

Unofficial Translation

Approved by Shareholders Meeting dated April 21st, 2016 - Clean

COMPANY BY-LAWS

NAME – REGISTERED OFFICE - DURATION - PURPOSE

Art. 1) NAME

These By-laws regulate the joint-stock company named:

"FRENI BREMBO - S.P.A."

and also, more briefly:

"BREMBO S.P.A."

Art. 2) REGISTERED OFFICE

The registered office of the Company shall be in Curno (Bergamo).

The administrative organ may set up branches, agencies, facilities, warehouses and secondary offices and may close down the same. With regard to relationships between the Company and its shareholders, the domicile of each shareholder shall be deemed to be as indicated in the Shareholders' Register.

Art. 3) DURATION

The term of the Company shall expire on 31 (thirty-one) December 2099 (two thousand and ninety-nine) and may be extended once or several times by the General Shareholders' Meeting.

Art. 4) PURPOSE

The Company has for its corporate purpose engagement in the activities indicated below, directly and/or indirectly, and even through the acquisition of participating interests in businesses and corporations:

a) the analysis, design, development, application, production, assembly, sale

	and/or distribution of braking systems, wheels, clutches, their parts, and components for cars, industrial vehicles, motorbikes and means of transport in general, including vehicles to be used for racing;	
	b) the foundry of light alloys and metals in general;	
	c) mechanical constructions and work processes, as well as analysis, design, development, manufacturing and sale of mechanical, electric, electro mechanic, electronic and mechatronic systems in general;	
	d) the repair and application, even through installation on the Company's own and third party vehicles, of braking systems, wheels and other components for testing on roads;	
	e) the sale, distribution and marketing of products (including software programmes) designed, manufactured or distributed by the Company or its subsidiaries;	
	f) the manufacture, marketing and sale of sports clothing and other accessories primarily for the racing sector;	
	g) the supply of services and/or consultancy services in the areas connected with company activities to subsidiaries or other companies, as well as to public and private entities or to third parties in general;	
	h) the organisation, on behalf of subsidiaries or other companies, as well as public and private entities or third parties in general, of courses, seminars and conventions; the publication and distribution of books, notes and technical bulletins for training and information in the areas of activity in which the Company operates;	
	i) the management and coordination of subsidiaries, undertaking support activities as well as organisation, technical, managerial and financial	

coordination, as may be deemed useful or necessary.

The Company may undertake any and all the commercial, industrial and financial transactions, involving both personal property and real estate, that the Board of Directors may deem necessary or useful in the pursuit of the Company's corporate purpose clause. The Company may also stand surety and issue performance bonds and other guarantees, including guarantees in rem and in the interest of third parties.

The Company may, furthermore, acquire participating interests and shareholdings in other companies or corporations of any nature or kind whatsoever, provided that such acquisitions are not effected as the Company's core business or for further placement with third parties.

The Company may also finance any and/or all the direct and/or indirect subsidiary and associated companies of the Brembo group, and may also received financing from any and/or all the direct and/or indirect subsidiary and associated companies of the Brembo group.

Pursuant to Treasury Ministry Decree of 2 March 1995 published in the Official Gazette of 12/04/1995, as further amended and extended, the Company may also solicit investments for its own employees, provided that the amount of such investments is contained within the limits of the Company's overall paid-up share capital and reserves as per the last approved financial statements.

CAPITAL – SHARES – BONDS

Art. 5) SHARE CAPITAL

The Company's share capital shall amount to €34,727,914 (thirty four million, seven hundred and twenty seven thousand and nine hundred and fourteen)

divided into 66,784,450 (sixty-six million, seven hundred and eighty four thousand, four hundred and fifty) ordinary shares with no nominal value.

Pursuant to Article 2443 of the Civil Code, the Extraordinary Shareholders' Meeting held on April 29th 2014 resolved to grant to the Board of Directors the power of attorney to increase the share capital for a maximum nominal amount of Euro 3,472,791.40, through payment, one or more times, even in a separate way pursuant to Article 2439 , paragraph 2 of the Civil Code , and no later than April 29th 2019, excluding any option rights pursuant to art. 2441, paragraph 4, second sentence, of the Civil Code. Such increase will be realized through the issuance, in one or more tranches, of maximum 6,678,445 shares with no nominal value or - if lower – of a different number of shares that, at each date of the execution of the power of attorney (and considering any possible issuance of shares already made in the execution of the power of attorney stated herein, will form 10% (ten percent) of the total number of shares of the Company on the same date. For the purposes of the execution of such power of attorney, the Board of Directors has been also assigned with the power to (a) determine, for each single tranche, the number, the issue unit price and the enjoyment of the ordinary shares rights , within the sole limits provided by art. 2441, paragraph 4, sentence 2 and / or art. 2438 and/or the paragraph 5 of art. 2346 of the Italian Civil Code; (b) determine the period for the subscription of the ordinary shares of the Company; and (c) give execution to the power of attorney mentioned above, including, but not limiting to, those power of attorneys to amend the by-laws from time to time, if necessary.

Art. 6) NATURE OF THE SHARES AND RULES FOR ISSUE

All the shares in the Company are registered shares. Each share is indivisible and bears the right to one vote.

The representation of shares held under co-ownership shall be regulated pursuant to law.

The shares are de-materialised and are stored in the centralised management system mentioned in Legislative Decree No. 58 of 24 February 1998, as amended and extended ("TUF") under the de-materialisation regime on the basis of agreements entered into by the Company's administrative organ with the management company pursuant to TUF, Legislative Decree No. 213 of 24 June 1998 and the Implementing Regulations approved by CONSOB resolution No. 11768 of 23 December 1998, as further amended and extended.

