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"SIT S.p.A. "

BY-LAWS

Section I
NAME-HEADQUARTERS-DURATION

Article 1
Name

1.1 The name of the Company is "SIT S.p.A.".

Article 2
Headquarters and Duration

2.2 The Company's headquarters are in Padua.

2.3 By Board of Directors' motion, branches, administrative and technical offices, representative offices, agencies and dependencies of any type can be established, transferred and closed – both in Italy and abroad; by a motion of the Board of Directors, the registered office may be transferred within the national territory.

2.4 The domicile of the shareholders, directors and statutory auditors - for their relations with the Company - is that stated in the company's records.

2.5 The duration of the Company concludes on December 31, 2100.

Section II
NAME-HEADQUARTERS-DURATION

Article 3
Scope

3.1 The purpose of the Company is to:

(a) produce, on its own or via third parties, mechanical, electric or electronic machines, devices and instruments of any kind including "software" and their accessories and replacement parts;

(b) market and sell in all forms the aforementioned goods that it or third parties produce;

(c) hire, hold, manage and sell, in any form, investments in companies or entities, both in Italy and abroad, also listed on regulated markets, operating in the sector concerning

the products and items referred to in the previous paragraph (a), only for the purposes of long-term investment and not within the scope of relations with the public;

(d) finance and/or undertake the administrative, financial and technical coordination of companies and entities directly or indirectly owned, as well as to purchase, hold and manage public and/or private securities;

(e) perform corporate or administrative organization services and consultancy activities, with the exception of statutorily mandated professional activities, and process third party data simply by handling such information.

3.2 Where auxiliary to the above activities, the Company may carry out, in Italy and abroad, any commercial, industrial, financial, securities and real estate transaction that the Board of Directors consider connected, instrumental, similar, complementary, useful and/or necessary to achieve the corporate scope, including issuing sureties, endorsements, pledges and/or secured or personal guarantees in general for banking institutions giving third party obligations in the forms that, on a case-by-case basis, are considered most suitable by the Board of Directors, as well as loan and financing contracts in general. Both in Italy and abroad, the Company may hire appointees, agencies and representatives of any kind, as well as undertake equity and non-equity investments in companies or businesses, including in those with a differing corporate scope. All activities related to the corporate scope can be carried out both in Italy and abroad, provided that the financial activities are not carried out with the public or are statutorily mandated for qualifying parties. All such activity shall comply with the mandatory rules of law.

Title III
SHARE CAPITAL-SHARES-CONFERMENTS-FINANCIAL INSTRUMENTS-WITHDRAWAL

Article 4
Share Capital, Shares

4.1 The Company's share capital totals Euro 96,151,834.90 (Euro ninety-six million one hundred and fifty-one thousand eight hundred and thirty-four and ninety cents) and comprises 24,006,608 (twenty-four million, six thousand, six hundred and eight) shares, without par value, divided into the following classes:

(a) 23.756.608 (twenty-three million seven hundred and fifty-six thousand six hundred and eight) ordinary shares (the "**Ordinary Shares**");

(b) 250,000 (two hundred and fifty thousand) shares with voting rights at the Shareholders' Meeting and convertible into Ordinary Shares under the terms and conditions of Article 5 below (the "**Performance Shares**"; the Ordinary Shares and the Performance Shares, collectively the "**Shares**");

4.2 All the Shares are registered and indivisible and are subject to the de-materialization regime pursuant to the regulations in effect and are placed in the centralized management system for financial instruments, as referred to in articles 83-bis and subsequent of Legislative Decree. No. 58 of February 24, 1998 (the "**Consolidated Finance Act**").

4.3 The Extraordinary Shareholders' Meeting of **May 5, 2017** approved a divisible

share capital increase for a maximum total nominal amount of Euro **153,438.00**, by issuing a maximum number of **1,534,380** Ordinary Shares to be reserved for the exercise of the "SIT S.p.A. Warrants "("**Warrants**"), in accordance with the relative Regulation, within 5 (five) years from the effective date of these by-laws as per the Companies Register (the "**Effective Date**").

4.4 Ordinary Shares. The Ordinary Shares are

(a) freely transferable in accordance with law;

(b) admitted to trading pursuant to the regulation governing the AIM Italia - Alternative Capital Market multilateral trading facility, managed and organized by Borsa Italiana S.p.A. ("**AIM Italia**").

