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**BANCA MONTE DEI PASCHI DI SIENA SPA**  
**GUIDE**  
**FOR SHAREHOLDERS**

**GENERAL CONTENTS**

INTRODUCTION .....	P. 3
PAR. 1 - <i>Calling and constitution of the shareholders' meeting</i> .....	P. 4
PAR. 2 - <i>Attendance, representation and exercise of voting rights at shareholders' meetings</i> .....	P. 7
PAR. 3 - <i>Notice of shareholders' meeting</i> .....	P. 14

## **INTRODUCTION**

*Italian Legislative Decree No. 27/2010* (which entered into force on 20 March 2010) transposed into Italian law *Directive 2007/36/EC of 11 July 2007 on shareholders' rights*, essentially meant to ensure greater shareholder attendance at the shareholders' meetings of listed companies as well as to ensure that they receive more information, especially prior to the meeting.

Essentially, this legislative decree, which amends certain provisions of the Italian Civil Code and of Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance, "TUF"), amended the organisation and functioning of the shareholders' meetings of listed companies and introduced new shareholders' rights while strengthening those already recognised, with a view to improving the shareholders' meeting as a moment for discussion and dialogue amongst the company's shareholders and management bodies.

Subsequently, *Italian Legislative Decree No. 91 of 18 June 2012* (published in Official Gazette No. 152 of 2 July 2012) set forth corrective measures aimed at solving some critical issues which emerged after the aforementioned directive was transposed.

In consideration of this significant intervention by lawmakers, and with the desire to meet the needs of our bank's shareholders, this document has been prepared to summarise the main legal and regulatory provisions on shareholders' meetings.

## **PARAGRAPH No. 1**

### **CALLING AND CONSTITUTION OF THE SHAREHOLDERS' MEETING**

#### **a) Italian Civil Code**

##### Section VI

##### On shareholders' meetings

##### Art. 2363.

##### Meeting location.

The shareholders' meeting is called in the municipality of the company's registered office, unless the articles of association establish otherwise.

The meeting may be either ordinary or extraordinary.

##### Art. 2366.

##### Formalities for calling the meeting.

The shareholders' meeting is called by the sole director, the board of directors or the managing board in a notice indicating the date, time and location of the meeting and a list of the items on the agenda.

The notice must be published in the Official Gazette of the Italian Republic or in at least one daily newspaper set forth in the articles of association at least fifteen days prior to the date set for the meeting. The notice must be published in

the Official Gazette if the newspapers set forth in the articles of association cease publication. Special laws define procedures for publishing the notice for companies that make recourse to the risk capital market.

As an exception to the previous subsection, the articles of association of companies that do not make recourse to the risk capital market may allow the meeting to be called in a notice sent to the shareholders by means that provide proof of receipt at least eight days prior to the meeting.

If the formalities established for calling the meeting are not carried out, the meeting shall be deemed duly constituted when the full share capital is represented and the majority of the members of the management and control bodies are present. However in that case the attendees may object to the discussion of matters regarding which they do not consider themselves to be sufficiently informed.

In the case contemplated in the above subsection, absent members of the management and control bodies must be promptly notified of the resolutions taken.

Art. 2367.

Calling the meeting at the request of the shareholders.

The directors or the managing board must call the shareholders' meeting without delay when requested by shareholders representing at least one-twentieth of the share capital of companies that make recourse to the risk capital market or at least one-tenth of the share capital of other companies or the lower percentage set forth in the articles of association, provided the items on the agenda are indicated in the request.

If the directors or the managing board, or in their stead the statutory auditors or the supervisory board or the management control committee, do not arrange to do so, the court, after consulting with the members of the management and control bodies and deeming their refusal unjustified, shall order by decree that the shareholders' meeting be called and designate its chairperson.

The meeting may not be called at the request of shareholders for matters on which the shareholders' meeting resolves by law at the proposal of the directors or on the basis of a plan or report that they must prepare.

Art. 2368.

Constitution of the shareholders' meeting and validity of resolutions.

The ordinary shareholders' meeting is duly constituted when at least half of the share capital is represented, excluding from the calculation shares with no voting right at the shareholders' meeting. It resolves by absolute majority unless the articles of association require a larger majority. The articles of association may establish specific rules for the appointment of corporate officers.

The extraordinary shareholders' meeting passes resolutions with the favourable vote of more than half of the share capital unless the articles of association require a larger majority. For companies that make recourse to the risk capital market, the extraordinary shareholders' meeting is duly constituted when at least half of the share capital or the higher percentage required by the articles of association is represented, and passes resolutions with the favourable vote of at least two-thirds of the share capital represented at the shareholders' meeting.

Unless provided otherwise by law, shares with no voting rights are calculated in order to determine whether the meeting is duly constituted. The same shares and those for which the voting right is not exercised following the declaration of abstention by the party with voting rights due to conflict of interests are not considered in the calculation of the majority or the percentage of capital required for the resolutions to be carried.

