(Translation from the Italian original which remains the definitive version)

BY-LAWS

SECTION I
NAME - REGISTERED OFFICE - OBJECT - DURATION

Article 1

The following company limited by shares has been incorporated:

"Mecaer Aviation Group S.p.A.", in short "MAG S.p.A.".

Article 2

The company's registered office is in the Borgomanero municipality (NO).
It may set up, change or close agencies and offices in Italy and abroad, as resolved by its shareholders.

Article 3

The shareholders' domicile is that shown in the shareholder register or the company's registered office for the purposes of their relationship with the company.

Article 4

The company's business object is:
the design, study, consultancy, organisation and assistance with any public or private works or project, both for itself and on behalf of third parties or as part of a joint venture in Italy or abroad in the field of applied science for the aerospace sector; the research, design for itself, development, production, construction, restyling and sale in Italy and abroad, also as licensor, of mechanical, hydraulic and electronic products and, specifically, transport and industrial applications for the aerospace sector, accessories and equipment; the operation of air lines for the transport of persons and goods in Italy, between Italy and abroad and in foreign countries using rotary wing and fixed-wing aircraft either owned by it or leased; the exercise, transportation of passengers and goods on a sporadic or occasional basis and any and all aircraft work services with no exceptions including airplane taxi services with rotary wing or fixed-wing aircraft either owned by it or leased in Italy, between Italy and abroad and in foreign countries; the sale on its own behalf or for third parties, also via lease agreements, of helicopters and their parts, also manufactured directly, up to a two ton limit, and provision to the buyers and third parties in general of all the services necessary to use the helicopters, fly them, maintenance, transport, hangering and all other services necessary to use them; the set up and running in Italy and abroad of schools to train pilots for any type of aircraft; the opening in Italy and abroad of workshops to overhaul, repair, make changes to and maintain all types of aircraft.
All professional activities provided for by Law no. 1815 of 23 November 1939 and subsequent amendments are expressly excluded from the business object.
In order to attain its business object, the company may:
- carry out in Italy and abroad any other industrial, commercial, securities and real estate activities;
- acquire interests and investments in other companies and bodies with identical, similar or related business objects, join associations, entities and consortia;
- provide services to companies;
- acquire, sell, exchange and lease land and buildings and manage its own buildings;
- grant sureties, liens or guarantees to third parties and undertake financial transactions that are related to the business object, except for all those activities as per Laws no. 1/1991 and no. 197/1991, Legislative decree no. 395/1993 and CICR resolution of 3 March 1994; these sureties, liens and guarantees may be granted for transactions the board of directors deems necessary or useful to attain the business object; however, direct financial transactions with the general public are forbidden.

Article 5

The company has a duration until 31 December 2050 which may be extended.

SECTION II
SHARE CAPITAL

Article 6

The share capital amounts to €13,138,000 (thirteen million, one hundred and thirty-eight thousand), split into 13,138,000 (thirteen million, one hundred and thirty-eight thousand) shares with a nominal amount of €1 (one) each.
The company may create share categories with rights different to those of the shares already issued.
The board of directors will ask that the share capital proceeds be paid in using the most appropriate methods and timeframe.
The shareholders may provide the company with interest-bearing and non-interest bearing loans pursuant to the ruling legislation.
The shares are equity instruments.

Article 7

The shares may be transferred by *inter vivos* deed or by succession in the case of death, as provided for in the following paragraphs.

7.1 A shareholder that intends to transfer, sell or otherwise dispose of all or part, in any form, also by creating a beneficial interest and based on any type of negotiations (as for exchanges), of its shares (the "SELLING SHAREHOLDER") shall firstly offer them to the other shareholders with pre-emptive rights for the entire amount of shares offered, by sending a written offer (the "OFFER") by registered post with notice of receipt to the addresses of the other shareholders as per article 3 of these by-laws. The SELLING SHAREHOLDER shall specify the number of shares offered, the unit price for each share, the name of the seller and the main terms and conditions of the sale in its OFFER.

