"TREVI - Finanziaria Industriale S.p.A."

CORPORATE CHARTER

COMPANY NAME, PURPOSE, REGISTERED OFFICE, DURATION

Article 1 (Company name)

A joint stock company is set up under the name of:

"TREVI - Finanziaria Industriale S.p.A.".

Article 2 (Company purpose)

The purpose of the company is to put into action, either directly or indirectly through controlled companies and either on its own behalf, or on behalf of third parties, those industrial and/or commercial processes that relate to the design, planning and installation of foundation works of any type or kind for building, road construction and civil engineering in general, in full respect for and compliance with all the provisions of Italian Law no. 1815 of the 23 November 1939, in addition to specialised works in ordinary and reinforced concrete, ironworks, earthworks, the construction of piers, docks and wharves, dams in soil or concrete, tunnels, consolidation works, water defences and system installations, special foundations, diaphragms, soil drilling for geological surveys, subsoil exploration using special equipment, constructing anchorages, wells and building works in general. The company may also rent out building machinery to third parties.

Moreover, the company purpose includes the following activities:

a) the acquisition of interests in companies in Italy or abroad,

b) organising the financial, commercial, technical and administrative affairs of companies within the group,

c) granting financing in any form exclusively to companies within the group,

d) collecting, paying out and transferring funds on behalf of the Company and the group,

e) the acquisition and assignment of credits of any kind, both with and without guarantees,

f) the concession of leases for movable assets, including those registered, or for immovable assets.

The aforesaid activities many not in any circumstances be entered into with any member of the public, but only with controlling, controlled or associated companies or those controlled by one of the same controlling companies, provided these are within the group.

Furthermore, the company may perform all commercial, industrial and financial operations and those

involving movable and immovable assets, that the Board of Directors considers necessary or appropriate for achieving the company purpose, including giving sureties and any type of guarantee, including real guarantees, on behalf of the company itself or of companies within the group, and under no circumstances in relation to members of the public.
All activities that are against the law are expressly prohibited as is the activity of offering investment services to the public in a professional capacity, according to the provisions of Italian Legislative Decree no. 58 of the 24 February 1998.

Article 3 (Registered office)

The company's registered office is in the municipality of Cesena (Fc).
The governing body may set up and close down branch offices, agencies and representative offices, both in Italy and abroad.

Article 4 (Duration)

The duration of the company is established as until 31 December 2099 (two thousand and ninety-nine) and this may be extended, one or more times, following a resolution passed at a general shareholder meeting, with the exclusion, in such a case, of the right of withdrawal for those shareholders who did not vote in favour of the resolution, according to the provisions of Article 2437 paragraph 2 letter a)of the Italian Civil Code (C.C.).

Article 5 (Domicile)

For the purposes of their relationship with the Company, the domicile of shareholders, directors, statutory and other auditors is to be the address shown in the company's statutory books.
The company may set up a special register for this purpose which the governing body is required to keep regularly updated.

Article 6 (Share capital)

The share capital is set at EURO 32,000,000.00 (thirty-two million point zero zero) divided into 64,000,000 (sixty-four million) shares each with a face value of EURO 0.50.
Following a resolution at the extraordinary general shareholder meeting of the 13 September 2006, the board of directors was given the power, according to the provisions of Articles 2443 and 2441 C.C., to increase the share capital by payment, one or more times, for a maximum period of five years from the date of the aforesaid resolution and for a maximum nominal value of up to 10% (ten per cent) of the nominal share capital underwritten at the time the decision is taken