Art. 7) PAYMENTS ON SHARES

Payments due on shares shall be called by the Board of Directors whenever the latter deems fit, on one or several occasions, at least fifteen days prior to the scheduled payment date and in the manner the Board of Directors deems fit. Delays by shareholders in making the payments due shall entail the application of interest at the legal rate increased by five points, and in any event, not in excess of the limits established from time to time pursuant to Law No. 108 of 7 March 1996, as further amended and extended.

Art. 7-BIS) BONDS

The Company may issue bonds, including convertible bonds, in compliance with statutory provisions.

The power to authorise the issue of ordinary bonds, resides with the Board of Directors.

The issue of convertible bonds or bonds with warrants, must be approved by the Extraordinary General Meeting, in accordance with the provisions of Article 2420-*bis* of the Italian Civil Code and other applicable statutory provisions, without prejudice to the General Meeting's right to delegate to the Board the powers required to issue convertible bonds, pursuant to section 2420-*ter* of the Italian Civil Code and other applicable statutory provisions.

Art. 8) RIGHT OF WITHDRAWAL

The right of withdrawal of shareholders shall be regulated pursuant to applicable statutory provisions.

GENERAL SHAREHOLDERS' MEETINGS

Art. 9) ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

The duly constituted General Shareholders' Meeting shall represent all the shareholders and General Meeting resolutions passed in accordance with law and these By-laws shall be deemed to be binding on all the shareholders. The General Shareholders' Meeting shall be Ordinary and Extraordinary as required under law, and shall be convened at the registered offices, or elsewhere in Italy, whenever the Board of Directors deems fit and in the cases contemplated under law, in accordance with the manner, form and deadlines specified in applicable statutory and regulatory provisions.

Art. 10) CALLING

The General Meeting shall be called by the Board of Directors by notice of calling containing an indication of the date, time and venue of the scheduled meeting, the items placed on the agenda, as well as further information required by applicable laws and regulations.

The notice of calling of the General Shareholders' Meeting shall be

published, within the terms established by law, on the Company's website and in compliance with any other methods required by laws and regulations from time to time into force.

The Ordinary General Shareholders' Meeting must be called by the administrative organ at least once a year within one hundred and twenty days following the end of the Company's financial year, or within one hundred and eighty days from such date in the case where the Company is required to draw up consolidated financial statements or where warranted by specific reasons pertaining to the Company's corporate purpose and structure, such reasons being indicated in the Directors' Report mentioned in Article 2428 of the Italian Civil Code.

Article 10-BIS) ADDITION OF ITEMS TO THE AGENDA AND SUBMISSION OF NEW MOTIONS.

Shareholders who, individually or collectively, represent at least one fortieth of share capital may submit a written application, according to the terms and conditions set forth in applicable laws and regulations, to add items to the agenda for the Shareholders' Meeting, indicating the proposed additional items of business in the application, or to submit new motions on the items already on the agenda.

The notice of calling, setting forth the items placed on the agenda, shall be published in accordance with the procedures specified in article 10 above, by the deadlines imposed under applicable statutory and regulatory provisions.

Shareholders intending to request the inclusion of additional items on the agenda of the General Shareholders' Meeting, or submitting new motions on the items already on the agenda, shall draw up a report on the said

additional items, or on the additional motions submitted on the items already on the agenda.

The report in question shall be submitted to the Board of Directors by the final deadline imposed for the submission of requests for the inclusion of additional items on the agenda. The Board of Directors shall disclose the said report to the public, together with any Board's own assessments, and at the same time, publish the notice of the inclusion of additional items on the agenda, on the Company's website and in accordance with the other procedures set forth in applicable statutory and regulatory provisions. The agenda may not be extended through the inclusion therein of items pertaining to matters on which the General Shareholders' Meeting may only pass resolutions, pursuant to law, at the motion of the directors or on the basis of a draft resolution or otherwise a report drawn up by the directors, other than the report on the items included on the agenda.

Article 10-TER) RIGHT TO POSE QUESTIONS PRIOR TO THE GENERAL SHAREHOLDERS' MEETING

Shareholders who are entitled to vote at the General Shareholders' Meeting may pose questions even prior to the said Meeting, according to the terms and procedures prescribed in the notice of calling.

11) PARTICIPATION IN AND REPRESENTATION AT GENERAL SHAREHOLDERS' MEETINGS

Shareholders are entitled to vote and may participate in the meeting and cast votes if the Company has received an appropriate notice certifying their standing, issued by the intermediary participating in the centralised financial instrument management system, by the third trading day prior to the date for

which the Shareholders' Meeting is scheduled (or within other term as provided for under applicable law).

Any party entitled to participate in a Shareholders' Meeting may be represented by another person, not required to be a shareholder, through proxy granted pursuant to the procedures prescribed by applicable laws and indicated in the notice of calling. Proxies may be also granted electronically and notified to the Company by e-mail sent to the certified e-mail address specified in the notice of calling.

Proxies may be issued only for a specific General Shareholders' Meeting and shall be valid even for subsequent callings of such General Meeting, pursuant to applicable statutory provisions. The Chairman of the General Shareholders' Meeting shall declare the validity of proxies, and in general, the right to participate in the Meeting.

