

----- **COMPANY BY-LAWS** -----

----- **"REPLY S.p.A."** -----

**Art. 1) – Name** -----

A joint stock company is established with the name -----

**"REPLY S.p.A."** -----

**Art. 2) - Headquarters**-----

Company headquarters are in Turin. The company's governing body may establish, change and close secondary offices, branches and affiliates throughout Italy and abroad, and may transfer company headquarters within the country in accordance with the provisions of law. -----

**Art. 3) - Duration** -----

Company duration is until December 31 (thirty-first) 2100 (two thousand one hundred) and may be extended through a shareholders' resolution. -----

**Art. 4) - Purpose**-----

The corporate purpose is: -----

The production of application and technical software, integration of IT systems, both hardware and software, the design, purchase, sale, import, export, and representation of electrical, electromechanical, and electronic equipment and components, basic and applied software packages, supply of IT and organizational consulting services, and provision of outsourcing services, with the exception of activities reserved to members of professional registries. -----

Representation, in Italy and abroad, of Italian and foreign undertakings operating in one of the branches of activity set out in this article. -----

As a secondary activity and not vis-à-vis the public, the assumption of interests and shareholdings in companies or undertakings in general whose business activities fall within the corporate purpose or are related, complementary or similar to it, in accordance with the limits set out in relevant current laws. -----

The Company may also take all actions considered necessary or merely useful for achieving the corporate purpose: thus, in short, it may perform securities, real estate, industrial, commercial and financial transactions which are directly or indirectly related to the corporate purpose, including the provision of collateral or personal guarantees, and may also request financing, all within the limits of current provisions of law. Financial transactions, including the assumption of shareholdings, may not be carried out vis-à-vis the public. -----

The following are absolutely precluded, along with any activity prohibited by present and future legislation: -----

a) providing the public with professional investment services reserved to investment firms and banks pursuant to Art. 18, paragraph 1 of Legislative Decree no. 58 of February 24, 1998 - Unified Provisions on Financial Brokerage, as amended -----

b) engaging in the activities set out in Art. 106, paragraph 1 of Legislative Decree no. 385 of September 1, 1993, vis-à-vis the public -----

c) financial leasing and factoring -----

**d) Art. 5) – Capital** -----

Corporate capital is €4,863,485.64 (four million eight hundred and sixty-three thousand four hundred and eighty-five euros and sixty-four cents) divided into 9,352,857 (nine million three hundred and fifty-two thousand eight hundred and fifty-seven) shares with a par value of €0.52 (zero point five two euros) each. Corporate capital shall be used to achieve the corporate purpose and may also be increased by contributions in kind and/or credits. -----

The shareholders' meeting may approve the reduction of corporate capital, including by assigning determined company assets, shares, or interests in other undertakings in which the Company owns a stake, to individual shareholders or groups of shareholders, within the limits and under the conditions of law. -----

Shareholders may provide financing with an obligation of repayment, within the limits and according to the criteria established by the Comitato Interministeriale per il Credito ed il Risparmio (CICR – Interministerial Committee for Credit and Savings) pursuant to Art. 11 of Legislative Decree no. 385 of September 1, 1993. This financing should be considered non-interest-bearing. -----

The extraordinary shareholders' meeting may delegate the Board of Directors to make one or more increases in corporate capital up to a determined amount for a maximum of five years after the date of the resolution, including with an exclusion of option right, in compliance with applicable laws. -----

