

**ANNEX “C” TO THE REP. NO. 13008/6802**  
**BY-LAWS OF MONCLER S.p.A.**

**TITLE I**

**FORMATION – NAME – REGISTERED OFFICE AND DURATION OF THE COMPANY**

**ARTICLE 1**

- 1.1 A joint-stock company (*società per azioni*) named Moncler S.p.A. is established, to be governed by these bylaws.

**ARTICLE 2**

- 2.1 The Company has its registered office in Milan.
- 2.2 The Company may create, modify and close secondary, branch and representative offices, and other offices, agencies and establishments of every kind, in Italy and abroad, as required from time to time.

**ARTICLE 3**

- 4.1 The duration of the Company is set until December 31, 2040 and may be extended, on one or more occasions, by a resolution of an Extraordinary Shareholders’ Meeting.

**TITLE II**

**PURPOSE OF THE COMPANY**

**ARTICLE 4**

- 4.1 The Company’s business purpose is to carry out the following activities:
- (a) the acquisition, creation and management, even by means of granting licenses, the use of brands for textile products, clothing, perfumery, jewelry, as well as for sporting goods and products accessory and similar to the foregoing, even as licensee under a license;
  - (b) the design and styling of textile products, clothing, perfumery, jewelry, as well as sporting goods and products accessory and similar to the foregoing; and
  - (c) the supply of services to enterprises operating in the textile, clothing, perfumery and jewelry sectors, as well as in sectors pertaining to products accessory and similar to the foregoing, specifically market analysis and research, creative/styling coordination and design, business assistance in the field of company organization, business management and leadership.

To that end, the Company, directly or indirectly through subsidiaries or investee companies, may operate in Italy and abroad and may carry out any connected, auxiliary, similar or complementary activity or activity otherwise useful for the achievement of its business purpose, including, but not limited to, the following:

- (a) engaging in the business, not involving the general public, of acquisition and management of interests in Italian or foreign companies or entities, including full ownership thereof;
  - (b) engaging in the business of managing direct or indirect investee companies and the coordination thereof;
  - (c) providing loans and guarantees to direct or indirect investee companies;
  - (d) conducting negotiations aimed at obtaining work orders on behalf of the investee companies or third parties, including the possible acquisition thereof for purposes of subsequent transfer and the provision of guarantees on those work orders; and
  - (e) providing services and consulting in the administrative and financial area, excluding those services that the applicable laws in force reserve to those enrolled on particular registries or lists.
- 4.2 In the interests of its subsidiaries or investee companies, the Company may also directly carry out every activity connected with or auxiliary to its own activity or to those of such investee companies or subsidiaries.
- 4.3 To achieve its business purpose, the Company may ultimately carry out all operations necessary or useful in the pursuit of such purpose or otherwise connected thereto or which permit a better utilization of its own facilities and/or resources and those of its investee companies or subsidiaries, with the exception of raising funds from the public and the investment services defined by Legislative Decree no. 58 of February 24, 1998, as well as the activities indicated in Article 106 of Legislative Decree no. 385 of September 1, 1993, insofar as their exercise involves the general public, and activities generally reserved by law to professionals enrolled on the appropriate registries.

To that end, the Company may:

- (a) acquire interests, shares and holdings, including shareholdings, in other companies with similar, analogous or complementary purposes;
- (b) provide guarantees and sureties and allow mortgage registrations on the Company's real estate and provide any other real and/or personal guarantee for its own debts and obligations or those of third parties, whenever the Board of Directors deems suitable.