Art. 12) CHAIRMAN OF THE GENERAL SHAREHOLDERS' MEETING AND MINUTES

The General Shareholders' Meeting shall be chaired by the Chairman of the Board of Directors and, in the absence or disability thereof, by the Deputy Chairman, if appointed. In the case where the Chairman and the Deputy Chairman, if appointed, both waive their chairmanship rights or are unable to exercise the same, the General Meeting shall be chaired by another person appointed by the General Meeting by simple majority.

At the motion of the Chairman, the General Meeting shall appoint a Secretary, who need not necessarily be a party holding voting rights, who, if necessary, shall in turn appoint two scrutineers who need not necessarily be shareholders.

The Chairman of the General Meeting shall determine whether or not the General Meeting is validly constituted and shall direct and regulate the proceedings, establishing the procedures and the order of voting. In drawing up the minutes, the Chairman shall be assisted by the Secretary. Where required under law or requested by the Chairman of the General Meeting, the minutes shall be drawn up by a notary public.

Art. 13) QUORA AND RESOLUTIONS OF THE GENERAL SHAREHOLDERS' MEETING

Ordinary and Extraordinary General Shareholders' Meetings are normally held following a single calling. The quorum requirements for constituting a session and passing resolutions set out in applicable current provisions of law shall apply to this end. However, should the Board of Directors deem it to be appropriate, it may decide that the Ordinary or Extraordinary General Shareholders' Meeting be held following multiple callings, expressly specifying this information in the notice of calling. The Ordinary and Extraordinary General Shareholders' Meeting at first, second or third calling shall be validly constituted and pass resolutions with majorities established under law applicable case by case.

ADMINISTRATION

Art.14) ADMINISTRATIVE AND AUDITING SYSTEM

Pursuant to Article 2380 of the Italian Civil Code, the Company shall adopt the administrative and auditing system regulated under paragraphs 2, 3 and 4 of the said Article 2380 of the Italian Civil Code.

Art. 15) COMPOSITION OF THE BOARD OF DIRECTORS

The Company shall be administered by a Board of Directors made up of a

minimum of 5 (five) and a maximum of 11 (eleven) members, who need not necessarily be shareholders, as established from time to time by the General Shareholders' Meeting at the time of the appointment of the Board.

The Board of Directors shall be made up of executive and non-executive directors.

In any event, (i) at least 1 (one) Board member or 2 (two) if the Board is made up of more than 7 (seven) members, must meet the requirements of independence pursuant to laws and the Corporate Governance Code of Borsa Italiana, adopted by the Company and (ii) the composition of the Board of Directors must reflect gender balance, in accordance with the laws and regulations from time to time in force.

Board members shall be eligible for re-appointment and, save where otherwise established by General Meeting resolution, shall be appointed for a term determined by the General Meeting resolution appointing them, up to a maximum of three financial years. The term of office of the Board of Auditors shall be deemed to expire on the date of the General Shareholders' Meeting called for the approval of the financial statements pertaining to the last financial year of their term, save in the case of the reasons for termination or disqualification contemplated under law or in these By-laws.

Art. 15-BIS) APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS

After determining the number of members making up the Company's Board, the Ordinary Shareholders' Meeting shall proceed to appoint the same, on the basis of voting lists submitted by shareholders pursuant to the following paragraphs.

Voting lists may be submitted only by those shareholders who, as at the date on which the lists are lodged with the Company, either on their own or together with others, represent at least the minimum percentage of the shares bearing voting rights at the Ordinary Shareholders' Meeting, established under applicable statutory and regulatory provisions.

Each shareholder (as well as (i) shareholders belonging to the same group, the latter term being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may submit, either on their own or jointly with other shareholders, directly or through third party intermediaries, or trust companies, a single list of candidates, under pain of disqualification of the list.

The lists of candidates, duly signed by the shareholders submitting the same, or the shareholder delegated to make the submission, together with all the other related documents as required under these By-laws, must be filed with the Company's registered offices at least twenty-five (25) calendar days prior to the scheduled date of the General Meeting at first calling and public disclosure must be made both on the Company's website and at its registered offices, in the manner and form specified under applicable statutory and regulatory provisions, at least twenty-one (21) calendar days

prior to the scheduled date of the General Meeting. The filing of voting lists pursuant to the provisions of this article 15-bis shall also be valid for General Meetings held at subsequent callings, if any. In this latter case, new voting lists may be submitted and the aforementioned terms set forth for the filing of lists are reduced to fifteen and ten days, respectively.

In order to establish their ownership of the number of shares required for the submission of lists, each shareholder making such a submission must file with the Company's registered offices, together with the voting list in question, by the end of the day on which the said list is lodged with the registered offices or thereafter but not later than the deadline imposed for the public disclosure of lists pursuant to the preceding paragraph, a copy of the notice issued by authorised intermediaries and mentioned in article 11 of these By-laws, establishing his or her ownership of the minimum shareholding required for the submission of lists, taking due account of the shares registered in the name of the shareholder in question as at the date on which the lists are lodged with the Company's registered offices.

Each candidate may appear on only one list, upon penalty of ineligibility.

The number of candidates on each list may be no less than 2 (two) and no more than the maximum number of Board members mentioned in article 15 of these By-laws. The candidates must be listed in serial order.

Furthermore, each list must include at least 1 (one) candidate or at least 2 (two) candidates, if the Board is to be made up of more than 7 (seven) members who meet the requirements of independence pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company.