Pursuant to Art. 2349 paragraph 1 of the Italian Civil Code, the extraordinary shareholders' meeting may resolve to assign earnings and/or earnings reserves to employees of the company and its subsidiaries by issuing common shares, either directly or through a resolution of the appropriately delegated Board of Directors, in an amount corresponding to said earnings and/or earnings reserves.- Following the resolutions approved on April 28 (twenty-eighth) 2011 (two thousand and eleven), the shareholders' meeting resolved to give the Board of Directors the power to make one or more increases in paid corporate capital, in tranches, by April 28 (twenty-eighth) 2016 (two thousand and sixteen), for a maximum face value of €12,000 (three hundred and twelve thousand euros) by issuing a maximum of 600,000 (six hundred thousand) new Reply S.p.A. common shares, with a par value of €0.52 (zero point five two euros) each, with premium and excluding option rights for shareholders pursuant to Art. 2441 paragraph 4 of the Italian Civil Code, to be paid by contributions of shares in kind to joint stock companies with a purpose similar or related to that of the company or which are useful for developing business activity. In compliance with the provisions of Article 2441, paragraph 6 of the Italian Civil Code, the Board of Directors must determine the issue price for the stocks, considering the objective reference provided by stock market conditions at the time of the individual capital increase and, secondarily, based on the valuation methods most commonly recognized and utilized in international professional practice, which refer to market multiples for comparable companies and financial and income methods, if necessary compared and weighted according to commonly recognized and utilized criteria, in all cases respecting the minimum issue price

per share, which is the unit value per share of net consolidated assets reported in the last financial statements closed and approved by the Board of Directors prior to the board resolution to increase capital. -----

**Art. 6) – Shares and Bonds** -----

Shares are registered and indivisible. -----

They may be freely transferred pursuant to law. -----

Shares with dividend rights and other preferred shares may be issued in compliance with legal requirements. -----

Shares are held in a depository in accordance with centralized uncertificated procedures pursuant to Legislative Decree no. 27 of January 27, 2010 and applicable regulatory provisions . -----

The Company’s governing body may issue bearer or registered bonds in accordance with the provisions of law. -----

**Art. 7) – Shareholders’ Meetings** -----

Meetings are called by the Board of Directors or other entitled parties pursuant to law, either at company headquarters or elsewhere, provided this is in Italy, within the terms provided by law, by means of a notice published on the Company’s website, and in the other manners provided by current law. -----

A single notice may contain the dates for a first, second and if necessary third call. -----

If it considers it appropriate, the Board of Directors may decide not to have any calls beyond the first one; in this case, the majorities provided by the Italian Civil Code for this situation shall apply to the single call. -----

If, during the second call of an extraordinary shareholders’ meeting, those with voting rights do not represent the portion of capital necessary to regularly constitute the meeting, another extraordinary shareholders’ meeting may be called within thirty days. In this case, the term for publishing the notice of meeting is reduced to 10 (ten) days. -----

Shareholders shall have the right to view all documents filed with company headquarters for meetings already called and to obtain a copy at their own expense. -----

**Art. 8) – Chairmanship** -----

The Chairman of the Board of Directors shall preside over Shareholders’ Meetings. If he/she is absent, the Vice Chairman, if appointed, shall preside, or if both are absent a person designated by the Meeting shall preside. -----

The Meeting shall appoint a secretary, who need not be a shareholder, and, if considered appropriate, it shall also appoint two tellers from among those with voting rights and the auditors. -----

Meeting resolutions shall be recorded in special minutes signed by the Chairman, the secretary, and if necessary any tellers. -----

When required by law, and whenever he/she considers it appropriate, the chairman shall have a notary draft the minutes. -----

**Art. 9) – Ordinary Meetings** -----

Ordinary meetings shall be called at least once a year within 120 days after the

end of the financial year, or within 180 days after such if the Company is required to draft consolidated financial statements and when special needs related to the company's structure and purpose so require. -----

**Art. 10) – Extraordinary Meetings** -----

Extraordinary meetings shall be called for the resolutions within their competence, when the Board of Directors considers it appropriate. -----

**Art. 11) – Plenary Meetings** -----

Even without a formal call, meetings shall be valid when the entire corporate capital, a majority of members of the governing body, and the members of the control body are present. -----

Nevertheless, under these circumstances, any attendee may oppose the discussion of matters regarding which he/she feels he/she has not received sufficient information. -----

**Art. 12) – Right to Vote** -----

Those with the right to vote for whom the Company has received the communication issued by an authorized intermediary pursuant to law shall have the right to participate in the meeting . -----

