

## TITLE I

### COMPANY NAME - REGISTERED OFFICE - DURATION - CORPORATE SCOPE

#### 1. Company name

1.1 The limited company is established under the name:

"LOTTOMATICA S.p.A."

#### 2. Head Office

2.1 The head office of the Company is located in Rome. The Board of Directors has the right to determine the transfer of the Company head office within the boundaries of the Republic of Italy and to establish or to close down ancillary offices.

2.2 The Board of Directors can determine the establishment and close down of branches, offices, agencies and representatives throughout Italy and abroad.

#### 3. Duration

3.1 The Company will remain in existence until December 31, 2070. This term can be extended one or more times by resolution passed by an Extraordinary Shareholders' Meeting, with the exception of, under Clause 26 of the By-Laws, the right of withdrawal by those Shareholders not in agreement with the approval of the motion.

#### 4. Objective

4.1 The Company objective is all activities pertaining to the organisation, management and fulfilment of games and/or lotteries, instant and/or traditional, for example games of ability, forecasting competitions, lottery draws and betting, whether directly or through concessions, in Italy or abroad.

In particular the Company can organise and manage, under licence from the Department of Finance, the automatic lottery, as provided for by section 1 of the d.m. 4832/GAB of March 17, 1993 and subsequent amendments.

The Company can also carry out any concessionary activity and/or activities connected with services delegated, or in any way given in concession, to tobacconist shops and/or collectors for the Public Administration, including the collection of car taxes.

The Company can further exercise and develop, under concession, national pari-mutuel games through a distribution network.

4.2 The Company can carry out any other delegated activity granted by the Public Administration in connection to concessionary services or activities.

4.3 The Company can carry out all manufacturing, financial, commercial, security and real estate transactions, in any way instrumental to the pursuit of the company objective, including the issuing of surety bonds and collateral securities, the acquisition, assignment and use of industrial rights, patents and inventions.

4.4 The Company can participate with and have interests in other companies, businesses and associations, established or in formation, including foreign companies, essential to, connected with or instrumental in achieving the company objective and can carry out, in general, any essential or desirable transaction with this aim in mind within the provisions of activity as per Section 106 and following sections of the Legislative Decree no. 385/1993 and related administrative provisions.

## TITLE II

### SHARE CAPITAL - SHARES - BONDS

#### 5. Share Capital

5.1 The share capital was agreed to be a total of Euro 159,278,775.00, the underwritten and paid up portion of which amounts to Euro 152,286,837.00, divided into 152,286,837 ordinary shares each with a nominal value of Euro 1.00 all with equal rights.

The share capital can also be increased through contributions in kind or of receivables.

5.2 In the event of an increase in the share capital against payment, the right to options can be prohibited if so determined by the Shareholders' Meeting or, if so delegated, by the Board of Directors, within the limits and by means provided for in Article 2441, paragraph 4, second sentence, of the Italian Civil Code.

5.3 The Extraordinary Shareholders' Meeting of September 21, 2005 agreed, starting from the effective date of the merger of Fineurogames S.p.A. and Lottomatica S.p.A.:

i) an increase in the share capital against payment, in divisible form, up to a maximum of Euro 2,439,110.00, with the release in several issues of a maximum of 2,439,110 new ordinary shares with a nominal value of Euro 1.00 each with standard rights excluding the right to options as per Article 2441, paragraph 5 of the Italian Civil Code, serving the 2,439,110 options already assigned and still exercisable in the stock options plan reserved for the employees of the Company and its other direct or indirect subsidiaries, in accordance with the resolution of the extraordinary Shareholders meeting of April 14, 2003 and of the Board of

Directors meeting of June 11, 2003 of the merged Lottomatica S.p.A., with a subscription deadline of December 31, 2008;

ii) an increase in the share capital against payment, in divisible form, up to a maximum of Euro 1,422,667.00 with the release in several issues of a maximum of 1,422,667 new ordinary shares with a nominal value of Euro 1.00 each with standard rights excluding the right to options as per Article 2441, paragraph 5, of the Italian Civil Code, serving the exercise of the 1,422,667 options already assigned and still exercisable in the stock options plan reserved for the Directors of the Company, in accordance with the resolution of the extraordinary Shareholders' Meeting of April 14, 2003 and of the Board of Directors meeting of June 11, 2003 of the merged Lottomatica S.p.A., with a subscription deadline of December 31, 2008;

iii) an increase in the share capital against payment, in divisible form, up to a maximum of Euro 223,175.00 (two hundred and twenty three thousand one hundred and seventy five), with the release in several issues of a maximum of 223,175 (two hundred and twenty three thousand one hundred and seventy five) new ordinary shares with a nominal value of Euro 1.00 each with standard rights excluding the right to options as per Article 2441, paragraph 5 of the Italian Civil Code, serving the exercise of the 223,175 options already assigned and still exercisable in the stock options plan reserved for the employees of the Company and its other direct or indirect subsidiaries, in accordance with the resolution of the extraordinary Shareholders' Meeting of April 14, 2003 and of the Board of Directors meeting of May 13, 2004 of the merged Lottomatica S.p.A., with a subscription deadline of December 31, 2008;

iv) an increase in the share capital against payment, in indivisible form, up to a maximum of Euro 297,580.00 with the release in several issues of a maximum of 297,580 new ordinary shares with a nominal value of Euro 1.00 each with standard rights excluding the right to options as per Article 2441, paragraph 5 of the Italian Civil Code, serving the exercise of the 297,580 options already assigned by the merged Lottomatica S.p.A. in the "Lottomatica stock options plan 2005-2010 reserved for managers" of the Company and/or its subsidiaries, in accordance with the resolution of the extraordinary Shareholders' Meeting of April 12, 2005 and of the Board of Directors meeting of May 12 and July 21, 2005 of the merged Lottomatica S.p.A., and implemented by the