(32,000,000.00 euro), over and above any share premium. The increase is to be achieved by the issue of a maximum number of 6,400,000 (six million four hundred thousand) ordinary shares each with a face value of 0.5 (zero point five) euro, and the board of directors, having first ascertained that the legal conditions apply, is empowered to decide on the price of the share issue and, always acting according to the provisions of the law, they may: (i) reserve the shares as options for those with the appropriate rights, and/or (ii) reserve the whole of or part of the issue for Italian or foreign institutional investors, thereby excluding the right of option, and/or (iii) reserve the shares for conversion into bonds issued by Italian or foreign companies or reserved for Italian or foreign institutional investors, with the consequent exclusion of the right of option. In the event of case (ii) or (iii), the issue price, for which, at the time the shares are issued, expert advice must have been taken, according to the provisions of Article 2441, paragraph 6 C.C., must be set taking account of market trends over a period of not more than six months prior to the date of issue and in all cases, in accordance with the final clause of Article 2441, paragraph 6 C.C. In exercising these powers, the governing body, in addition to having the right to determine the price of the share issue, may also set out the time within which the capital increase, or increases, may be subscribed to and paid up by those having such rights, to establish whether or not the capital increase, or increases, may be divided up and to establish the general terms, conditions and methods considered appropriate for the issue, including the full or partial exclusion of rights of option. If the increase, and/or increases, have not been fully subscribed to within the time that has been fixed, the governing body may therefore, decide to increase the capital only by the amount so far subscribed to, since they have the power to decide whether or not the increase, or increases, may be divided up.

Article 7 (Shares)

Individual shares may be not divided.

The share capital may also be increased by the issue of privilege shares, or shares which carry different rights from those already issued.

Following a formal resolution from the board of directors, shareholders may pay sums into the capital account of the company.

The company has the power to collect such funds that are necessary for the achievement of the corporate purpose, from its own shareholders, provided this complies with current legislation and regulations on this subject.

The company may acquire interest-bearing or interest-free financing from its shareholders, with

or without the obligation to repay, if this is necessary to achieve the corporate purpose, and in compliance with current regulations, with particular reference to those that govern the collection of capital from members of the public.
Shares are registered, but they may be converted to bearer shares, where the Law allows, and they are freely transferable, according to the provisions of the Law.
A general shareholder meeting resolution may introduce or remove restrictions on the circulation of shares, with, in this case, the exclusion of the right to withdraw of those shareholders who did not vote in favour of the resolution, according to the provisions of Article 2437, paragraph 2 letter b) C.C.
Article 8 (Bonds)
The company may issue convertible and non-convertible bonds and other debt instruments.
Bondholder meetings are governed by Article 2415 C.C.
Article 9 (Designated assets)
The company may designate assets for the purposes of servicing a specific business operation in accordance with the provisions of Articles 2447-bis et seq of the Italian Civil Code.
Article 10 (Governance and management by others)
The company must disclose in its corporate documentation and correspondence whether it is subject to governance and management by another organisation. The company directors are responsible for recording this situation in the appropriate section of the companies register as required by Article 2497-bis, paragraph 2 C.C.

GENERAL SHAREHOLDER MEETINGS

Article 11 (Responsibilities of Ordinary Shareholder Meetings)
Resolutions passed by a general shareholder meeting are binding on all shareholders.
Shareholder meetings may be ordinary or extraordinary as defined by law.
Ordinary shareholder meetings may vote on the matters reserved for them by law and by this charter.
The following matters are the exclusive and unalterable responsibility of general shareholder meetings:
a) Approving the balance sheet.
b) Appointing and dismissing directors.
c) Appointing the members and the Chairman of the