Pursuant to law, those with a right to participate in the meeting may be represented through a written proxy or electronic proxy delegation. In the latter case, the electronic notification of the delegation may be given through the special section of the Company's website in the manners indicated in the meeting notice. The meeting Chairman is responsible for ascertaining the right to participate in the meeting and the regularity of proxy delegations. -----

Meeting resolutions approved in compliance with the law and these By-laws shall also bind dissenting parties who are entitled to vote. -----

**Art. 13) – Meeting Quorum** -----

In a first call, both ordinary and extraordinary meetings shall be regularly constituted when more than half of corporate capital is represented. -----

In a second call, an ordinary meeting shall be regularly constituted regardless of the number of attendees, and an extraordinary meeting shall be regularly constituted when more than one third of corporate capital is represented. -----

In a third call, an extraordinary meeting shall be regularly constituted when more than one fifth of corporate capital is represented. -----

In case of a single call, ordinary and extraordinary meetings shall be regularly constituted with the majorities provided by law for that situation. -----

**Art. 14) - Quorum for Approving Meeting Resolutions** -----

In a first and second call, ordinary meetings shall approve resolutions with the favorable vote of parties entitled to vote who, either directly or by proxy, represent more than half of capital represented at the meeting. -----

In a first, second, and third call, extraordinary meetings shall approve resolutions with the favorable vote of parties entitled to vote who represent at least two thirds of capital represented at the meeting. -----

In case of a single call, ordinary and extraordinary meetings shall approve resolutions with the majorities provided by law for that situation. -----

**Art. 15) – Governance** -----

The Company shall be governed by a Board of Directors composed of no fewer than 3 (three) and no more than 11 (eleven) members, who need not be shareholders. Before appointing directors, the Shareholders' Meeting shall determine the number within those limits. At least 1 (one) member of the Board of Directors, or 2 (two) if the Board of Directors is composed of more than 7 (seven) members, must meet the requirements of independence which Art. 148, paragraph 3, of Legislative Decree no. 58 of February 24, 1998 establishes for Auditors, as well as the additional requirements provided by the codes of conduct drawn up by stock exchange operators if the company has adopted them. If, after appointment, an independent director no longer meets the requirements for independence, he/she shall forfeit the office. -----

Members must meet the requirements of honorability established for members of control organs in the Ministry of Justice's regulations issued pursuant to Art. 148 paragraph 4 of Legislative Decree no. 58 of February 24, 1998. -----

The ordinary shareholders' meeting is responsible for appointing Directors. -----

The directors shall have a three year term of office or any shorter term set by the Shareholders' Meeting at the time of their appointment, and may be re-elected. --

**Art. 16) – Appointment of Directors** -----

Unless the meeting unanimously resolves otherwise, the members of the Board of Directors shall be appointed by the meeting in accordance with the temporary rules on gender balance (to the extent these rules are applicable), according to the following methods, based on lists presented by shareholders in which candidates must be listed by sequential number. -----

Each shareholder, as well as shareholders from the same group, or who are party to a shareholders' agreement which regards Company shares, may present or contribute to the presentation of no more than one single list, and they may not vote for different lists, not even through an individual intermediary or fiduciary company. Each candidate may appear in only one list, upon penalty of ineligibility. -----

The only shareholders who may present lists are those who alone or together with other shareholders represent a minimum of 2.5% (two point five percent) of shares with voting rights at an ordinary meeting, or any lesser minimum shareholding established by mandatory legal or regulatory provisions. -----

The notice of meeting shall indicate the minimum shareholding required. -----

The lists shall indicate which candidates meet the requirements of independence established by the law and these by-laws and must contain at least one candidate who meets these requirements. -----

The lists, signed by the shareholder or shareholders who present them, including by delegation to one of them, and which must indicate their identity and the total percentage of capital they hold, must be filed with company headquarters at least 25 (twenty-five) days before the scheduled first call or single call for the meeting, and this must be mentioned in the notice of meeting. -----

Within the above term, a résumé for each individual candidate must be included

with each list, containing their complete professional and personal information, as well as the individual candidates' statements accepting the nomination and an attestation under their own responsibility that they are not subject to any conflicts of interest or grounds for ineligibility, that they meet the prerequisites for the office set by the law and the by-laws, and if required qualify as independent pursuant to the rules in effect. -----