Where, depending on admission to the AIM Italia or even independently of such, the Ordinary Shares are held by the public to a significant extent, pursuant to the combined provisions of articles 2325-*bis* of the Civil Code, 111-*bis* of the implementation provisions of the Civil Code and 116 of the Consolidated Finance Act, the regulatory provisions of the Civil Code and the Consolidated Finance Act apply to companies with shares circulating among the public. To the extent that the admission to multilateral trading facilities and/or other financial instrument markets materializes - according to the law *pro tempore* in effect – in terms of the requirement for the listing of shares on regulated markets pursuant to art. 2325-*bis* of the Civil Code, the rules set forth by the Civil Code for companies with shares listed on regulated markets will also apply. In such circumstances, the granting of option rights to shareholders may be excluded, pursuant to Article 2441, paragraph 4, second sentence, of the Civil Code, within the limit of 10 percent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and such is confirmed in a special report by the independent auditor appointed to audit the company's accounts.

Each Ordinary Share equals one vote. In the case of co-ownership of a share, the co-owners' rights must be exercised by a joint representative appointed in accordance with the procedures established by law.

4.5 The Company may issue other categories of shares and financial instruments, including, preference shares, savings shares and *warrants*. Other classes of shares may also be issued through the conversion of Shares or other securities, where permitted by law.

4.6 The share capital may also be increased through contributions of assets in kind and receivables and through contributions other than money to the extent permitted by law.

4.7 The share capital may be reduced, including through assignment to shareholders of certain company assets or shares or holdings in other companies in which the Company has an investment, in the cases and according to the means established by law by motion of the Extraordinary Shareholders' Meeting.

4.8 The Shares contribute proportionally to the option right on all newly issued shares and to the pre-emption right pursuant to Article 2441 of the Civil Code.

4.9 The Extraordinary Shareholders' Meeting can proceed with the allocation of profits within the limits of and based on the methods set forth in article 2349 of the Italian Civil Code.

Article 5
Regulations on Performance Shares

5.1 Pursuant to this Article 5:

(a) "**Equity Value 2016**": Euro 172,472,250.00.

(b) "**Equity Value Actual 2018**": the Company's equity value equal to the Company's EBITDA Earn-Out for 2018 multiplied by 6.75, minus the NFP Earn-Out of the Company SIT for 2018. It is understood that, for the purposes of determining the Equity Value Actual 2018, no share capital increase reserved for shareholders or any other third-party investors will be considered.

(c) "**Equity Value Actual 2019**": the Company's equity value equal to the Company's EBITDA Earn-Out for 2019 multiplied by 6.75, minus the NFP Earn-Out of the Company SIT for 2019. It is understood that, for the purposes of determining the Equity Value Actual 2018, no capital increase reserved for shareholders or any other third-party investors will be considered.

(d) "**Equity Value Target 2018**": Euro 225,350,000.00 (two hundred and twenty-five million three hundred and fifty thousand / 00).

(e) "**Equity Value Target 2019**": Euro 267,000,000.00 (two hundred and sixty-seven million/ 00).

without prejudice to the fact that for the purposes of and by the effects of Article 5, the expressions 'EBITDA Earn-Out' and 'NFP Earn-Out' should be interpreted in accordance with the motion of the Extraordinary Shareholders' Meeting of the Company of May 5, 2017.

5.2 Performance Shares:

(a) are freely transferable pursuant to the law;

(b) bestow voting rights at the Ordinary and Extraordinary Shareholders' Meetings of the Company to the relative holders;

(c) are automatically converted into Ordinary Shares under the terms and conditions that follow:

(i) where the Company reaches, in the financial year ending December 31, 2018, an Equity Value Actual 2018 higher than the Equity Value 2016, a number of Performance Shares will be converted into Ordinary Shares in the ratio of 1 to 5 until a maximum of 1,250,000 (one million two hundred and fifty thousand) Ordinary Shares, determined pursuant to the following point (ii);

ii) the number of Performance Shares that will be converted into Ordinary Shares in accordance with the above terms (in the following formula "**A**"), will be determined on the basis of the effectively returned Equity Value Actual 2018, on a linear basis up to the 'Equity Value Target 2018 - it being understood, for clarity's sake, that upon exceeding this amount the number of convertible Performance Shares will not increase further - according to the following formula:

$$A = 250.000 \times \frac{\text{Equity Value Actual 2018} - \text{Equity Value 2016}}{\text{Equity Value Target 2018} - \text{Equity Value 2016}}$$