delegated members of the Board, with a subscription deadline of December 31, 2010;

v) an increase in the share capital against payment, in indivisible form, up to a maximum of Euro 57,016.00 with the release in several issues of a maximum of 57,016 new ordinary shares with a nominal value of Euro 1.00 each with standard rights excluding the right to options as per Article 2441, paragraph 5 of the Italian Civil Code, in the "Lottomatica stock options plan 2005-2010 reserved for the employees" of Lottomatica and/or its subsidiaries, still assignable by the merged Lottomatica S.p.A. to this plan, in accordance with the resolution of the extraordinary Shareholders meeting of April 12, 2005 and of the Board of Directors meeting of May 12 and July 21, 2005 of the merged Lottomatica S.p.A., and implemented by the delegated members of the Board, with a subscription deadline of December 31, 2010;

vi) an increase in the share capital against payment, in indivisible form, up to a maximum of Euro 219,812.00 with the release in several issues of a maximum of 219,812 new ordinary shares with a nominal value of Euro 1.00 each with standard rights excluding the right to options as per Article 2441, paragraph 5, of the Italian Civil Code, serving the exercise of the 219,812 options already assigned by the merged Lottomatica S.p.A. to the "Lottomatica 2005-2010 stock options plan reserved for Directors" of the Company, in accordance with the resolution of the extraordinary Shareholders meeting of April 12, 2005 and of the Board of Directors meeting of May 12, 2005 of the merged Lottomatica S.p.A., and implemented by the delegated members of the Board, with a subscription deadline of December 31, 2010;

5.4 The Extraordinary meeting of the April 12, 2006 granted the Board of Directors, for a maximum period of 5 years from that date, pursuant to Article 2443 of the Italian Civil Code, the power to increase the share capital against payment by one or more issues, up to a maximum amount of Euro 1,720,000,000.00, of which up to a maximum of Euro 1,670,000,000.00 to be offered in options to the Shareholders and up to a maximum of Euro 50,000,000.00 to be offered in subscription to the employees of Lottomatica S.p.A and/or its subsidiaries, excluding option rights, as per Article 2441, final paragraph, of the Italian Civil Code. In the exercise of this right, the Board has the greater power to decide, from time to time, the means, terms and conditions of the increase in capital, including the number of shares to issue from time to time in execution of

its proxy, the price of the subscription (including ultimate supplement) and the relationship of subscriptions in the exercise of the option rights in relation to the shares offered in option to the Shareholders. In particular, the price of the subscriptions, including the ultimate supplement, of the new shares will be determined by the Board of Directors, taking into account the conditions of the financial market, and the relative performance of the registered Lottomatica shares.

The Board of Directors will decide from time to time the appropriate deadlines for the share subscription and determine that, in the event that the agreed increase is not taken up by the deadline set by them, the capital will be increased by an amount equal to the subscriptions raised up to that time. The Board of Directors has all powers relating to the issue of new shares - to be issued from time to time as per Clause 5.4 - and under Clause 5 of the By-Laws to vary the amount of share capital and the number of shares represented by the same in each increase in share capital.

On May 18, 2006 the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, in partial exercise of the powers granted by the extraordinary Shareholders' Meeting of Lottomatica S.p.A. on April 12, 2006 resolved to increase, in indivisible form, the share capital for a total nominal amount up to Euro 57,423,570.00 through the issue of up to 57,423,570 cum coupon ordinary shares having a par value of 1.00 Euro each having the same features of those in circulation, to be offered in option to Shareholders pursuant to Article 2441 of the Italian Civil Code at a price equal to Euro 25.425 each, of which Euro 24.425 as overprice: all Shareholders were granted the power to subscribe 5 newly issued shares for every 8 owned.

On August 29, 2006 the Board of Director, upon delegation given by the extraordinary Shareholders' meeting held on April 12, 2006, resolved upon an increase in the share capital up to a maximum of Euro 2,000,000.00 through the issue of a maximum of 2,000,000 new ordinary shares with a nominal value of Euro 1.00 each.

5.5 On October 18, 2006 the extraordinary Shareholders' Meeting has resolved to vest the Board of Directors, as per Article 2443, paragraph 2 of the Italian Civil Code, for a period of 5 years from the date of the resolution, with the authority to increase the share capital against payment in several issues up to a maximum amount of Euro 15,050,080.00 with the exclusion of the right to options as per Article 2441 paragraph

4, second sentence of the Italian Civil Code, and serving one or more stock options plans reserved for the executives of the Company and/or the employees of Lottomatica S.p.A. and/or its subsidiaries, up to a maximum of 33% per year and with the possibility of carrying over the unused amount in any given year to the following years, and/or for the acquisition of equity investments (including through mergers or de-merger transactions) or businesses or branches of businesses active in the fields of strategic business for the Company, without any limits per year. In compliance with Article 2441, paragraph 4, second sentence of the Italian Civil Code, the Board of Directors must decide on the price of the share issue according to the following criteria:

a) in the event of increases in the capital of one or more stock option plans reserved to the directors of the Company and/or the employees of Lottomatica S.p.A. and/or its subsidiaries, the Board of Directors of the Company must decide on an issue price corresponding to the market value of the shares, taking into account the average stock exchange price of the Company shares over a significant period of time, and in any case not less than the mathematical average of the official price of the ordinary shares of the Company registered on the Mercato Telematico Azionario (Automated Share Market) managed and organized by the Borsa Italiana S.p.A. in the month prior to the allocation of the options by the Board of Directors (where "month prior" refers to the period from the date of assignment of the options, excluding that day, to the same day of the following month, it being understood that, for the purpose of calculating the mathematical average, only the trading days when the official price of the ordinary shares of the Company was actually registered on can be taken into account).

b) in the event of increases in capital for the acquisition of equity investments (including merger or de-merger transactions) or businesses or branches of businesses active in sectors of strategic importance to the Company, the Board of Directors of the Company must decide on an issue price corresponding to the market value of the shares, taking into account the average stock exchange price of the Company shares over a significant period of time, or applying the most representative valuation criteria, for example, the stock exchange quotation method, the discounted cash flow method, or the multiple market method.

