**Plan for the Merger by incorporation**

**of IFIL Investments S.p.A.**

**into Società per Azioni Istituto Finanziario Industriale – IFI S.p.A.**

(pursuant to art. 2501-*ter* of the Italian Civil Code)

The boards of directors of Società per Azioni Istituto Finanziario Industriale ("IFI" or the "Surviving Company") and IFIL Investments S.p.A. ("IFIL" or the "Company to be Merged") have prepared the Plan for the Merger hereinafter pursuant to art. 2501-*ter* of the Italian Civil Code (the "Plan for the Merger") in connection with the Merger by incorporation of IFIL into IFI (the "Merger").

## 1. Companies involved in the Merger

### 1.1 *Surviving Company*

Società per Azioni Istituto Finanziario Industriale

- Registered office in Turin, corso Matteotti 26
- Share capital of Euro 163,251,460, fully paid-in, divided into 86,450,000 ordinary shares with a par value of Euro 1 each and 76,801,460 preference shares with a par value of Euro 1 each
- Company registered under the Turin Company Register (Tax Code) No. 00470400011
- Company registered on the "Albo degli intermediari finanziari" pursuant to art. 113 of the Consolidated Law on Banking (the Italian T.U.B.) (Legislative Decree No. 385/93 and subsequent amendments and integrations)
- The IFI preference shares are listed on the Electronic Share Market of the Italian stock exchange ("Mercato Telematico Azionario di Borsa Italiana S.p.A.")
- The IFI ordinary shares are not publicly listed and are entirely owned by Giovanni Agnelli e C. S.a.p.az..

The following table shows the Shareholders who, at the date of the Plan for the Merger and according to the Shareholders' book, the official communications received and other information available, hold IFI shares with voting rights, equal to or more than 2% of IFI share capital with voting rights, and the treasury shares held by IFI.

| **Shareholder** | **Ordinary shares** | **% of ordinary share capital** | **Preference shares** | **% of total share capital** |
|---|---|---|---|---|
| Giovanni Agnelli e C. S.a.p.az. | 86,450,000 | 100% | 10,000,000(*) | 59.08% |
| Morgan Stanley & Co. International Ltd | - | - | 5,949,685 | 3.64% |
| Treasury shares | - | - | 5,360,300 | 3.28% |

### 1.2 *Company to be Merged*

IFIL Investments S.p.A.

- Registered office in Turin, corso Matteotti 26
- Share capital of Euro 1,075,995,737, fully paid-in, divided into 1,038,612,717 ordinary shares with a par value of Euro 1 each and 37,383,020 savings shares with a par value of Euro 1 each
- Company registered under the Turin Company Register (Tax Code) No. 00914230016
- Company registered on the "Albo degli intermediari finanziari" pursuant to art. 113 of the Consolidated Law on Banking (the Italian T.U.B.) (Legislative Decree No. 385/93 and subsequent amendments and integrations)

- The IFIL ordinary and savings shares are listed on the Electronic Share Market of the Italian stock exchange ("Mercato Telematico Azionario di Borsa Italiana S.p.A.").

The following table shows the Shareholders who, at the date of the Plan for the Merger and according to the Shareholders' book, the official communications received and other information available, hold IFIL shares with voting rights, equal to or more than 2% of IFIL share capital with voting rights, and treasury shares held by IFIL or its subsidiaries.

| **Shareholder** | **Ordinary shares** | **% of ordinary share capital** |
|---|---|---|
| Società per Azioni Istituto Finanziario Industriale | 726,900,000 | 69.99% |
| Mackenzie Cundill Group | 52,973,183 | 5.10% |
| Giovanni Agnelli e C. S.a.p.az. | 31,159,000 | 3.00% |
| Treasury shares | 33,186,198 | 3.20% |
| SOIEM(*) | 810,262 | 0.08% |

(*) IFIL's wholly-owned subsidiary.
Note: IFI also holds 1,866,420 IFIL savings shares, equal to 4.99% of IFIL savings share capital. IFIL also holds 917,000 savings treasury shares, equal to 2.45% of savings share capital.