board of statutory auditors and those responsible for verifying the accounts.
d) Determining the remuneration of the directors, statutory auditors and those responsible for verifying the accounts.
e) Determining the powers and responsibilities of the directors and statutory auditors.
Moreover, the general shareholder meeting may:
a) Approve any regulations governing the conduct of shareholder meetings.
b) Approve decisions taken by the governing body described in Article 28, paragraph 2 of this charter.
Article 12 (Responsibilities of extraordinary general shareholder meetings)
The following matters are reserved for extraordinary shareholder meetings:
a) Amendments to this charter, except in the cases described in Article 23, paragraph 3.
b) Appointment and replacement of liquidators and determination of their powers.
c) Other matters assigned to them by law and this charter.
Article 13 (Calling general shareholder meetings)
Ordinary shareholder meetings must be called by the governing body at least once a year, within one hundred and twenty days from the end of the financial year, or within one hundred and eighty days from the year end if the company is required to prepared consolidated balance sheets, or if there are particular circumstances associated with the corporate structure and purpose require this extension.
A meeting may be called by at least two members of the board of statutory auditors, provided the Chairman of the governing body has been notified.
The directors must call a general shareholder meeting without delay if a number of shareholders representing at least 10% (ten percent) of the total share capital request this and providing the subjects to be discussed are listed with the request.
Meetings may also be held away from the registered offices, provided the venue is in Italy.
Meetings are called by means of a notice containing the day, the time and the place in which the meeting is to be held, and the subjects to be discussed. This notice is to be published, within the legally defined time, in the Official Gazette, or in at least one of the following daily newspapers: Il Sole

24 Ore, Il Corriere della Sera, La Repubblica, Il Resto del Carlino, Il Giornale, Milano Finanza, Borsa e Finanza, Italia Oggi.

Article 14 (General shareholder meetings in second and subsequent sittings)

The original notice calling the meeting may also include the date for a second or subsequent sitting, to allow for the first sitting not being legally convened. Meetings in second and subsequent sittings must be held within thirty days from the date given for the first sitting of the meeting. The notice calling the meeting may indicate a maximum of 2 (two) dates for the sittings subsequent to the second one.

Second and subsequent sittings of the meeting may not take place on the same day as previous sittings.

Article 15 (Voting quorum and properly convened ordinary and extraordinary shareholder meetings)

Both ordinary and extraordinary shareholder meetings are deemed properly convened and voting may take place at first, second and third sittings according to the majorities prescribed for each case by the Law.

Article 16 (Postponing a general shareholder meeting)

Shareholders attending the meeting who represent one-third of the share capital are entitled to obtain a postponement of the meeting for up to five days, if they state that they have had insufficient information on the matters for discussion on the agenda.

Article 17 (Entitlement to attend and vote in shareholder meetings)

All shareholders with voting rights may attend, providing they advise the company of their wish to do so, according to Article 2370 C.C., at least two working days prior to the first sitting of the meeting.

Meetings may also be held by means of videoconferencing, provided that:

- At all times, shareholders attending in person can be identified, or if they are represented by proxies, that it is possible to check that the proxy has been properly mandated.
- It is possible to guarantee that the meeting will be properly conducted and that all those present are able to exercise their rights to take part, in real time in the discussions of the items on the agenda, that they are able to exercise their voting rights and that the voting procedures are properly followed

and the minutes properly compiled.
- It is possible for the person compiling the minutes to follow all the events at the meeting adequately.
To that end, the Chair of the meeting may appoint one or more scrutineers in each of the locations connected by videoconferencing equipment and the person compiling the minutes may request the assistance of people s/he considers trustworthy, located in each of the linked venues.
The notice calling the meeting must indicate any venues with audio and video links to the company premises, in which people wishing to attend the meeting may gather.
The general shareholder meeting is deemed to have been held at the venue in which the meeting Chair and Secretary, or the person compiling the minutes, are both present.
Article 18 (Shareholder representation: proxies)
Shareholders may be represented, by written mandate appointing a proxy, in accordance with the provisions of Article 2372 C.C. and those of Article 136, and those following, of Italian Legislative Decree no. 58 of the 24 February 1998.
It is the responsibility of the Chair of the meeting to ascertain that those present have the right to vote and that proxies have been legally and properly mandated.
Article 19 (Meeting Chair and Secretary. Minutes)
The general shareholder meeting is presided over by the Chairman of the Board of Directors, or by another person elected by the meeting.
The meeting will also appoint a Secretary, who may be a non-shareholder and, if those present deem it necessary, they will also appoint two scrutineers from among the shareholders and auditors. If a Secretary has not been appointed, a notary will compile the minutes.
It is the responsibility of the meeting Chair to ascertain that the meeting is properly convened, verify the identity and entitlement of those present, regulate the conduct of the meeting and ascertain and declare the result of votes.
Resolutions passed by the general shareholder meeting are entered in the minutes which are signed by the Chair, the Secretary and, if present, the scrutineers.
The minutes should be compiled by a notary in cases where the law requires this, or if the governing body considers it appropriate.

