneration established by the general meeting.
- 3 - Members of the executive board of directors shall be subject to the general social security scheme, if they do not opt for a different scheme applicable to them.

Article 18

Chairman of the executive board of directors

- 1 - It is the responsibility of the chairman of the board of directors to ensure the institutional representation of the company; on par with his/her powers as member of this board, he/she shall be responsible for the following:
 - a) summoning and presiding to the meetings of the executive board of directors, coordinating its activity and ensuring compliance with respective resolutions;
 - b) ensuring the suitable operation of all services;
 - c) representing the company in arbitration, or specifically appoint a proxy for this purpose;
 - d) securing relations with shareholders, responsible government bodies and remaining public entities;
 - e) performing the duties entrusted upon him/her.
- 2 - The chairman may delegate duties onto remaining members of the executive board of directors.

Article 19

Rules governing the absences of members of the executive board of directors

The absence of a member of the board of directors to more than two board meetings per year, whether consecutive or not, without a justification accepted by the executive board of directors shall be deemed as definitive absence, and declared as such for all legal purposes.

Article 20

General and supervisory board

- 1 - The general and supervisory board shall be made up of six to nine members appointed by the general meeting, which shall also appoint one among them as chairman; the chairman or whomever may replace the chairman shall have casting vote.
- 2 - The general and supervisory board shall consist of members with proper training and

expertise, and include individuals of recognised independence, good repute and know-how in transport infrastructures sectors.

- 3 - In the event of definitive impediment, members shall be replaced until the end of the term of office of the general and supervisory board by whomever will be appointed for the purpose by the general meeting.
- 4 - Members of the executive board of directors or managers of the company specifically requested so shall attend the ordinary meetings of the general and supervisory board, provided they are duly summoned, within the scope of their functions and duties before the said board.

Article 21

Duties of the general and supervisory board

- 1 - The duties of the general and supervisory board are as follows:
 - a)* issue an opinion on the business plan and the budget proposed by the executive board of directors;
 - b)* approve respective internal regulations, including rules on relations with remaining corporate bodies;
 - c)* assess and issue an opinion on the annual management and budget control report, the financial statements for the year and remaining reporting instruments;
 - d)* issue an opinion on the investment plan and respective funding;
 - e)* propose to the general meeting the election or appointment of the official auditor or firm of official auditors, or propose its dismissal and issue an opinion on its independence and other relations with the company;
 - f)* continuously follow up the activity of the official auditor and the external auditor;
 - g)* continuously follow up and assess internal procedures relating to accounting and audit matters;

- b)* ensure the existence of mechanisms within IP, S.A. ensuring the compliance with good governance practices and, especially, with specific obligations of disclosure of information and rendering of accounts to shareholders and the relevant external entities;
- i)* ensure the existence and suitability of risk management systems and internal control and audit systems, in accordance with the best control procedures;
- j)* verify whether the accounting policies and valuation criteria adopted at IP, S.A. provide a correct assessment of its assets and results;
- ķ)* check the regularity of the books, accounting records and supporting documents, as well as the situation of any assets or sums held by IP, S.A.;
- l)* oversee the preparation and disclosure of the financial information;
- m)* analyse, each year, the global suitability of IP, S.A. reports on social responsibility and sustainable development policies, terms of the rendering of public service, protection of IP, S.A. competitiveness, development, innovation and integration of new technologies in the production process, included in the sustainability report;
- n)* propose to the general meeting the dismissal of any member of the executive board of directors, where justifiable reasons are met and provided it is decided unanimously by its members;
- o)* determine the hiring of expert services deemed necessary to the performance of its functions, taking into account the economic situation of IP, S.A. and existing and available resources;
- p)* approve the creation of the committee for financial matters and respective operating rules;
- q)* select and replace the external auditor of IP, S.A. providing to the executive board

of directors indications concerning respective engagement;

- r)* assess the compliance with provisions relating to the report on good corporate governance practices, under the terms provided in paragraph 2 of article 54 of the law governing the state enterprise sector, as approved by Decree-law 133/2013 of 3 October;
- s)* represent the company in relations with directors;
- t)* supervise the activities of the executive board of directors;
- u)* ensure that the law and the by-laws are duly complied with;
- v)* give its opinion and decide on other matters as established or assigned by law, the by-laws or by the remaining corporate bodies.