## 2. Bylaws of the Surviving Company and amendments to the bylaws resulting from the Merger

In connection with the Merger, the Surviving Company will increase its share capital by a maximum nominal amount of Euro 82,978,443 through the issuance of up to a maximum number of 73,809,549 ordinary shares with a par value of Euro 1 each and up to a maximum number of 9,168,894 savings shares with a par value of Euro 1 each, which will have the same characteristics as the IFIL savings shares, in application of the exchange ratio and the conditions for the assignment of the shares pursuant to the following paragraphs 3 and 4. Art. 5 of IFI bylaws, with regard to share capital, will consequently be amended.

The maximum amount of the share capital increase is the theoretical maximum amount taken into consideration the number of IFIL ordinary and savings shares held by IFI (calculated on the basis of the sale by IFI, should there be, of 81 IFIL ordinary shares required to allow the exact divisibility by the exchange ratio of the IFIL ordinary and savings shares to be exchanged) and the number of treasury shares held by IFIL, which according to law, will be cancelled and will not be exchanged.

In addition, the Extraordinary Shareholders' Meeting of the Surviving Company, convened for the approval of the Merger, will also resolve upon the approval of further amendments to the bylaws, which include, among other provisions, the adoption of the new corporate name "EXOR S.p.A." (art. 1), the cancellation of the restrictions to the transfer of the ordinary shares (art. 5 and art. 6), the provision regarding the representation in the Shareholders' Meeting subsequent to the admission to trading of the ordinary shares (art. 10), the increase in the maximum number of directors and the amendment to the term of office of same (art. 16), the decrease to 5% of the share of profit appropriated to the legal reserve and the cancellation of the provision relating to the share of profit (1%) at the board of directors' disposal for the distribution to its members (art. 27). Moreover, certain amendments required subsequent to the issuance by the Surviving Company of savings shares having the same characteristics as the IFIL savings shares with the privileges of the shares adjusted to the exchange ratio (art. 7, 27, 30 and 31) will be adopted.

The entire text of the bylaws of the Surviving Company, which includes all amendments and updatings as above, is attached to the Plan for the Merger and is an integral and substantial part of the Plan for the Merger (Appendix 1).

The resolution for the adoption of the amended bylaws will be effective from the effective date of the Merger.

## 3. Exchange ratio

The exchange ratio is the following:

- 0.265 newly-issued IFI ordinary share with a par value of Euro 1 each for 1 IFIL ordinary share with a par value of Euro 1 each;
- 0.265 newly-issued IFI savings share with a par value of Euro 1 each for 1 IFIL savings share with a par value of Euro 1 each.

No adjustment payment in cash is envisaged.

The separate financial statements presented for the Merger pursuant to art. 2501-*quater* of the Surviving Company and the Company to be Merged are as at June 30, 2008.

The opinion on the fairness of the exchange ratio in accordance with art. 2501-*sexies* of the Italian Civil Code will be prepared by the audit firm, KPMG S.p.A., for IFI and the audit firm, Reconta Ernst & Young S.p.A., for IFIL, both appointed by the Turin Court on September 17, 2008.

## 4. Allocation of the shares of the Surviving Company to the IFIL Shareholders

Upon the completion of the Merger, the Surviving Company shall:

- cancel without any share exchange the IFIL ordinary and savings shares which, at the effective date of the Merger, will be owned by IFI (in any case, not less than 726,899,919 ordinary shares and 1,866,420 savings shares);
- cancel without any share exchange the IFIL ordinary and savings shares which, at the effective date of the Merger, will be owned by IFIL (in any case, not less than 33,186,198 ordinary shares and 917,000 savings shares);
- cancel the IFIL ordinary and savings shares outstanding at the effective date of the Merger, held by individuals other than IFI and IFIL and issue for the aforesaid IFIL Shareholders (other than IFI and IFIL) a maximum number of 73,809,549 ordinary shares and a maximum number of 9,168,894 savings shares, with a par value of Euro 1 each and having the same enjoyment rights as the shares outstanding as at the effective date of the Merger, on the basis of the exchange ratios indicated in the preceding paragraph 3 to be asserted on the increase in share capital as set forth in the preceding paragraph 2.