Art. 2369.

Second and subsequent calls.

The shareholders' meeting must be called again if the share capital set forth in the previous article is not represented at the meeting. Unless provided otherwise by the articles of association, the shareholders' meetings of companies other than cooperatives which make recourse to the risk capital market are held in a combined session. For the ordinary shareholders' meeting, the majorities set forth in the third and fourth subsections as well as in Article 2368, first subsection, second sentence, shall apply. For the extraordinary shareholders' meeting, the majorities set forth in the seventh subsection of this article shall apply. The foregoing is without prejudice to the provisions of law or the articles of association which require larger majorities to pass certain resolutions.

The shareholders' meeting notice may establish the date for the second call. This may not take place on the same day as the first. If the date of the meeting on second call is not set forth in the notice, the meeting must be called again within thirty days of the first meeting, and the deadline established under the second subsection, Article 2366 shall be reduced to eight days.

On second call, the ordinary shareholders' meeting may pass resolutions on the items on the agenda of the first meeting regardless of the portion of share capital represented, and the extraordinary shareholders' meeting is duly constituted with the attendance of over one-third of the share capital and passes resolutions with the favourable vote of at least two-thirds of the share capital represented at the meeting.

The articles of association may require larger majorities, except as regards the approval of the financial statements and the appointment and removal of corporate officers.

For companies that do not make recourse to the risk capital market, the favourable vote of more than one-third of the share capital is needed, even on second call, to pass resolutions concerning changing the company purpose, transforming the company, early winding up, extending the company duration, cancelling liquidation, transferring the registered office abroad and the issue of shares pursuant to the second subsection of Article 2351.

The articles of association may envisage additional calls, to which the provisions of the third, fourth and fifth subsections shall apply.

For companies that make recourse to the risk capital market, the extraordinary shareholders' meeting is constituted, for calls subsequent to the second, when at least one-fifth of the share capital is represented, unless the articles of association require a greater portion of share capital, and passes resolutions with the favourable vote of at least two-thirds of the share capital represented at the shareholders' meeting.

**b) Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance)**

Section II

Shareholders' rights

Art. 125-bis

(Shareholders' meeting notice)

1. The shareholders' meeting is called via a notice posted on the company website at least thirty days prior to the meeting date, as well as with the other procedures and by the deadlines set forth by Consob in its regulation issued pursuant to Article 113-ter, subsection 3, including publication of a summary of the notice in daily newspapers.

2. The notice of call must be published at least forty days prior to the meeting date for meetings called to appoint members of the management and control bodies by list voting.

3. The deadline set forth in subsection 1 shall be postponed to twenty-one days prior to the meeting date for the meetings envisaged in Articles 2446, 2447 and 2487 of the Italian Civil Code.

4. The notice of call must include:

- a) the date, time and location of the meeting as well as a list of the items on the agenda;
- b) a clear and precise description of the procedures to be followed in order to attend and vote during the meeting, including information concerning:
  - 1) the deadlines for exercising the right to ask questions before the meeting and the right to add to the agenda or submit additional proposals concerning items already listed on the agenda as well as, possibly by referring to the company website, any additional procedures for exercising such rights;
  - 2) the procedure for voting by proxy and, in particular, where to find the forms to be optionally used to vote by proxy, as well as the procedures (possibly electronic) for reporting voting proxies;
  - 3) the procedure for conferring proxies upon any company-appointed representative pursuant to Article 135-undecies, although this delegation is not effective with respect to proposals for which voting instructions are not provided;
  - 4) the procedures for voting by mail and voting via email, if envisaged in the articles of association;
- c) the date indicated in Article 83-sexies, subsection 2, with the specification that parties that will become shareholders only after that date shall not be entitled to attend and vote at the meeting;
- d) the procedures for locating and the publication deadlines of the full text of resolution proposals, along with explanatory reports and the documents to be submitted to the shareholders' meeting;
- d-bis) the procedures and deadlines for submitting lists to elect members of the board of directors and the minority member of the board of statutory auditors or the supervisory board;
- e) the address of the website referred to in Article 125-quater;
- f) the other information that must be included in the notice of call based on other provisions.

Art. 126

(Calls subsequent to the first)

1. ...omissis...repealed

2. If the articles of association allow for calls subsequent to the first and the date for the second or subsequent calls is not set forth in the notice of call, the meeting on second or subsequent calls must be held within thirty days. In that case, the deadlines set forth in Article 125-bis, subsections 1 and 2 are reduced to twenty-one days provided the list of

items on the agenda remains the same. For meetings called pursuant to Article 125-bis, subsection 2, the lists for the election of members of the board of directors and the minority member of the board of statutory auditors or the supervisory board already filed with the issuer are deemed valid even in relation to the new call. The submission of new lists is allowed, and the deadlines set forth in Article 147-ter, subsection 1-bis shall be reduced to fifteen and ten days, respectively.