The certification attesting to ownership of the minimum shareholding may also be produced after the lists are filed, provided this is done within the term set out for the publication of such. -----

Lists that present 3 (three) or more candidates must include candidates of both genders, so that a number of candidates equal to that required by the temporary rules on gender balance in the Board of Directors, to the extent these rules are applicable, includes the less represented gender, and provided that if application of the gender distribution criterion does not produce a whole number, this must be rounded up to the next higher number. -----

Lists presented which do not comply with the preceding provisions will not be considered. -----

At least 21 (twenty-one) days prior to the date set for the meeting, the lists, accompanied by the aforementioned information and statements, shall be made available to the public at company headquarters and on the company website, as well as in the other manner provided by CONSOB. -----

Candidates may not be elected if they hold the office of director in five other Italian companies listed on regulated Italian markets, except for subsidiaries of the Company or its parent companies, or if they do not meet the requirements of honorability and professionalism required by applicable laws. -----

Each party entitled to vote may vote for one single list. Directors shall be elected as follows: -----

a) The lists presented will not be considered if they have not received at least one half of the percentage of the vote these by-laws require to present lists. -----

b) Five sevenths of the directors to be elected shall be taken from the list that receives the majority of the votes cast by shareholders, in the sequential order in which they appear in said list, rounding up to the next highest number in case of a fraction (the number will be rounded down to the next lowest number if application of the aforementioned rule causes all members of the Board of Directors to be elected from the list that received the most votes). -----

c) The remaining directors shall be taken from the other lists. -----

To this end, and provided that at least one of the members of the board of directors must come from the minority list that received the most votes and must not be connected in any way, not even indirectly, to the shareholders who presented or voted for the list which received the most votes, the votes received by said lists shall subsequently be divided by one, two, three, four, five, etc., according to the number of directors to be elected. The quotients thus obtained shall be assigned sequentially to the candidates on each of these lists, according to the order set out in each one. The quotients thus assigned to the candidates of

the various lists will be ranked in a single decreasing order. Those elected shall be those who received the highest quotients. If more than one candidate received the same quotient, the candidate from the list that elected fewer directors shall be elected. If none of those lists has elected a director yet, or if all have elected the same number of directors, the candidate from the list that received the most votes shall be elected. If there is a tie vote for a list, and if the quotient is the same, the entire meeting shall vote again, and the candidate who receives a simple majority of votes shall be elected. -----

If, following the preceding procedure, the minimum number of independent directors required by Article 15 of these by-laws is not elected, the last candidate elected in each list that produced at least one director, in order of the number of votes received, shall be replaced by the independent candidate immediately following in the respective list, until the minimum number of independent directors to be elected is reached. -----

If the election of the candidates as described above does not ensure that the composition of the Board of Directors complies with the temporary rules on gender balance, to the extent these rules are applicable, and provided that the minimum number of directors who meet the requirements of independence is met, the candidate from the more represented gender who was the last elected in sequential order from the list that received the most votes shall be replaced by the first candidate from the less represented gender not elected from the same list, in sequential order. This replacement procedure shall continue until the composition of the Board of Directors complies with the temporary rules on gender balance. Finally, if said procedure does not ensure the aforementioned result, the replacement shall be made through a meeting resolution approved with the relative majority vote, after candidates from the less represented gender are presented. -----

When for any reason directors are not named in accordance with the above procedure, the meeting shall appoint them through a resolution approved by the legal majority. In case of failure to meet the prerequisites set out by current law or the by-laws, the director shall forfeit the office. Even during the term of office, the shareholders' meeting may only change the number of members in the Board of Directors within the limits of these by-laws, providing for the relative appointments. Directors thus elected shall remain in office for a term equal to the remaining term of office of the directors already in office. This is all subject to compliance with the temporary rules on the minimum number of directors who must meet the requirements of independence and gender balance, including rounding off to the next higher number if applying the criterion of gender balance does not produce a whole number, to the extent these rules are applicable. -----