The exact number of the shares to be cancelled and the amount of the share capital increase as well as the related newly-issued shares will be determined in the Merger deed, on the basis of the number of IFIL ordinary and savings shares held by IFI and by IFIL itself at that date.

The IFI shares will be issued to service the exchange ratios, as indicated in the preceding paragraph 3, in electronic form, commencing from the effective date of the Merger. The non-electronic IFIL shares may be exchanged only upon delivery to an authorized intermediary as for the insertion in the centralized management of securities issued in electronic form.

A service for the treatment of fractions of shares, should there be, at market prices and without any additional charges, expenses, duties or commissions will be made available to IFIL Shareholders, which will allow to round off to the unit immediately below or above the number of newly-issued shares to each entitled.

With regard to the effective date of the Merger and basis for proceeding with operations to exchange the shares, IFI and IFIL will arrange for the publication of a notice in at least one national daily newspaper.

The IFI preference shares will continue to be listed on the Electronic Share Market of the Italian stock exchange (Mercato Telematico Azionario) ruled and managed by Borsa Italiana S.p.A..

The Electronic Share Market of the Italian stock exchange ("Mercato Telematico Azionario di Borsa Italiana S.p.A.") will be asked for admission to trading of the ordinary and savings shares of the Surviving Company, to which the Merger is subject.

Upon the aforesaid condition, after completion of the Merger, all shares of the Surviving Company of the three classes of shares (ordinary, preference and savings) will be listed on the Electronic Share Market of the Italian stock exchange (Mercato Telematico Azionario di Borsa Italiana S.p.A.).

Starting from the effective date of the Merger, IFIL ordinary and savings shares will be unlisted from the Electronic Share Market of the Italian stock exchange (Mercato Telematico Azionario) ruled and managed by Borsa Italiana S.p.A..

## 5. Date from which the shares of the Surviving Company issued in exchange will participate in the distribution of profit

The ordinary and savings shares of the Surviving Company, which will be issued to service the exchange of the ordinary and savings shares of IFIL, will have the same enjoyment rights as the IFI shares outstanding as at the effective date of the Merger.

## 6. Effective date of the Merger

The effective date of the Merger vis-à-vis third parties will be determined in the merger deed, and may also be subsequent to the date of the last of the entries provided by art. 2504 of the Italian Civil Code.

With reference to the provisions of art. 2501-*ter*, paragraph 6, of the Italian Civil Code, any transactions entered into by the Company to be Merged will be recorded in the financial statements of the Surviving Company starting from January 1, of the financial year in which the Merger is effective vis-à-vis third parties. The tax aspects of the Merger will also be effective as from the same date.

The Merger is subject to the admission to trading of the ordinary and savings shares of the Surviving Company on the Electronic Share Market of the Italian stock exchange (Mercato Telematico Azionario di Borsa Italiana S.p.A.).

## 7. Treatment which may be reserved to special categories of Shareholders and holders of securities other than shares

No class of Shareholders will be receiving special treatment in connection with the Merger. Neither IFI nor IFIL has issued securities, other than shares, which will receive special treatment in connection with the Merger. Provided, however, that:

- the savings shares, which will be issued by the Surviving Company to service the exchange of the savings shares of the Company to be Merged will have the same characteristics as the IFIL savings shares currently outstanding (with the privileges of the savings shares adjusted to the exchange ratio, as stated in the preceding paragraph 2);
- IFIL stock option plan (which does not provide for the issuance of new shares) will be continued by IFI and the ratio between the number of options and the underlying

shares will be modified in pursuance of the Rules for the stock option plan as to take into account the exchange ratio.

It is to be noted that the Surviving Company will assume all obligations and rights of IFIL as the issuer of non-convertible bonds "2006/2011" and "2007/2017", according to the conditions set forth by law.

## 8. Particular advantages for the management of the companies involved in the Merger

No special advantages for the directors of the companies taking part in the Merger are envisaged.

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In addition to the documents requested as set forth by art. 2501-*septies* of the Italian Civil Code, the Information Document ("*Documento Informativo*") relating to the Merger according to art. 70, paragraph 4, of the Issuers Regulation approved by Consob resolution No. 11971 dated May 14, 1999, and subsequent amendments and integrations, will be made publicly available within the terms provided by law.