### TITLE III

#### CAPITAL – SHARES – WITHDRAWAL – BONDS

##### ARTICLE 5

- 5.1 The Company's share capital shall consist of EUR 50,029,098, represented by 250,145,493 shares with no stated nominal value. The Company's share capital may be increased by a Shareholders' Meeting resolution, even by means of issuing shares having different rights from ordinary shares and with contributions other than in cash, to the extent permitted by law. In resolutions for a paid-up capital increase, preemptive rights may be excluded up to a maximum of 10% of the Company's pre-existing share capital, provided that the issue price corresponds to the market price of the shares and this is confirmed by an appropriate report of a statutory auditor (*revisore legale*) or statutory audit firm (*società di revisione legale*).
- 5.2 The Shareholders' Meeting of October 1, 2013 resolved to authorize the Board of Directors, pursuant to Italian Civil Code Article 2443, to increase the Company's share capital, on one or more occasions no later than five years from the effective date of the resolution, by a maximum nominal amount of EUR 1,500,000.00 (One Million Five Hundred Thousand), with preemptive rights excluded pursuant Article 2441, paragraphs 5 and 8 of the Civil Code, in order to service one or more incentive plans in favor of directors, employees and associates (*collaboratori*) of the Company and/or its subsidiaries, to be approved by the Shareholders' Meeting, with the additional right to establish, from time to time, the dividend rights and issue price of the shares (and thus the number of shares to be issued), as well as the portion of said price to be allocated to capital, without prejudice to the requirement that the issue price be determined in compliance with legal provisions and, in particular, for increases decided upon pursuant to Article 2441 (5) of the Civil Code, taking into account the performance of the price quotations for the shares over the last six months. On April 23, 2015, the Shareholders' Meeting resolved to revoke the proxy granted by the extraordinary Shareholders' Meeting on October 1, 2013 to the Board of Directors pursuant to art. 2443 of the Civil Code for the latter to increase the share capital, to the extent said proxy has not been exercised by the Board of Directors by means of the share capital increase resolutions adopted on February 28, 2014.
- 5.3 In partial execution of the authorisation granted pursuant to art. 2443 of the Italian Civil Code, to the Board of Directors by the Extraordinary Shareholders' Assembly of October 1, 2013, the Board of Directors, in the meeting of February 28, 2014, resolved to make a paid divisible increase in the Company's share capital, before the final deadline of 15 October 2018, of a maximum sum of Euro 1,006,000, through the issuing, including in more than one occasion, of a maximum of 5,030,000 ordinary shares, with no par value, with the same characteristics as the ordinary shares in circulation at the issue date, with regular dividend rights, with the exclusion of options pursuant to art. 2441, paragraphs 5, 6 and 8, of the Italian Civil Code, to be reserved for the subscription of the beneficiaries of the stock option plan named "Stock Option Plan 2014-2018 Top Management and Key People" approved by the ordinary shareholders' assembly on February 28, 2014, at an issue price of Euro 10.20 per share, of which Euro 0.20 is to be credited as capital and Euro 10 as share premium. Pursuant to art. 2439, paragraph 2, of the Italian Civil Code, we are not entirely subscribed before the final deadline of October 15, 2018, the capital shall be considered to have been increased by an amount equal to the subscriptions collected. On April 23, 2015, the Shareholders' Meeting resolved to revoke the said share capital increase resolution, to the extent of nominal EUR 95,000.00. Consequently, the maximum amount of the share capital increase serving the "Stock Option Plan 2014-2018 Top Management and Key People" is limited to EUR 911,000.00, to be done by the issue of up to no. 4,555,000 ordinary shares without indication of the par value.
- 5.4 In partial execution of the authorisation granted pursuant to art. 2443 of the Italian Civil Code, to the Board of Directors by the Extraordinary Shareholders' Assembly of October 1, 2013, the Board of Directors, in the meeting of February 28, 2014, resolved to make a paid divisible increase in the Company's share capital, before the final deadline of October 15, 2018, of a maximum sum of Euro 105,000, through the issuing, including in more than one occasion, of a maximum of 525,000 ordinary shares, with no par value, with the same characteristics as the ordinary shares in circulation at the issue date, with regular dividend rights, with the exclusion of options pursuant to art. 2441, paragraphs 5, 6 and 8, of the Italian Civil Code, to be reserved for the subscription of the beneficiaries of the stock option plan named "Stock Option Plan 2014-2018 Italian Corporate Structures" approved by the ordinary shareholders' assembly on February 28 2014, at an issue price of Euro 10.20 per share, of which Euro 0.20 is to be credited as capital and Euro 10 as share premium. Pursuant to art. 2439, paragraph 2, of the Italian Civil Code, we are not entirely subscribed before the final deadline of October 15, 2018, the capital shall be considered to have been increased by an amount equal to the subscriptions collected. On April 23, 2015, the Shareholders' Meeting resolved to revoke the said share capital increase resolution, to the extent of nominal EUR 25,645.00.

Consequently, the maximum amount of the share capital increase serving the "Stock Option Plan 2014-2018 Corporate Structures Italy" is limited to EUR 79,354.20, to be done by the issue of up to no. 396,771 ordinary shares without indication of the par value.

- 5.5 On April 23, 2015, the Shareholders' Meeting resolved upon a paid divisible increase of the Company's share capital to be done by and no later than June 30, 2022, up to a maximum amount of nominal EUR 509,645, by means of the issue, even in more than one *tranches*, of up to no. 2,548,225 ordinary shares without indication of the par value, having the same characteristics of the ordinary shares circulating as of the date of issue, with regular entitlement and exclusion of the right of option according to art. 2441, paragraph 4, second line, of the Civil Code, to be reserved to the subscription of the beneficiaries of the stock options plan named "2015 Performance Stock Option Plan" approved by the Shareholders' Meeting on April 23, 2015, at an issuing price equal to the average of the official Company shares' price on the MTA during the thirty days preceding the meeting of the Board of Directors called to assign the options to the said stock option plan's beneficiaries and determine the number of options to be assigned to each of them; of such issuing price, an amount equal to (or no higher than) EUR 0.20 will be computed as capital and the remaining part as markup. Pursuant to art. 2439, paragraph 2, of the Civil Code, if it is not subscribed in full by June 30, 2022, the share capital will be increased by an amount equal to the collected subscriptions.