On October 18, 2006 the Board of Directors upon delegation given by the extraordinary Shareholders' meeting held on the same date, resolved to

increase the share capital, pursuant to Article 2443 of the Italian Civil Code, for a total nominal amount up to Euro 1,500,000.00, divisible, through the issue, in one or more tranches, of up to a maximum of 1,500,000 new ordinary shares with a nominal value of 1 Euro each, at a price of 29.45 Euro each, including par value and premium, with standard rights ( i.e. equal to the value of the Company ordinary shares in circulation on the date of issue) excluding the right to options as per Article 2441, paragraph 4, second period of the Italian Civil Code, to be subscribed within December 31, 2014, in connection with the "Lottomatica 2006 - 2014 Stock Option Plan reserved to employees of the Company and/or its subsidiaries".

On May 3, 2007 the Board of Directors' Meeting of the Company, in force of the powers granted by the Extraordinary Shareholders' Meeting of October 18, 2006, resolved to increase the share capital against payments, in one or more tranches and through one or more resolutions, by a maximum amount of Euro 1,973,790.00 by issuing up to 1,973,790 new ordinary shares with a nominal value of Euro1.00 each, at a price of 30.40 Euro each, including par value and premium, with standard rights ( i.e. equal to the value of the Company ordinary shares in circulation on the date of issue), excluding the right of option under Article 2441, paragraph 4, second sentence of the Italian Civil Code, to be subscribed within December 31, 2015, in connection with the "Lottomatica 2007-2015 Stock Option Plan reserved for employees of the Company and/or its subsidiaries."

5.6 On April 23, 2007 the Extraordinary Shareholders' Meeting of the Company has resolved to vest the Board of Directors, as per Article 2443 of the Italian Civil Code, for a period of 5 years from the date of the resolution, with the authority to increase the share capital by one or more issues, up to a maximum amount of Euro 3,200,000.00, by issuing up to 3,200,000 new ordinary shares with a nominal value of Euro1.00 each, to be offered in subscription to the employees of Lottomatica S.p.A and/or its subsidiaries, pursuant to Article 2349 of the Italian Civil Code in connection with the share allocation plans in force, as well as any other future plan of the Company. Said share capital increases shall take place through the use of a special reserve called "Plans Reserve pursuant to Article 2349 of the Italian Civil Code", established and eventually re-established or increased yearly, or in accordance to the provisions of law.

On May 3, 2007 the Board of Directors' Meeting of the Company, in force of the powers granted by the Extraordinary Shareholders' Meeting of April 23, 2007, pursuant to Article 2443 of the Italian Civil Code, resolved a free increase in share capital one or more share issues and through one or more resolutions, by a maximum amount of Euro 99,271.00 by issuing up to 99,271 new ordinary shares, with a nominal value of Euro 1.00 each, with standard rights ( i.e. equal to the value of the Company ordinary shares in circulation on the date of issue), excluding the right of option under Article 2349 of the Italian Civil Code, to be assigned, free of charge, by September 30, 2007, to the beneficiaries of the "2006-2011 Share Allocation Retention Plan" reserved to the employees of the Company and/or of its subsidiaries, pursuant to Article 2349 of the Italian Civil Code, to be ascribed to capital, for an amount equal to that of the amount, of the special reserve called "Plans Reserve pursuant to Article 2349 of the Italian Civil Code".

On December 11, 2007, the Board of Directors - exercising the powers granted by the Extraordinary Shareholders' Meeting of April 23 2007 - resolved, pursuant to article 2443 of the Italian Civil Code, to increase the share capital free of charge, for a nominal amount of Euro 139,962.00 (one hundred thirty nine thousand nine hundred sixty two) through the issue of no. 139,962 new ordinary shares with a nominal value of Euro 1,00 each, cum rights (and therefore with the same rights as the other ordinary shares outstanding on the date of issue thereof), to be assigned free of charge to some of the beneficiaries of the "2006-2011 Lottomatica Retention Stock Allocation Plan", of the "2006-2009 Lottomatica Stock Allocation Plan", and of the "2007-2010 Lottomatica Stock Allocation Plan" all reserved for employees of the Company and/or its subsidiaries, pursuant to article 2349 of the Italian Civil Code, through the special reserve denominated "Plans' Reserve pursuant to article 2349 of the Italian Civil Code".

On April 22, 2008 the Board of Directors' Meeting of the Company, in force of the powers granted by the Extraordinary Shareholders' Meeting of April 23, 2007, pursuant to Article 2443 of the Italian Civil Code, resolved a free increase in share capital, in one or more share issues, for a maximum amount of Euro 155,497.00 by issuing up to 155,497 new ordinary shares, with a nominal value of Euro 1.00 each, with standard rights ( i.e. equal to the value of the Company ordinary shares in circulation on the date of issue), to be assigned, free of charge, by May

30, 2008, to the beneficiaries of the "2006-2009 Share Allocation Plan" and of the "2007-2010 Share Allocation Plan", reserved to the employees of the Company and/or of its subsidiaries, pursuant to Article 2349 of the Italian Civil Code, to be ascribed to capital, for an amount equal to that of the amount, of the special reserve called "Plans Reserve pursuant to Article 2349 of the Italian Civil Code", providing that, in the event that by May 30, 2008 the increase in share capital not be entirely executed, the share capital shall nevertheless be increased by an amount equal to the shares granted.