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Turin, September 23, 2008

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|---|---|
| Società per Azioni Istituto Finanziario Industriale<br><br>The Chief Executive Officer<br>Virgilio Marrone<br><br>_____ | IFIL Investments S.p.A.<br><br>The Chief Executive Officer<br>Carlo Barel di Sant'Albano<br><br>_____ |

**Appendix**

A) Bylaws of the Surviving Company after the completion of the Merger

Appendix A to the Plan for the Merger by incorporation of IFIL Investments S.p.A. into Società per Azioni Istituto Finanziario Industriale – IFI S.p.A.

# BYLAWS OF THE SURVIVING COMPANY

**LEGAL NOTICE**

This document is an informal courtesy translation of the original Italian document and has been prepared for reference purposes only. The only official document is the document in the Italian language. Please note that in case of any inconsistency between this version in English and the original document in Italian, the latter will prevail.

## TITLE I – Company's name – Registered office – Corporate purpose – Term

**Article 1**
A joint-stock company is hereby incorporated under the name of EXOR S.p.A.

**Article 2**
The company's registered office is in Turin.
The board of directors can establish and close branches, agencies, representative offices and administrative offices both in Italy and abroad.

**Article 3**
The business purpose of the company is to acquire investments in other companies or institutions, to finance and direct the technical and financial coordination of the companies or institutions where the company holds an investment, to purchase and sell, hold, manage and place public and private securities.
The company shall also enter into any and all financial – including the issue of sureties on behalf of companies or institutions in which it holds investments –, commercial, personal and real property transactions, as are necessary to attain the corporate purpose.

**Article 4**
The term of the company is fixed until the thirty-first of December 2050.

## TITLE II – Capital stock

**Article 5**
The capital stock is Euro 246,229,903 divided in 160,259,549 ordinary shares, 76,801,460 preference shares and 9,168,894 savings shares of par value Euro 1 each (*).
The shares are issued in electronic form.
The directors have the power, for a period of five years from the resolution passed on May 14, 2008 to increase capital stock, in one or more instances, also in divisible form, up to an amount of Euro 561,750,000.
Capital stock can also be increased by contribution of assets in kind or credits.

**Article 6**
The ordinary and preference shares are registered shares, whereas the savings shares are bearer or registered shares as elected by the stockholder or as provided by law.

* The amount of capital stock and the number of ordinary and savings shares represent the maximum amount of capital stock and the maximum number of ordinary and savings shares after completion of the Merger. The exact amount of capital stock and the exact number of the aforementioned shares will be determined in the merger deed.

Each share is indivisible; the possession of a share implies acceptance of these corporate bylaws.

**Article 7**
The company's capital stock can be increased by issuing ordinary and/or preference and/or savings shares. The holders of each category of shares shall have the right to receive in option a prorated number of newly issued shares of their class and, lacking a sufficient number of shares or for the balance, shares in another class (or other classes).
The resolutions for the issue of new shares having the same features as the existing shares do not require the approval of special meetings of stockholders of the individual categories of shares.

**Article 8**
The meeting can resolve a reduction of capital stock in the ways provided and as stated by the law.

**TITLE III – Stockholders' meeting**

**Article 9**
The meeting, duly convened and established, represents all stockholders and any resolution passed shall bind also any dissenting or absent stockholder within the limits of these corporate bylaws.

**Article 10**
Each ordinary and preference share entitles its holder to one vote.
Preference shares have voting rights only for the resolutions set forth in art. 2365 of the Italian Civil Code and the second paragraph of art. 13 of the bylaws.
The stockholders having voting right may attend the meeting.
Each stockholder may be represented at a meeting, in the ways provided by the law.

**Article 11**
The meeting shall be convened by the board of directors in the city of the registered office of the company or elsewhere, including a location abroad provided that it is in the European Union every year within one hundred and eighty days from the close of the fiscal year as the company is obliged by law to draw up consolidated financial statements.
In addition, an ordinary or extraordinary meeting shall be convened every time the board of directors deems it expedient as well as in the cases provided by law.