On April 20, 2016, the Shareholders' Meeting resolved to revoke the capital increase resolution adopted on April 23, 2015 inasmuch as the same is no longer necessary to satisfy the exercise by the beneficiaries of the "2015 Performance Stock Option Plan", approved by the Ordinary Shareholders' Meeting of April 23, 2015, of the options assigned to the same by April 20, 2016. All the other conditions remaining unchanged, the above share capital increase will be realized through the issuance, also in tranches, of maximum 1,375,000 ordinary shares.

- 5.6 It is permitted, in the manner and according to the law, the allocation of profits and / or reserves of profits to employees of the Company or its subsidiaries, through the issuance of shares pursuant to the first paragraph of art. 2349 of the Italian Civil Code.

The Directors are granted for five years starting with April 20, 2016, with the faculty to increase the share capital at the service of the implementation of the incentive and loyalty plan named "2016 – 2018 Performance Shares Plan", for EUR 760,000.00 maximum, through the issuance of maximum 3,800,000 new ordinary shares without par value, having the same characteristics of the ones into circulation, regular dividend rights, at a issuance price equal to the accounting par value of the Moncler shares at the at the execution date of the subject matter delegation, through the assignment of the corresponding share of profits and/or reserves of profits as resulting in the last financial statements approved pursuant to art. 2349 of the Italian Civil Code, at the terms, with the modalities and, at the conditions provided under the same Plan.

- 5.7 Shares shall be in registered form and freely transferable. Each share gives the right to one vote. Shares shall be issued and transferred in compliance with the laws and regulations in effect.

- 5.8 Status as a shareholder constitutes *per se* acceptance of these bylaws.

#### **ARTICLE 6**

Each shareholder shall be entitled to withdraw in those cases provided by law.

#### **ARTICLE 7**

- 7.1. The Directors shall resolve upon the issuance of bonds in conformity with and under the procedures indicated by law.

### **TITLE IV**

### **SHAREHOLDERS' MEETINGS**

#### **ARTICLE 8**

- 8.1 Ordinary and Extraordinary Shareholders' Meetings shall generally be held in the municipality where the Company has its registered office, except as otherwise decided by the Board of Directors and provided it is in Italy or a country where the Company does business, directly or through its subsidiaries or investee companies.
- 8.2 An Ordinary Shareholders' Meeting must be convened at least once a year, to approve the financial statements, within one hundred twenty days of the close of the Company's fiscal year, or within one hundred eighty days when the Company is obligated to prepare consolidated financial statements or, in any event, when required by particular needs related to the Company's structure and purpose.
- 8.3 The convocation shall be made within the time periods set forth by the legal and regulatory rules in force from time to time, by notice to be published on the Company's web-site, as well as under the procedures provided for by the legal and regulatory rules in force for time to time, with not less than the minimum legal notice prior to the date set for the

Shareholders' Meeting. Ordinary and Extraordinary Shareholders' Meetings shall be held upon single call, to which the majorities indicated by law for this purposes shall be applied, except as provided by Article 12.3, below.

#### **ARTICLE 9**

- 9.1 The right to participate in Shareholders' Meetings and to exercise voting rights shall be governed by the laws and regulations in force.

#### **ARTICLE 10**

- 10.1 Those with the right to vote may be represented at the Shareholders' Meetings for legal purposes, by means of a proxy issued under the procedures provided for by the laws and regulations in effect. The Company may also be given notice of the proxy electronically, sent by e-mail, under the procedures indicated in the notice of convocation.
- 10.2 The Company shall not avail itself of its legal right to appoint the representative to whom proxies may be granted by shareholders, with instructions to vote on some or all of the proposals on the agenda of the Shareholders' Meeting.
- 10.3 The conduct of Shareholders' Meetings shall be governed by appropriate rules approved by resolution of an ordinary meeting of the Company's shareholders.

#### **ARTICLE 11**

- 11.1 A Shareholders' Meeting shall be chaired by the Chairman of the Board of Directors or, in the event of the Chairman's absence or impairment, by the Vice Chairman or the Managing Director, if appointed and present, or, failing that, by the person chosen by the Shareholders' Meeting to preside over it.
- 11.2 The Chairman of the meeting shall be assisted by a secretary (including one which is not a shareholder) designated by the participants, and may appoint one or more vote tellers. In the cases provided for by law, or when the Chairman deems it suitable, the minutes are to be drafted by a notary selected by the Chairman, who shall act as secretary.
- 11.3 Resolutions of Shareholders' Meetings must appear in minutes prepared in conformity with the laws and regulations in effect from time to time and signed by the Chairman and the secretary or by the notary selected by the Chairman.