#### 6 Shares

6.1 The shares are nominative, non-divisible, and freely transferable. This, however, excludes the release of share titles where the Company is bound by the system of obligatory dematerialization of issued financial instruments.

6.2 The extraordinary Shareholders' Meeting can resolve upon the issuance of ordinary shares, special categories of shares or other financial instruments to be allocated to the employees of the Company or of its subsidiaries, pursuant to Article 2349 of the Italian Civil Code.

#### 7. Bonds

7.1 The Company can issue bonds determining the means and conditions of placement, including bearer or nominative bonds, convertible or equity warrant, according to the powers established by the provisions of the relevant laws.

### TITLE III - SHAREHOLDERS' MEETING

#### 8. Convocation

8.1 The Shareholders' Meeting will take place in the Republic of Italy, and may be outside the area of the Company head office, as provided for by law, wherever and whenever agreed by the Board of Directors, with notification signed by the Chairman containing information on the date, location, time and agenda for the meeting, to be published in the Gazzetta Ufficiale or the daily newspaper Il Sole24ore as required by law. The information will also indicate the date, location and time of the next subsequent meeting or at the very least the date of the next subsequent meeting.

8.2 The Shareholders' Meeting can be called, other than by the Board of Directors, at the request of several Shareholders who represent at least a tenth of the share capital, as per Article 2367, final paragraph, of

the Italian Civil Code or by the Board of Statutory Auditors (or at least 2 (two) members of the same).

8.3 The Shareholders representing, also jointly, at least 1/40 of the share capital are entitled to claim, within 5 days as from the publication of the notice of call of the Shareholders' Meeting, that the list of the matters on the agenda be supplemented, mentioning in the request the additional proposed matters.

At least ten days before the date fixed for the Shareholders' Meeting, the supplements to the list of the matters on the agenda that the Shareholders' Meeting will have to deal with, following the above requests, shall be made public in accordance with the same forms imposed for the publication of the notice of call.

The integration is not allowed in relation to those matters upon which the Shareholders' Meeting, in accordance with the provisions of law, resolves upon proposal of the Directors or on the basis of a plan or upon a report that they have drawn up.

#### 9. The Right to Vote and Intervene

9.1 Each Shareholder has one vote for every share held.

9.2 Shareholders can intervene in the Shareholders Meeting if the Company has received the relevant communication, by authorized intermediaries in accordance with the applicable provisions, within the term of 2 working days before the date of the Meeting.

9.3 The above received communication, in compliance with the above, is valid for successive meetings.

9.4 Every Shareholder who is entitled to intervene in the Meeting can be represented, as provided for by law, by means of written proxy.

9.5 It is the responsibility of the Chairman of the Meeting to verify the validity of the proxy and the general right to intervene in the Meeting.

#### 10. The Chairmanship and Management of Responsibilities

10.1 The Meeting is presided over by the Chairman of the Board of Directors, or in his/her absence by the Vice Chairman (where appointed); in the presence of more than one Vice Chairmen, the meeting will be chaired by the Vice Chairman most senior in rank, or in the case of equal seniority, by the most senior in age. In the absence of one or all Vice Chairmen, the Meeting will be chaired by a person elected by the Meeting itself.

10.2 It is the responsibility of the person chairing the Meeting, who can use appropriate agents, to verify the right to intervene in the Meeting

and the validity of the proxy, to resolve potential objections and also to direct and control discussions ultimately establishing the duration of each intervention, also to establish voting order and procedures, all in respect of the regulation, previously determined by the Board of Directors and approved by the Meeting, governing the orderly and practical conduct of the same, whether in ordinary meeting or extraordinary meeting.

10.3 The Meeting will appoint a secretary who is not a Shareholder, and, if deemed appropriate, two observers from among the Shareholders.

The discussions of the Meeting are verified by appropriate minutes signed by the Chairman, by the Secretary and potentially by the observers.

The minutes should show the date of the meeting and by attachment, the names of the participants and the amount of capital represented by each; they should also show the procedure and results of the voting and, also by attachment, show the names of the Shareholders in favor, abstaining, and objecting. At the request of the Shareholders, the minutes must also outline their discussions relevant to the order of the day.

10.4 Where required by law or where the Chairman deems appropriate the minutes will be transcribed by a Public Notary.

## 11. Competencies and Majority

11.1 The ordinary Shareholders' Meeting will agree the financial statement, appoint Directors, Statutory Auditors, the Chairman of the Statutory Auditors fixes the fees of the directors and statutory auditors and, in compliance with the legislative prerequisites and conditions, it also provides for their revocation and resolves upon any other matter under legal jurisdiction of the ordinary Shareholders' Meeting.

11.2 The ordinary Meeting will be held at least once a year, within 120 (one hundred and twenty) days of the financial year end. The financial statement will be subject to approval by the Shareholders' Meeting within 120 (one hundred and twenty) days of the financial year end or within 180 (one hundred and eighty) days where the Company holds consolidated accounts and in the event of particular requirements relative to the structure and objective of the Company.

11.3 The extra-ordinary Meeting will debate amendments to constitutive or legal acts, in addition to any other matter under their legal jurisdiction.