**Article 12**
The meeting shall be convened by notice to be published in the newspaper "La Stampa" at least thirty days to the day fixed for the meeting, unless otherwise specified by law; in the event of failure to publish in the newspaper "La Stampa", the notice shall be published in the "Gazzetta Ufficiale" of the Italian Republic.
The notice shall indicate the matters on the agenda and the location, the date and time of the meeting. The same notice may also fix the date for the second call.
In case of an extraordinary meeting, the notice may also fix the date for a third call.

**Article 13**
For the meeting to be duly constituted and valid for passing resolutions, the applicable laws shall apply, subject to the provisions of the following articles 16 and 23, for the election of the board of directors and the board of statutory auditors.

The regulations that govern the manner in which stockholders' meetings are conducted shall be approved and amended by an ordinary stockholders' meeting in which the ordinary shares and the preferred shares have the right to vote. Such meeting, which passes resolutions by an absolute majority of the votes cast by those present, is regularly constituted, in first call, by stockholders representing at least one half of the ordinary and preferred shares and, in second call, by whatever part representing the shares that have the right to vote.

**Article 14**
The meeting shall be presided over by the chairman of the board of directors or, in his absence, by the vice chairman or, in the event of more than one vice chairmen, by the vice chairman (vicario) or, by the vice chairman elected by the board of directors. In their absence, the meeting shall be presided over by a person appointed by the stockholders' meeting itself.
Based on the proposal by the chairman, the meeting shall appoint the secretary, who may also not be a stockholder, and two scrutineers, should he deem it necessary.
The chairman of the meeting shall be responsible for verifying if the meeting has been duly constituted, verifying the identity and legitimacy of the stockholders present, conducting the discussion and ascertaining the results of voting.

**Article 15**
Le deliberazioni prese dall'assemblea sono accertate per mezzo di processi verbali sottoscritti dal presidente dell'assemblea e dal segretario.
Nei casi di legge, o quando è ritenuto opportuno dal presidente dell'assemblea, il verbale è redatto da un notaio scelto dallo stesso presidente, nel qual caso non è necessaria la nomina del segretario.

**TITLE IV – Board of directors**

**Article 16**
The company is managed by a board of directors formed by a number of directors variable from seven to nineteen, depending on the number established by the shareholders' meeting.
Directors remain in office for up to a maximum period of three fiscal years and their term of office expires concurrently with the stockholders' meeting convened for the approval of the financial statements relating to the last financial year of their office; these directors can be re-appointed.
The board of directors is appointed by using slates of candidates. If several slates are submitted, one of the members of the board of directors shall be chosen from the slate that has obtained the second highest number of votes. Slates may be submitted only by those stockholders who, individually or together with other own voting shares, represent the percentage established by the company according to the current law, which shall be indicated in the notice calling the stockholders' meeting.
No single stockholder can present, either through a third party or trustee company, more than one slate of candidates, or cast votes in different slates. No stockholders belonging to the same group and stockholders who signed a stockholders' agreement regarding the stock of the company can present, either through a third party or trustee company, more than one slate of candidates, or cast votes in different slates. Each candidate may be included in one slate only, under penalty of ineligibility.
The candidates included in the slates must be indicated in numerical order and satisfy the integrity requirements imposed by law. The candidate who is indicated at number one on the slate in numerical order must also satisfy the legal requirements of independence set

forth by law.
The slates presented must be deposited at the company's offices at least fifteen days to the day of the meeting convened for the election of the board of directors.
Together with each slate and within the time limit indicated above, declarations in which the stockholders state their right to attend the meeting, an exhaustive disclosure regarding the candidates' personal and professional characteristics as well as declarations in which single candidates accept the candidature and, on their own responsibility, state that they satisfy the envisaged requirements shall be filed. The candidates who do not comply with these rules are ineligible.
Once the stockholders' meeting determines the number of directors to be elected, the following procedure shall be applied:

1. all the directors except one shall be elected from the slate that has obtained the highest number of votes, on the basis of the numerical order in which they appear on the slate;
2. as provided by law, one director shall be elected from the slate that has obtained the second highest number of votes, on the basis of the numerical order in which the candidates appear on the slate.