#### **ARTICLE 12**

- 12.1 Except as provided by Article 19.2, a Shareholders' Meeting may discuss and resolve upon all matters falling within its legal powers.
- 12.2 Resolutions of both Ordinary and Extraordinary Shareholders' Meetings shall be passed by the majorities required by law in individual cases, both as regards the proper constitution of the Meetings and the validity of the resolutions passed, except as provided by Article 12.3, below.
- 12.3 A Shareholders' Meeting shall be duly constituted with the presence of shareholders representing at least half of the share capital, and may validly pass resolutions upon a favorable vote of at least 70% of the share capital represented at the Shareholders' Meeting, for resolutions dealing with: (i) capital increases or the issuance of convertible bonds or other convertible financial instruments, or those that provide a right to receive shares of the Company on whatever basis, with preemptive rights excluded or, even where such right has not been excluded, if issued at a unit issue price not calculated based on the Company's fair market value, taking into account the average stock exchange price for the six (6) months preceding the date of convocation of the meeting of the Board of Directors that passed the resolution regarding the proposed capital increase or proposed issuance of bonds or other securities referred to in this point (i); (ii) mergers or spin-offs participated in by companies which are not 100% owned by the Company; (iii) changes to the Company's bylaws pertaining to (a) the business purpose; (b) the appointment of the Company's corporate bodies; or (c) the rights of shareholders, including but not limited to any qualified majority; and (iv) a request for voluntary exclusion from trading.
- 12.4 Resolutions of Shareholders' Meetings made in conformity with the law and with these bylaws shall be binding on all shareholders, even non-participating or dissenting shareholders.

### **TITLE V**

#### **BOARD OF DIRECTORS**

#### **ARTICLE 13**

- 13.1 The Company shall be managed by a Board of Directors composed of 11 or 13 members. The Shareholders' Meeting shall determine their number thereof, subject to the aforesaid limits, prior to their appointment.
- 13.2 Directors shall be appointed for a period of three fiscal years or for the period established at the time of appointment, which may in no event be greater than three fiscal years.. They are eligible for re-election.
- 13.3 Directors shall be appointed by the Shareholders' Meeting, in compliance with the rules in effect from time to time pertaining to gender balance, on the basis of lists submitted by the shareholders in compliance with the legal and regulatory provisions in effect from time to time, in which the candidates, no more than 13 in number and possessing the requisites

provided for by the legal and regulatory provisions in effect from time to time, are to be listed with an assigned sequence number.

At least 3 Directors possessing the requisites of independence established by law or regulatory provisions must sit on the Board. Each list must indicate which candidates possess the requisites of independence established by the legal and regulatory rules in effect from time to time. The independent candidates on each list must be indicated with numbers 2/ 4/ 8/ of the list) with the non-independent candidates. The lists are to be filed at the registered office and published in accordance with applicable rules. Lists with three or more candidates must be composed of candidates belonging to both genders, so that at least one third (rounded up) of the candidates belongs to the gender less well represented.

Each shareholder may submit, or participate in the submission of, one and only list and each candidate may be presented in only one list, otherwise ineligibility will occur.

Lists may be submitted only by shareholders that, alone or together with others, own shares representing at least 2.5% of the capital or such different percentage of participation in the share capital as established by the legal and regulatory provisions in effect from time to time.

By the deadlines set by the legal and regulatory provisions in force from time to time, declarations are to be filed along with each list wherein the individual candidates accept their candidacies and declare, under their own responsibility, that no cause of ineligibility or incompatibility exists and that they possess the requisites prescribed by the laws and regulations in effect for the respective positions. Together with the declarations, curricula vitae are to be filed relating to each candidate's personal and professional characteristics, indicating the candidate's potential suitability to be classified as independent, within the meaning of the legal and regulatory provisions in effect and the codes of behavior relating to corporate governance that may have been adopted by the Company. Lists for which the aforesaid provisions have not been complied with are to be deemed not to have been submitted. Directors appointed are to inform the Board of Directors without delay of the loss of the requisites of independence, as well as of supervening causes of ineligibility or incompatibility.

Each person entitled to vote may vote for only one list.

When the voting ends, the candidates from the two lists which received the greatest number of votes shall be elected, using the following criteria:

- (a) directors equal in number to the total number of members to be elected, less 1 (one), shall be drawn from the list which received a majority of the votes cast, in the sequential order in which they are listed on that list;
- (b) the remaining director shall be drawn from the list receiving the second greatest number of votes at the Shareholders' Meeting ("minority list") that is not linked in any way, even indirectly, to those who submitted or voted for the list which came first in number of votes.

