

**DEA CAPITAL S.p.A.**

**COMPANY BYLAWS**

**SECTION I**

**COMPANY NAME - HEAD OFFICE - COMPANY PURPOSE - DURATION**

**Article 1 - Company Name**

An Italian joint-stock company (Società per Azioni - S.p.A.) has hereby been incorporated under the name DEA CAPITAL S.p.A..

**Article 2 - Head Office**

The Company's head office is in Milan, Italy.

The Company's head office can be transferred to another location in Italy, with the authorization of the Board of Directors.

The Board of Directors has the power to establish, modify or close secondary offices, agencies, branches and representative offices of all kinds, both in Italy and abroad.

**Article 3 - Company Purpose**

The Company's purpose is to acquire, sell, build and transfer any type of property including the management and leasing of Company property.

The Company also has as its purpose:

- the exercise of the following activities but not in relation to the public:

\* acquisition of a holding, a company or a share of a

company;

- \* the financing of companies in which it invests and their technical, administrative and financial coordination;

- the direct and/or indirect (through qualified organizations) financial investment in Italian or foreign companies;

- the provision of financial, commercial, technical and administrative consulting services to third parties.

The Company may realize any commercial, financial, industrial and fixed and movable asset transactions necessary or useful to the achievement of its purpose (including the realization of personal and real guarantees with third parties and on behalf of third parties and the undertaking of debt and financing relating to bank loans and mortgages), except for the conducting of fiduciary and business activities reserved by law, the collecting savings from the public, the carrying out of activities reserved for SIM and SGR companies, and the exercise of all activities with the public that are deemed by law to be "financial activities".

The limits and terms and conditions of allowed collection of savings are set in Article 11 of TU N° 385/1993 and in the related application regulations whose prescribed limits and terms and conditions are enforced for the time

being.

#### **Article 4 - Duration**

The Company's duration shall expire on December 31, 2100, unless it is extended one or more times by a Meeting of shareholders, unless this gives rise to the Company's right of withdrawal.

### **SECTION II**

#### **SHARE CAPITAL - SHARES**

#### **Article 5 - Share capital**

The Company's share capital is set at Euro **102.158.200** (one hundred and two million one hundred fifty eight thousand two hundred) and divided into **102.158.200** (one hundred and two million one hundred fifty eight thousand two hundred) common shares each with a EURO 1 (One) par value.

The Extraordinary General Meeting of shareholders of April 30, 2003 conferred the Board of Directors with powers prescribed in Article 16 of the present Bylaws.

The Board of Directors, meeting on May 7, 2001, approved a maximum increase in share capital, without option rights, of EURO 2,391,333 (two million and three hundred and ninety-one thousand and three hundred and thirty-three), a maximum of € 888,500 (eight hundred and eighty eight thousand five hundred) currently remaining for the

purpose of subscription by directors, managers, employees and agents of the Company and its subsidiaries.

The Extraordinary General Meeting of shareholders of April 30, 2003 authorized an increase in share capital, maximum € 590,000 (five hundred and ninety thousand), a maximum of **€ 92,500 (ninety two thousand five hundred)** currently remaining, without option rights, for the purpose of subscription by directors, managers, employees and agents of the Company and its subsidiaries.

The Extraordinary General Meeting of shareholders of August 30, 2004 authorized an increase in share capital, maximum € 720,000 (seven hundred and twenty thousand), a maximum of **€ 112,000 (one hundred and twelve thousand)** currently remaining, without option rights, for the purpose of subscription by directors, managers, employees and agents of the Company and its subsidiaries.

The Board of Directors Meeting of April 27, 2005 authorized an increase in share capital, maximum € 380,000 (three hundred and eighty thousand), a maximum of **€ 140,800 (one hundred and forty thousand eight hundred)** currently remaining with the exception of option rights, for the purpose of subscription by directors, managers, employees and agents of the Company and its subsidiaries.

The Extraordinary General Meeting of shareholders of April 30, 2004 conferred the Board of Directors with pow-

ers prescribed in Articles 2443 and 2420 of the Italian Civil Code, pursuant to Article 16 of the present Bylaws.

On April 15, 2007, a decision was made by the Board of Directors to utilize the authorization granted by the Extraordinary session of the Shareholders' Meeting of April 30, 2004 to carry out a divisible increase to the share capital of the Company, pursuant to Article 2443 of the Italian Civil Code, by a maximum nominal value of € 260,869,565 with the issue of a maximum of 260,869,565 ordinary shares with a nominal value of € 1 (one) each, to be offered as options to those with rights, to be carried out before December 31, 2007.