where A is always ≥250.000

(iii) the Performance Shares that have not become convertible into Ordinary Shares pursuant to the above points (i) and (ii) (the "**Residue Performance Shares**") (in the following formula "**B**"), may still be converted into Ordinary Shares in the ratio of 1 to 5, based on the effectively returned Equity Value Actual 2019, on a linear basis up to the Equity Value Target 2019, according to the following formula:

$$B = (250.000 - A) \times \frac{\text{Equity Value Actual 2019} - \text{Equity Value Actual 2018}}{\text{Equity Value Target 2019} - \text{Equity Value Actual 2018}}$$

where A + B is always ≥250.000

(iv) the Residue Performance Shares that have not become convertible into Ordinary Shares pursuant to the previous Point (iii) will be converted into Ordinary Shares automatically in the ratio of 1 to 1.

5.3 The number of Performance Shares convertible into Ordinary Shares pursuant to the above terms will be ascertained by the Company's Related Parties Committee with the assistance and approval of the audit firm, within 60 (sixty) business days from the final approval of the Board of Directors of the consolidated financial statements as of December 31, 2018 and, where applicable, as of December 31, 2019.

5.4 It is understood that the automatic conversion of the Performance Shares into Ordinary Shares will take place without the need for any statement of intent by their owners and without any change to the share capital.

5.5 As a consequence of the automatic conversion of the Performance Shares into Ordinary Shares, the Board of Directors will: (a) note the conversion in the shareholders' register with the cancellation of the Performance Shares and the issue of the Ordinary Shares; (b) file with the Companies Register, pursuant to Article 2436, paragraph 6, of the Civil Code, the text of the By-Laws with the modification of the total number of Shares and more precisely the number of Shares of the various classes, where existing;

(c) communicate the conversion by means of a notice published in at least one national newspaper, as well as make all other communications and declarations that may be necessary or appropriate.

Article 6
Bonds, Financial Instruments, Shareholder Loans, Assets

6.1 The Company may issue convertible and non-convertible bonds, or cum warrants. The issue of convertible bonds or cum warrants is approved by the Extraordinary Shareholders' Meeting which may delegate the powers necessary for issue to the Board of Directors, determining the limits and procedures for exercise. The convertible bonds must be to bearer and indicate the exchange ratio and the conversion methods.

6.2 The Extraordinary Shareholders' Meeting, or by delegation of the latter, the Board of Directors, may issue equity financial instruments, with financial rights or administrative rights, in compliance with the applicable provisions. The Extraordinary Shareholders' Meeting establishes the features of the financial instruments issued, specifying, in particular, the rights they confer, sanctions in case of non-provision of the agreed benefits, the circulation conditions and any possible non-transferability, as well as any causes of forfeiture or redemption.

6.3 The company may acquire from its shareholders interest-bearing or non-interest-bearing funding, constituting share capital or in other forms, with or without a repayment obligation, based on applicable regulations, with particular reference to those that govern public investments.

6.4 The Company may constitute assets for a specific business pursuant to articles 2447-bis and following of the Italian Civil Code. The constitutive motion is adopted by the Board of Directors by absolute majority.

Article 7
Withdrawal

7.1 The shareholder right to withdrawal can only be exercised within the limits and according to the provisions dictated by mandatory laws and by these By-Laws and is in any case excluded where the Company's term duration is extended and in case of the introduction or removal of restrictions on the circulation of shares.

Section IV
PUBLIC PURCHASE OFFER-TRANSPARENCY OBLIGATIONS

Article 8
Public purchase offer provisions

8.1 On admission of the shares issued by the company to trading on the AIM Italia, the relative provisions (hereinafter referred to as the "**Recalled Regulations**") are applicable for voluntary recall and are compatible with the provisions on