In the event of a tie vote for lists, a new vote shall be taken by the entire Shareholders' Meeting, with those candidates being elected who obtain a simple majority of the votes.

If, when the voting ends, a sufficient number of directors has not been elected which possesses the requisites of independence provided for by the legal and regulatory provisions in effect, the candidate not possessing such requisites who was elected last in sequential order from the list which received the greatest number of votes shall be excluded and replaced by the subsequent candidate having the requisites of independence drawn from the same list as the candidate excluded. Such procedure, if necessary, shall be repeated until the number of independent directors to be elected is completed. If, in addition, the candidates elected under the procedures indicated above do not ensure a composition of the Board of Directors that conforms to the gender balance regulations in effect from time to time, the candidate of the better represented gender elected last in sequential order from the list which received the greatest number of votes shall be replaced by the first candidate of the less well represented gender not elected in sequential order. This substitution procedure shall be followed until a Board of Directors composition is ensured that conforms to the gender balance rules in effect from time to time. Finally, if said procedure does not ensure the result just indicated, the replacement shall be made by a resolution passed by the Shareholders' Meeting by a relative majority, after candidacies by persons belonging to the less well represented gender have been submitted.

In the event a single list is submitted, the directors shall be drawn from the list submitted, provided that it has been approved by simple majority vote, and if the directors thereby elected do not correspond in number to that of the members of the Board determined by the Shareholders' Meeting, or in the event that no list was submitted or in the event that the list submitted does not permit the appointment of independent directors in compliance with the legal and regulatory provisions in effect, the Shareholders' Meeting shall pass resolutions with the statutory majorities; all of which without prejudice to compliance with the gender balance regulations in effect from time to time.

The list voting procedure shall apply only in case of appointment of the entire Board of Directors.

- 13.4 If during the course of the fiscal year one or more Directors should come to leave office, the procedures of Article 2386 of the Italian Civil Code are to be followed. If one or more of the Directors leaving office were drawn from a list also containing the names of candidates not elected, the substitution shall be made through the appointment, in sequential order,

of persons drawn from the list to which the departing director belonged and who are still eligible and disposed to accept the position or, in the absence or unavailability of such candidates on the list, by the appointment of another candidate indicated by the Directors drawn from the list to which the departing Director belonged. In any event, Directors leaving office are to be replaced while assuring the presence of the necessary number of Directors possessing the requisites of independence established by law and in compliance with the gender balance regulations in effect from time to time.

#### **ARTICLE 14**

- 14.1 The Shareholders' Meeting shall elect a Chairman and a Vice Chairman, who is to replace the Chairman in the event of absence or impairment, from among the Directors drawn from the list which received the greatest number of votes.
- 14.2 The Board, upon a proposal by the Chairman, shall appoint a Secretary, including one from outside the Company.

#### **ARTICLE 15**

- 15.1 The Board of Directors shall meet at the registered office or at a different location indicated in the notice of convocation whenever the Chairman or, in the event of his or her absence or impairment, the Vice Chairman, judges it necessary or appropriate. A meeting of the Board of Directors may also be called by the Statutory Auditors as provided by Article 24.5 of these bylaws, or when a written request therefor has been made by at least 2 Directors to decide upon a specific management-related topic that they deem to be of particular significance, which topic is to be indicated in such request.
- 15.2 Meetings of the Board of Directors may also be held by means of telecommunication, provided that all participants can be identified and such identification is noted in the associated minutes and they are able to follow the discussion and participate in real time in the discussion of the topics treated, with an exchange of documentation where appropriate; in that case, the meeting of the Board of Directors shall be deemed held in the place where the person presiding over the meeting is located, where the secretary must also be present so as to allow for the drafting and signing of the related minutes.
- 15.3 The convocation is normally made by notice sent by registered letter, fax or e-mail, at least 3 days before the date set for the meeting or, in cases of urgency, at least 24 hours prior to that set for the meeting. The notice is to indicate the place, date and schedule of the meeting and the topics on the agenda

#### **ARTICLE 16**

- 16.1 Meetings of the Board of Directors shall be presided over by the Chairman or, in his or her absence or impairment, by the Vice Chairman. In the absence of the latter as well, they shall be presided over by the Director appointed by those present.

#### **ARTICLE 17**

- 17.1 For meetings of the Board of Directors to be valid, a majority of the Directors in office must be present.
- 17.2 Resolutions shall be passed by an absolute majority of the votes of those present.
- 17.3 The following subjects may not be the subject of a proxy or be covered by a power of attorney, and therefore shall remain the sole responsibility of the Board of Directors as a whole: (i) acquisitions or sales of companies, businesses or business units that directly or indirectly represent an aggregate enterprise value of 20% or more of the Company's market capitalization as of the date on which the definitive contractual documentation relating to the transaction is submitted to the Board of Directors; and (ii) the taking on of indebtedness that, in the aggregate, directly or indirectly exceeds EUR 250 million in an amount greater than EUR 150 million.