Should the consideration for the purchase of the shares under the pre-emptive option not be entirely in cash, the SELLING SHAREHOLDER shall indicate in its OFFER the equivalent cash price for exercise of the pre-emptive right. If the other shareholders do not agree with this price, the cash equivalent will be determined by a three-member arbitration panel with a binding decision taken to express the parties' intentions. One member shall be appointed by the SELLING SHAREHOLDER, one by the shareholders that intend to exercise their pre-emptive right and the third member shall be the chief judge of the Novara Court as the chairperson.

The arbitration panel shall be set up within 15 days of receipt of the OFFER by the last shareholder and it will take its decision within the next 30 days after which it will immediately inform all the shareholders thereof. If this procedure is necessary, the closing date for exercise of the pre-emptive rights is deferred accordingly.

For the purposes of this article, the SELLING SHAREHOLDER shall inform the other shareholders in its OFFER of any purchase offers conditional upon prior checks, reviews and inspections of the company, when the potential buyer has given the SELLING SHAREHOLDER a deposit of at least 10% of the purchase price offered and has agreed to carry out these checks and inspections pursuant to the law and normal confidentiality obligations. In this case, the SELLING SHAREHOLDER shall indicate the terms and duration of these checks, reviews and inspections in its OFFER. See article 7.4.

For the purposes of this article, shareholders that intend to transfer, sell or otherwise dispose of their shares in the company may agree to sell their shares together without splitting. In this case, the SELLING SHAREHOLDERS shall indicate in the OFFER that it refers solely to a joint investment. It follows that the pre-emptive right of the other shareholders may only be exercised by purchasing the entire investment offered as a whole and not a part thereof.

The sale of shares to parties that are not already shareholders, after the above procedure has been carried out, is subordinated to the company's interest in having a new shareholder, depending on its activities and the contribution it may give to the company and its attainment of the business object. The board of directors will assess the situation and will take its related resolution with 30 (thirty) days of the date of receipt of the OFFER.

7.2 The other shareholders may exercise their pre-emptive right in proportion to their existing investments by sending a written communication to the SELLING SHAREHOLDER by registered letter with notice of receipt within 30 days of the date of receipt of the OFFER (the "EXERCISE PERIOD"), indicating their acceptance of the OFFER at the terms and conditions indicated by the SELLING SHAREHOLDER or, when the OFFER is not for cash, the cash equivalent communicated by the SELLING SHAREHOLDER or, if appropriate, set by the arbitration panel as per article 7.1 above.

The shareholders that accept the OFFER may indicate in their acceptance whether they intend to acquire shares in proportion to their investment that have not been acquired by the other shareholders that have not exercised their pre-emptive rights.

7.3 Should the other shareholders not have exercised their pre-emptive rights when the EXERCISE PERIOD closes, as defined by article 7 for all the shares covered by the OFFER; or should the SELLING SHAREHOLDER not have received any refusal to the transfer by the board of directors, the SELLING SHAREHOLDER is free to sell the shares to the buyer indicated in the OFFER as long as the sale is executed within 180 (one hundred and eighty) days of the closing of the EXERCISE PERIOD at a price not lower and terms and conditions less favourable than the price, terms and conditions indicated in the OFFER.

Should the OFFER not be executed within the deadline of 180 (one hundred and eighty) days, the SELLING SHAREHOLDER shall again offer the shares to the other shareholders using the above procedure before offering them to another party, unless the other shareholders waive their pre-emptive right in writing.

7.4 Should the potential buyer have included a condition precedent clause into its proposal whereby its effectiveness is tied to the prior checks, reviews or inspections of the company, pursuant to the second sentence of article 7.1, the other shareholders will allow the SELLING SHAREHOLDER and the potential buyer to carry out these checks, reviews and inspections in accordance with the terms and conditions indicated in the OFFER if they decide not to exercise their pre-emptive rights pursuant to this article. As soon as these checks, reviews and inspections have been completed, subject to the signing and acceptance of a confidentiality agreement by the third party buyer, the SELLING SHAREHOLDER shall inform the other shareholders of the potential buyer's final decision about the purchase, its terms and

conditions so as to offer the shares to the other shareholders again on a pre-emptive basis pursuant to the terms of this article if the new terms or conditions are less favourable that those indicated in the OFFER as per article 7.1.