The minutes must contain:
a) The date of the meeting.
b) The identity of those present and the share capital represented by each person (may be added as an appendix).
c) The voting methods used and the outcome of each vote.
d) A list all the voters showing how each one has voted: either for or against or abstentions (may be added as an appendix);
e) At the express request of those present, a summary of the opinions they have given on the subjects on the agenda.
The minutes must be compiled immediately, taking account of the times by which they must be filed at the company offices and published.
Copies of minutes certified as authentic by the minute-taker and the Chair stand as evidence for all intents and purposes of the Law.
Article 20 (Procedure and conduct of the general shareholder meeting)
The meeting must be conducted in such a way that all those present with the right to take part, must be able to follow the events in real time, freely formulate and promptly express their own opinions and cast their vote. The way in which the meeting is held must not conflict with the need to compile complete and proper minutes of the meeting.
The meeting may be held in more than one venue, either adjoining or separate, by audio-visual links. If these methods are used, this must be stated in the minutes.
Article 21 (Cancellation of shareholder resolutions)
A motion to cancel a resolution may be put forward by shareholders who have not voted in favour of the resolution passed, if they hold, including jointly, one thousandth of the share capital with the right to vote on the particular resolution.
Article 22 (Voting rights)
Each ordinary share, as defined in Article 2351 C.C. confers the right to one vote.

GOVERNING BODY

Article 23 (Responsibilities and powers of the governing body)
The governing body is assigned the widest-ranging possible powers for the ordinary and extraordinary management of the company and, in particular, members of this body are assigned all the necessary powers for the achievement of the corporate purpose, other than those that the law or this charter

reserve for the general shareholder meeting.
The board of directors, who are obliged to seek the advice of the board of statutory auditors, will appoint the person with overall responsibility for compiling the corporate accounting documents, establishing the duration of that office, the powers and responsibilities assigned to her/him, all in accordance with current legislation. The Board may also revoke these powers.
The choice of the person appointed to compile the corporate accounting documents must made according to sound professional criteria, and s/he must be selected from a list of candidates that have at least three years' full-time experience of at least one of the following:
- Experience in a senior or management role in charge of the accounts of a company of a comparable size and with a similar organisational structure.
- Professional experience in subjects associated with administration, finance and verification.
- University teaching experience in the subjects of law or economics.
- A management function in a public body, or public administration, involving the management of economic and financial resources.
The person selected to compile the corporate accounting documents will attend those meetings of the board of directors and the executive committee, if this has been created, at which the matters that fall within his/her competence are to be discussed.
The board of directors will ensure that the person selected to compile the corporate accounting documents, has been granted adequate means and powers to carry out the responsibilities assigned to her/him, in accordance with the provisions of current legislation and regulations.
The directors must obtain the prior approval of the ordinary general shareholder meeting for the following operations:
a) Sale of all or part of a business.
b) Purchase of all or part of a business.
c) Lease of all or part of a business.
d) Conferral of all or part of a business.
The governing body is responsible for the following operations:
a) The decision to merge in the cases provided for in Articles 2505, 2505-bis, 2506-ter, final paragraph C.C.
b) Starting up and closing down branch offices.
c) Deciding which directors will be able to

represent the company.
d) Reducing share capital following withdrawal of a shareholder.
e) Updating the corporate charter to ensure compliance with the Law.
f) Moving the registered offices to another municipality inside Italy.
The board of directors or the Chairman, will report, promptly and at intervals of at least three months, to the board of statutory auditors on the activities and operations of major economic and financial import, including those involving assets, carried out on behalf of the company and its controlled companies. In particular, they will notify the auditors of any operations with the potential for conflicts of interest.
Such reports will be made at board meetings and, when a particular need arises, a report may also be made in writing to the Chairman of the board of statutory auditors, who will record receipt of such a report in the record book prescribed by clause 5 of Article 2421 C.C.