If, due to resignation or other causes, half of the directors, in the case of an even number, and more than half in case of an odd number, leave office, the entire Board of Directors shall be considered to have resigned, and a meeting must be called immediately to appoint all directors. The Board of Directors shall appoint

a Chairman and, if necessary, a Vice Chairman from among its members, if the shareholders' meeting has not already so provided. -----

In any case, the Board of Directors and the Shareholders' Meeting shall replace outgoing members in a manner that ensures (i) the minimum total number of independent directors required by the temporary regulations in effect; and (ii) compliance with the temporary rules on gender balance, to the extent these rules are applicable. -----

**Art. 17) – Procedures for Board of Directors' Meetings and Validity of Resolutions** -----

The Board of Directors shall meet at company headquarters or elsewhere, provided this in within the Italian Republic or another country in the European Union, whenever the Chairman or whoever acts in his/her stead considers it appropriate, or if a meeting is requested by at least one director or member of the board of auditors. -----

The Board of Directors shall meet at least quarterly. -----

The notice of meeting, via registered letter, telegram, fax, or email, must be at least three full days before the day set for the session. -----

In case of emergency, the Chairman or person acting in his/her stead may call the Board of Directors, through a telegram or by telephone, fax, or email, even on the same day. -----

The Chairman shall preside over the Board, or if he/she is absent or incapacitated, the Vice Chairman, or Managing Director, or eldest director in age shall preside. -----

The Board may appoint a Secretary, who need not be a Board member. -----

Meetings of the Board of Directors may be held by conference call or video conference, provided that all participants can be identified, are able to follow the discussion, and can participate in it in real time. When these requirements are met, the Board meeting shall be considered held in the place where the Chairman is located, where the Secretary must also be located so that the minutes can be drawn up and signed in the relative book. -----

For the Board of Directors' resolutions to be valid, a majority of directors in office must be present. -----

Resolutions shall be approved with the favorable vote of a majority of those present. -----

Proxy voting is not permitted. -----

The Board's meeting and resolutions book shall be kept by the Chairman of the Board of Directors, through the secretary. -----

Both shall sign the relative minutes. -----

**Art. 18) – Powers of the Board of Directors** -----

The Board of Directors shall have all powers of Company governance. -----

Within the limits of law, the Board of Directors may also delegate its powers to the Chairman or to one or more directors, determining their powers within the sphere of the powers it holds. -----

The Board of Directors may appoint managers and representatives for individual



actions or categories of actions, determining their duties and powers. -----  
The Executive Committee and managing directors must timely report to the Board of Directors and the Board of Auditors on a quarterly basis regarding operating performance in general and its expected development, and on major income, financial, and equity transactions performed by the company or its subsidiaries. -----

The Board of Directors shall have the power to approve resolutions concerning mergers in the cases provided by Article 2505 of the Italian Civil Code, opening or closing secondary offices, indicating which directors have the power to represent the Company, reducing capital in case a shareholder withdraws, adapting the By-laws to the provisions of law, and transferring company headquarters within the country. -----

**Art. 19) – Powers of Signature and Representation** -----

The powers of signature and Company representation before third parties and the courts, at any level of jurisdiction and before any judiciary, administrative or special authority, shall be held by the Chairman of the Board of Directors, the Vice Chairman, if appointed, when the Chairman is absent and/or incapacitated, and any managing directors, within the limits of their delegation of powers. -----

The Vice Chairman’s effective exercise of the power of representation in itself attests to the absence or incapacity of the Chairman and exempts third parties from any investigation or liability in this regard. If more than one Vice Chairman is appointed, the Board shall determine the methods for substituting the Chairman. -----

**Art. 20) – Directors’ Compensation** -----

In addition to any compensation set by the shareholders’ meeting, the directors shall be reimbursed for expenses incurred while performing their official duties.-

The ordinary shareholders’ meeting may decide on overall amount of compensation for all directors, including those responsible for special duties. ----

**Art. 21) – Financial Year – Financial Statements** -----

The financial year shall end on December 31 of each year. -----

At the end of each year, the Board of Directors shall draft the financial statements within the terms and in accordance with the provisions of law. -----