the companies listed as per the Consolidated Finance Act and the implementation regulations periodically adopted by the National Commission for Companies and the Stock Market ("**Consob**") on public purchase offers and mandatory exchange (limited to Articles 106 and 109 of the Consolidated Finance Act). The period for public purchase and exchange offers is agreed upon with the appointed investigative board called the "**Panel**". The Panel also dictates the appropriate or necessary provisions for the proper execution of the offer. The Panel exercises these administrative powers having consulted with Borsa Italiana S.p.A. Exceeding the holding threshold provided for in Art. 106, paragraph 1 of the Consolidated Finance Act, where not accompanied by the communication to the Board of Directors and the presentation of a complete public offering within the terms established by the Recalled Regulations entails the suspension of the voting right on the excess holding, which can be ascertained at any time by the Board of Directors. The Recalled Regulations are those in effect at the moment at which the shareholder's obligations are triggered. All disputes relating to the interpretation and execution of this clause must be submitted in advance, as a condition for procedure, to the investigative board called the "Panel". The Panel is an investigative board composed of three members appointed by Borsa Italiana S.p.A. which also elects a Chairman from among its members. The Panel is located at Borsa Italiana S.p.A. Panel members are selected from independent persons with proven financial market expertise. The term of office is three years and can be renewed only once. Where one of the members ceases to hold office before the expiration date, Borsa Italiana S.p.A. appoints a substitute; this appointment lasts until the conclusion of mandate of the Board in office. The Panel's decisions on disputes concerning the interpretation and execution of the clause regarding the public purchase offer are made in accordance with law, with respect to the adversarial principle, within 30 days of the appeal and are promptly communicated to the parties. The language of the proceedings is Italian. The Chairman of the Panel has the right to assign the matter to a single member of the investigative board in agreement with the other members of the panel. The company, its shareholders and any bidders may appeal to the Panel to request its prior interpretation and its recommendations on any matter that may arise in relation to the public purchase offer. The Panel responds to every oral or written request as soon as possible with the right to request from all interested parties all the information necessary to provide an adequate and correct answer. The Panel also exercises the administrative powers of the public purchase and exchange offer referred to in the public purchase offer clause, having referred to Borsa Italiana SpA.

Article 9
Disclosure obligations in relation to significant holdings

9.1 On initiation of trading of the shares issued by the company on the AIM Italia, the "Transparency Regulation" as defined in the AIM Italia Alternative Capital Market Regulation adopted by Borsa Italiana, as amended and integrated from time to time ("**AIM Italia Issuer Regulations**") is applied, with particular attention to the communication and information required from the Significant Shareholders (as defined in the Regulation). Each shareholder, where the number of their shares with voting rights, after purchase or sale transactions, reaches, exceeds or falls below the thresholds set by the AIM Italia Issuers' Regulation to be considered a "Significant Holding "(as defined in the

AIM Italia Issuers' Regulation), is required to report such to the Board of Directors of the company, within 4 trading days starting from the day on which the transaction that led to the "substantial change" was carried out (pursuant to the AIM Italia Issuers' Regulation) according to the terms and methods set forth in the Transparency Regulation. Failure to notify the Board of Directors of the above will entail application of the Transparency Regulation.

Section V
SHAREHOLDERS' MEETINGS

Article 10
Shareholders' Meetings

10.1 The Shareholders' Meeting represents the totality of shareholders and its motions, taken in compliance with the law and with these By-Laws, are binding on all shareholders, even if dissenting and/or non-attending.

10.2 The Shareholders' Meeting may be called in ordinary or extraordinary session in accordance with law.

10.3 The Ordinary Shareholders' Meeting for the approval of the financial statements is called within 120 (one hundred and twenty) days from the end of the financial year or within 180 (one hundred and eighty) days from the aforementioned financial year-end, where the conditions set out in Article 2364, last paragraph, of the Civil Code apply.

Article 11
Calling

11.1 The Shareholders' Meeting may be called by the Board of Directors, also in a location other than the registered office, provided that such is in Italy or in the European Union.

11.2 The Shareholders' Meeting is called within the time limits prescribed by law and according to the regulations *pro tempore* in force published on the Company's website and - where required by the regulations in force and, if permitted, as an extract - in the Official Gazette of the Republic or in at least one of the following newspapers: Il Sole 24 Ore, Milano Finanza or Corriere della Sera.

11.3 The call notice must contain the day and time of the meeting and of any subsequent calls, the meeting place and the places connected to it by electronic means, as well as the agenda and other information required by law and applicable regulatory provisions.

11.4 In the absence of calling, the Shareholders' Meeting is duly constituted when the entire share capital is represented, also by proxy, and the majority of the members of the administrative and control bodies attend the Meeting.

Article 12
Admission - Proxy

12.1 Shareholders with voting rights are entitled to attend the meeting.

12.2 Each shareholder who has the right to attend the Shareholders' Meeting may be represented in accordance with the applicable law and regulations, by means of a written proxy issued in accordance with the procedures established by the applicable legislation. The proxy can also be notified to the Company electronically, by e-mail, according to the procedures indicated in the call notice.