2 - The chairman of the general and supervisory board, or whomever may replace him/her, shall act on behalf of such board both internally and externally, coordinate its activities, summon and preside respective meetings and ensure the enforcement of respective resolutions.

3 - In the absence or impediment of the chairman of the general and supervisory board, he/she shall be replaced by the vice-chairman, if any, or by whomever the said board will determine, subject to respective ratification in the following general meeting.

Article 22

Resolutions

1 - The general and supervisory board shall meet ordinarily once every quarter and extraordinarily whenever convened by its chairman, either at his initiative or at the request of any board member; notwithstanding, the chairman may fix a schedule of more frequent meetings.

2 - Decisions shall be only valid when the majority of the members of the general and supervisory board in office are present at the meeting.

3 - Voting by correspondence or through a power of attorney shall not be permitted.

Article 23

Committee for financial matters

- 1 - The general and supervisory board shall appoint from amongst its members a specialised committee, made up of three members, viewing the verification of the financial affairs; in addition to other duties as provided in the general law and the law governing the public enterprise sector approved by Decree-law 133/2013 of 3 October, the committee shall have the duties specified in sub-paragraphs *f)*, *g)*, *h)*, *i)*, *j)*, *k)*, *l)* and *m)* of article 21; the chairman of the committee shall be appointed by the general meeting.
- 2 - The committee shall meet ordinarily once every quarter and extraordinarily whenever convened by its chairman.

Article 24

Official auditor

The auditing of the company's shall be the responsibility of an official auditor or firm of official auditors appointed by the holder of the shareholder function, upon the proposal of the general and supervisory board, and shall have the powers and duties as provided by law and these by-laws.

Article 25

Terms of office

- 1 - The members of the general meeting, the executive board of directors, the general and supervisory board and the committee for financial matters shall be elected for a period of three years, including the year of respective election, and ending on the 31st of December of the year concerned.

- 2 - The number of terms of office performed consecutively shall not exceed four, notwithstanding any specific rules applicable to any of them pursuant to the law or other rules of professional nature.
- 3 - Members of corporate bodies shall remain in office beyond the term of respective mandates, until the election of new corporate bodies.
- 4 - Members who will be elected or appointed to fill any vacancy or replace any corporate body member shall complete the ongoing term of office.

Article 26

Meetings and minutes of meetings of corporate bodies

- 1 - Notices of meetings of the corporate bodies shall be made in writing, and may be sent through electronic means; they shall include, amongst other specific aspects as provided by law or regulatory or operating rules, information concerning the date, time, place and presence, as well as respective agenda.
- 2 - The meetings shall be held at the local head office of IP, S.A. or the location specified in the notice of meeting; remote participation shall be admitted, through the usual media, provided suitable conditions of integrity and security of the member's participation is ensured, as defined in respective body's functioning rules.
- 3 - Minutes shall be drawn up of all meetings, recorded in the book of minutes and signed by members present; they shall include the resolutions taken and the direction of respective voting.
- 4 - The minutes of the meetings of the general meeting shall be written down and signed by the members of the board of the general meeting attending the session.

CHAPTER III

Staff

Article 27

Legal framework for staff

- 1 - The legal framework of the employees of IP, S.A. shall be that of the employment contract governed by the Labour Code, subject to the specificities provided in these by-laws and the decree-law which approves them.
- 2 - Matters concerning collective hiring involving IP, S.A. shall be governed by the Labour Code.
- 3 - Employees bound by a public employment contract shall keep the remuneration conditions in force on the date of entry into force of these By-laws, under the terms to be established by the executive board of directors of IP, S.A., provided they do not collide with legal remuneration rules set forth in the General Labour Law in Public Functions approved under the terms of annex to Law 35/2014 of 20 June.
- 4 - IP, S.A. shall develop continuous innovation policies to improve the quality of its services and motivate its staff, both personally and professionally, by defining and implementing strict control, audit and performance assessment mechanisms and establishing plans for the continuous training of its employees.
- 5 - IP, S.A. shall have a structure that will continuously ensure the improvement and qualification of its staff, based on the continuous training of its employees.