Article 24

Directors are required to abide by the prohibition of competition rules sanctioned by Article 2390 C.C.

Article 25 (Composition of the governing body)

The company is governed by a board of directors, made up of a minimum of three members and a maximum of eleven members, who may also be non-shareholders.

Article 26 (Appointment and replacement of the governing body)

It is the responsibility of the general shareholder meeting to appoint the directors and decide on the number of board members, following the procedures indicated below.
In order to accept the appointment of director, the person in question must fulfil the requirements prescribed by the legislation and regulations in force at the time of appointment.
Directors remain in office for three trading years or for a shorter time, as established by the general shareholder meeting, and they may be re-elected. A director’s appointment ceases on the date of the general shareholder meeting at which the balance sheet for her/his last year of office is approved.
If new directors have not been appointed by the general shareholder meeting at the time the office of the existing directors ceases, they may remain in office with full powers, until such time as the governing body is re-appointed.

If, over the course of the trading year, one or more directors leave office, the board will replace them with a resolution approved by the board of statutory auditors, provided their majority still consists of directors appointed by the general shareholder meeting. The mandate of directors thus appointed expires at the next general shareholder meeting.
If there is no longer a majority of directors appointed by the shareholders, those remaining in office must call a general shareholder meeting to replace those that are missing.
The directors thus appointed remain in office for the same period as those in office at the time of their appointment.
If all the directors cease to hold office, the board of statutory auditors must immediately call a general shareholder meeting to appoint a new board. In the meantime, the board of statutory auditors is responsible for the company's ordinary administration.
Members of the board of directors are elected on the basis of lists compiled by those shareholders who, when the lists are due to be presented, have the right to vote at general shareholder meetings. The names of the candidates must appear on the lists in numerical order.
In order to be considered admissible, all candidate lists must include the names of at least two candidates whose independent status conforms to the legal and regulatory requirements in force at the time. The names must be clearly indicted and one must be placed at the head of the list, in first place.
The lists, which must correspond to those shown in the notice calling the general shareholder meeting, must be filed at the company’s registered office and made available to anyone who so requests. In order to be considered admissible, the lists must be filed at the company’s registered office at least fifteen days prior to the date fixed for the general shareholder meeting, first sitting, unless any compulsory legal or regulatory provisions prescribe otherwise.
No shareholders, those belonging to a shareholder pact, according to the provisions of Article 122 of Italian Legislative Decree (D. Lgs) no. 58 of the 24 February, controlling and controlled entities, including those under joint control, according to the provisions of Article 93 of D. Lgs no 58 of the 24 February 1998, may present, or consent to the

presentation of, including via a third party or trust company, more than a single list, nor may they vote on any lists other than the list that they have presented or to whose presentation they have consented. Any candidate whose name appears on more than one single list, will be disqualified. Any support given or vote cast on the basis of any violation of the above regulations will not be assigned to any of the lists.

Shareholders have the right to present lists only if they, either singly or in concert with other shareholders, hold full title to shareholdings proven to be in compliance with the legal and regulatory provisions in force at the time, and that are set out in the notice calling the general shareholder meeting.

When each list is filed, under the terms indicated above, it must be accompanied by: (i) the appropriate certification issued by a qualified intermediary, as prescribed by law, with proof of the number of shares, properly held, necessary for the presentation of a list, (ii) the statement from each candidate accepting her/his candidature and stating that s/he bears sole responsibility for declaring that no reason exists for ineligibility for or incompatibility with the office s/he is to be elected to, and that s/he is in possession of the requirements established for acceptance of the office, (ii) the curriculum vitae of each candidate showing his/her personal and professional qualities and, if required, a statement that s/he suitable and qualified as an independent person, and (iv) any other information required by the current legal and regulatory provisions, to be indicated in the notice calling the general shareholder meeting.