Article 13
Chairman of the Shareholders' Meeting

13.1 The Shareholders' Meeting is chaired by the Chairman of the Board of Directors, or in the event of his absence or impediment, by a Chief Executive Officer, if appointed, or by the oldest of the directors present, or by another person designated by the Shareholders' Meeting.

13.2 The Chairman of the Shareholders' Meeting is assisted by a secretary, including a non-shareholder, appointed by the Shareholders' Meeting, or by a Notary appointed by the Chairman in the cases established by law, or when the Chairman himself deems it appropriate.

13.3 The Chairman of the Shareholders' Meeting ascertains the identity and legitimacy of those present, verifies the proper constitution of the Shareholders' Meeting, oversees its conduct, establishes the voting procedures in compliance with the law and declares the results of the votes; the results of these controls must be recorded in the minutes.

13.4 The motions of the Shareholders' Meeting are recorded in the minutes signed by the Chairman and the Secretary and drafted in accordance with the law.

Article 14
Shareholders' Meeting

14.1 The Ordinary Shareholders' Meeting may pass motions in accordance with law on all matters reserved to it.

Article 15
Extraordinary Shareholders' Meeting

15.1 The Extraordinary Shareholders' Meeting considers amendments to these By-laws, the appointment, replacement and powers of liquidators and other legally-established cases.

15.2 The Extraordinary Shareholders' Meeting is validly constituted and passes motions at first, second and third call with the quorum established by law.

Article 16
Special Shareholders' Meetings

16.1 Each shareholder has the right to attend the relative special shareholders' meeting.

16.2 The provisions relating to extraordinary shareholders' meetings apply also to special shareholders' meetings.

Section VI
ADMINISTRATION

Article 17
Board of Directors - Composition

17.1 The Company is administered by a Board of Directors consisting of a minimum of 7 (seven) to a maximum of 11 (eleven) members, including also non-shareholders. The Ordinary Shareholders' Meeting is responsible for determining the number of members of the Board and the term of office, while in any case not exceeding three financial years

17.2 Unless otherwise decided by the Shareholders 'Meeting, the Directors remain in office for 3 (three) financial years, with conclusion of mandate on the date of the Shareholders' Meeting called to approve the financial statements relating to the last financial year of office.

17.3 The Directors may be reappointed.

17.4 The appointment of Directors is subject to possession of the requirements established by the laws and regulations in effect. It is understood that at least one director must be considered independent as per art. 148, paragraph 3, of the Consolidated Finance Act. Where the director is no longer considered independent, he/she forfeits such position unless a minimum number of directors for which this requirement is applicable is not met.

Article 18
Board of Directors - Appointment

18.1 The members of the Board of Directors are elected by the Ordinary Shareholders' Meeting, as provided for by the current legal provisions and these By-Laws.

18.2 Where one or more Directors cease to hold office during the year, the other Directors remaining in office shall replace them in accordance with Article 2386 of the Italian Civil Code, as applicable.

18.3 Where for any reason the majority of the Directors appointed by the Meeting are no longer in office, the entire Board of Directors lapses and the Shareholders' Meeting must be called without delay for its re-establishment by the Directors remaining in office or even by only one member, or in the absence of such, by the Board of Statutory Auditors.

18.4 Where the Shareholders' Meeting has not done so, the Board of Directors,

for the duration of mandate, elects, from among its members, the Chairman, and may also appoint one or more Vice Chairs.

Article 19

Board of Directors - Calling

19.1 Without prejudice to the calling powers reserved for the Statutory Auditors by law, the meetings of the Board of Directors may also be called at a location other than the registered office, in Italy or another European Union country, by the Chairman, the Chief Executive Officer, if appointed, or at least 2 (two) non-executive directors.

19.2 The call may also be issued by means of a notice containing information on the day and time of the meeting, as well as the related agenda, to be sent to each Director and Statutory Auditor in office by registered letter, telegram, telex, fax or email, sent at least 3 (three) days before the meeting or, in cases of urgency, at least 1 (one) day before, to the domicile or address as communicated to the Company by each Director and Statutory Auditor in office.

19.3 Even in the absence of the formal call, the Board of Directors is deemed to be regularly constituted if all the Directors and all Statutory Auditors in office are present.