Slates that received a percentage of votes at the stockholders' meeting that is less than half of the number required pursuant to the third paragraph of this article shall not be counted.
The foregoing rules for the election of the board of directors do not apply if at least two slates are not submitted or voted on, or at the stockholders' meeting that shall replace directors during their terms. In these cases, the stockholders' meeting shall decide on the basis of a relative majority.
It is in the power of the board to replace the directors who have left their office during their term of office, as provided by article 2386 of the Italian Civil Code.
If, due to resignation or other causes, the majority of directors should leave office, the whole board shall be deemed to be resigning and the directors still in office should urgently call an extraordinary meeting for the new appointments.
The term of office of any director appointed by the stockholders' meeting in the course of a three-year term shall expire on expiry of the term of office of directors in office at the time of the appointment.

**Article 17**
The board of directors, unless an appointment has already been made by the stockholders' meeting, shall appoint a chairman from among its members and may also appoint, should it deem it expedient, one or more vice chairmen, including a vice chairman (vicario), and one or more managing directors.
The board can also appoint a secretary who may also not be a member of the board.
In the absence of the chairman, the chair shall be taken by the vice chairman or, in case of more than one vice chairmen, by the vice chairman (vicario) or the vice chairman elected by the board of directors.
The chairman, the vice chairmen and the managing directors, where appointed, shall hold office for the term of office of the board and can be re-elected.

**Article 18**
The board of directors shall meet either at the registered office and elsewhere, provided that it is in countries of the European Union, at least every three months upon being convened by the chairman or a vice chairman, or upon request of the persons duly qualified according to the law should the former or the latter deem it expedient or upon request of the majority of its members or bodies with delegated powers (executive directors).
The directors shall be called by letter or cable, or similar, stating the agenda, to be sent to the domicile of each director and each standing statutory auditor at least three days before

the date fixed for the meeting, except in case of extreme urgency when the period of notice can be reduced and all directors and standing statutory auditors can be called by telephone.
The meetings shall be presided over by the chairman, or in his absence, by the vice chairman (vicario) or by the vice chairman elected by the board of directors. In their absence, any other director designated by the board shall preside over the meeting.
The disclosure required by art. 150 of Legislative Decree 58/1998 and by art. 2381 of the Italian Civil Code shall be supplied by the directors to the board of statutory auditors and by the bodies with delegated powers (executive directors) to the board of directors and the board of statutory auditors during the meetings of the board of directors, to be held at least quarterly, as set forth by the first paragraph of this article.
Meetings of the board of directors may be held via means of telecommunications.
In that case, the meeting is considered to be held in the location where the chairman of the meeting is and where the secretary also shall be; furthermore, all the stockholders present must be able to be identified and follow the discussion, take the floor in real time to discuss the matters of business and receive, send and consult documents.

**Article 19**
The resolutions of the board of directors shall be valid if the majority of the members holding office is present. Resolutions shall be passed by absolute majority of votes of the directors present. In case of a tie vote, the vote of the chairman of the meeting shall prevail.
All resolutions passed at the meeting shall be recorded in minutes to be registered into the Minute Book of Meetings and signed by the chairman and the secretary.

**Article 20**
The board of directors is vested with all and every power for the ordinary and extraordinary management of the company, no one excluded or excepted, and therefore is empowered to take such action as it shall deem expedient to attain the corporate purpose – including to permit registrations, subrogations, postponements and cancellations of mortgages and liens, both total and partial, as well as to do and cancel recordings and annotations of any kind whatsoever, also independently of the payment of debts to which the said registrations, recordings and annotations are related – save only such action as is reserved to the stockholders' meeting by the law.
The stockholders' meeting can attribute the power to increase capital stock to the directors pursuant to article 2443 of the Italian Civil Code.
The board of directors can issue non-convertible bonds and also pass resolutions regarding transactions as provided by article 2365, second paragraph, of the Italian Civil Code as well as decide for the spin-off of companies according to the provisions of the law.

**TITLE V – Signature powers and legal representation**

**Article 21**
The chairman of the board of directors or, in his absence or unless he is detained, the vice chairman (vicario), where appointed, is vested with the legal representation vis-à-vis third parties and also in court proceedings as well as signature powers of the company.
Accordingly, the legal representation and signature powers of the company can also be conferred by the board of directors to the vice chairmen and to the delegated directors, fixing their powers.