**Art. 22) – Approval of the Annual Financial Statements** -----

The shareholders’ meeting shall approve the financial statements and pass resolutions regarding the distribution of earnings, after allocating 5% (five percent) of said earnings to the legal reserve until it reaches one fifth of corporate capital. -----

Directors responsible for special duties shall have a right to a share of the Company’s earnings, based on Consolidated EBITDA, the amount of which is determined annually by the Ordinary Shareholders’ Meeting at the time the financial statements are approved. -----

Uncollected dividends shall be turned over to the reserve fund five years after the day they became uncollectible. -----

**Art. 23) – Board of Auditors** -----

Control of the Company is entrusted to a Board of Auditors composed of three active members, one of whom shall act as chairman, and two alternates appointed by the ordinary shareholders' meeting. The members of the Board of Auditors shall have a three year term of office and may be re-elected. -----

Auditors must meet the prerequisites set out by the relative laws in effect at the time. -----

No one who is ineligible or subject to forfeiture pursuant to the law, or who holds more governance and control positions than permitted by the provisions of law and regulations, may be elected to the office of auditor, and if elected shall forfeit the office. -----

In the cases provided by law, the Board of Directors shall declare the forfeiture within thirty days after the appointment or after the intervening deficiency has become known. -----

The members of the Board of Auditors shall be appointed according to the following procedure, which must comply with the temporary rules on gender balance, to the extent these rules are applicable. -----

Shareholders who intend to nominate candidates for the office of Auditor must, at least 25 (twenty-five) days prior to the scheduled first call for the Ordinary Shareholders' Meeting, file lists with company headquarters indicating one or more candidates for the office of statutory auditor and separately indicate the candidates for the office of alternate auditor in another section, using sequential numbers to indicate candidates; nominations may not exceed the number of members of the body to be elected. -----

The lists shall be accompanied by:

(a) information on the identity of the presenting shareholders, indicating the total percentage of the share held -----

(b) a statement from shareholders who do not individually or jointly own a controlling or majority shareholding, attesting that they have no relationships with those who do, as provided by law and regulatory provisions -----

(c) the professional résumés of the individual candidates, containing complete professional and personal information, and statements in which the individual candidates accept the nomination and attest, under their own responsibility, that there are no grounds for their ineligibility, that they have no conflicts of interest, and that they meet the requirements set out by the applicable laws and By-laws for the respective offices and for any governance and control positions held in other companies. -----

The certification attesting to ownership of the minimum shareholding may also be produced after the lists are filed, provided this is within the term provided for publishing the lists. -----

If only one list is filed within the aforementioned term, or if the only lists are presented by shareholders who, pursuant to the above, are connected to shareholders who hold a controlling or majority interest, other lists may be filed up to the third day after the expiration of said term. In this case, the minimum shareholding required based on the following paragraphs shall be reduced to half.

The Company shall provide notice of this in the manners set out in Chapter II, Section I of CONSOB Regulation no. 11971/1999. -----

No shareholder or any shareholders who are from the same group or are party to a shareholders' agreement which regards the Company's shares, may present or contribute to presenting more than one single list, nor may they vote for other lists, not even through a personal intermediary or fiduciary company. Each candidate may appear in only one list, upon penalty of ineligibility. -----

Only shareholders who alone or together with other shareholders represent a minimum shareholding of 2.5% (two point five percent) of shares with voting rights at ordinary shareholders' meetings shall have the right to present lists, subject to any lower minimum shareholding required by legal or regulatory provisions. -----

The notice of meeting shall indicate the minimum shareholding required. -----

Lists which present a total of 3 (three) or more candidates must include candidates of both genders, so that the number of candidates for the office of statutory Auditor and alternate Auditor equals the number that the temporary rules on gender balance within the Board of Auditors, to the extent these rules are applicable, require for the less represented gender, and provided that if application of the criterion of gender balance does not produce a whole number, it must be rounded off to the next higher number. -----

Lists presented which do not comply with the preceding provisions will not be considered. -----