The lists containing a number of candidates equal to or greater than 3 (three) cannot include only candidates of the same gender (men and women); such lists must include a number of candidates of the under-represented gender such as to ensure that the composition of the Board of Directors complies with the laws and regulations on gender balance (men and women) from time to time in force, it being understood that where the application of the distribution criterion between genders results in a non integer number, this must be rounded up to the next higher unit.

Together with each list, the following documents must be filed with the Company's registered office, no later than the deadline imposed for the filing of lists, and that is to say, the 25th (twenty-fifth) calendar day immediately preceding the scheduled date of the General Shareholders' Meeting:

1. the curriculum vitae of each candidate providing exhaustive information on his personal and professional features, with an indication of whether or not the candidate meets the requirements of independence, pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company, as well as an indication of any other executive positions and directorships held in companies belonging to the significant categories listed in the "Brengo S.p.A. Corporate Governance Manual", as mentioned in the text of the notice of calling of the General Meeting called to pass resolutions on the appointment of Board members;

2. a declaration through which each candidate accepts his candidature and, certifies, under his own responsibility that:

A. he does not labour under any of the causes of ineligibility or disqualification within the meaning of section 2382 of the Italian Civil Code;

B. he meets the requirements of personal integrity and professionalism imposed under applicable statutory and/or regulatory provisions;

C. where applicable, an indication that the candidate meets the requirements of independence pursuant to laws and the Corporate Governance Code of Borsa Italiana, endorsed by the Company;

3. a list of the shareholders submitting the voting list, with an indication of their names, company names, registered offices, registration number with the Office of the Registrar of Companies or an equivalent body, and the overall percentage of share capital held by the shareholders submitting the voting list.

Voting lists submitted other than in compliance with the provisions of the preceding paragraphs, shall be deemed as never having been submitted. The lists submitted are subject to disclosure obligations as per applicable regulations.

Art. 15–TER) VOTING PROCEDURES

Each party entitled to vote (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of article 122 of TUF, as amended, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) shall be entitled to vote for only one list.

The Chairman shall determine the voting procedures to be followed from time to time, pursuant to applicable statutory and regulatory provisions.

For the intents and purposes of appointments to the Board of Directors pursuant to the provisions set forth below, no account must be taken of lists that failed to obtain a number of votes representing at least half the percentage of share capital established under article 15-*bis* of these By-laws for the submission of voting lists.

Should no voting list be submitted, the General Meeting shall make the required appointments through resolutions approved by the majority of votes cast, in accordance with laws and regulations from time to time in force, also on gender balance (men and women) (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number)

Should only one list be submitted, all the members of the Board of Directors shall be appointed from the said list in accordance with laws and regulations on gender balance (men and women) from time to time in force (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number).

Should, on the other hand, two or more lists be submitted, the Board of Directors shall be appointed as follows:

- all the Board members to be appointed as determined by the General Meeting, save 1 (one), shall be drawn from the list obtaining the highest number of the votes cast, in the same serial order in which they appear on the said list, without prejudice to provisions aimed at guaranteeing the gender balance (men and women), in accordance with the relevant laws and

regulations from time to time in force;

- the remaining seat on the Board shall be awarded to the first candidate on the list that obtained the second highest number of votes and that is not linked in any way, whether directly or indirectly, with the shareholders who submitted or voted in favour of the list that obtained the highest number of votes;

- the Board positions reserved to candidates meeting the requirements of independence, pursuant to article 15 of these By-laws, will be filled from the list that obtained the highest number of the votes cast, or if this is not possible, from the list that obtained the second highest number of votes.

Should the voting not comply with laws and regulations on the gender balance (men and women) from time to time in force (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number), the last-elected candidate of the most represented gender taken, in serial order, from the list that obtained the highest number of votes, will be excluded and replaced by the first unelected candidate of the opposite gender taken from the same list.

This process of replacement shall be repeated until the composition of the Board of Directors complies with laws and regulations on gender balance (men and women) from time to time in force, (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number). In the case where it is not possible to draw from the list obtaining the highest number of votes the required number of Directors belonging to the gender less represented and necessary to guarantee compliance with laws and regulations on the gender

balance (men and women) from time to time in force, the Board seats in question will be filled by appointments by the General Shareholders' Meeting, by ordinary procedures and majorities. Should the application of the distribution criterion between genders result in a non integer number, this must be rounded up to the next higher unit.

Should, during any financial year, one or more Board members drawn from the list that obtained the highest number of votes (Majority Board members), cease to serve in office for any reason or cause whatsoever, without affecting the majority of the Board members appointed by the general meeting, the following procedure shall apply:

- the Board shall replace the outgoing Majority Board members by co-optation pursuant to the provisions of article 2386 of the Italian Civil Code, in accordance with laws and regulations on gender balance (men and women) from time to time in force, it being understood that if the outgoing Majority Board member is an independent director, another independent director must be co-opted to replace him;

- the directors thus co-opted shall remain in office through to the next Shareholders' Meeting that shall either confirm or replace them following the ordinary procedures and with ordinary majorities, in departure from the list-based voting system mentioned in Article 15-*bis* above.