#### **Article 6 - Share capital increase**

The Board of Directors will set the terms and conditions of all new share issues, including the date and payment conditions, for all share capital increases approved by a Meeting of shareholders.

#### **Article 7 - Share capital reduction**

The Meeting of shareholders may decide to reduce the Company's share capital in accordance with the provisions set in Italian Law.

#### **Article 8 - Shareholder Withdrawal**

A shareholder may withdraw in the cases allowed for by law, and in the ways prescribed by law.

This does not, however, affect the right of withdrawal of

those shareholders who did not take part in the deliberations regarding the extension of the Company's duration and/or the introduction or removal of obligations regarding the circulation of shares.

Shareholders intending to exercise their right of withdrawal must give written notice of their intention in a registered letter addressed to the Company, outlining, among other, the number of certificates recorded in the register for which the right to withdraw is exercised, which must be deposited with a legally independent intermediary.

### **SECTION III**

#### **SHAREHOLDERS' MEETING**

##### **Article 9 - Meetings**

Shareholder meetings may be held in ordinary and extraordinary sessions.

An Ordinary General Meeting of shareholders must be convened at least once a year, within four months after the end of the Company's fiscal year, to discuss matters prescribed by Italian law, in accordance with regulations prescribed by Italian law.

When circumstances warrant, an Ordinary General Meeting may be convened after four months but no later than six months after the end of the Company's fiscal year.

An Extraordinary General Meeting of shareholders may be

convened to consider matters prescribed by Italian Law or in Company Bylaws.

The Meeting will be held at the Company's head office or at any other location in Italy, subject to the issuance of a convocation notice in accordance with the timetable and terms prescribed in Italian Law, specifying the date, time and location of the Meeting as well as a listing of matters to be considered. In accordance with current regulations, the convocation notice must be published in either of the following daily newspapers "Il Sole 24 Ore" or "Gazzetta Ufficiale". Admittance to the Shareholders' Meeting is subject to the presentation of the relative certification at least two days prior to the date of the meeting to an intermediary who maintains the relative accounts. The shares represented by this certification remain unavailable until the end of the Meeting.

Every member with the right to take part in the Meeting can send a legal representative in his/her place, with written authority, pursuant to current Italian law.

The responsibility regarding the legality of representatives and the right of attendance of those present at the Meeting rests with the Chair of the meeting.

One share, one vote.

The constitution of ordinary and extraordinary Meetings and the validity of its deliberations are regulated by

Italian Law.

The Meeting can also be held via means of communication, in accordance with the convocation notice.

#### **Article 10 - Chairing of Meeting**

The Meeting is chaired by the Chairman of the Board of Directors or, in his absence or incapability, by the Deputy Chairman or by the Chief Executive Officer, or in the latters' absence or incapability, by another person elected by the shareholder meeting.

The Chairman will be assisted by a Secretary, who holds the position of Secretary to the Board of Directors, where nominated, or in the latter's absence or incapability, a person elected by the shareholders' Meeting.

The presence of the Secretary is not deemed necessary when the meeting is being recorded by a Notary.

The Chairman of the Meeting:

- ascertains the voting rights, including those held by proxy;
- ascertains that the number of shareholders attending the Meeting is sufficient for a quorum;
- manages and regulates the Meeting;
- establishes the voting procedures (which must be transparent) and announces the results of votes.

#### **SECTION IV**



## **CORPORATE GOVERNANCE AND SHAREHOLDERS' REPRESENTATION**

### **Article 11 - Board of Directors**

The Company is governed by a Board of Directors comprising between 3 to 21 members, including non-shareholders, whose number is set by the Meeting of shareholders at the time of their appointment.

Each Director is elected for a maximum term of 3 years, expiring following the approval of the financial statements of the final year of their term.

Directors may be re-elected.

The Meeting's first decision regarding the Board of Directors is to set their number and term of office.

Where the number of elected Directors is less than the maximum set, the Meeting, during the term of the Board, may increase its number. The term of these newly elected Directors will expire at the same time as those they replace.

The Meeting will set the amount of fees to be paid to the members of the Board.

### **Article 12 - Board of Directors' Powers**

The Board of Directors is vested with the widest possible powers for ordinary and extraordinary governance of the Company. The Board of Directors has the power to accomplish all deeds and acts that it deems advisable for implementation and achievement of the Company's purpose,

with no exceptions other than those deemed reserved by law or the present byelaws which compete to the Shareholder's Meeting.