## TITLE VI – Management

### Article 22

The board of directors can, within the limits set forth by the law, delegate its powers to an executive committee – fixing, on its implementation date, the number of members, their powers and assignments – as well as to one or two managing directors.
The board of directors may appoint a general manager and one or several assistant general managers as well as managers and procurators, fixing their powers and, within these powers, the use of the company's signature powers.
Furthermore, the board of directors, after receiving the opinion of the board of statutory auditors, shall appoint a manager in charge of drawing up the corporate accounting documents, who shall possess a several-year experience in the administrative and financial activities at large companies.

## TITLE VII – Statutory auditors and audits

### Article 23

The board of statutory auditors shall consist of three standing statutory auditors and two alternate statutory auditors. Minority stockholders may appoint one standing statutory auditor and one alternate statutory auditor.
All the standing statutory auditors and all the alternate statutory auditors shall be chosen from among those inscribed on the register of professional accountants who have exercised the legal control work on accounts for a period of not less than three years.
Statutory auditors shall be nominated from a slate presented by the stockholders in which the candidates are listed in a numerical number. The slate is divided into two sections: one for candidates to the office of standing statutory auditor, the other for candidates to the office of alternate statutory auditor, which number shall not exceed the number of statutory auditors to be appointed.
Slates of candidates can only be presented by stockholders who, alone or together with other stockholders, hold voting stock representing the percentage of the voting stock in the ordinary stockholders' meeting as set forth by article 16, third paragraph; the said percentage shall be mentioned in the notice calling the stockholders' meeting.
The slates presented must be deposited at the company's offices at least fifteen days to the day of the meeting convened for the appointment of the statutory auditors, including:

a) disclosure regarding the identity of the attendees who have presented the slates with the mention of the total percentage of voting stock and a declaration on their right to attend the meeting;
b) a declaration by the members other than those who hold, also jointly, a control stake or relative majority stake in which they state the absence of links provided for them by the law in force;
c) an exhaustive disclosure regarding the candidates' personal and professional characteristics as well as a declaration of the same in which candidates state that they satisfy the requirements set forth by law and accept the candidature;
d) a list of the posts of administration and control held by the candidates within other companies, with the commitment of updating the aforementioned list to the date of the meeting.

The candidates who do not comply with these rules are ineligible.
If, at the time limit indicated above, only a slate is deposited, or slates are deposited only by stockholders who, on the basis of the aforementioned provisions, are linked with each other according to the existing law, slates can be presented up to the fifth day of that date. In this case, the aforementioned threshold shall be reduced by half.
No single stockholder can present, either through a third party or trustee company, more

than one slate, or cast votes in different slates. No stockholders belonging to the same group or stockholders who signed a stockholders' agreement regarding the stock of the company can present, either through a third party or trustee company, more than one slate, or cast votes in different slates. Each candidate may be included in one slate only, under penalty of ineligibility.
Candidates cannot be included in the slates if they hold the post of statutory auditor in other five listed companies, except for parent companies and subsidiaries of IFI S.p.A., unless otherwise specified by binding provisions of law, or if they do not hold the qualifications established by the applicable laws and these bylaws. Out-going statutory auditors can be re-elected.
The election of the members of the board of statutory auditors is performed as follows:

1. two standing statutory members and one alternate are taken from the slate which has obtained the highest number of votes from the stockholders' meeting, in the numerical order in which they are listed thereon and elected;
2. the remaining standing statutory member and the other alternate member are taken from the slate which has obtained the second highest number of votes from the stockholders' meeting and which is not linked with the stockholders of reference according to the provisions of law, and elected on the basis of the numerical order in which they appear in the sections of the slate; in case of tie vote between more slates, the candidates of the slate which has been presented by the members holding the major voting stock, or, in subordinate position, by the major number of stockholders are elected.