Should, during any financial year, the Board member drawn from the list that obtained the second highest number of votes (Minority Board member), cease to serve in office for any reason or cause whatsoever, the following procedure shall apply:

- (i) the Board shall replace the outgoing Minority Board member with the first

unelected candidate on the same list, provided that the said candidate is still eligible and willing to accept the appointment, and if not, with the first eligible candidate willing to accept the appointment, from the candidates appearing in serial order on the same list, or, in default, from the list that obtained the highest number of votes from amongst all the lists that received the minimum number of votes mentioned in this article 15-ter, without prejudice to provisions aimed at guaranteeing the gender balance (men and women), in accordance with the relevant laws and regulations from time to time in force. The replacement's term in office shall be coterminous with that of the Board members already in office at the time of his appointment to the Board;

(ii) in the case where the Minority Board member is an independent director, he must be replaced by another independent director, without prejudice to provisions aimed at guaranteeing the gender balance (men and women), in accordance with the relevant laws and regulations from time to time in force;

(iii) if it is not possible to proceed as indicated above, as a result of the lack of a sufficient number of candidates or the unwillingness of candidates to accept their appointments, the Board of Directors shall replace the outgoing Minority Board member by co-optation pursuant to the provisions of section 2386 of the Italian Civil Code, with a director selected by the Board itself, in accordance with the principles and policies established under law, without prejudice to provisions aimed at guaranteeing the gender balance (men and women), in accordance with the relevant laws and regulations from time to time in force. The Board member thus coopted shall remain in office until the following General Meeting which shall either confirm his appointment or replace him pursuant to ordinary procedures and majorities, without recourse

to the voting list system mentioned in article 15-*bis* above and in accordance with laws and regulations on gender balance (men and women) from time to time in force.

Art. 16) POWERS OF THE BOARD OF DIRECTORS

The Administrative Organ shall be in charge of Company management, save for those matters and powers that under law are reserved to the exclusive competence of the General Shareholders' Meeting.

Pursuant to Article 2365 of the Italian Civil Code, the Company's administrative organ shall enjoy competence in respect of the following matters:

- a) resolutions regarding mergers in the cases provided for by Articles 2505 and 2505-*bis* of the Italian Civil Code;
- b) the establishment or closing of secondary offices;
- c) the indication of the Directors empowered to represent the Company;
- d) reduction of capital in the event of shareholder withdrawal;
- e) adjustment of the By-laws to regulatory provisions;
- f) the transfer of the registered office within national territory.

Art. 17) CHAIRMAN AND DELEGATED BODIES

Save where provision for the same has been made by the General Shareholder's' Meeting, the Board of Directors at its first meeting shall elect from amongst its members, a Chairman and, where the Board deems fit, also a Deputy Chairman. The Board shall further appoint a secretary who need not necessarily be a Board member, determining the remuneration of the same.

The Board of Directors may delegate its powers to an executive committee

made up of some of the Board members or by one or more Board members, including the Chairman, determining the content, limits and, if necessary, the procedures for the exercise of the delegated powers, subject to the provisions of Article 2381 of the Italian Civil Code, and further determining the remuneration thereof.

Persons or bodies invested with delegated powers must report to the Board of Directors, at least on a quarterly basis, at Board meetings, or whenever urgency so warrants, even indirectly, providing written or oral information on general management trends, foreseeable developments and the most significant transactions, in terms of amount or features, effected by the Company and its subsidiaries.

Similarly, pursuant to article 150 of TUF, the Board of Directors shall report at least on a quarterly basis to the Board of Statutory Auditors on the activities undertaken and the most significant transactions in economic, financial or balance-sheet terms, effected by the Company or its subsidiaries, as well as, in respect of transactions in which they may have an interest, either directly or on behalf of third parties, or that may be influenced by the party to the management and coordination of which the Company is subject. This information shall be notified by the directors to the Board of Directors in writing or orally, at specific meetings with the directors or at Board meetings or at meetings of the Board of Statutory Auditors pursuant to Article 2404 of the Italian Civil Code, or in written reports, mention of which must be made in the Register of Minutes of the meetings of the Board of Statutory Auditors, required under Article 2421, paragraph 5, of the Italian Civil Code.

Art. 18) BOARD MEETINGS

Board meetings shall be called by the Chairman, or in the case of his absence or disability, the Deputy Chairman (if elected), whensoever the said Chairman or Deputy Chairman deems fit, or at the request of at least two Board members. Board meetings may be held in Italy or in another Country where the Company — directly or indirectly through its subsidiaries or investee companies — operates.

Board meetings may also be held by telephone and/or video conference call, provided that:

- (i) the Chairman and Secretary of the Board meeting are physically present at the same venue;
- (ii) the Chairman of the Board meeting is able to determine the identity and the right to attend the meeting of participants, regulate the proceedings of the meeting, as well as to observe and declare the results of voting;
- (iii) the person drawing up the minutes of the Board meeting is able to adequately follow the proceedings subject to record in the minutes;
- (iv) all attendees are able to exchange documents and, in any event, take part in real time in the debate and simultaneous voting on the items placed on the agenda.

The Chairman or in the case of the latter's disability or absence, the Deputy Chairman, shall establish the agenda, coordinate the works and ensure that adequate information on the items placed on the agenda are provided to all the Board members.

Board meetings shall be called by registered letter, telegram, facsimile transmission or e-mail with confirmation of receipt, to be sent to all Board members and all the members of the Board of Auditors, at least five days, or

in the cases of particular urgency, at least two days prior to the scheduled date of the Board meeting.

Board meetings and the Board resolutions passed thereat shall be deemed to be valid even without formal calling, provided that all the Board members and members of the Board of Auditors are present at the Board meeting.

Art. 19) BOARD RESOLUTIONS

The Board of Directors shall pass valid resolutions with the attendance (even by telephone and/or video conference call) of the majority of the directors in office and the favourable vote of the majority of the directors present at the Board meeting. In the case of deadlock, the Chairman shall cast the deciding vote.