At least 21 (twenty-one) days before the date set for the nomination meeting, the lists, accompanied by the aforementioned information and declarations, shall be made available to the public at company headquarters, on the company website, and in any other manner provided by CONSOB. -----

Each shareholder entitled to vote may vote for only one list. -----

Statutory members of the Board of Auditors shall be elected as follows: -----

a) the votes received by each list shall be divided by one, two, or three, according to the sequential number assigned to each of the candidates to be elected -----

b) the quotients thus obtained shall be assigned to the candidates of the relative section of each list in the sequential order it states, and placed in a single decreasing ranking -----

c) those who received the highest quotients shall be elected . -----

At least one Auditor must always be drawn from the list that has the second highest number of votes and is not connected, even indirectly, to shareholders who have presented or voted for the list that received the most votes (the "minority list"). Therefore, if the three highest quotients are received by candidates who all appear on majority lists, the last Statutory Auditor to be elected shall be drawn from the minority list that received the most votes, even though he/she received a lower quotient than the majority candidate with the third highest quotient. -----

If more than one candidate received the same quotient, the candidate from the list

that has not yet elected any Auditor, or, if all lists have elected the same number of Auditors, the candidate from the list that received the most votes, shall be elected. If there is a tie vote for a list, and if the quotient is the same, the Ordinary Shareholders' Meeting shall vote again, and the candidate who obtains the simple majority of votes shall be elected.-----

If the election of candidates through the aforementioned methods fails to ensure that the composition of the statutory auditors on the Board of Auditors complies with the temporary rules on gender balance, to the extent these rules are applicable, the necessary replacements shall be taken from the candidates for the office of Statutory Auditor on the list that reported the most votes, in sequential order. -----

The Statutory Auditor elected from the minority list that received the most votes shall be the Chairman of the Board of Auditors. -----

For the election of Alternate Auditors, the votes received from each list shall be divided by one and then by two. The quotients obtained shall be assigned in sequential order to the candidates from the relative section of each list in a single decreasing ranking, and those who received the highest quotients shall be elected. Nevertheless, if the two candidates with the highest quotient appear on the same list, the first of them shall be elected, while the second alternate shall be the candidate with the highest quotient of those on the minority list, as defined above, which expressed the minority auditor, or failing that, which reported the most votes. In case of a tie, the aforementioned criteria shall be applicable. -----

If only one list is presented within the terms and according to the methods indicated above, or if no list is presented, the shareholders' meeting shall decide with the relative majority of the shareholders present. In case of a tie, there shall be a run-off among those candidates through another vote by the shareholders' meeting. This shall all be subject to compliance with the temporary rules regarding gender balance – to the extent these rules are applicable – and provided that if application of the gender balance criterion does not produce a whole number, it must be rounded up to the next higher unit. -----

If a Statutory Auditor is replaced, the Alternate Auditor from the same list as that to be replaced shall take over. -----

If this is not possible, the outgoing Auditor shall be replaced by the unelected candidate who received the highest quotient from those on the list that included the outgoing Auditor. If Statutory and/or Alternate Auditors must be appointed in order to supplement the Board of Auditors, the procedure shall be as follows: if Auditors elected in the majority list must be replaced, the appointment shall be made by a relative majority without being bound by the list; if, on the other hand, Auditors elected in minority lists must be replaced, the shareholders' meeting shall replace them with a relative majority vote, but in calculating the vote, shareholder votes will not be counted if, according to communications pursuant to applicable rules, they control the majority of votes that can be cast at the shareholders' meeting or if they are connected to those who do. This is provided that the composition of the Board of Auditors must follow the temporary rules on

gender balance – to the extent they are applicable – and provided that if application of the gender balance criterion does not produce a whole number, it must be rounded up to the next higher unit. -----

The term of office for new appointees shall expire when the term for auditors already in office expires. -----

**Art. 24) – Manager Responsible for Drafting Company Accounting Documents** -----

After consulting with the Board of Auditors, the Board of Directors shall appoint a manager responsible for drafting company accounting documents. The manager must have multiple years of administrative and financial experience in large companies. -----