3. ...omissis...repealed

4. ...omissis...

5. ...omissis...

Art. 126-bis

(Addition of items to the shareholders' meeting agenda and submission of new resolution proposals)

1. Within ten days of publication of the shareholders' meeting notice or within five days of the call pursuant to Article 125-bis, subsection 3 or Article 104, subsection 2, shareholders representing at least one-fortieth of the share capital, even jointly, may request that items be added to the agenda by indicating in the request the additional items proposed, or submit resolution proposals on items already included in the agenda. Requests must be submitted in writing together with the certification attesting to ownership of the equity investment, possibly by mail or via email, in compliance with any requirements strictly necessary for the company to identify the proponents indicated. Parties with voting rights may individually submit resolution proposals for the shareholders' meeting. For cooperatives, the extent of the share capital is determined in accordance with the articles of association, also in derogation of Article 135.

2. Notice of additions to the agenda or the submission of additional resolution proposals on items already included in the agenda, pursuant to subsection 1, must be sent in the same manners as those required for the publication of the notice of call at least fifteen days before the meeting date. Additional resolution proposals on items already included in the agenda shall be made available to the public based on the procedures pursuant to Article 125-ter, subsection 1, when the notice of the submission of resolution proposals is published. The deadline shall be reduced to seven days for meetings called pursuant to Article 104, subsection 2, or for meetings called pursuant to Article 125-bis, subsection 3.

3. Additions may not be made to the agenda on matters which by law are resolved by the shareholders' meeting at the proposal of the board of directors or on the basis of a plan or report prepared by the board, other than those set forth in Article 125-ter, subsection 1.

4. Shareholders requesting the addition pursuant to subsection 1 must prepare a report describing the reason for the resolution proposals on the new items that they propose be discussed or the reason for the additional resolution proposals submitted on items already included in the agenda. The report must be sent to the board of directors by the deadline for the submission of requests to supplement the agenda. The board of directors shall make the report available to the public, along with any of its own assessments, when it publishes the notice of the addition or submission of new proposals, in accordance with the procedures pursuant to Article 125-ter, subsection 1.

5. If the board of directors or, in the case of its inaction, the board of statutory auditors or the supervisory board or the management control committee do not arrange to supplement the agenda with the new items or proposals submitted pursuant to subsection 1, the court, after consulting with the members of the management and control bodies and deeming their refusal unjustified, shall order that the addition be made. The order shall be published with the procedures set forth in Article 125-ter, subsection 1.

**PARAGRAPH No. 2**

**ATTENDANCE, REPRESENTATION AND EXERCISE OF VOTING RIGHTS AT SHAREHOLDERS' MEETINGS**

**a) Italian Civil Code**

Art. 2370.

Right to attend the shareholders' meeting and voting.

Parties with voting rights may attend the shareholders' meeting.

The articles of association of companies whose shares are not admitted to central securities depositories may require the prior deposit of the shares at the registered office or at the banks indicated in the notice of call, setting forth the deadline by which the deposit must occur, as well as possibly establish that they cannot be withdrawn prior to the completion of the meeting. If the shares issued by the companies referred to in the first sentence are widely distributed among the general public, the deadline may not exceed two business days.

If the shares are registered, the companies pursuant to the second subsection must record in the shareholders' register those who attended the meeting or made the deposit.

The articles of association may permit participation in the meeting via telecommunications or voting by mail or voting via email. Those who vote by mail or via email are deemed to have attended the meeting.

The foregoing is without prejudice to special laws on entitlement to attend and to exercise the voting right at the meeting as well as on updating the shareholders' register for companies with shares admitted to central securities depositories.

#### Art. 2372.

##### Representation at shareholders' meetings.

Parties with voting rights may be represented at shareholders' meetings unless, for companies that do not make recourse to the risk capital market and cooperatives, the articles of association establish otherwise. The proxy must be conferred in writing and the associated documents must be kept by the company.

For companies that make recourse to the risk capital market, the proxy may only be conferred for individual meetings and shall remain effective for subsequent calls, unless it is a general power of attorney or a power of attorney conferred by a company, association, foundation or other collective entity or institution upon one of its employees.

The proxy may not be issued with the name of the representative left blank, and it may always be revoked regardless of any agreement to the contrary. The representative may be substituted only by a person expressly indicated on the proxy form.

If proxy is conferred upon a company, association, foundation or other collective entity or institution, they may only delegate one of their employees or associates.

Proxy may not be conferred upon members of the management or control bodies or upon employees of the company, or upon companies that it controls or the members of their management or control bodies or their employees.

The same person may not represent more than twenty shareholders at the shareholders' meeting or, for the companies set forth in the second subsection of this article, more than fifty shareholders if the company's share capital does not exceed EUR 5 million, more than one hundred shareholders if the company's share capital is between EUR 5 million and EUR 25 million and more than two hundred shareholders if the company's share capital exceeds EUR 25 million.