Board resolutions must be recorded in the minutes, transcribed in the specific Register of Board resolutions, and signed by the Chairman and the Secretary of the Board meeting.

Art. 20) COMPANY REPRESENTATION

The representation of the Company before third parties and the Courts shall lie, severally and not jointly, with the Chairman of the Board and the Deputy Chairman, if appointed.

Such representation shall also lie with the managing directors, if appointed, with regard to and up to the limits of the powers thereto attributed and with the Board members invested with powers of representation by the Board pursuant to Article 17 of these Company By-laws.

Persons vested with powers of representation of the Company may appoint special attorneys-in-fact who need not be Board members or shareholders of the Company, in respect of individual tasks or categories of tasks,

determining the remuneration thereof.

Art. 21) DIRECTORS' REMUNERATION

Board members are entitled to the reimbursement of the expenses sustained by reason of their office and remuneration as determined by the General Meeting at the time of appointment of the Board.

The remuneration of Board members in charge of specific tasks shall be established by the Board, after having heard the opinion of the Board of Statutory Auditors.

The General Meeting may establish an overall amount by way of remuneration for all the Board members, including those in charge of specific tasks, to be subdivided amongst the Board members as established by the Board itself, pursuant to law.

BOARD OF STATUTORY AUDITORS

Art. 22) COMPOSITION AND APPOINTMENT OF THE BOARD OF AUDITORS

The Board of Auditors shall be made up of 3 (three) acting auditors and 2 (two) alternates, appointed by the General Meeting on the basis of voting lists submitted by shareholders, subject to the following procedures.

The voting lists submitted for the aforesaid purpose, must be divided into two sections: one for candidates for the post of acting auditor and the other for candidates for the post of alternate.

All the voting lists submitted:

(i) must include at least one candidate for the post of acting auditor and, in any event, a number of candidates not exceeding the total number of members to be appointed to the Board of Auditors, it being further

understood that all candidates must be listed in serial order. Each candidate may appear on only one list, upon penalty of ineligibility;

(ii) the lists containing a number of candidates equal to or greater than 3 (three), considering both sections, must include a number of candidates in the acting Statutory Auditors' section such as to ensure that the composition of the Board of Statutory Auditors, in respect of its acting members, complies with the laws and regulations on gender balance (men and women) from time to time in force, it being understood that where the application of the distribution criterion between genders results in a non integer number, this must be rounded up to the next higher unit.

Voting lists may be submitted only by those shareholders who, at the date the lists were submitted, represent, either on their own or together with others, at least the minimum shareholding required for the submission of lists of candidates seeking appointment to the Board of Directors, pursuant to article 15-ter of these By-laws, or such other percentage of the share capital, as may be established under applicable statutory and regulatory provisions.

Each party entitled to vote (as well as (i) shareholders belonging to the same group, the latter term being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) may submit, either on their own or jointly with other

shareholders, directly or through third party intermediaries, or trust companies, a single list of candidates, under pain of disqualification of the list.

The lists of candidates, duly signed by the shareholders submitting the same, or the shareholder delegated to make the submission, together with all the other related documents as required under these By-laws, must be filed with the Company's registered offices at least twenty-five (25) calendar days prior to the scheduled date of the General Meeting at first calling and public disclosure must be made both at Company's registered offices and on its website and in the manner and form specified under applicable statutory and regulatory provisions, at least twenty-one (21) calendar days prior to the scheduled date of the General Meeting. The filing of voting lists for the appointment of Statutory Auditors taken from a minority list, pursuant to the provisions of this Article 22 shall also be valid for General Shareholders' Meetings held at subsequent callings, if any. In this latter case, new voting lists may be submitted and the aforementioned terms set forth for the filing of lists are reduced to fifteen and ten days, respectively.

In order to establish their ownership of the number of shares required for the submission of lists, each shareholder making such a submission must file with the Company's registered offices, together with the voting list in question, by the end of the day on which the said list is lodged with the registered offices or thereafter but not later than the deadline imposed for the public disclosure of lists pursuant to the preceding paragraph, a copy of the notice issued by authorised intermediaries and mentioned in article 11 of these By-laws, establishing his or her ownership of the minimum

shareholding required for the submission of lists, taking due account of the shares registered in the name of the shareholder in question as at the date on which the lists are lodged with the Company's registered offices.

No later than the deadline imposed for the filing of lists, and that is to say, the 25th (twenty-fifth) calendar day immediately preceding the scheduled date of the General Shareholders' Meeting, the following documents must also be filed with the registered office together with each list: (i) declarations issued by each candidate attesting their acceptance of their candidature and further attesting, under their own responsibility, that they do not labour under any of the reasons or causes of disqualification and ineligibility and that they meet the requirements of personal integrity and professionalism imposed under applicable regulations for such posts, (ii) exhaustive information on each candidate's personal and professional features (curriculum vitae) (iii) a list of directorships or auditorships held in other companies or bodies by candidates seeking appointment to the Board of Auditors, if the same are significant in light of restrictions on the cumulative number of positions members of the Board of Auditors may hold, imposed pursuant to these By-laws or under applicable statutory and/or regulatory provisions; (iv) a list of the shareholders submitting the voting list, with an indication of their names, company names, registered offices, registration number with the Office of the Registrar of Companies or an equivalent body, and the overall percentage of share capital held by the shareholders submitting the voting list.