The company’s documents and communications regarding accounting information, including mid-year reports, which are disclosed to the market, shall be accompanied by a written declaration from the manager attesting that they are consistent with the results of accounting documents, books and records. -----

Said manager shall be required to establish adequate administrative and accounting procedures for preparing annual financial statements and consolidated financial statements, when required, as well as any other financial communication.-----

The Board of Directors shall grant the manager responsible for drafting accounting documents adequate powers and means to perform his/her duties, and shall monitor compliance with administrative and accounting procedures. -----

The manager responsible for drafting company accounting documents, along with the delegated governing bodies, must issue a special report attached to all annual financial statements, the half-year report, and the consolidated financial statements, if required, that attests to the adequacy and effective application of administrative and accounting procedures during the period to which the documents refer, as well as their consistency with the results of accounting books and records, and that they provide a truthful and accurate representation of the equity, income and financial situation of the company and all undertakings included in the consolidation. This attestation shall be provided according to the model established through CONSOB regulations. -----

Managers responsible for drafting accounting documents shall assume the same liability for the duties assigned to them that the law provides for directors, except for actions that may be taken based on an employment relationship with the company. -----

**Art. 25) – External Audits** -----

External audits of the accounts shall be performed by an auditing company or an external auditor appointed by the shareholders’ meeting upon a clearly justified proposal by the Board of Auditors, at the time the financial statements are approved or during the annual meeting provided by Art. 2364 of the Italian Civil Code. -----

The applicable provisions of law shall apply to the appointment, duties, powers and responsibilities of the external auditor. -----

After consulting with the Board of Auditors, the shareholders' meeting may revoke the assignment for just cause, at the same time appointing another external auditor to the position. -----

In case of resignation or consensual termination of the contract, the provisions of law provided for these situations shall apply. -----

The assignment shall be for nine financial years for auditing companies, and seven financial years for external auditors, and may not be renewed or re-assigned for at least three financial years after the end of the previous one. -----

The assignment may not be given to an auditing company or external auditors who have a conflict of interest pursuant to the law or a CONSOB regulation. ----

**Art. 26) – Liquidation and Distribution of Assets** -----

The provisions of law shall be applicable to the liquidation and distribution of company assets; liquidation shall be entrusted to one or more liquidators appointed by the Shareholders' Meeting. -----

If the Company has taken out loans, they must be repaid before it is dissolved. ---

**Art. 27) – Transactions with Related Parties** -----

In cases of emergency, where a transaction with related parties is not within the competence of the Shareholders' Meeting and need not be authorized by it, the Company may perform a transaction with related parties as an exception to the temporary "Procedure for Transactions with Related Parties," provided that, in order to be effective, this transaction must be subsequently approved by a non-binding resolution of the first ordinary shareholders' meeting thereafter, and that all other conditions set out by the law and regulations are followed. -----

If the emergency is related to a company crisis, where applicable, transactions with related parties may be performed as an exception to the provisions of the temporary "Procedure for Transactions with Related Parties" regarding transactions within the competence of the shareholders, upon condition that the applicable legal and regulatory provisions are followed.-----

**Art. 28) – Jurisdiction** -----

Any disputes that arise among shareholders, or between shareholders and the Company, directors, auditors, and/or liquidators, or between directors and auditors and/or liquidators, regarding the validity, effectiveness, or interpretation of these by-laws, the articles of incorporation or, in general, anything related to company life that does not by law fall within the purview of another court, shall be subject to the judgment and sole jurisdiction of the Courts of Turin. -----

**Art. 29) – Governing Law** -----

Anything not provided in these by-laws shall be governed by the provisions of the Italian Civil Code and the special regulations applicable to the Company. ----

Signed in the original: -----

Mario RIZZANTE -----

Caterina BIMA - Notary -----

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This copy on electronic medium, reproduced above on fifteen pages, is a certified copy of the original paper document pursuant to Legislative Decree

82/2005 as amended, which is transmitted for use by the company registry. -----  
Turin, May 5, 2014 -----  
Pursuant to the decree of February 22, 2007, revenue stamp paid via M.U.I.  
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