#### **ARTICLE 18**

- 18.1 Resolutions of the Board of Directors are to appear in minutes, signed by the person presiding over the meeting and the secretary, transcribed into the appropriate register maintained as required by law.
- 18.2 Copies of the minutes shall be fully binding if signed by the Chairman or the person substituting for the latter and the secretary.

#### **ARTICLE 19**

- 19.1 The management of the enterprise shall be the exclusive responsibility of the Directors, who shall carry out all operations necessary for the achievement of the business purpose.
- 19.2 In addition to exercising the powers assigned to it by law, the Board of Directors shall have the power to decide regarding:
  - (a) mergers and spin-offs, in the cases provided by law;
  - (b) creation or closing of secondary offices;
  - (c) indication of which Directors may represent the Company;
  - (d) reduction of share capital in the event of withdrawal by one or more shareholders;
  - (e) adaptation of the bylaws to legal and regulatory provisions;
  - (f) transfer of the registered office within Italy.

The assignment of such areas of responsibility to the Board of Directors does not exclude concurrent jurisdiction of the Shareholders' Meeting over the same matters.

- 19.3 Bodies that hold delegated powers (*organi delegati*) shall report in a timely fashion to the Board of Directors and the Board of Statutory Auditors – or, in the absence of bodies holding delegated powers, the Board of Directors shall report in a timely fashion to the Board of Statutory Auditors – at least once each quarter, and in any event at the meetings of such Board, on the activity carried out, on the general performance of the business and on the outlook thereof, as well as on the transactions of major significance in terms of operating results, finances and net assets, or otherwise of major significance due to their size or characteristics, engaged in by the Company and its subsidiaries; in particular, they are to report on operations in which they have an interest, on their own account or that of third parties, or that are influenced by the party performing the activity of direction and coordination, where such exists.
- 19.4 The Board of Directors (i) shall appoint and remove a manager assigned to draw up the corporate accounting documents, after obtaining the required but non-binding opinion of the Board of Statutory Auditors; (ii) shall determine the manager's length of time [in the position] and (iii) shall grant the manager adequate powers and means for performing the manager's functions.

The manager assigned to prepare the corporate accounting documents shall be appointed from among persons possessing at least 5 years of significant professional experience in the accounting, business and financial sector and any other requirements established by the Board of Directors and/or by legal and regulatory provisions.

#### **ARTICLE 20**

- 20.1 The Board of Directors, within the limits provided by Article 2381 of the Italian Civil Code and excluding the matters contained in Article 17.3, may delegate its powers to one or more of its members, determining the contents, limits and possible modes of exercise of the delegated authority. The Board, upon a proposal of the Chairman and by agreement with those bodies holding delegated powers, may delegate authority for individual acts or categories of act, including to other members of the Board of Directors.
- 20.2 Within the scope of the authorizations received, those bodies holding delegated powers may delegate authority for individual acts or categories of acts to employees of the Company and to third parties, with the power to sub-delegate.

#### **ARTICLE 21**

- 21.1 The legal power to represent the Company and the authority to sign for the Company lies with the Chairman and, in the event of the Chairman's absence or impairment, with the Vice Chairman. It also lies with any managing directors appointed, within the limits of their authorization.
- 21.2 The aforesaid legal representatives may grant legal powers to represent the Company, including in litigation and other proceedings, and also including the power to sub-delegate.

#### **ARTICLE 22**

- 22.1 The members of the Board of Directors are entitled to compensation, including in the form of profit-sharing or subscription rights, to be determined by the Shareholders' Meeting. The Shareholders' Meeting may establish an overall amount of compensation for all Directors, including those particular assignments.
- 22.2 In accordance with the bylaws, the remuneration of Directors which are entrusted with particular assignments shall be established by the Board of Directors, after obtaining the opinion of the Board of Statutory Auditors, in adherence to any overall amount that may have been set by the Shareholders' Meeting.
- 22.3 Directors are entitled to the reimbursement of expenses incurred in carrying out their office.

#### **ARTICLE 23**

- 23.1 The Chairman shall perform the functions provided for by the legal and regulatory provisions in effect and by these bylaws. In particular, the Chairman:
- (a) shall have the power to represent the Company within the meaning of Article 21.1, above;
  - (b) shall preside over the Shareholders' Meeting within the meaning of Article 11.1, above;
  - (c) shall convene and preside over meetings of the Board of Directors within the meaning of Articles 15 and 16.1, above; shall set the agenda thereof, coordinate its operations and see to it that adequate information regarding the matters placed on the agenda are provided to all Directors;
  - (d) shall verify the implementation of resolutions of the Board of Directors.