11.4 The decisions of the Meeting are made by legal majorities and must be verified by minutes signed by the Chairman of the Meeting and by the secretary.

## 12. Information to the Shareholders

12.1 The Shareholders have the right to view all the acts from previous Meetings registered at the company head office and to obtain copies at their own expense.

## TITLE IV - MANAGEMENT BODY

### 13. Board of Directors: appointment

13.1 The Company is managed by a Board of Directors made up of between 7 (seven) and 15 (fifteen) members.

The Shareholders' Meeting will decide on the number of Board members, such number to remain the same until agreed differently.

13.2 In order to be vested as Director and to remain in office, a person must possess the individual requisites as provided under the law, also with respect to any shareholdings held by the Company. An appropriate number of Directors, in any case not lower than the one provided by the law, must possess the independence requisites it provides for.

13.3 Directors are appointed by the ordinary Shareholders' Meeting on the basis of lists submitted by the Shareholders, whereby the candidates must be indexed by progressive numbering. Only the Shareholders representing, alone or together with other Shareholders, the minimum percentage of share capital provided by the law, have the right to submit the lists.

The above percentage shall be indicated in the notice of summon of the Shareholders' Meeting called to resolve upon the appointment of the Board of Directors.

Each Shareholder can submit or take part in the submission of only one list and each candidate will be entitled to present himself in one list only, otherwise resulting ineligible or, if appointed, shall result in their termination of office.

Candidates not having the requisites as provided by the law or the By-Laws (without prejudice to any other reason of forfeiture or ineligibility) cannot be inserted in the lists. Each list shall have to contain a number of candidates not exceeding the maximum number of Directors mentioned under Clause 13.1 above; a minimum number of candidates, equal to the number as provided by the law, shall have to possess the independence requisites provided therein.

The candidates' lists must be filed with the Company's head office at least fifteen days before the date fixed for the Shareholder's Meeting summoned to resolve on the appointment of the Directors. Upon filing, each list shall be accompanied by:

A) exhaustive information on the personal and professional qualifications of the candidates, indicating their alleged independency qualification pursuant to the law and the codes of behaviour issued by the companies that manage regulated markets or by operators' trade associations to which the Company complies;

B) a statement through which each candidate accepts to be candidate and certifies under his/her own responsibility that there are no reasons of ineligibility or incompatibility provided under the law, as well as that he/she possesses all requisites provided by the law and by the By-Laws.

C) an indication of (i) the identity of the Shareholders that have submitted the list and (ii) the percentage of share capital jointly owned, as well as (iii) a copy of the certificates delivered by authorized intermediaries and certifying the ownership of the number of shares required to file the lists.

The Company shall immediately, and in any event within 10 days prior to the Shareholders' Meeting called to resolve on the appointment of the directors, fulfil all the disclosure requirements set by the provisions in force as at that time.

The denial, or the grounded risk of denial, of the satisfaction expressed by public administrations or public or private entities pursuant to administrative or law provisions, also foreign, applicable to the Company or its subsidiaries, are construed as causes of ineligibility to the office of Director, or if appointed, shall result in the Director's termination of office.

The lists or any candidate submission, the presentation of which do not comply with all the above provisions, except for those to be complied with by the Company, are deemed as not submitted.

Moreover, the lists that have not obtained the minimum number of votes provided by the law, are also deemed as not submitted.

All those having the right to vote can vote for only one list.

The election of the Directors will proceed as follows:

a) a number of Members of the Board representing the entirety of those to be appointed will be elected from the list having obtained the highest number of votes (hereinafter referred to as the "Majority List") at the

Shareholders' Meeting, on the basis of the same progressive numbering they have been listed in the list, save for the minimum number reserved to the minority Shareholders by the law;

b) a number of Members of the Board equal to the minimum number set out under letter a) - unrelated in any manner whatsoever, also indirectly, to the Shareholders that have submitted or voted the Majority List (hereinafter referred to as the "Minority List") will be elected from the list having obtained the second greatest number of votes at the Shareholders' Meeting, in accordance with the progressive numbering they have been listed in the list.

In the event that, through the candidates elected in accordance with the above mentioned terms, the number of independent Members of the Board referred to under Clause 13.2 above is not ensured, the last elected non independent candidate(s) in progressive numbering in the Majority List, shall be replaced by the first independent candidate(s), in accordance with the respective progressive numbering, non elected in the same Majority List.

In the event of several lists achieving an equal number of votes, the list that has been submitted by the Shareholders holding the greater percentage of shares at the moment of submitting the list, or in sub-order, by the greater number of Shareholders, shall prevail. In the event that the above said criteria do not help, the candidates shall be selected from each list, in the number provided by the law, on the basis of seniority.

In the event that only one list is submitted or voted, then all Members of the Board shall be elected from such list.

The independent Directors that no longer meet the independence requirements provided by the law shall immediately inform the Board of Directors.

13.4 Directors are appointed for a maximum of three financial years, following which, as agreed by the Shareholders' Meeting of appointment, they may be available for re-election. Their role will expire on the date of the Shareholders Meeting called to approve the accounts relating to the final financial year of their appointment.

13.5 Should one or more Directors cease from the office or, though appointed by the Shareholders' Meeting, fail to take office, they shall be replaced pursuant to Article 2386 of the Italian Civil Code.

In the event that the ceased Directors had been selected from the Minority List, the Board of Directors shall select the substitute members on the basis of the same progressive numbering they have been listed, provided that the minimum number of independent Directors provided by the law is ensured, from (i) the same Minority List, if possible or, on the basis of the larger number of votes obtained during the Shareholders' Meeting, (ii) from the other lists submitted and voted by Shareholders that are in no way connected with the Shareholders that have submitted or voted the Majority List.