7.5 Should the board of directors not approve the transfer of the shares to a third party within the deadline set in the last sentence of article 7.1, the company and/or the other shareholders (the former within the limits of article 2357 of the Italian Civil Code and the latter in proportion to the shares already held by them) will be required to acquire the shares at the set price in accordance with the terms and conditions as per article 2437-*ter* of the Italian Civil Code. To this end, the board of directors in the letter communicating its non-approval of the transfer will inform the SELLING SHAREHOLDER of the company or other shareholders' intention to acquire the shares. The transfer shall take place within 180 (one hundred and eighty) days of the closing of the EXERCISE PERIOD. However, the SELLING SHAREHOLDER is free to refuse the offer and to maintain title to its shares. In the cases covered by this article, the shareholder's right to withdraw from the company pursuant to articles 2437, 2437-*bis* and 2437-*ter* of the Italian Civil Code is not prejudiced.

7.6 Should the SELLING SHAREHOLDER intend at any time to transfer, sell or otherwise dispose of, except for that set out in article 7.10, its shares by selling them to a third party at a price lower than that indicated in the OFFER, the SELLING SHAREHOLDER shall offer the shares again to the other shareholders in accordance with the terms of this article. Should the board of directors or the other shareholders not exercise (as per articles 7.2, last paragraph, and 7.2) their right to express its approval or exercise their pre-emptive right, respectively, after the new OFFER, the measures set out in article 7.3 are applicable.

7.7 Without prejudice to the other measures of this article 7, each shareholder may transfer, sell or dispose of otherwise all or part of its shares by transferring them (i) to any or more than one company wholly owned by it (directly or indirectly); (ii) any company which directly or indirectly wholly owns it (a PARENT) or (iii) any or more than one company entirely owned (directly or indirectly) by a PARENT, (all the parties indicated in points (i), (ii) and (iii) above are also defined as ASSOCIATES) as long as the ASSOCIATE takes on all the assignor's commitments and obligations related to the shares as well as the transfer obligations set out in the following article. For the purposes of this article 7.7, a company is considered to be wholly owned by another company even when the latter company does not own 100% of its share capital as long as all the shares not held by the latter company are held by its directors or by minority shareholders, the presence of which in the shareholding structure is required by law. If the transferor as per this article 7.7 is no longer an ASSOCIATE of the SELLING SHAREHOLDER and the SELLING SHAREHOLDER is still a shareholder of the company, the transferor shall sell the SELLING SHAREHOLDER (and the offering shareholder shall reacquire) the shares of the company before this happens, unless the other shareholders waive their right to request this acquisition in writing.

If the transferor ceases to be an ASSOCIATE of the SELLING SHAREHOLDER and the SELLING SHAREHOLDER is no longer a shareholder of the company, before this happens, the transferor shall sell the shares of the company to the SELLING SHAREHOLDER or one of its ASSOCIATES (and the SELLING SHAREHOLDER or one of its ASSOCIATES shall have to reacquire these shares) unless the other shareholders waive their right to request this reacquisition in writing.

7.8 The pre-emptive right and exercise of the approval provided for by article 7 are also applicable should the option rights of the shareholders be sold in the case of a share capital increase for the company.

7.9 The shareholders that exercise their pre-emptive right for all the shares offered may come to an agreement so that the acquisition of the offered shares is made by a third party designated by the shareholders that have exercised their pre-emptive right.

In this case, the measures about the board of directors' approval set out in the last sentence of article 7.1 above do not apply.

7.10 Shareholders may not pledge the shares, give beneficial interest or charge them in any other manner without the prior written consent of the other shareholders.

SECTION III
SHAREHOLDERS' MEETINGS

Article 8

Shareholders may meet in ordinary or extraordinary meetings in locations other than the company's registered office in Italy, the other EU member states and in Switzerland.

Ordinary shareholders' meetings are called at least once a year within 120 (one hundred and twenty) days from the reporting date or within 180 (one hundred and eighty) days when particular requirements related to the company's structure or business object make this necessary, or when the company is required to prepare consolidated financial statements.

Article 9

The board of directors calls the meeting by placing a notice in the Italian Official Journal or one of the following daily newspapers, Corriere della Sera or Il Sole 24 Ore, at least 15 days before that set for the meeting. The notice includes the date, time and place of the meeting, the agenda and details of the second call, if provided for.