The provisions set forth in the fifth and sixth subsections of this article shall also apply in the event of endorsement of shares by proxy.

The provisions of the fifth and sixth subsections shall not apply to companies with shares listed in regulated markets other than cooperatives. The foregoing is without prejudice to the provisions of Article 2359.

#### **b) Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance)**

##### Art. 83-sexies

##### (Right to attend the shareholders' meeting and voting)

1. Entitlement to attend the shareholders' meeting and exercise voting rights is certified by a notice to be sent to the issuer by a broker in compliance with its accounting records, in favour of the party with voting rights.

2. For meetings of holders of financial instruments traded with the consent of the issuer in regulated markets or in the multilateral trading systems of Italy or other EU countries, the broker must send the notice established in subsection 1 on the basis of the records of the accounts set forth in Article 83-quater, subsection 3, relating to the close of business on the seventh trading day prior to the date set for the meeting. Credits or debits to the accounts subsequent to that deadline shall not be considered in order to determine entitlement to exercise voting rights during the shareholders' meeting. The date of the meeting on first call shall be considered for the purposes of this provision provided the dates of any subsequent calls are set forth in the single notice of call; otherwise, the meeting date on each call is taken into account.

3. For meetings other than those referred to in subsection 2, the articles of association may require that the financial instruments subject to notification be registered in the account of the party with voting rights beginning from a pre-established deadline and may establish that they cannot be disposed of prior to the completion of the meeting. For meetings of holders of shares widely distributed among the general public, the deadline may not exceed two business

days. If the articles of association do not prevent the disposal of financial instruments, the broker is required to update the notice sent previously in the event of disposal.

4. The notices set forth in subsection 1 must be received by the issuer by the end of the third trading day indicated in subsection 2, last sentence or the different deadline established by a Consob regulation in agreement with the Bank of Italy, or by the subsequent deadline established in the articles of association pursuant to subsection 3 and subsection 5.

5. The foregoing is without prejudice to entitlement to attend and vote if the notices are received by the issuer after the deadlines set forth in this subsection, provided they are received by the time the shareholders' meeting for the individual call begins.

6. Subsections 1, 3 and 4 shall apply to meetings of holders of financial instruments issued by cooperatives. For meetings of holders of financial instruments traded with the consent of the issuer in regulated markets or in the multilateral trading systems of Italy or other EU countries, the deadline set forth in subsection 3 may not exceed two business days.

#### Art. 83-duodecies

##### (Identification of shareholders)

1. If envisaged in the articles of association, Italian companies with shares traded with the consent of the issuer in regulated markets or in the multilateral trading systems of Italy or other EU countries may request the identifying data of shareholders who have not expressly prohibited such disclosure, together with the number of shares registered in their accounts, from brokers through a central securities depository at any time, bearing the associated expenses.

2. The reports referred to in subsection 1 must be received by the issuer within ten trading days of the date of the request, or by the different deadline established by Consob regulation in agreement with the Bank of Italy 414.

3. If the articles of association grant the right pursuant to subsection 1, the company must make the same request at the request of shareholders representing at least half of the minimum investment quota established by Consob pursuant to Article 147-ter, subsection 1. The associated costs shall be divided between the company and the requesting shareholders on the basis of criteria established by Consob regulation with a view to not incentivising the use of this instrument by shareholders for purposes which are inconsistent with the aim of facilitating coordination amongst shareholders in order to exercise the rights that require a qualifying equity investment.

4. Companies must publish a notice following the procedures and under the terms set forth in Article 114, subsection 1 in which they disclose that the request for identification has been submitted, indicating the reasons in the case of a request pursuant to subsection 1, or the identity and total equity investment of the requesting shareholders in the case of a request pursuant to subsection 3. The data received shall be made available to the shareholders free of charge on electronic media in a commonly used format, without prejudice to the obligation to update the shareholders' register.

5. This article shall not apply to cooperatives.

#### Section II-ter

##### Voting proxies

#### Art. 135-novies

##### (Representation at shareholders' meetings)

1. Parties with voting rights may appoint a single representative for each shareholders' meeting, without prejudice to the right to indicate one or more substitutes.

2. As an exception to subsection 1, parties with voting rights may appoint a different representative for each of the accounts used for recording transactions on financial instruments, provided the notice envisaged in Article 83-sexies concerning such representatives has been sent.

3. As an exception to subsection 1, if the party listed as shareholder in the notice set forth in Article 83-sexies acts on behalf of its customers, also on the basis of trustee agreements, it may indicate as a representative the parties on behalf of which it acts or one or more third parties designated by such parties.

4. If the proxy grants this right, the delegate may be substituted by a party of his or her choosing, without prejudice to compliance with Article 135-decies, subsection 3, and without prejudice to the right of the represented party to specify one or more substitutes.