Any lists that do not comply with the above terms and conditions will not be considered properly presented.

All persons with the right to vote may vote on only one list.

The following procedure will be followed for electing the board of directors:

a) The list that has received the highest number of shareholder votes (the “Majority List”) will be used first, and directors will be elected, apart from one, working down the list in the numerical order in which they appear on the list. In the case of equal votes, the general shareholder meeting will vote again until the elected Majority List is that which receives the greatest number of votes.

b) The remaining director will be elected from the list that received the highest number of votes, hitherto known as the First Minority List, after the Majority List.
c) If the number of directors to be elected is greater than the number named on the Majority List and the First Minority List, the remaining director will be elected from the Second Minority list, that being the one that received the greatest number of votes after the First Minority List, and so on, or if this does not exist, from the First Minority List.
If one of more Minority Lists have received the same number of votes, candidates will be elected from the list presented by shareholders representing the greater share quota, or subordinately, the list presented by the highest number of shareholders.
If only one list is presented, or if a list is not presented at all, the general shareholder meeting will vote, on the basis of the majority prescribed by law, without following the above procedure.
If, over the course of the trading year, one of more directors leave office, and in order for the majority of the board still to be made up of directors elected by the general shareholder meeting, the procedure set out in Article 2386 C.C. will be followed, as follows:
i) The Board will appoint the replacement directors from among the candidates who appeared on the same list as the ones who have left, proceeding in numerical order, starting with the first name that was not elected, it being understood that if the replacement director is required to be an independent person, the first independent candidate on the list will be appointed.
ii) If the directors who have left office were on a minority list and there are no previously non-elected candidates still on the same list, the board will replace the directors who have left with appointees from the candidates from another minority list that received votes, or if this does not exist, without the need to follow the procedures described in points i) and ii).
If it was decided to appoint fewer directors than the maximum number stated in Article 25 of this charter, the board may, during its term of office, increase the number to that maximum. The appointment of such additional board members will be decided on majority shareholder vote, without the need to revert to the use of lists, as will be the

case if a resolution has been passed to replace directors according to the provisions of Article 2386 C.C., provided that, in both cases this guarantees that the board will always contain two members who qualify as independent, according to the legal and regulatory provisions in force at the time.

Article 27 (Chairman of the Board of Directors)
At the first meeting following its appointment, the Board of Directors will elect from among its members, a Chairman and possibly one or more Deputy Chairmen.
Both the Chairman and any of the Deputy Chairmen may be re-elected.
The Chairman of the Board calls board meetings, sets the agenda for a meeting and organises its proceedings and also ensures that all the directors are provided with adequate information on the matters on the agenda.
The board of directors may also appoint a secretary who may be chosen from persons not on the board itself.
Article 28 (Delegated committees)
Within the limits of Article 2381 C.C., the board of directors may delegate part of its powers to one or more of its members, determining the extent of their authority and the related remuneration, having first asked the opinion of the statutory auditors.
The board may also decide to create an executive committee consisting of some of its own members.
In both these cases the provisions of Article 2381 C.C. apply.
The frequency referred to in Article 2381, paragraph 5 C.C. is six months.
The board may also appoint general managers and special attorneys, setting out the limits of their powers.
The board may also appoint from among its members special committees and commissions whose aim may be to offer suggestions and act as consultants, including with the aim of adapting the corporate governance structure to any recommendations that may at any time be made by the Corporate Governance Committee for companies quoted on the stock exchange and/or by the competent authorities or that are contained in codes of practice issued by organisations managing regulated markets, or by professional organisations, any of which are considered appropriate or necessary for the proper functioning and development of the company.
Article 29 (Board resolutions)
The board of directors meets in the place designated in the notice calling the meeting, either at the registered office or elsewhere, provided this is in an EU country, whenever the Chairman considers a meeting necessary or when a meeting is requested by one member of the board, in writing and with a list