#### 14. Board of Directors: function

14.1 The Board will elect a Chairman from among its members and also can elect from among its members one or more Vice Chairmen who will deputize for the Chairman in the event of absence or impediment; in the presence of several Vice Chairmen and in the absence of or impediment to the Chairman, the most senior in rank will deputize, or the most senior in age in the event of equal seniority.

14.2 The Board of Directors will appoint from among its members one or more Managing Directors determining the relative rights and duties. The role of Managing Director can be undertaken by a Vice Chairman even if he is also General Manager as per Clause 19.3. The Board of Directors can also appoint an Executive Committee, determining the relative rights and duties.

14.3 In both cases the Board of Directors will decide the timing, no less than every three months, of the half yearly and quarterly meetings, in addition to the Board meetings called to approve the end of year financial statement, through which such delegated bodies should report to the Board of Directors and to the Statutory Auditors on their activities in carrying out the proxies conferred on them, on the general progress of their management and anticipated development, on the transactions of major significance, in size or character, undertaken by the company and its subsidiaries, and, as regards the executive committee, also on the number of its members, on its duration and on the regulations under which they perform.

The Chairman of the Board of Directors and the Managing Director or Managing Directors have the right to be appointed to the Executive Committee.

#### 15. Meetings of the Board

15.1 The Board of Directors meetings will normally take place at the Company head office, but a change of venue can be advised in the meeting announcement. Meetings can also be held by video conference and/or teleconference, provided that the exact identity of those legitimately participating can be verified by the Chairman and the other participants, that every participant has the possibility of verbal intervention, in real time, in all topics, and the opportunity to receive or transmit documents; in all cases the Chairman and the Secretary should be present at the location of the meeting.

15.2 The Board of Directors is summonsed on the initiative of the Chairman or at the written request of the Managing Director or one of the Managing Directors or of three Directors, by means of letter or telegraphic communication or telex or fax or e-mail sent to the Directors and to the Statutory Auditors at least 3 working days before the meeting. Where urgency is required the minimum length of time is reduced to forty-eight hours.

Moreover, the Board can be called, after communication to the Chairman of the Board of Directors, by the Board of Statutory Auditors or, individually by each member of the Board of Statutory Auditors. The notice of assembly must advise the location, the date and the time of the meeting, as well as the list of items to discuss.

15.3 The Board of Directors will be considered legitimately established even without summoning provided that all the Board members and regular Statutory Auditors are present.

#### 16. Validity and recording of the minutes

16.1 The majority of appointed Directors must be present for the deliberations of the Board to be valid.

16.2 The Board of Directors is chaired by the Chairman or, in his absence, the Vice Chairman, if nominated; in the presence of more than one Vice Chairman the meeting will be chaired by the most senior in rank of the Vice Chairmen, or in the case of equal ranking, the most senior in age; in the absence of the Chairman and of his Vice Chairman or Vice Chairmen, the meeting will be chaired by the Board member most senior in rank or, in the case of equal ranking, the most senior in age.

16.3 The Board of Directors can appoint a Secretary, who can be chosen from outside the Board, and in which case has no voting rights.

16.4 The deliberations of the Board of Directors will be recorded in minutes by the Secretary, or in his/her absence by one of the Board

members with the responsibilities of secretary; the minutes will be registered in an appropriate book and signed by the Secretary and the Chairman of the meeting. This book will be kept at the Company head office.

#### 17. Board of Directors: powers

17.1 The Board of Directors holds all powers for the ordinary and extraordinary management of the Company.

They are responsible for all acts in practice of or appropriate to the pursuit of the company objective.

The administrative body also holds the following powers:

- a) to agree mergers or de-mergers as provided for by Article 2505, 2505 (2) and 2506 (3), last paragraph, of the Italian Civil Code;
- b) to establish or close ancillary offices;
- c) to select representative executives;
- d) to reduce share capital in the event of the withdrawal of Shareholders;
- e) to ensure the compliance by the By-Laws to the provisions of law;
- f) to transfer the head office to another location within the Republic of Italy;

17.2 The resolutions of the Board of Directors are adopted by absolute majority of the attending persons, except for the cases under which the law expressly requires a highest quorum. In the event of equality of votes, the Chairman has a casting vote.

#### 18. Chairman

18.1 The Chairman of the Board of Directors is the legal and procedural representative of the Company. The Chairman will report periodically to the Board of Directors on his ongoing activities.

18.2 In the interests of urgency the Chairman, with the proposal of the Managing Director or of one of the Managing Directors together with the Managing Director who made the proposal, may take any measure under the remit of the Board of Directors, reporting back to them at the next successive meeting.

18.3 The Board of Directors can also grant the representation and sanction of the Company, including in judicial proceedings before a third party, with the same authorisation as indicated above, to the Vice Chairman and/or each of the Vice Chairmen and/or the Managing Director and/or each of the Managing Directors.

#### 19. Managing Director and General Manager

19.1 The Managing Director or Managing Directors are appointed by the Board of Directors as per Clause 14.2 of the current By-Laws.

19.2 The Managing Director or Managing Directors possess the powers granted to him/them by the Board of Directors. The Managing Director or each of the Managing Directors can make agenda proposals to the Chairman for discussion by the Board and the Executive Committee and can supervise the implementation of the relevant decisions of the corporate bodies.

19.3 The Board of Directors can appoint one or more General Managers, who can be chosen from among the members of the Board of Directors, determining their rights, including the appointment of and the granting of a mandate to an attorney. The Board can confer the role of General Manager on the Managing Director, or on each of the Managing Directors, even where he/she is also currently a Vice Chairman as per Clause 14.2 of the By-Laws.