**TITLE VI**  
**BOARD OF STATUTORY AUDITORS, STATUTORY AUDIT OF ACCOUNTS AND RELATED PARTY TRANSACTIONS**

**ARTICLE 24**

- 24.1 The Shareholders' Meeting shall elect a Board of Statutory Auditors, made up of three regular Statutory Auditors, and shall determine its compensation. The Shareholders' Meeting shall also elect two alternate Statutory Auditors.

The powers, duties and term of office of the Statutory Auditors shall be as established by law.

The following may not be elected as Statutory Auditors, and if elected shall forfeit their position: those who exceed the limits on the cumulation of positions, or those for whom causes of ineligibility or forfeiture are present, or who do not possess the requirements of integrity and professionalism established by legal and regulatory provisions in effect. For purposes of Article 1 (2), letters b) and c), of the Italian Ministry of Justice Decree no. 162 of March 30, 2000, which establishes the requirements of integrity and professionalism, the following matters shall be deemed to be closely connected with the scope of the Company's business: commercial law and tax law, business administration and financial management, and the matters and sectors related to the Company's business sector.

- 24.2 Regular Statutory Auditors and alternate Statutory Auditors shall be appointed by the Shareholders' Meeting in compliance with the rules in effect from time to time pertaining to gender balance, on the basis of lists submitted by the shareholders in compliance with the legal and regulatory provisions in effect from time to time, in which the candidates are to be listed with an assigned sequence number, and their number must be no greater than the [number of] Board members to be elected. Each list must be composed of two sections: one for the appointment of regular Statutory Auditors and one for the appointment of alternate Statutory Auditors. The first candidate in each section must be picked from among the statutory auditors (*revisori legali*) listed in the appropriate registry referred to by Article 2397 of the Italian Civil Code.

Lists that submit a total number of candidates greater than or equal to three must be composed of candidates belonging to both genders, in such a way that at least one third (rounded up) of the candidates for the position of regular Statutory Auditor, and at least one third (rounded up in any event) of the candidates for the position of alternate Statutory Auditor, belong to the gender less well represented on such list.

Lists may be submitted only by shareholders that, alone or together with others, own shares representing at least 2.5% of the capital or such different percentage of participation in the share capital as established by applicable legal and regulatory provisions. Each shareholder may submit, or participate in the submission of, one and only one list and each candidate may be presented in only one list, on pain of ineligibility.

By the deadlines for submission prescribed by applicable regulations, declarations are to be filed along with each list wherein the individual candidates accept their candidacies and declare, under their own responsibility, that no cause of ineligibility or incompatibility exists and that they possess the requisites prescribed by law, regulations and the bylaws for the position. Lists for which the aforesaid provisions have not been complied with are to be deemed not to have been submitted. Together with the declarations, *curricula vitae* are to be filed relating to each candidate's personal and professional characteristics and including a list of the administrative and supervisory positions held by each candidate at other companies.

The legal and regulatory provisions in effect from time to time shall be applied to the submission, filing and publication of the lists. The lists shall be divided into two sections: one for candidates for the position of regular Statutory Auditor and the other for candidates for the position of alternate Statutory Auditor. Each person entitled to vote may vote for only one list. The Statutory Auditors shall be elected as follows:

- (a) from the list which received the greatest number of votes at the Shareholders' Meeting, 2 regular members and 1 alternate shall be drawn, based on the sequential order in which they are listed in the sections of the list;
- (b) from the list which received the second greatest number of votes at the Shareholders' Meeting and that is not linked in any way, even indirectly, with those who submitted or voted for the list which came first in the number of votes, the remaining regular member – who shall assume the position of Chairman – and the other alternate member shall be drawn, based on the sequential order in which they are listed in the sections of the list. In the event that more than one minority list has received the same number of votes, the list candidate most senior in age shall be elected regular Statutory Auditor and alternate Statutory Auditor;
- (c) in the event that a single list is submitted, the Board of Statutory Auditors shall be drawn in its entirety therefrom, provided that the list has been approved by a simple majority vote.

If the procedures indicated above do not ensure a composition of the Board of Directors that, in its regular members, conforms to the gender balance regulations in effect from time to time, the necessary substitutions shall be made from the candidates for the position of regular Statutory Auditor on the list which obtained the greatest number of votes, in the sequential order in which the candidates are listed.



Should the requisites mandated by law, regulations and the bylaws cease to exist, the Statutory Auditor shall forfeit the position. In the event of the replacement of a Statutory Auditor, the latter shall be succeeded by the alternate belonging to the same list as the departing auditor or, failing that, in the event of the departure of the minority Statutory Auditor, the candidate placed next on the same list as the list the departing auditor belonged to or, as a further alternative, the first candidate on the minority list which obtained the second greatest number of votes.