of the matters to be discussed.
The Chairman calls the meeting by sending a notice, by recorded delivery letter, or by hand, by telegram, fax or e-mail, to the directors and the active statutory auditors.
If the meeting is urgent, it may be called by telegram, fax or e-mail at least one day before the date of the meeting.
The Chairman is entitled to invite professional experts to attend meetings in a consultative capacity.
A majority of the serving directors have to be present for board resolutions to be valid.
Resolutions are passed by absolute majority vote of those directors in attendance, and in the case of equal votes for and against, the person presiding over the meeting has the deciding vote.
Any directors who obtain from voting or who have declared a conflict of interests are ignored for the purposes of calculating the majority (constituent quorum).
If the meeting has not been formally called, it is judged to be properly convened if all the serving directors and all the members of the board of statutory auditors are present.
If the Chairman considers it necessary, board meetings may also be deemed properly convened if they are held via video or audio-conferencing, provided that the Chairman is able to identify all those present, and all those present can identify each other, and provided that it is possible for all those present to follow and participate in the discussions of the items on the agenda in real time, that they are able to exchange the documents that are relevant to the matters under discussion and that all the above circumstances are noted in the minutes.
If the above circumstances apply, the meeting will be deemed to have been held at the venue in which the Chairman and meeting secretary are both present.
If the Chairman of board is absent, the meeting will be presided over by the most senior in age of the Deputy Chairmen, or if there are no Deputy Chairmen, or they are absent, the meeting will presided over by the director who is most senior in age.
Proxy voting is not permitted.
A Board meeting may also be called by the board of statutory auditors, or by at least one member of this board, by notification sent to the Chairman.
Article 30 (Corporate representation)

The Chairman of the board of directors is empowered to sign documents on behalf of and legally represent the company in dealings with third parties and in legal matters.
Within the limits of the powers assigned to them, managing directors may also sign documents and represent the company legally.

Article 31 (Directors' remuneration)

Members of the board of directors are reimbursed for any expenses incurred during the execution of their duties. They may also receive an annual indemnity or remuneration of another kind, which is decided by the general shareholder meeting.
The remuneration of directors assigned the office of chairman, director or managing director is set by the board of directors in compliance with the upper limits set by the general shareholder meeting, and after taking the advice of the board of statutory auditors.

STATUTORY AUDITORS

Article 32 (Board of statutory auditors)

The board of statutory auditors consists of three active auditors and two reserve auditors, it is appointed by the general shareholder meeting, according to the procedures given below. The shareholders also determine the remuneration due to the Chairman of the board of auditors and to the active auditors.
They remain in office for three years and they may be re-elected.
The auditors must have the requirements prescribed by law, this charter and any other applicable regulations.
Members of the board of auditors are elected on the basis of lists compiled by those shareholders who, when the lists are due to be presented, have the right to vote at general shareholder meetings. Using the methods and abiding by the limits set out below.
The names of the candidates must appear on each of the lists in numerical order. Each list consists of two sections: one for candidates for the office of active auditor, the other for the office of reserve auditor. The list must contain at least one candidate for the office of active auditor and one for that of reserve auditor, and it can contain up a maximum of three candidates for each office.
The lists, which must correspond to those shown in the notice calling the general shareholder meeting, must be filed at the company's registered office and made available to anyone who so requests. The

lists must be filed at the company's registered office at least fifteen days prior to the date fixed for the general shareholder meeting, first sitting, unless any compulsory legal or regulatory provisions prescribe otherwise.

No shareholders, those belonging to a shareholder pact, according to the provisions of Article 122 of Italian Legislative Decree (D. Lgs) no. 58 of the 24 February, controlling and controlled entities, including those under joint control, according to the provisions of Article 93 of D. Lgs no 58 of the 24 February 1998, may present, or consent to the presentation of, including via a third party or trust company, more than a single list, nor may they vote on any lists other than the list that they have presented or to whose presentation they have consented. Any candidate whose name appears on more than one single list, will be disqualified. Any support given or vote cast on the basis of any violation of the above regulations will not be assigned to any of the lists.