5. In place of the original, the representative may deliver or transmit a copy, possibly on electronic media, of the proxy, certifying under his or her own responsibility the compliance of the proxy with the original and the identity of the delegating party. The representative shall keep the original proxy and keep track of any voting instructions received for one year after the completion of the shareholders' meeting.

6. The proxy may be conferred in an electronic document bearing an electronic signature pursuant to Article 21, subsection 2 of Italian Legislative Decree No. 82 of 7 March 2005. Companies' articles of association must specify at least one way of reporting the proxy electronically.

7. Subsections 1, 2, 3 and 4 shall also apply in the case of share transfer by proxy.

8. The foregoing is without prejudice to the provisions of Article 2372 of the Italian Civil Code. As an exception to Article 2372, second subsection of the Italian Civil Code, asset management companies, mutual investment funds and open-end investment collective schemes (SICAVs), harmonised asset management companies and non-EU parties that provide collective asset management services may confer proxies for more than one meeting.

#### Art. 135-decies

##### (Conflict of interests of the representative and substitutes)

1. Conferring proxy upon a representative with a conflict of interests is permitted provided the representative informs the shareholder in writing of the circumstances giving rise to such conflict of interests and provided specific voting instructions are provided for each resolution in which the representative is expected to vote on behalf of the shareholder. The representative shall have the onus of proof regarding disclosure to the shareholder of the circumstances giving rise to the conflict of interests. Article 1711, second subsection of the Italian Civil Code shall not apply.

2. In any event, for the purposes of this article, a conflict of interests exists where the representative or substitute:

- a) has sole or joint control of the company, or is controlled by or subject to joint control with that company;
- b) is associated with or exercises significant influence over the company or the company exercises significant influence over the representative;
- c) is a member of the management or control bodies of the company or of the persons indicated in paragraphs a) and b);
- d) is an employee or auditor of the company or of the persons set forth in paragraph a);
- e) is the spouse or close relative of or is related by up to four times removed to the persons indicated in paragraphs a) to c);
- f) is bound to the company or to persons indicated in paragraphs a), b), c) and e) by independent business or employment relations or other relations of a financial nature that compromise independence.

3. Replacement of the representative by a substitute in conflict of interests is permitted only if the substitute is indicated by the shareholder. In that case, subsection 1 shall apply. Disclosure obligations and the related onus of proof in any event remain with the representative.

4. This article shall also apply in the case of share transfer by proxy.

#### Art. 135-undecies

##### (Appointed representative of a listed company)

1. Unless otherwise stated in the articles of association, for each shareholders' meeting listed companies shall appoint a person upon whom shareholders may confer proxy, with voting instructions on all or a number of items on the agenda, by the second trading day prior to the date established for the shareholders' meeting on first or subsequent calls. The proxy shall be valid only for proposals for which voting instructions are provided.

2. Proxy is conferred by signing a proxy form, the content of which is governed by a Consob regulation. Conferring proxy shall be free of charge to the shareholder. The proxy and voting instructions may be cancelled within the time limit indicated in subsection 1.

3. Shares for which full or partial proxy is conferred are calculated for the purpose of determining due constitution of the shareholders' meeting. With regard to proposals for which no voting instructions are given, the shares of the shareholder concerned are not considered in calculating the majority and the percentage of capital required for the resolutions to be carried.

4. The person appointed as representative shall disclose any interest, personal or on behalf of third parties, that he or she may have with respect to the resolution proposals on the agenda. The representative must also maintain confidentiality of the content of voting instructions received until scrutiny commences, without prejudice to the option of disclosing such information to his or her employees or collaborators, who shall also be subject to confidentiality obligations. Proxy may not be conferred upon the appointed representative in manners that do not comply with this article.

5. By regulation pursuant to subsection 2, Consob may establish cases in which a representative failing to meet the terms of Article 135-decies may express a vote other than that indicated in the voting instructions.

### Section III

#### Solicitation of proxies

#### Art. 136

##### (Definitions)

1. The following definitions apply for the purposes of this section:

- a) "voting proxy", the conferral of proxy to vote at shareholders' meetings;
- b) "solicitation", the request to confer voting proxies addressed to more than two hundred shareholders on specific vote proposals or accompanied by recommendations, statements or other information that can influence the vote;
- c) "promoter", the party, including the issuer, or parties that jointly promote the solicitation.

Art. 137

(General provisions)

1. When voting proxies are conferred pursuant to this section, Articles 135-novies and 135-decies shall apply.
2. Clauses of the articles of association that limit representation at meetings in any manner whatsoever shall not apply to voting proxies conferred in compliance with the provisions of this section.
3. The articles of association may include provisions aimed at facilitating voting by proxy by shareholders who are also employees.
4. The provisions of this section shall not apply to cooperatives.
- 4-bis. The provisions of this section shall also apply to Italian companies with financial instruments other than shares traded with the consent of the issuer in the regulated markets of Italy or other EU countries, with regard to the conferral of proxy to enable the holders of such financial instruments to exercise their voting right at shareholders' meetings.