This is without prejudice to the minority Statutory Auditor continuing to be the Chairman of the Board of Statutory Auditors or to the requirement that the composition of the Board of Statutory Auditors must comply with the gender balance rules in effect from time to time.

When the Shareholders' Meeting must arrange for an appointment of regular and/or alternate Statutory Auditors needed to fill vacancies on the Board of Statutory Auditors, the procedure is to be as follows: if Statutory Auditors elected on the majority list need to be replaced, the appointment is to be made by relative majority vote, without any list restriction; if Statutory Auditors elected from the minority list need to be replaced, the Shareholders' Meeting shall replace them by relative majority vote, selecting them, where possible, from among the candidates indicated on the list to which the Statutory Auditor to be replaced belonged, or on the minority list that obtained the second greatest number of votes.

If applying these procedures should for any reason not allow for the statutory auditors appointed by the minority to be replaced, the Shareholders' Meeting shall proceed by relative majority vote, after the submission of candidacies by shareholders that, alone or together with others, own a total number of voting shares representing at least the percentage mentioned above in relation to the procedure for submission of lists; however, in ascertaining the results of this final round of voting, the calculation shall not include the votes of those shareholders that, according to the notifications given under the regulations in effect, hold a relative majority of the votes that may be cast at Shareholders' Meetings, including indirectly or also in conjunction with other shareholders that are parties to a shareholder agreement relevant for purposes of Article 122 of Legislative Decree 58/1998, or of those shareholders that control, are controlled by or are subject to common control with the same.

The replacement procedures in the preceding paragraphs must in any event ensure that the gender balance provisions in effect are complied with.

- 24.3 Outgoing Statutory Auditors are eligible for re-election.
- 24.4 Meetings of the Board of Statutory Auditors may also be held by means of telecommunication, provided that all participants can be identified and such identification is noted in the associated minutes and they are able to follow the discussion and participate in real time in the discussion of the topics treated, with an exchange of documentation where appropriate; in that case, the meeting of the Board of Statutory Auditors shall be deemed held in the place where the person presiding over the meeting is located.
- 24.5 Upon prior notification to the Chairman of the Board of Directors, the Board of Statutory Auditors may convene Shareholders' Meetings or meetings of the Board of Directors. The related powers may also be exercised by at least two members of the Board in case of convening a Shareholders' Meeting, and by at least one member of the Board in case of convening a meeting of the Board of Directors.
- 24.6 The statutory audit of accounts shall be performed by an outside audit firm (*società di revisione*) which meets the legal requirements and is engaged by an ordinary Shareholders' Meeting upon a reasoned proposal by the Board of Statutory Auditors.
- 24.7 The appointment, dismissal, requirements, assignments, jurisdiction, responsibilities, powers, obligations and compensation of those persons in any way charged with the statutory audit of the accounts shall comply with applicable legal rules.

#### **ARTICLE 25**

- 25.1 The Company shall approve transactions with related parties in compliance with legal and regulatory provisions in effect, the provisions of the corporate bylaws, and the relevant procedures adopted.
- 25.2 The procedures adopted by the Company for transactions with related parties may provide that their scope shall not include urgent transactions, including those coming within the jurisdiction of the Shareholders' Meetings, insofar as permitted by applicable law and regulations.

### **TITLE VII**

## **FINANCIAL STATEMENTS AND PROFITS**

#### **ARTICLE 26**

- 26.1 The Company's fiscal year shall end on December 31 of each year.
- 26.2 At the end of each fiscal year, the Board of Directors shall provide for the preparation of the Company's financial statements, in accordance with statutory provisions.

- 26.3 Balance-sheet net profits shall be distributed as follows:
- (a) legal provisions are to be deducted, up to the legal limit;
  - (b) the remainder – except as the Shareholders' Meeting, upon a proposal by the Board of Directors, should resolve upon special levies in favor of extraordinary reserves or to be appropriated elsewhere, or should direct it to be carried forward in whole or in part to subsequent fiscal years – is to be distributed to all shares.
- 26.4 During the course of the fiscal year, the Board of Directors may distribute interim dividends to shareholders.

**ARTICLE 27**

- 27.1 Dividends not collected within five years of the date on which they become payable shall default to the Company, being posted directly to the reserves.

**TITLE VIII**

**DISSOLUTION AND LIQUIDATION OF THE COMPANY**

**ARTICLE 28**

- 28.1 In the event of the Company's dissolution, the Shareholders' Meeting shall determine the liquidation procedures and shall appoint one or more liquidators, setting their powers and compensation.

**TITLE IX**

**GENERAL AND TRANSITIONAL PROVISIONS**

**ARTICLE 29**

- 29.1 For all matters not expressly provided for herein, the rules of the Italian Civil Code and relevant special legislation shall apply.

Signed Carlo Marchetti, Notary