Shareholders have the right to present lists only if they, either singly or in concert with other shareholders, hold full title to shareholdings proven to be in compliance with the legal and regulatory provisions in force at the time on the subject of the election of members of the board of directors of the company.

When each list is filed, under the terms indicated above, it must be accompanied by: (i) the appropriate certification issued by a qualified intermediary, as prescribed by law, with proof of the number of shares, properly held, necessary for the presentation of a list, (ii) the statement from each candidate accepting her/his candidature and stating that s/he bears sole responsibility for declaring that no reason exists for ineligibility for or incompatibility with the office s/he is to be elected to, and that s/he is in possession of the requirements established for acceptance of the office in question, including those concerning the total number of appointments permitted by the legal and regulatory provisions in force at the time, iii) the curriculum vitae of each candidate containing a comprehensive description of his/her personal and professional qualities, and (iv) any other information required by the current legal and regulatory provisions, to be indicated in the notice calling the general shareholder meeting.

Any lists that do not comply with the above terms

and conditions will not be considered properly presented.
All persons with the right to vote may vote on only one list.
No names of candidates may appear on any lists if reasons exist for ineligibility or incompatibility with the office to which they are seeking election, or if they are not in possession of the applicable requirements, or if they have already reached the limit for appointments of this kind set out in the legal and regulatory provisions in force at the time.
The following procedure will be followed for electing the statutory auditors:
1. The list that has received the highest number of shareholder votes will be used, and, working down the list in numerical order for each section, two active auditors and one reserve will be elected.
2. The remaining auditor will be elected from the minority list that received the highest number of general shareholder meeting votes, working down the list in numerical order for each section.
If one of more minority lists have received the same number of votes, candidates will be elected from the list presented by shareholders representing the greater share quota, or subordinately, the list presented by the highest number of shareholders.
If only one list is presented, or if a list is not presented at all, the general shareholder meeting will vote, on the basis of the majority prescribed by law, without following the above procedure.
The chairmanship of the board of statutory auditors is assigned to the person whose name is in first place on the minority list.
An auditor may not take up office in the cases prescribed by the applicable legislation or if s/he cannot satisfy the necessary statutory requirements for the office.
If an auditor leaves office the reserve auditor on the same list comes in as a replacement.
If both the active and reserve auditors on the same minority list leave, the candidate placed next on the same list will be the replacement, or if that is not possible, the replacement will be the first candidate on the minority list that came second in terms of shareholder votes.
If only a single list was presented, or there was no list at all, the general shareholder meeting will vote, with the majority prescribed by law.
Article 33 (Verification of accounts)

The corporate accounts are verified by an audit company that is listed in the register or auditors, held by the Ministry of Justice.

BALANCE SHEETS AND PROFITS

Article 34 (Balance sheets and profits)

The trading and financial year ends on the 31 December of every year.

The board of directors will prepare the balance sheet, consisting of the financial statement, profit and loss account, accompanying notes, together with a management performance report.

Net profits shown on the balance sheet will be distributes as follows:

- 5% (five percent) to the legal reserve until such time as it reaches one-fifth of share capital.
- The remaining 95% (ninety-five percent) to the shareholders in proportion to their holdings, unless otherwise decided by the general shareholder meeting.

The board of directors may also vote to pay out interim dividends, using the methods and within the limits prescribed by the provisions of current legislation.

WINDING UP AND LIQUIDATION

Article 35 (Winding up and liquidation)

If the company is wound up for any reason, the general shareholder meeting will decide the manner of liquidation and appoint the liquidator or liquidators, in accordance with the law.

Article 36 (Legal jurisdiction)

All disputes arising between the company and the shareholders or between among shareholders themselves that are associated with company relations will be dealt with exclusively by the Court of Justice which has jurisdiction over the area in which the company’s registered offices are located.

Article 37 (General provisions)

Every other matter not expressly covered by this charter will be governed by the provisions of the Italian Civil Code (C.C.) regulating joint stock companies and any other special legislation on this matter.