Art. 138

(Solicitation)

1. The promoter carries out the solicitation by publishing a statement and a proxy form.
2. The promoter exercises the vote associated with the shares for which a proxy has been issued. The promoter may be substituted only by a party expressly indicated on the proxy form and in the solicitation statement.

Art. 141

(Associations of shareholders)

1. A request for conferral of voting proxies accompanied by recommendations, statements or other information that can influence the vote is not considered solicitation in accordance with Article 136, subsection 1, paragraph b) if addressed to the members of associations of shareholders which:
  - a) are constituted by notarised private agreement;
  - b) do not exercise business activities other than those directly instrumental to the purpose of the association;
  - c) are composed of at least fifty natural persons, each of whom owning a number of shares not exceeding 0.1% of the share capital represented by shares with voting rights.
2. The proxies conferred upon the association of shareholders pursuant to subsection 1 are not considered in the calculation of the two hundred shareholder limit set forth in Article 136, subsection 1, paragraph b).

Art. 142

(Voting proxy)

1. The voting proxy must be signed by the delegating party, may be revoked and may be conferred only for individual shareholders' meetings that have already been called, remaining effective for any subsequent calls; it may not be issued blank and must indicate the date, the name of the delegate and voting instructions.
2. Proxy may be conferred even for only one of the vote proposals indicated on the proxy form or for only certain items on the agenda. The representative is also required to vote on behalf of the delegating party on items on the agenda not subject to solicitation but for which instructions have been received. Shares for which full or partial proxy is conferred are calculated for the purpose of determining due constitution of the shareholders' meeting.

Art. 143

(Liability)

1. The information set forth in the proxy statement or the proxy form and any information that may be distributed during the solicitation must enable the shareholder to make an informed decision; the promoter shall be held liable for such suitability.
2. The promoter shall be held liable for the accuracy of the information distributed during the solicitation.
3. The promoter shall have the onus of proof that it acted with the required diligence in any judgements concerning compensation for damages deriving from the violation of the provisions of this section and the associated regulations.

Art. 144

(Solicitation and collection of proxies)

1. The rules of transparency and accuracy relating to the solicitation and collection of voting proxies are established by Consob regulation. In particular, the regulation governs:
  - a) the content of the statement and proxy form, as well as the procedures for their distribution;
  - b) suspend the solicitation and the collection of voting proxies and the conditions and procedures to be followed for their exercise and revocation;
  - c) forms of collaboration between the promoter and the parties in possession of information about shareholder identity, in order to ensure that the solicitation can be carried out.
2. Consob may:
  - a) request that additional information be included in the statement and proxy form and establish specific methods for distributing them;
  - b) suspend the solicitation in the case of a grounded suspicion of the violation of the provisions of this section or prohibit it in the case of an ascertained violation of the above provisions;
  - c) with respect to the promoters, exercise the powers set forth in Article 114, subsection 5 and Article 115, subsection 1
3. ...omissis...
4. When forms of control over investments in the share capital of companies are established by law, a copy of the statement and the proxy form must be sent to the competent supervisory authorities before the solicitation. The authorities shall prohibit solicitation when it harms the pursuit of the purposes inherent in controls over investments in the share capital.

**c) Consob Regulation No. 11971 implementing Italian Legislative Decree No. 58 of 24 February 1998 on the regulation of issuers (the "Issuers' Regulations")**

TITLE IV

EXERCISE OF VOTING RIGHTS

Chapter I

Voting proxies

Art. 134

(Appointed representative of a listed company)

1. The proxy form provided under Article 135-undecies of the Consolidated Law shall contain at least the information provided by the schedule set out in Annex 5A.
2. The representative that does not have any conflicts of interest as set out under Article 135-decies of the Consolidated Law, where expressly authorised by the delegating party, may express a vote not aligned to the instructions in case significant events occur that were not known at the time the proxy was issued and that cannot be communicated to the delegating party, provided that it could be reasonably inferred that, had the delegating party known of these significant events, it would have given its approval, or in the event of changes or additions to the resolution proposals submitted to the shareholders' meeting.
3. In the cases envisaged in subsection 2, the representative shall state at the meeting:
  - a) the number of votes not expressed in accordance with the instructions received, or, in the event of a new proposed resolution, expressed without instructions, with respect to the total number of votes exercised, distinguishing between abstentions, votes against and votes in favour;
  - b) the reasons behind the vote not expressed in accordance with the instructions received or in the absence of instructions.

Chapter II

Solicitation of proxies

Art. 135

(Definitions)

1. For the purposes of this Chapter, the definitions of "broker", "participant" and "last intermediary" established in Article 1 of the Regulations governing the central depository, settlement and guarantee systems and related management companies, as adopted by the Bank of Italy and Consob on 22 February 2008 and subsequently amended, shall apply.