Voting lists submitted other than in compliance with the provisions of this article, shall be deemed as never having been submitted.

The candidates must meet the requirements of eligibility, personal integrity

and professionalism imposed under law and must not hold offices in excess of the threshold established in Article 23 below.

Each party entitled to vote (as well as (i) shareholders belonging to the same group, the latter being defined to include the party, which need not necessarily be a corporation, exercising control within the meaning of article 2359 of the Italian Civil Code, and each subsidiary controlled by, or under the common control of the said party or (ii) shareholders who have entered into the same shareholders' agreement within the meaning of article 122 of TUF, or (iii) shareholders who are otherwise associated with each other by virtue of associative relationships contemplated under the applicable statutory and/or regulatory framework) shall be entitled to vote for only one list.

The Chairman shall determine the voting procedures to be followed from time to time, pursuant to applicable statutory and regulatory provisions.

Should no voting list be submitted, the General Meeting shall appoint the Board of Auditors and the Chairman thereof, through resolutions approved by the majority of votes cast, in accordance with laws and regulations from time to time in force, also on gender balance (men and women) (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number).

If only one voting list is submitted, the entire Board of Auditors shall be drawn therefrom and the first candidate on the list shall be appointed Chairman of the Board of Auditors in accordance with laws and regulations on gender balance (men and women) from time to time in force (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number). Should, on the

other hand, two or more lists be submitted, the Board of Auditors shall be appointed as follows:

- without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number) (a) the first two candidates for the post of statutory auditor and (b) the first candidate for the post of alternate auditor, appearing in serial order on the list that obtained the highest number of votes, shall be appointed to the Board of Auditors;

- (a) the first candidate for the post of statutory auditor, who shall also be appointed Chairman of the Board of Auditors, and (b) the first candidate for the post of alternate auditor, if indicated, appearing in serial order on the list receiving the second highest number of votes and that is not directly or indirectly linked with the shareholders who submitted or voted the list that obtained the highest number of votes; in the case where no candidate for the post of alternate auditor is included in the said list, the first candidate for the post of alternate on the list obtaining the next highest number of votes, and that is not directly or indirectly linked with the shareholders who submitted or voted the list the obtained the highest number of votes, shall be deemed appointed to the said position.

Should the voting process not comply with law and regulations on the gender balance (men and women) from time to time in force (including the rounding-up to the next higher unit in the event the application of the distribution criterion between genders results in a non integer number), the last-elected candidate for the post of statutory auditor of the most represented gender

taken, in serial order, from the list that obtained the highest number of votes, will be excluded and replaced by the first unelected candidate of the opposite gender taken from the same list.

Should, during any financial year, one or more members of the Board of Auditors be drawn from the list that obtained the highest number of votes (Majority Auditors), cease to serve in office for any reason or cause whatsoever, the same shall be replaced — where possible — by the other alternate auditor drawn from the same list as the outgoing auditor, or in default thereof, by the other alternate, without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force. Should it not be possible to proceed as indicated above, a General Meeting must be called pursuant to Article 2401, paragraph 3, of the Italian Civil Code, for making the required appointments to the Board of Auditors, in accordance with ordinary procedures and majorities, without recourse to the voting list system mentioned in this article 22, without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.

Should, during any financial year, the member of the Board of Auditors drawn from the list that obtained the second highest number of votes (the “Minority Auditor”), cease to serve in office for any reason or cause whatsoever, the same shall be replaced — where possible — by the alternate drawn from the same list as the outgoing auditor, and shall also assume the chair of the Board of Auditors, remaining in office for a term coterminous with that of the other members of Board of Auditors already in office at the time of his appointment as serving auditor without prejudice to the compliance with laws

and regulations on gender balance (men and women) from time to time in force. Should it not be possible to proceed as indicated above, the entire Board of Auditors shall be deemed to have immediately ceased serving in office, and accordingly, a General Meeting must be called for the appointment of a new Board of Auditors, pursuant to the voting list system mentioned in this article 22 without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.

Should the General Meeting be called upon to appoint the alternate auditors required to ensure that all posts on the Board of Auditors are filled, pursuant to section 2401, paragraph 1, of the Italian Civil Code, the related resolutions shall be approved in accordance with ordinary procedures and majorities, without recourse to the voting list system mentioned in this article 22 without prejudice to the compliance with laws and regulations on gender balance (men and women) from time to time in force.

Art. 23) TASKS OF THE BOARD OF AUDITORS

The Board of Statutory Auditors discharges the supervisory duties entrusted to it under applicable laws and regulations and supervises compliance with the law and By-laws, observance of the principles of sound management and in particular of the adequacy of the organisational, administrative and accounting structures adopted by the Company and the material operation of those structures, as well as the concrete approach to implementing the corporate governance rules set forth in applicable legislation.

Persons who fail to meet the requirements for eligibility, and of personal integrity and professionalism imposed under law, as well as persons who hold directorships or auditorships in excess of applicable statutory and/or

regulatory thresholds, may not be appointed to the Board of Auditors, and if appointed, must be deemed disqualified from office.

Auditors are appointed for a term of three years and are eligible for re-appointment. The term of office of the Board of Auditors shall be deemed to expire on the date of the General Shareholders' Meeting called for the approval of the financial statements pertaining to the last financial year of their term, save in the case of the reasons for termination or disqualification contemplated under law or in these By-laws.

The General Meeting shall establish the remuneration due to members of the Board of Auditors, pursuant to law.