The Board of Directors can authorize a reduction in share capital in the case of shareholders' withdrawal, the adaptation of company byelaws in accordance with current law, the transfer of the Company's head office within Italy, the merger by incorporation of any wholly-owned subsidiary or those in which a share of at least 90% is held, pursuant to Articles 2505 and 2505 b of the Italian Civil Code.

At the time of the preparation of the fiscal year's financial statements and at any other opportune time, the Board of Directors will set the amount of any contributions to social, charitable, scientific and cultural causes, and will inform the shareholders at the Meeting approving these financial statements.

#### **Article 13 - Offices and Delegation of Powers**

The Board of Directors elects a Chairman from one of its members, if the Meeting of shareholders has not already done so. The Board may also elect one or more Vice-Chairmen and Chief Executive Officers.

The Board may appoint a Secretary from time to time, even if it is not from among its members.

In the absence or incapability of the Chairman, the Vice-

Chairman will exercise his duties. In the event of the latter's absence or incapability, the Chairman's duties will be exercised by the Director with the longest serving term, with the oldest Director by age undertaking the duties of the Chairman in the event of more than one Director having served the longest term.

The Board of Directors Meeting will be conducted in accordance with the provisions of the Italian Law in the event of the absence of one or more Directors.

The Board of Directors may delegate some of its powers to the Chairman, Vice-Chairman and to one or more Directors and/or Chief Executive Officers, setting their scope and remuneration.

The Board of Directors may also establish an Executive Committee, setting its powers, number of members and procedures for operation.

The Board of Directors may also appoint Executive Officers, who can also be chosen from the members of the Board, Directors and Procurators, with single or joint signature, determining the powers and attributes of said role, other than those deemed mandatory by specific Acts or types of Act.

The nomination of Directors, Vice-Directors and Procurators, and the determination of the powers and attributes of said roles, can be delegated by the Board of Directors

to the Chairman or his representative, or Executive Officers.

#### **Article 14 - Board of Directors' Meetings**

The Board of Directors may meet at the Company's head office, or at another location in Italy, or internationally, as convened by the Chairman, or whoever has been appointed to act on his behalf.

A meeting of the Board of Directors, and if established, of the Executive Committee, may also be convened, pursuant to notice received by the Chairman of the Board of Directors, from the Board of Auditors or from two members of the Board of Directors.

Deliberations by the Board of Directors at its meetings will only be deemed valid if a majority of Directors are present and a simple majority vote was obtained from those present. The Chairman of the Board, or whoever has been appointed to act on his behalf, will cast the deciding vote in the event of a tied vote.

Notice of the convening of a Board of Directors meeting can be issued by registered letter, fax or electronic mail to each Director and each member of the Board of Auditors at their home address, within three days of the meeting (within 24 hours by telegram, fax or e-mail in the event of an emergency meeting).

A Board of Directors meeting may be officially held with-

out formal convocation notice, provided that all its members and those of the Board of Auditors are present.

The Board of Directors' meeting will be chaired by the Chairman, or in his absence or incapacity, whoever has been appointed to act on his behalf.

In default, the Board will appoint another Director.

Meetings of the Board of Directors, and when established the Executive Committee, may be held by teleconferencing or videoconferencing, on condition that all of the participants can be clearly identified and that they are allowed to follow, participate and intervene in real-time discussions and receive, view and send documents.

When these conditions are met, the Board of Directors is deemed to have met in the location of the Chairman of the Board.

When the meeting is not recorded by a Notary, the minutes shall be taken by the Secretary and signed by the Chairman and Secretary without delay.

#### **Article 15 - Reporting Obligations**

The Board of Directors reports to the Board of Auditors at least on a quarterly basis, on the occasion of meetings of the Board of Directors or when specific matters of urgency deem it necessary, in written or verbal form, including by phone, to report on activities carried out, in accordance with the most appropriate formalities each

time.

#### **Article 16 - Powers Delegated to the Board of Directors**

The Extraordinary General Meeting of April 30, 2004 vested the Board of Directors for a period of five years from the date of this Meeting:

a) with the power, pursuant to Article 2443 of the Italian Civil Code, to increase, in one or more installments, the nominal value of the share capital of Company, up to a maximum of Euro 500,000,000, freely or in exchange for payment, with or without share premiums. The Board of Directors will have the power to set, from time to time, the issue price, for the benefit of the eventual beneficiary of the share capital increase arising from the conversion of bonds issued to third parties in Italy and internationally, as well as warrants, and to determine the reserves and available funds to be allocated to share capital and their amounts.