Article 28

Civil, criminal and disciplinary liability

- 1 - IP, S.A. shall be civilly liable before third parties for any act or omission performed by its directors, in the same terms that such directors shall be liable for their acts or omissions, in accordance with the general law.
- 2 - Members of any corporate body of IP, S.A. shall be civilly liable before the company for losses caused by their failing to comply with their legal or statutory duties, in any case, without prejudice to criminal or disciplinary liability that such fact may carry.
- 3 - Employees and any corporate function holder of IP, S.A., where defendants in claims made personally against them by third parties for acts arising out of the performance of their functions, unless there is a conflict of interests with IP, S.A. and its shareholder, shall be entitled to legal aid, provided by the legal services of IP, S.A. or by attorney specifically hired for such purpose, under the terms of the internal rules of IP, S.A.

CHAPTER IV

Results, assessment, audit and rendering of accounts

Article 29

Financial control

IP, S.A., under the terms of the law governing the state enterprise sector as provided in Decree-law 133/2013 of 3 October, shall be subject to audit by the Court of Auditors and the General Finance Ministry Inspectorate, under the terms of the law.

Article 30

Provisional management tools

- 1 - The business and financial management of IP, S.A. shall be guided by the following provisional management tools, amongst other:
 - a) Business plan and budget, drawn up according to specific guidelines and the strategy laid down for the company, and revised and updated whenever deemed suited, for a multiannual period, including the investment plan and respective funding sources;
 - b) Plan with a timetable of actual and foreseeable liabilities and obligations of the company or when acting in the name and on behalf of or on the account of the State, deriving from contracts of facts originating multiannual expenses, including road concession contracts of the Portuguese State and other forms of partnership between the public and private sectors;
 - c) Budget execution and control reports, adjusted to the nature and characteristics of the company's activities and businesses, in accordance with projections and legal and statutory information requirements to be provided to the shareholder and the corporate bodies.
- 2 - Business plans and budgets shall describe in relation to the periods they concern, the evolution of revenues and expenses, investments to be made, potential funding sources; and, they must be prepared taking into consideration the macroeconomic assumptions defined by the Government, the general guidelines and sector and specific directives, any contracts and binding programmes, in accordance with legal and statutory rules in force for the period.

Article 31

Appropriation of results and reserves

Notwithstanding the compliance with the relevant legal reserves, positive results recorded in any year shall be subject to specific resolution of the general meeting, in accordance with the law, and they shall take into account, in relation to each year, the coverage of any previous years' losses, the funding of planned investments and the future sustainability of IP, S.A.

Article 32

Accounting and management

IP, S.A. shall keep correct accounts in accordance with principles adjusted to its nature, size and complexity and the rules set forth in the national accounting system and any other relevant law.

CHAPTER V

Transformation and winding-up

Article 33

Merger, split-off and winding-up

The transformation, split-off, merger and winding-up of IP, S.A. shall be subject to provisions in the Commercial Companies Code and the law governing the state enterprise sector as provided in Decree-law 133/2013 of 3 October.

ANNEX II

(referred to in paragraph 2 of article 20)

Railway infrastructure consists of the following items, provided they form part of the permanent way, including service sidings, but excluding lines, lines situated within railway repair workshops, depots or locomotive sheds, and private branch lines or sidings:

Ground area;

track and track bed, in particular embankments, cuttings, drainage channels and trenches, masonry trenches, culverts, lining walls, planting for protecting side slopes etc.,

passenger and freight platforms,

four-foot way and walkways,

enclosure walls, hedges, fencing,

fire-protection strips,

apparatus for heating points, crossings,

snow protection screens,

engineering structures: bridges, culverts and other overpasses, tunnels, covered cuttings and other underpasses,

retaining walls, and structures for protection against avalanches, falling stones,

level crossings, including appliances to ensure the safety of road traffic,

superstructure, in particular: rails, grooved rails and check rails,

sleepers and longitudinal ties, small fittings for the permanent way,

ballast including stone chippings and sand,

points, crossings,

turntables and traversers (except those reserved exclusively for locomotives),

access way for passengers and goods, including access by road,

safety, signalling and telecommunications installations on the open track, in stations and in marshalling yards, including plants for generating, transforming and distributing electric current for signalling and telecommunications buildings for such installations or plants,

track brakes,

lighting installations for traffic and safety purposes,

plants for transforming and carrying electric power for train haulage: sub-stations, supply cables between substations and contact wires, catenaries and supports,

third rail with supports,

buildings used by the infrastructure department, including a proportion in respect of installations for the collection of transport charges.