Art. 136

(Solicitation procedure)

1. Anyone intending to promote a proxy solicitation shall send a notice to the issuing company, which shall publish it without delay on its website, to Consob, to the stock exchange management company and to the central securities depository.
2. The notice shall indicate:
  - a) the identity of the promoter and the company issuing the shares for which the proxies are sought;
  - b) the date of the shareholders' meeting and the list of items on the agenda;
  - c) how the proxy statement and the proxy form are published as well as the website where these documents are available;
  - d) the date beginning from which the party with voting rights may request the statement and the proxy form from the promoter or view it at the stock exchange management company;
  - e) the resolution proposals for which the solicitation is to be carried out.
3. The proxy statement and the proxy form, containing at least the information provided under the schedules in Annexes 5B and 5C, shall be published via transmission to the issuing company, Consob, the stock exchange management company and the central securities depository, and made available without delay on the website indicated by the promoter in accordance with subsection 2, paragraph c). This website may be the issuer's website if the issuer so agrees. The central securities depository shall inform the brokers without delay of the availability of the proxy statement and the proxy form.
4. *omissis repealed*.
5. The promoter shall deliver the form along with the statement to whoever requests it.
6. Any change in the statement and form made necessary by circumstances that have arisen shall be immediately communicated with the procedures set forth in subsection 3. .
7. At the request of the promoter:
  - a) the central securities depository shall communicate the identifying details of the participating brokers in whose accounts the issuing company's shares are registered, in addition to the relative quantity of shares, on electronic media and within one business day of receiving the request;
  - b) the brokers shall communicate, on electronic media within three business days of receiving the request:
    - the identifying details of the parties with voting rights who have not expressly prohibited communication of their details, in relation to which they operate as last intermediaries, in addition to the number of shares of the issuing company registered in the respective accounts;
    - the identifying details of the parties that have opened accounts as brokers and the quantity of shares of the issuing company respectively registered in said accounts;
  - c) the issuing company shall make the identifying details of the shareholders and the other records from the shareholders' register and the other disclosures received in accordance with the law or regulations available on electronic media within three business days of receiving the request.
8. Starting from when the notice provided under subsection 1 has been published, anyone who releases information that is pertinent to the solicitation must simultaneously notify the stock exchange management company and Consob, which may request publication of more details or clarifications.
9. The promoter shall bear the solicitation related costs.
10. The mere decision, by more than one party, to jointly promote a solicitation is irrelevant for the purposes of the duties provided under Article 122 of the Consolidated Law.

Art. 137

(Conduct obligations)

1. The promoter shall act with diligence, correctness and transparency.
2. In its contacts with the solicited parties, the promoter shall abstain from carrying out its activity with persons who declare that they are not interested, provide comprehensible responses to requests for clarifications and explain the reasons for the solicitation, making clear in every case the implications resulting from business or shareholding relationships of it or entities belonging to its group, with the issuing company or entities belonging to its group.
3. If the promoter is different from the issuing company, it will note that, where expressly authorised by the solicited party, if significant events occur which were not known when the proxy was issued and cannot be communicated to the solicited party, and it could be reasonably inferred that if this party had known of these significant events it would have given its approval, the vote may be exercised differently from the way it was proposed.
4. The promoter shall keep the results of the solicitation secret.
5. The promoter shall announce how it voted in a press release issued without delay in the manner indicated in Article 136, subsection 3, in addition to the reasons behind any vote exercised differently to what had been proposed in accordance with subsection 3, and the result of the voting.
6. In accordance with Article 142, subsection 2 of the Consolidated Law, anyone who exercises the vote at shareholders' meetings must also vote on behalf of the delegating party for matters on the agenda that the promoter

has not made proposals on, in accordance with the wish expressed by the delegating party in the proxy form in accordance with Article 138, subsection 3.

7. The promoter may not acquire voting proxies in accordance with Article 2372 of the Italian Civil Code.

Art. 138

(Conferring and revoking proxies)

1. For the conferment of the proxy, the party with voting rights must transmit the proxy form to the promoter even in the form of electronic document signed electronically in accordance with Article 21, Par. 2, Legislative Decree March 7, 2005, n. 82 .

2. The promoter shall decide whether to exercise the vote even in a way that does not reflect its proposals and shall note this choice in the proxy statement. If the proxy solicitation has been promoted by the issuing company, it must exercise the vote, even if it does not reflect its own proposals.

3. The party with voting rights who has given a full or partial proxy may use the same proxy form to vote for the items on the agenda for which the promoter has not requested the proxy. The promoter may not provide recommendations, statements or other information that can influence the vote regarding these items.

4. In the cases provided under subsections 2 and 3, the promoter, if different from the issuing company and where expressly authorised by the delegating party, may express a vote not aligned to the instructions in case significant events occur that were not known at the time the proxy was issued and that cannot be communicated to the delegating party, provided that it could be reasonably inferred that, had the delegating party known of these significant events, it would have given its approval, or in the event of changes or additions to the resolution proposals submitted to the shareholders' meeting.