The Board of Directors can grant the Managing Director or each of the Managing Directors the right to appoint and remove one or more General Managers, with the power to delegate to them part of their respective powers and functions.

19.4 The General Manager who does not simultaneously hold the position of member of the Board of Directors, can attend the meetings of the Board of Directors and the Executive Committee, with the authority to express unrestricted opinions on the subjects under discussion.

TITLE V - BOARD OF STATUTORY AUDITORS AND MANAGER IN CHARGE OF THE  
DRAWING UP  
OF THE ACCOUNTANCY DOCUMENTS

20. Appointment, composition and requirements of the Board of Statutory  
Auditors

20.1 The Board of Statutory Auditors are comprised of three regular Statutory Auditors and of two or more deputies, appointed by the Shareholders' Meeting.

20.2 The Statutory Auditors are appointed on the basis of lists presented by the Shareholders in which candidates are indexed by progressive numbering, specifying if the candidate presents himself/herself, as regular or deputy Statutory Auditor.

The lists must be deposited at the head office no less than fifteen days before the date set for the Shareholders' Meeting.

Upon filing, they shall be accompanied by:

A) exhaustive information on the personal and professional qualities of the candidates, on the acquired expertises and on their past experiences and an indication of the management and control offices held in other companies and their expiration date;

B) a statement through which each candidate accepts to be candidate and certifies under his/her own responsibility that there are no reasons of ineligibility or incompatibility provided under the law, as well as that he/she possesses all requisites provided by the law;

C) information concerning the personal identity of the Shareholders that have submitted the list, together with the total percentage of share capital owned, as well as a copy of the certificates delivered by authorized intermediaries and certifying the ownership of said amount of shares.

D) in the event of a list presented by Shareholders that have no connection to be regarded as relevant pursuant to the law with the Shareholders that hold, also jointly, a shareholding that allows the control or the simple majority of the share capital of the Company, a declaration that states the non-existence of any such relation.

The Company shall immediately, and in any event within 10 days prior to the Shareholders' Meeting summoned to resolve on the appointment of the Statutory Auditors, fulfil all the disclosure requirements provided by the law.

The denial expressed by public administrations or bodies pursuant to provisions of law applicable to the Company, are construed as causes of ineligibility to the office of Statutory Auditor and/or Chairman, or if appointed, shall result in their termination of office.

Even if through a third party or trust companies:

- no one can vote, put forward or contribute to more than one list;
- the Shareholders belonging to the same group - made of the parent company, its subsidiaries and the companies subjected to the same controlling shareholder - and the Shareholders that have executed a Shareholders agreement concerning the shares of the Company may not submit nor vote more than one list.

The number of candidates in each list must not be lower than one nor higher than three, for the office of effective Statutory Auditor, and not lower than one nor higher than five for the office of deputy Statutory Auditor; other candidates, if any, in excess of the above limits, shall

not be considered, also for the replacement of the Statutory Auditors that have ceased or not taken their offices.

Each candidate may run in only one list, under penalty of ineligibility. Only the Shareholders who singly or together with the other Shareholders represent the minimum percentage of shares provided by the law can present lists. Such percentage shall be indicated in the notice of summon of the Shareholders' Meeting called to resolve on the appointment of the Board of Statutory Auditors.

In the event that upon expiration of the term given to submit the lists only a single list be submitted, or only lists by mutually related Shareholders as intended by the law, then any further list will be admitted up to the fifth day following said expiration date. In such case the given thresholds needed for submitting the lists shall be reduced by half, and information thereof must be promptly disclosed in accordance with the provisions of law. All the other provisions governing the appointment of the Statutory Auditors shall remain in force.

Those lists or any candidate submission, the presentation of which do not comply with all the above provisions, except for those to be complied with by the Company, are deemed as non-submitted.

Selection of the Auditors will proceed as follows:

a) 2 (two) regular and all auditors indicated as deputy will be elected from the list which achieves the greatest number of votes (hereinafter referred to as the "Majority List"), following the progressive numbering of the list;

b) the remaining regular Statutory Auditor - with the position of Chairman - , will be elected from the list (hereinafter referred to as the "Minority List") which has the highest number of votes, excluding the Majority List, among those submitted and voted by the Shareholders that are not connected in any way, not even indirectly, to the Shareholders that have submitted or voted the Majority List.

In the event that several lists have repeatedly obtained an equal number of votes, the prevailing list shall be the one submitted by the Shareholders owning the greater number of shares at the moment the list was submitted or, in suborder, by the greater number of Shareholders or, in further sub-order, the Statutory Auditors shall be taken on the basis of their seniority;

c) all those individuals that have been indicated as deputy Statutory Auditors in the Minority List and in the list ranked second for number of

votes (hereinafter referred to as the "Second Minority List"), among those submitted and voted by the Shareholders that are in no way connected to the Shareholders that have submitted or voted the Majority List, shall be appointed as deputy Statutory Auditors.

In the event that, for whatever reason, the Statutory Auditor cannot accept the office or, having it accepted, ceases such office:

- each effective Statutory Auditor under letter a) above is replaced by the first alternate Statutory Auditor available according to the progressive numbering of the Majority List;
- the effective Statutory Auditor provided in letter b) shall be replaced, on the basis of the progressive numbering it was listed by the first available deputy Statutory Auditor of the Minority list or, in sub-order, of the Second Minority List, with the position of Chairman.

In the event that only one list is voted, all auditors, both regular and deputy, shall be elected therefrom.