In more general terms, to define the procedures, terms and conditions of the share capital increase;

b) with the power, pursuant to Article 2420 of the Italian Civil Code, to issue bonds, in one or more installments, in Euros or foreign currencies, as prescribed by Italian Law, convertible or with warrants, with the related increase in share capital, taking into account the bonds in circulation at the date of the issue not exceed-

ing the limits set by Italian Law during the applicable period. In more general terms, to define the procedures, terms and conditions of the bond issue and its settlement.

The Extraordinary General Meeting of April 30, 2003 has vested the Board of Directors for a period of five years from the date of this Meeting the power to increase the Company's share capital, in exchange for payment, in multiple installments pursuant to Article 2439 of the Italian Civil Code, up to a maximum amount of Euro 1,500,000, € 940,000 (nine hundred and forty thousand) currently remaining, subject to the issue of 1,500,000 common shares of the Company (940,000 currently remaining), each with a par value of Euro 1 (one), excluding the option rights pursuant to Article 2441, Section 8, of the Italian Civil Code. The purpose of this share capital issue is to enable one or more stock option plans, established by the Board of Directors for the benefit of employees and non-executive managers of the Company and its subsidiaries, whose issue price was set by the Board of Directors at a price not less than Euro 1 and may exceed the par value of the share, as set by the average official price of the share on the Italian Stock Exchange for the month preceding the date on which the option rights were allocated to the Beneficiary, pursuant to Article 48 Section 2 subsec-

tions g and subsequent of the TUIR, with the Board vested with the power to set and call subscriptions within the limits of the available shares, in accordance with the general terms and conditions of the subscription.

The Extraordinary General Meeting of April 30, 2003 has vested the Board of Directors for a period of five years from the date of this Meeting the power to increase the Company's share capital, in exchange for payment, in multiple installments pursuant to Article 2439 of the Italian Civil Code, up to a maximum amount of Euro 1,000,000, € 110,000 (one hundred and ten thousand) currently remaining subject to the issue of 1,000,000 common shares of the Company (110,000 currently remaining), each with a par value of Euro 1 (one), excluding the option rights pursuant to Article 2441, Section 5, of the Italian Civil Code. The purpose of this share capital issue is to enable one or more stock option plans, established by the Board of Directors for the benefit of deemed agents of the Company and its subsidiaries (defined as the Board of Auditors pursuant to Article 2389, Section 3 of the Italian Civil Code), whose issue price was set by the Board of Directors at a price not less than Euro 2.48 (of which Euro 1.48 amounts to share premium) and may exceed the par value of the share, as set by the average official price of the share on the Italian Stock Exchange for the



month preceding the date on which the option rights were allocated to the Beneficiary, pursuant to Article 48 Section 2 subsections g and subsequent of the TUIR, with the Board vested with the power to set and call subscriptions within the limits of the available shares, in accordance with the general terms and conditions of the subscription.

The Extraordinary General Meeting of April 30, 2003 has vested the Board of Directors for a period of five years from the date of this Meeting the power to increase the Company's share capital, in exchange for payment, in multiple installments pursuant to Article 2439 of the Italian Civil Code, up to a maximum amount of Euro 630,000, (€ 390,000 currently remaining), subject to the issue of 630,000 common shares of the Company (390,000 currently remaining) each with a par value of Euro 1 (one), excluding the option rights pursuant to Article 2441, Section 5, of the Italian Civil Code, in order to issue shares to Directors, who shall set the issue price at an amount not less than Euro 2.48 (including Euro 1.48 in share premium) and which may exceed the par value of the share, as set by the average official price of the share on the Italian Stock Exchange for the month preceding the date on which the option rights were allocated to the Beneficiary, pursuant to Article 48 Section 2 subsections g and

subsequent of the TUIR, to reserve for subscription for each Director 30,000 shares each to be allocated in three annual installments with the Board vested with the power to set and call subscriptions within the limits of the available shares, in accordance with the general terms and conditions of the subscription.

#### **Article 17 - Legal Representative**

The Company's legal representative, in court or in dealings with third parties, is vested in the Chairman of the Board of Directors and if so authorized, in the Vice-Chairman of the Board of Directors and Executive Officers.

### **SECTION V**

#### **BOARD OF AUDITORS**

#### **Article 18 - Board of Auditors**

The Board of Auditors shall consist of three Principal Auditors and three Alternate Auditors, each elected for a term of three years, and each eligible for re-election.

Minority shareholders are entitled to the election of one Principal Auditor and one Alternate Auditor.

The Board of Auditors is elected on the basis of lists presented to shareholders on which each candidate is listed in numerical sequence. The lists are divided into two sections, one for Principal Auditors and one for Alternate Auditors.