FINANCIAL STATEMENTS AND PROFITS

Article 23-BIS) STATUTORY AUDIT OF ACCOUNTS

The statutory audit of accounts shall be carried out by independent auditors that meet the relevant statutory requirements. The appointment and dismissal of the Company's independent auditors, as well as the tasks, powers and responsibilities thereof, shall be governed under applicable statutory and regulatory provisions.

Art. 24) FINANCIAL YEARS

The financial year of the Company shall end on the 31st (thirty-first) of December of each year.

Art. 25) FINANCIAL STATEMENTS

At the end of each financial year, the financial statements made up of the balance sheet, the income statement and the notes to the financial statements, shall be prepared pursuant to law.

Art. 26) LEGAL RESERVE AND ADVANCES ON DIVIDENDS

The net profits as per the financial statements for the year, net of a portion amounting to at least 5% (five percent) to be set aside to the legal reserve pursuant to and within the limits of the Article 2430 of the Italian Civil Code, may be distributed to shareholders or set aside to a reserve, as determined by General Shareholders' Meeting resolutions.

Advances on dividends may be distributed pursuant to Board resolutions passed pursuant Article 2433-*bis* of the Italian Civil Code, it being understood that such advances must be distributed in accordance with the procedures and restrictions set forth in statutory provisions.

Art. 27) UNCOLLECTED DIVIDENDS

Dividends that are not collected within five years from the date on which they fall due, shall be deemed to be forfeited in favour of the Company.

Art. 27-BIS) MANAGER IN CHARGE OF THE COMPANY'S FINANCIAL REPORTS

The Board of Directors, after having necessarily acquired the compulsory but non-binding opinion to be issued by the Board of Auditors, shall, with the majorities mentioned in article 19 of these By-laws, approve a resolution appointing the Manager in charge of the Company's financial reports (hereinafter referred to, in short, as the "Manager"), and establishing the remuneration thereof.

No person who fails to meet the following requirements of professionalism, may be appointed to the post of Manager, and if appointed, must be deemed disqualified from office:

(a) diploma or university degree in economics, finance, or subjects related to business management and corporate organisation;

(b) at least three years' professional experience:

- in a position of responsibility in the administrative and/or auditing fields, or an executive position with a joint-stock company, or

- in a position of responsibility for business management or auditing, or as a consultant such as a Certified Public Accountant, with corporations operating in the credit, financial or insurance fields or sectors closely related thereto, or in the Company's core business and related sectors mentioned in article 4 of these By-laws, entailing the management of financial and economic resources.

Furthermore, no person who fails to meet the requirements of personal integrity imposed under article 147-*quinquies* of TUF, may be appointed to the post of Manager, and if appointed, must be deemed disqualified from office.

The Board of Directors shall endow the Manager with adequate powers and resources for performing his tasks and duties, in accordance with the provisions of article 154-*bis* of TUF.

The Manager shall be appointed for a three-year term that may be renewed once or several times.

Should the Manager cease to serve in office, or should the employment relationship underway between the Manager and the Company be terminated for any reason or cause whatsoever, the Board of Directors shall, without delay, appoint a replacement in the person of another Manager, after having necessarily heard the compulsory but non-binding opinion to be issued by the Board of Auditors, it being understood that the related Board resolution must be approved with the majorities mentioned in article 19 of these By-laws. The Manager thus appointed shall remain in office for a new three-year term.

The Manager shall be invested with the powers and responsibilities attributed thereto under article 154-*bis* of TUF, and related implementing regulations.

The Manager shall attend Board meetings at which matters falling within his sphere of competence are discussed.

Art. 28) DISSOLUTION AND WINDING-UP

In the case of the dissolution and winding up of the Company, the Extraordinary General Shareholders' Meeting shall appoint the receivers, determining:

(i) the number of receivers;

(ii) in the case of several receivers, the rules of functioning of the panel of receivers, even through reference to the rules regulating the functioning of the Board of Directors insofar as the same are compatible;

(iii) the parties invested with powers of representation of the Company;

(iv) the policies governing the winding-up;

(v) any and all restrictions on the powers of the receivers.

MISCELLANEOUS

Art. 29) FINAL PROVISIONS

Any and all matters not specifically dealt with in these By-laws shall be governed by the statutory provisions thereto pertaining.

Any and all clauses contained in these By-laws that become incompatible with imperative statutory provisions, shall be deemed to be replaced by law and shall be suitably amended by the Board of Directors pursuant to Article 16, at the time of other amendments, unless otherwise required under law.

Art. 30) TRANSITIONAL CLAUSE

The provisions set forth in articles 15, 15-*bis*, 15-*ter* and 22 of these By-laws, aimed at ensuring compliance with current legislation on gender balance (men and women), are to be applied in the first 3 (three) full renewals of the Board of Directors and Board of Statutory Auditors subsequent to 12 August 2012.

Therefore, for subsequent renewals, the said provisions are to be regarded as of no effect.

In accordance with Law No. 120 of 12 July 2011:

(i) for the first full renewal of the Board of Directors and Board of Statutory Auditors subsequent to 12 August 2012, the quota reserved for the under-represented gender shall be equal to 1/5 (one fifth) (rounded up to the next higher unit) of the members of the corporate body in question;

(ii) for the 2 (two) renewals subsequent to that under (i) above, the quota reserved for the under-represented gender shall be equal to 1/3 (one third) (rounded up to the next higher unit) of the members of the corporate body in question.

Signed: Alberto Bombassei

Giovanni VACIRCA - Notary (stamp).