20.3 In compliance with the decree of the Ministry of Justice no. 162 of March 30, 2000, section 1, paragraph 1, at least one of the regular Statutory Auditors, out of a total of 3, or at least two if the total number is higher than 3, and in both cases at least one of the deputy Statutory Auditors, must be chosen from the Register of Accountancy Auditors and must have at least three years practice as a legal auditor. The Statutory Auditors not in possession of the requirements of paragraph 1 of the aforementioned Decree must be chosen from those which have a total of at least three years experience of:

- a) Management experience or executive responsibility in a limited company with share capital not less than two million euros; or
- b) Professional experience or university teaching in judicial, economic, financial or technical scientific subjects, directly pertinent to the activity of the company; or
- c) Management positions in public bodies or public administrations operating in the credit, financial and insurance sectors or in sectors directly pertinent to the activity of the company. As per the provisions of paragraph 2, section b) and c) and paragraph 3 of the aforementioned Decree the following subjects and activities are considered directly pertinent to those of the company:
  - administrative law
  - public law

- public economic - economic political law
- financial sciences
- management
- statistics
- information technology

20.4 Notwithstanding the to the provisions of the law regarding situations of incompatibility, those who already hold the position of director or regular statutory auditor in the number of companies provided by the law, cannot be nominated as Statutory Auditors and if elected will be debarred from the role.

20.5 The Statutory Auditors will remain in office for three financial years ending on the date of the meeting called for the approval of the financial statement relating to the third financial year of their appointment. Statutory Auditors can serve for one or more term of office.

20.6 The Statutory Auditors will meet at least every 90 (ninety) days on the initiative of any one of the Statutory Auditors. The meeting will be legally established in the presence of the majority of the auditors and will resolve with the majority of the members present being in favour.

Meetings can also be held by video conference and/or teleconference, provided that the exact identity of those legally taking part can be verified by the Chairman and the other participants, that all participants have the potential to verbally intervene, in real time, in all discussions, and have the ability to receive or transmit documents; however, the Chairman and the person recording the minutes must be present at the location of the meeting.

#### 21. The Statutory Auditors' Report

21.1 The Board of Directors, or their delegated executives, will make timely reports to the Board Statutory Auditors, no less than quarterly, on their ongoing activities and on major economic, financial and property transactions undertaken by the Company or inter-group companies; reporting in particular on transactions in which they have a interest, directly or as a third party, or those which can have an influence on the management and coordination of the Company. This information will be communicated verbally by the Directors to the Board of Statutory Auditors at the appropriate meeting with the Directors, or at the meeting of the Board of Directors or at the meeting of the Board of Statutory Auditors as per Article 2404 of the Italian Civil Code, or by transmission of written reports, with a frequency not less than quarterly, which will be

kept in the book referred to in section 5 of Article 2421 of the Italian Civil Code.

21.2 The frequency of the meetings of the Board also intends to encourage a united approach to the exercise of all the rights delegated by the Board of Directors to the Executive Committee, if appointed, to the Chairman, to the Vice Chairman or Vice Chairmen and to the Managing Director or the Managing Directors.

## 22. Manager in charge of the drawing up of corporate reports and financial statements

The Board of Directors, upon mandatory consultation with the Board of Statutory Auditors, appoints a manager in charge of the drawing up of corporate reports and financial statements among those managers having a minimum experience of 3 years as managers with appropriate responsibilities at the Accounting and/or Financial Department of the Company or of similarly sized or organized companies, and confer on such manager adequate authority and instruments to perform the duties assigned to him in accordance with the provisions of law. The manager in charge of the drawing up of the accountancy documents may be revoked by resolution of the Board of Directors upon mandatory consultation with the Board of Statutory Auditors.

## TITLE VI - FINANCIAL ACCOUNTS AND PROFITS

### 23. Yearly Financial Statements

23.1 The financial year will close annually on December 31.

23.2 The ordinary Shareholders' Meeting should be called within 120 (one hundred and twenty) days of the closing of the Company year end for the approval of the financial statements except as provided for in the previous Clause 11.2

### 24. Profits

24.1 With reference to the net profits of each financial year as per the approved financial statement:

- a) a minimum of 5%, but not exceeding a fifth of the share capital, is retained in legal reserves;
- b) the remainder is subject to the decision of the Shareholders' Meeting.

24.2 The Board of Directors can, during the course of the financial year, distribute advances on dividend between the Shareholders.

## TITLE VII - WINDING UP, LIQUIDATION AND WITHDRAWAL

### 25. Winding up and Liquidation

25.1 The Company will be wound up for reasons contained in Article 2484 of the Italian Civil Code.

25.2 Reaching an agreement on the liquidation of the Company at whatever time, the Shareholders' Meeting will establish the means of the liquidation and will nominate one or more receivers, and decide on their relative powers and fees.

#### 26. Withdrawal

26.1 Shareholders who are not party to the approval of resolutions regarding the extension of the duration have no right of withdrawal. However, the Company being subject to management and coordination as per Article 2497 and subsequent amendments of the Italian Civil Code, the Shareholders instead hold the right of withdrawal according to the assumptions of Article 2497(4) of the Italian Civil Code.

#### TITLE VIII - TRANSITIONAL AND FINAL REGULATIONS

##### 27. Residency of the Shareholders - Conventional Forum

27.1 The domicile of the Shareholders as opposed to the Company, for all legal purposes, will be in the place chosen by the Register of Shareholders.

27.2 All disputes between the Shareholders and the Company will be decided by the Judicial Authority of the district in which the legal head office of the Company is situated.

##### 28. Referral

28.1 Anything not provided for in these By-Laws will be referred to the rules of law.