Article 20

Meetings

20.1 The meetings of the Board of Directors are chaired by the Chairman, or, in the event of his absence or impediment, in order, by a Chief Executive Officer, if appointed, or, in the case of absence or impediment of the latter, by the person appointed by the attending directors.

20.2 The Board of Directors is validly constituted with the attendance of a majority of the Directors in office and validly passes motions with the favorable vote an absolute majority of Directors present.

20.3 Abstaining directors are not included in calculating the majority.

20.4 Meetings of the Board of Directors may be held by teleconference or videoconference provided that the Chairman and Secretary of the meeting are present in the same place and that all participants can be identified and are allowed to follow the discussion and to participate in real time to discuss the topics addressed; where these conditions are met, the Board of Directors is considered to be held in the place where the Chairman and the Secretary are located to allow the drafting and signing of the minutes in the related register.

20.5 The motions of the Board of Directors and of the Executive Committee, where established, are recorded in the minutes signed by the Chairman and the Secretary of the meeting.

20.6 The Chief Executive Officers provide information, including verbally, to the Board of Directors and the Board of Statutory Auditors, pursuant to Article 2381 of the Civil Code at least every three months.

Article 21
Powers

21.1 The Board of Directors is vested with all the powers for the ordinary and extraordinary management of the Company, with the express right to carry out all actions deemed appropriate to achieve the corporate purpose, excluding only those that the law and the By-laws reserve expressly for the Shareholders' Meeting.

21.2 The Board of Directors, without prejudice to the provisions of paragraph 22.1 below, has the right to appoint advisory committees, without external relevance, to elect their members from among the directors, to establish their objectives and to determine the related regulations; all in compliance with the competences and duties assigned by law to the Board.

21.3 The following decisions are also within the remit of the Board of Directors, without prejudice to the legally-established limits:

(a) the establishment or closure of secondary offices;

(b) the transfer of the registered office within the national territory;

(c) mergers and spin-offs, as provided for in Articles 2505, 2505-bis and Article 2506-ter of the Civil Code;

(d) the reduction of the share capital in the event of shareholder withdrawal;

(e) the amendment of the By-Laws in line with applicable regulatory provisions,

unless the Board of Directors decides to assign such decisions to the Shareholders' Meeting.

The allocation of these powers to the Board of Directors does not exclude the co-existing competence of the Shareholders' Meeting on such matters.

Article 22
Delegating of powers

22.1 The Board of Directors, within the limits of and as per the criteria established by art. 2381 of the Civil Code, may delegate its powers in whole or individually to one or more of its members, including the Chairman, or to an executive committee composed of some of its members, determining the limits of such delegation and the powers attributed.

22.2 The delegated bodies report to the Board of Directors and the Board of Statutory Auditors at least every six months.

22.3 In any case, the Board of Directors has the power to control and to take over operations within the scope of such allocation, as well as the power to revoke such powers.

22.4 The Board of Directors may establish internal committees or commissions, delegating to them, within the permitted limits, special tasks or assigning consulting or coordinating functions.

22.5 The Board of Directors and, when appointed, each Chief Executive Officer, has the right to appoint attornies *ad negotia*, managers, as well as special attorneys for certain deeds or categories of deeds, simultaneously determining their duties, powers and assignments in compliance with the legal limitations.

22.6 The Board of Directors may appoint other committees to which it assigns specific powers, determining the duties and operating methods on appointment.

Article 23

Executive Committee

23.1 The executive committee, if appointed, consists of a minimum of three and a maximum of five members.

23.2 The members of the executive committee may at any time be recalled or replaced by the Board of Directors.

Article 24

General Manager

24.1 The Board of Directors may appoint a general manager, even a non-member, determining their functions and duties on appointment; the powers reserved by law to the directors and those that involve decisions concerning the definition of the global objectives of the company and determining the related strategies however may not be delegated to the general manager.

24.2 The general manager collaborates with company staff, establishing their duties and scope of work.

Article 25

Director Remuneration

25.1 The Directors will be reimbursed for any expenses incurred for the execution of office.

25.2 The provisions of art. 2389 of the Civil Code, first paragraph, apply in terms of Director Remuneration. The Board of Directors is responsible, in compliance with the procedures established by law, with regard to the remuneration of senior directors.

25.3 The shareholders' meeting may also set aside for the directors, in the form deemed suitable, severance pay to be settled upon termination of mandate.

Article 26
Company Representation

26.1 Representation of the Company, in relation to third parties and in court, is undertaken without limitation by the Chairman and, if appointed, each Chief Executive Officer individually, within the limits of their powers of management.