If the daily newspapers are no longer published, the notice will solely be placed in the Italian Official Journal.

Meetings can also be called by registered post with notice of receipt sent to the shareholders or by telegram or any other means that gives proof of receipt at least 8 (eight) days before the meeting.
Meetings not called as provided for above are nonetheless valid when the entire share capital is represented and the majority of the directors and statutory auditors are present.

Article 10

Each shareholder has the right to one vote at meetings; if the value of the share is a multiple of €1 (one), the shareholder has the right to a vote for each share held.

Article 11

When not provided for otherwise by these by-laws, participation at shareholders' meetings is regulated by law. The meeting chairperson, elected as set out in article 13, checks the participants' right to intervene. Each shareholder with the right to intervene may be represented by giving a written proxy in accordance with article 2372 of the Italian Civil Code. Participation at ordinary and extraordinary shareholders' meetings can take place by conference call as long as the collegial method and good faith and equal treatment principles are complied with. Specifically,
(i) the meeting chairperson, also through their office as chairperson, should be able to check the identity and eligibility of the participants, chair the meeting, check and announce the results of voting procedures;
(ii) the person writing the minutes is able to adequately understand the meeting events to be written up;
(iii) the participants are able to take part in discussions and simultaneous voting procedures about the matters on the agenda and to view, receive or transmit documents;
(iv) the venues in which video/conference call facilities are available are detailed in the notice while the meeting is held to have taken place in the location where the chairperson and the secretary are present.
If these requirements are met, the meeting is taken to have been held in the location where the chairperson and the secretary are present.

Article 12

The legal requirements shall be respected for the legal constitution of ordinary and extraordinary shareholders' meetings and for the validity of the related resolutions, except for that set out in this article.
Shareholders included in the shareholder register at least 5 (five) days before the date of the meeting are considered to be present.
Resolutions taken by shareholders in ordinary meetings are taken to be properly adopted with the favourable vote of at least 85% (eighty-five percent) of the share capital present at the meeting about the following matters:
(a) approval of the company's financial statements and related annexes, within the limits of article 2369.4 of the Italian Civil Code;
(b) appointment of the independent auditors and determination of their fee;
(c) distribution of reserves or dividends;
(d) approval or adjustment to decisions taken by the board of directors for the matters listed in article 16.(a) to (q) of these by-laws;
(e) determination of the board of directors' fees;
(f) exercise of derivative actions against the directors, statutory auditors, general managers and liquidators, as well as waivers and/or settlements related thereto;
(g) repurchase and sale of own shares;
(h) any resolutions about the possible listing of the company's shares on any regulated market;
(i) bond issues.
All the resolutions taken by shareholders in extraordinary meetings are taken to be properly adopted with the favourable vote of at least 85% (eighty-five percent) of the share capital present at the meeting.

Article 13

Meetings are chaired by the chairperson of the board of directors or, in their absence, by the person elected by majority vote of the meeting participants.
The chairperson is assisted by a secretary, who does not have to be a shareholder, appointed in a similar manner. A secretary is not required if the minutes are drawn up by a notary.

Article 14

Resolutions taken by the shareholders are written up in the minutes, which are prepared and signed pursuant to the law.

SECTION IV
ADMINISTRATION

Article 15

15.1 The company is administered by a board of directors consisting of between 5 (five) and 9 (nine) members, as decided by the shareholders and as long as the number is unequal. The directors do not have to be shareholders and have a term of office of between 1 (one) and 3 (three) years, which expires at the date of the shareholders' meeting called to approve the financial statements of the last year of their term. They may be re-elected.
15.2 The directors are elected by the shareholders using lists presented by them pursuant to the following procedures and methods:

(a) each shareholder may present or jointly present just one list and each candidate may be included in just one list to be eligible;
(b) each list shall include a number of candidates, listed in consecutive order, that shall not exceed the maximum number of directors to be elected pursuant to article 15.1;
(c) only those shareholders that individually represent at least 10% of the shares with voting rights at shareholders' meetings may present lists;
(d) the lists shall be lodged at the company's registered office at least 5 (five) days before that set for the meeting on first call. The lists should be accompanied by the candidates' curricula vitae as well as statements accepting their candidature and confirming, under their own responsibility, that no reasons exist for them not to be electable or eligible, including the existence of the requirements imposed by the applicable laws and by-laws for their position.
(e) lists that do not meet the requirements set out in point (d) above are considered not to have been presented;
(f) each shareholder with voting rights may vote for just one list;
(g) the votes obtained by each list are subsequently split by one, two, three, etc. depending on the number of directors to be elected. The scores are assigned to the candidates of each list in consecutive order and the candidates are then put in one descending order list based on their scores. The candidates with the highest scores are elected;
(h) if more than one candidate obtains the same score, the last director to be elected is taken from the list with the most votes and, if there are two lists with the same number of votes, the elder candidate is elected.
15.3 If just one list is presented, the candidates on that list are elected if it receives votes equal to at least the majority required by law for the election of company bodies. If no lists are presented, the shareholders elect the board of directors by legal majority vote.
15.4 If one or more directors fall from office during the year, they are replaced pursuant to article 2386.1 of the Italian Civil Code. If, however, the majority of the directors elected by the shareholders fall from office for any whatsoever reason before their term of office expires, the entire board of directors falls from office and a shareholders' meeting is urgently called by the directors that remain in office so as to reconstitute the board. The board of directors may only take ordinary administrative actions until the shareholders have resolved about its renewal using the methods provided for in articles 15.2 and 15.3.
15.5 The shareholders set the directors' total fees annually. Within the limits of this overall amount, the board of directors decides the fee of each director, considering their duties and proxies.

Article 16

The board of directors meets at the company's registered office or elsewhere, as long as it is in Italy, whenever the chairperson or their substitute deems it necessary or when a written request is made by at least 2 (two) directors or 2 (two) statutory auditors. Board meetings are called by registered letter, telegraph, fax or e-mail, to be sent at least 5 (five) days beforehand to the directors and standing statutory auditors' domicile. Notice of urgent meetings can be sent with one day's advance warning using the means held to be most appropriate by the chairperson or their substitute.
The board of directors may meet and pass resolutions also by video conference or conference call as long as the following conditions are met, to be described in the related minutes:
(a) the chairperson and the meeting secretary are present in the same location and write up and sign the minutes, to the effect that the meeting took place in that location;
(b) the chairperson is able to check the identity of the meeting participants, chair the meeting, check and announce voting results;
(c) each participant may be identified by the other participants;
(d) the secretary is sufficiently aware of the events taking place;
(e) the participants may take part and intervene in real time in the discussions and simultaneous voting about the matters on the agenda and view, receive or transmit documents.
Board meetings are chaired by the chairperson or, in their absence or impediment, by their substitute.
If neither of these two persons are able to attend, the meeting is chaired by the eldest director present.
The majority of the directors in office shall be present for resolutions to be effectively taken.
They are properly adopted with the favourable vote of at least 4 (four) directors in office, if the board of directors has 5 (five) members, of at least 6 (six) directors in office, if the board of directors has 7 (seven) members and of least 8 (eight) directors in office, if the board of directors has 9 (nine) members and when they relate to one or more of the following matters:
(a) the exercise of voting rights at investees' meetings, solely for resolutions concerning the matters set out below;
(b) the set up and appointment of members of any board committee;
(c) approval of the budget and business plans;
(d) the acquisition of investments, business units, licences and knowhow for more than €1,500,000.00 (one million, five hundred thousand/00), including the debt of the company and business unit acquired, the transfer of investments and/or interests in companies, entities and business units, the lease of businesses and business units and the incorporation (or participation in the incorporation) of new companies and entities. For the purposes of this point, by transfer is meant any transaction that