5. In the cases provided under subsection 4, the promoter shall state at the meeting:

- a) the number of votes not expressed in accordance with the instructions received, or, in the event of a new proposed resolution, expressed without instructions, with respect to the total number of votes exercised, distinguishing between abstentions, votes against and votes in favour;
- b) the reasons behind the vote not expressed in accordance with the instructions received or in the absence of instructions.

6. In the cases provided in subsections 3 and 4, in relation to the resolution proposals for which voting instructions were not given and where authorisation was not provided to express a different vote to the one indicated in the instructions, the shares shall in any case be considered to calculate whether the shareholders' meeting has been duly constituted; however, these shares shall not be considered in order to calculate the majority and the percentage of capital required for the resolutions to be carried.

7. The proxy shall be revoked by written statement, issued as set forth in subsection 1, made known to the promoter at least the day before the shareholders' meeting

Art. 139

(Interruption of the solicitation)

1. In the case of the interruption, for any reason whatsoever, of the solicitation, the promoter must disclose the same with the procedures contemplated by Article 136, subsection 3.

2. Unless there is a provision to the contrary in the proxy statement, the promoter shall exercise the vote associated with the shares for which the proxy was conferred prior to publication of the notice provided under subsection 1. This provision shall not apply if the interruption of the solicitation is provided for by Article 144, subsection 2, paragraph b) of the Consolidated Law on Finance

**PARAGRAPH No. 3**

**NOTICE OF SHAREHOLDERS' MEETING**

**a) Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance)**

Art. 125-ter

(Reports on the agenda items)

1. If not required under other provisions of law, by the deadline for publication of the shareholders' meeting notice contemplated on the basis of each of the items on the agenda, the board of directors must make a report available to

the public on each of the agenda items at its registered office, on the company website and with the other procedures set forth by Consob regulation.

2. The reports prepared pursuant to other laws shall be made available to the public by the deadlines set forth in such laws with the procedures envisaged in subsection 1. The report pursuant to Article 2446, first subsection of the Italian Civil Code shall be made available to the public at least twenty-one days before the shareholders' meeting. The foregoing is without prejudice to the provisions of Article 154-ter, subsections 1, 1-bis and 1-ter.

3. If the shareholders' meeting is called pursuant to Article 2367 of the Italian Civil Code, the report on the items on the agenda must be prepared by the shareholders that have requested that the meeting be called. If the board of directors or the statutory auditors or the supervisory board or the management control committee have arranged to call the meeting pursuant to Article 2367, second subsection, first sentence of the Italian Civil Code they shall make the report available to the public along with any of their own assessments, when the shareholders' meeting notice is published following the procedures pursuant to subsection 1.

Art. 127-ter

(Right to ask questions prior to the shareholders' meeting)

1. Prior to the shareholders' meeting, parties with voting rights may ask questions in relation to the items on the agenda. Questions received shall be answered at the latest during the shareholders' meeting. The company may provide a single answer to questions with the same content.

1-bis. The notice of call must set forth the deadline by which questions submitted prior to the meeting must be received by the company. The deadline cannot be more than three days prior to the date of the meeting on first or only call, or more than five days if the notice of call envisages that the company must provide a response prior to the shareholders' meeting to the questions received. In that case, responses shall be provided at least two days prior to the meeting, also via publication in the appropriate section of the company website.

2. Questions posed prior to the meeting are not due a response, not even during the meeting, when the information requested is available in the "questions and answers" section of the website of the company indicated in subsection 1-bis or when the response has been published in accordance with the same subsection.

3. The response is deemed given at the shareholders' meeting when the hard copy form is made available to each of the parties entitled to vote at the beginning of the meeting.

**b) Consob Regulation No. 11971 implementing Italian Legislative Decree No. 58 of 24 February 1998 on the governance of issuers (the "Issuers' Regulations")**

Art. 84-ter

(Explanatory Reports)

1. By the deadline for publication of the shareholders' meeting notice contemplated on the basis of each of the items on the agenda, share issuers shall make the reports required by Article 125-ter, subsections 1 and 3 of the Consolidated Law on Finance available to the public at the company's registered office, on the company website and with the other procedures set forth in Articles 65-bis, subsection 2, 65-quinquies, 65-sexies and 65-septies.

Art. 85

(Shareholders' meeting minutes)

1. The data and information provided for in Annex 3E shall be included in the minutes of ordinary and extraordinary shareholders' meetings of issuers of securities or attached thereto as an integral part thereof.

1-bis. The share issuers shall publish the minutes of the ordinary and extraordinary shareholders' meetings on their websites and with the other procedures set forth in Articles 65-bis, subsection 2, 65-quinquies, 65-sexies and 65-septies within thirty days of the date of the shareholders' meeting.