Only those shareholders that, by themselves or together with others, hold voting rights representing at least 5% of the share capital of the Company, are eligible to present a list at ordinary general meetings.

Shareholders, including shareholders belonging to a same group, cannot present, neither through a third party or a trust, more than one list nor vote for different lists. Candidates may only be listed on only one list, or be considered ineligible.

The list cannot contain candidates already acting as Principal Auditors in five or more other companies or entities, whose shares are traded on a regulated market as prescribed in Articles 63 and 67 of the D. Lgs. 58/1998, with the exception of holding companies and subsidiaries and sub-subsidiaries of DEA CAPITAL S.p.A. and the subsidiaries of the Company's holding company. In addition, candidates not possessing appropriate professional and ethical certifications prescribed by Italian Law are also excluded.

The lists of candidates must be filed at the Company's head office within fifteen days of the convening of the first meeting, and this must be mentioned in the convocation notice.

Each list filed must contain, within the prescribed deadline, declarations by each candidate accepting their can-

didacy and acknowledging the non-applicability of ineligibility and incompatibility causes to their situation, as well as an acknowledgment of all bylaw and legal provisions concerning their candidacy. Lists will not be deemed to have been presented if they do not comply in full with the above regulations.

The procedure for election of members of the Board of Auditors is as follows:

1. From the list that obtains the majority of shareholders' votes, two Principal Auditors and two Alternate Auditors will be selected.

2. From the minority shareholders' list obtaining the next highest number of votes after the first list, one Principal Auditors and one Alternate Auditors will be selected on the basis of numerical sequence for each section.

The Chairman of the Board of Auditors is offered to the first candidate on the majority shareholders' list.

In the absence of the required bylaws and regulations, an Auditor may be removed from office. When an Auditor is replaced, the new auditor occupies the same placement on the list as the auditor he replaces.

The preceding bylaws regarding the election of Auditors does not apply to Meetings, which, according to Italian law, must elect Principal and/or Alternate Auditors and a

Chairman in order to fill the Board of Auditors following a resignation or substitution. In this situation, the Meeting resolves this matter with a simple majority, subject to Section 2 of the present Article.

When a single list is presented, the full Board of Auditors is elected from this list.

In the event no list is presented, the Meeting of shareholders will decide on the basis of a simple majority, with abstentions excluded from consideration.

The Meeting of shareholders will set the level of remuneration of the Board of Auditors.

Meetings of the Board of Auditors can take place via means of communication, on condition that:

- a) all of the participants can receive, view and send documents;
- b) all of participants can follow, participate and intervene in real-time discussions.

Meetings, which take place via means of communication are deemed to have taken place at the location of the Chairman of the Board.

### **FINANCIAL CONTROLS**

#### **Art. 19 - Financial controls**

Financial controls are applied in accordance with current legislation.

## SECTION VI

### FINANCIAL STATEMENTS AND NET PROFIT ALLOCATION

#### **Article 20 - Fiscal Year**

The Company's fiscal year ends on December 31 of each year.

#### **Article 21 - Allocation of Net Profit**

Net profit, after an appropriation of an amount not less than 5% (five percent) to legal reserve until the attainment of this reserve's limit as set by Italian law, will be appropriated to the extraordinary reserve, unless otherwise decided by the Meeting of shareholders.

#### **Article 22 - Dividends**

The payment of dividends will be executed in accordance with the procedures, terms and conditions approved by the Meeting of shareholders regarding the distribution of the net profit of the Company.

Dividends not collected within the five-year period after the day when they become payable, will automatically lapse and revert to the Company, for allocation to the extraordinary reserve.

Articles 2433 b of the Italian Civil Code provide for the payment on account of dividends in accordance with the procedures, terms and condition prescribed in these Articles.

## SECTION VII

### LIQUIDATION AND MISCELLANEOUS PROVISIONS

#### **Article 23 - Shareholders' Domicile**

The shareholders' register lists the domiciles of shareholders for the purposes of communication and reporting.

#### **Article 24 - Dissolution of Company**

In the event of the Company's dissolution, the Meeting of shareholders will determine the liquidation process to be followed and will appoint one or more liquidators, setting their powers.

#### **Article 25 - Legal Reference**

For all matters for which provision is not made, reference shall be made to provisions of the Italian Law concerning joint-stock companies.

Milan, 19 April 2007

Signed by:

Mr. Paolo Ceretti

Chief Executive Officer

Mr. Carlo Marchetti

Notary