The chairman of the board of statutory auditors shall be the statutory member indicated as the first candidate on the slate as set forth in the previous paragraph 2.
If it is not possible to elect the statutory auditors in the manner described above, the candidates shall be appointed by a relative majority of votes cast by the stockholders present at the meeting.
In the event the requisites by law and these bylaws are no longer met, the statutory auditor shall be relieved of office.
In case of the replacement of a statutory auditor, the alternate belonging to the same slate as the resigned auditor shall take the place of same.
The terms in the preceding paragraphs shall not be applied by the meetings which, according to the law, must appoint standing statutory auditors and/or alternates and the chairman needed to complete the board of statutory auditors in the event of replacement or resignation. In these cases, the appointment is made by a relative majority vote of the stockholders, in compliance with the binding principles of representation of minority stockholders.

**Article 24**
The compensation of the statutory auditors shall be determined by the stockholders' meeting according to the law.

**Article 25**
The financial statements shall be audited by independent auditors who are listed in the corresponding register according to the provisions of laws.

## TITLE VIII – Financial statements and earnings

**Article 26**
L'esercizio sociale si chiude al 31 dicembre di ogni anno.

**Article 27**

The profit of each year will be apportioned as follows:

- 5% to the legal reserve, until it reaches one-fifth of the company's capital stock;

- the remaining profit to the shares, as dividend, unless otherwise resolved upon by the stockholders' meeting in observance of the applicable provisions, taking into account that in the order (i) the savings shares are in any case entitled to a preference dividend, cumulative pursuant to the following second paragraph, equal to 31.21% of their par value and to a dividend higher than that of the ordinary shares equal to 7.81% of the same par value, and (ii) the preference shares, to a preference dividend and a dividend higher than that of the ordinary shares, equal to 5.17% of their par value, which is not cumulative from one fiscal year to the next.

If, in any fiscal year, a dividend lower than the measure set out above has been distributed to the savings shares, the difference is calculated as an increase to be added to the preference dividend in the following two fiscal years.
In case of exclusion from trading of the ordinary shares and/or savings shares, the preference dividend and the dividend higher than that of ordinary shares due to the savings shares will be automatically increased in order to result equal to, respectively, 32.15% and 8.75%.
In the event of distribution of reserves, the savings shares have the same rights as the other shares.
During the course of the year, and if the board of directors so deems it expedient and is feasible in consideration of the results of the year, the board of directors can resolve to pay interim dividends for the year.

**Article 28**
All and any dividends not collected within five years from the date when they become payable shall be allocated to the extraordinary reserve of the company and the related coupons shall be cancelled.

## TITLE IX – Territorial jurisdiction

**Article 29**
The company shall be under the jurisdiction of the Court of Turin.
The domicile of the stockholders, for all relationships with the company, is that shown in the register of stockholders.

## TITLE X – Winding up of the company

**Article 30**
In the event of the dissolution of the company for any reason whatsoever, the general shareholders' meeting will appoint one or more liquidators fixing the powers and fees, in compliance with the law.
In the event of a winding up, the corporate assets are apportioned in the following order:

- the savings shares have a right of pre-emption up to Euro 3.78 per each savings share;
- the holders of the preference shares have a right of pre-emption up to the amount of the par value of their shares;
- to the ordinary shares, up to the amount of the par value of their shares;

- to the shares of the three categories of shares, the remaining, if any, pursuant to the law.

**TITLE XI – Savings and preference shares and Communications to the respective common representative**

**Article 31**
Savings shares and preference shares have the rights described in this article and articles 27 and 30.
The reduction of the capital stock due to losses does not result in the reduction in the par value of the savings shares, with the exception of the part of the loss which exceeds the overall par value of the other shares.
The expenses required to safeguard the common interests of the holders of preference shares and the holders of savings shares are borne by the company up to an amount of Euro 10,000 per year for each of the two categories of shares.
In order to ensure that the common representatives of the two categories of shares are adequately informed about the transactions which can affect the course of the quotations of the listed shares, communications regarding the aforesaid matters will be promptly sent to the same by the legal representatives .

**TITLE XII – Right of withdrawal**

**Article 32**
The right of withdrawal can be exercised only within the limits and according to the provisions dictated by the binding rules of the law and, in any case, the right is excluded in the eventuality of the extension of the term of the company and the introduction or removal of restrictions on stock outstanding.