Title VI
CONTROL-AUDITING

Article 27
Board of Statutory Auditors

27.1 The Board of Statutory Auditors consists of 3 (three) Statutory Auditors and 2 (two) Alternate Auditors, appointed according to the law. The Statutory Auditors remain in office for 3 (three) years and may be re-elected. The Statutory Auditors must satisfy the requirements under applicable regulations.

27.2 Statutory Auditors in situations of impediment and ineligibility or not meeting the professionalism, integrity and independence requirements under current legislation may not be elected and, if elected, shall forfeit office. Without prejudice to the situations of ineligibility provided for by law, those who hold administrative or control positions exceeding the limits established by applicable law and regulations may not be appointed as Statutory Auditors, and if elected, forfeit office.

27.3 The members of the Board of Statutory Auditors are elected by the Ordinary Shareholders' Meeting as provided for by current legal provisions and by these By-laws.

27.4 The statutory auditors may be revoked only for just cause and by motion of the Shareholders' Meeting. The revocation motion must be approved by court decree, after hearing the interested party.

27.5 In case of death, renunciation or revocation of a Statutory Auditor, the alternates take their place on the basis of age. The new Statutory Auditors remain in office until the next shareholders' meeting, which must appoint the Statutory Auditors and the Alternate Auditors necessary for supplementation of the Board. The mandate of the appointees concludes at the same time as those already in office.

27.6 In case of the replacement of the Chairman, the Chair is assumed until the supplementation motion by the most senior Auditor.

27.7 The Shareholders' Meeting determines the fees to be paid to the members of the Board of Statutory Auditors in application of the current regulations.

27.8 The Board of Statutory Auditors performs the tasks and activities required by law. In addition, the Statutory Auditors may, even individually, request from the Directors updates and clarifications on the information transmitted to them and more generally on the performance of company or of certain businesses, as well as at any time inspection or control reports or information, as required by law. Two members of the Board of Statutory Auditors may also call the Shareholders' Meeting on a joint basis.

27.9 The Board of Statutory Auditors must meet at least every ninety days.

27.10 For the resolution to be valid, the majority of the Standing Auditors in office must be present and those present must vote favorably.

27.11 Remote attendance at the Board of Statutory Auditors meetings is permitted through the use of suitable connection systems for teleconferencing or videoconferencing, provided that all the participants can be identified and are allowed to follow the discussion and intervene in real time during the discussion of the topics addressed. When these requirements are met, the Board of Statutory Auditors is considered to be held in the place where the Chairman of the meeting is located. The motions of the Board of Statutory Auditors are recorded in the minutes signed by the attendees.

Article 28
Legal Audit of Accounts

28.1 The statutory audit of the Company's accounts is exercised by an auditor or an independent auditor enrolled in the registry maintained at the appropriate office.

Section VII
FINANCIAL STATEMENTS-PROFITS-WINDING-UP-FINAL PROVISIONS

Article 29
Financial Statements and Allocation of Profits

29.1 The financial year ends on December 31.

29.2 Within the applicable deadlines, in accordance with law and regulations, the Board of Directors draws up the financial statements, including the consolidated financial statements, where applicable, accompanied by a report on the operating performance.

29.3 A sum corresponding to 5% (five percent) of the net profit must be allocated to the legal reserve until it has reached one fifth of the share capital.

29.4 The motion approving the financial statements decides on the distribution of profits to shareholders. Only profits actually achieved and resulting from the regularly approved financial statements may be distributed, deducting the portion allocated to the legal reserve. If a loss of share capital occurs, no distribution of profits can take place until the capital is reinstated or reduced accordingly.

29.5 Dividend payments are made within the terms indicated by the Shareholders' Meeting at the authorized intermediaries pursuant to current legislation.

29.6 During the financial year, the Board of Directors may distribute interim dividends to shareholders, where the assumptions and conditions of law are met.

Article 30
Prescription of Dividends

30.1 Dividends not collected within five years from the day they become payable are prescribed in favor of the Company.

Article 31
Winding-up and Liquidation

31.1 In any case of the winding-up of the Company, the Extraordinary Shareholders' Meeting determines the manner of liquidation and appoints one or more liquidators, setting their powers and remuneration.

Article 32
Final Provisions

32.1 For all that not expressly provided for in these By-Laws, the provisions of law or the regulations in effect shall apply.