substantially entails the sale or transfer of an asset in any manner (against consideration or free, *inter vivos* or *mortis causa*) or the exchange of an asset for another asset (in the case of mergers, demergers, transfers, etc.) on a definitive or temporary basis, also through the granting of rights to the asset or guarantees or collateral (such as, without limitation, beneficial interest, pledges or mortgages);
(e) agreement of joint venture agreements (by setting up joint ventures) and joint investment agreements;
f) granting of collateral on property, plant and equipment and intangible assets of the company; the issue of personal guarantees, including atypical guarantees, to third parties for an amount in excess of €500,000.00 (five hundred thousand/00) in each calendar year, which are not in the company's best interests or related to its normal operations;
(g) granting of financing to third parties that is not covered by commercial agreements;
(h) acceptance of financing and other financial liabilities of any kind (except for the issue of convertible or non-convertible bonds which can only be resolved upon by the shareholders) when the company's total net financial debt summed to the new financing exceeds twice the group's cash flow for the previous year, being the sum of the profit (loss) for the year plus amortisation and depreciation;
(i) acquisition, sale or disposal in any other form of real property;
(l) sale or disposal in any other form of chattels, property, plant and equipment and intangible assets (including intellectual property and industrial patents), receivables, bonds, securities or other financial instruments, or other rights of the company for a unit amount of more than €250,000.00 (two hundred and fifty thousand/00);
(m) negotiations with shareholders, directors, members of their families or any party that controls, is controlled by or is jointly controlled by the above parties. By control is meant an ongoing relationship between a specific party (an individual or company) and a company whereby the former has control over the latter pursuant to article 2359 of the Italian Civil Code and/or article 23 of Legislative decree no. 385 of 1 September 1993 (Consolidated Banking and Credit Act) and/or article 7 of Law no. 287 of 10 October 1990 (Fair competition and market rules). The terms "subsidiary" and "parent", as used in these by-laws, have a meaning consistent with that of "control";
(n) granting of mandates for the organisation of different activities and valuations for a possible flotation (including the mandate given to the global coordinators);
(o) agreements of waivers or transactions with a unit value of more than €100,000.00 (one hundred thousand/00) and, together, of more than €150,000.00 (one hundred and fifty thousand/00) in any one calendar year;
(p) setting aside assets for a specific business transaction, as per article 2447-*bis* of the Italian Civil Code;
(q) statements of approval of potential new shareholders pursuant to the last sentence of article 7.1.
Resolutions covering exclusively one or more matters other than those listed in the above paragraph shall be taken by majority vote of the directors in office. The chairperson has the casting vote.

Article 17

The chairperson is the company's legal representative with third parties and in court at all levels. They may appoint lawyers and defence counsel. The board of directors may give part of this legal representation to other directors, also separately, within the limits of their proxies.

Article 18

If the shareholders have not done so, the board of directors appoints its chairperson; it may also appoint 1 (one) or 2 (two) deputy chairpersons and one (1) or more chief executive officers.
Should 2 (two) deputy chairpersons be appointed, the board of directors establishes the order of priority for substitution of the chairperson, should they be absent or impeded.
The board of directors may appoint an executive committee, establishing the number of its members, its duration and duties.
The board of directors may delegate part of its powers, except for those that cannot by law be delegated (i.e., the matters listed in article 16, letters (a) to (q) of these by-laws) to the chairperson, the deputy chairpersons, the chief executive officers or any of its members, or to an executive committee, establishing the limits to the proxy in each case.
The delegated parties report to the board of directors every three months about the general performance of the company and its subsidiaries, their outlook and the most significant transactions (in terms of their amount and characteristics) carried out by them.

Article 19

The board of directors has the widest powers for all the ordinary and extraordinary administration, including the possibility to bind the company to honour bills and to give guarantees, including collateral, on behalf of third parties as it has all the powers given to it by law and the by-laws except for those reserved exclusively for the shareholders.

SECTION V

BOARD OF STATUTORY AUDITORS - ACCOUNTING CHECKS

Article 20

20.1 The shareholders appoint 3 (three) standing statutory auditors and 2 (two) alternate statutory auditors as provided for by law using the lists presented by the shareholders as described below:

(a) the candidates are included in each list in consecutive order by number;
(b) the lists shall be lodged at the company's registered office at least 5 (five) days before that set for the meeting on first call. The lists should be accompanied by the candidates' curricula vitae as well as a list of the positions as director and statutory auditor held by them in other companies and statements accepting their candidature and confirming, under their own responsibility, that no reasons exist for them not to be electable or eligible, including the existence of the requirements imposed by the applicable laws and by-laws for their position;
(c) each shareholder may present or jointly present just one list and each candidate may be included in just one list to be eligible;
(d) only those shareholders that individually represent at least 10% of the shares with voting rights at ordinary shareholders' meetings may present lists;
(e) each shareholder with voting rights may vote for just one list;
(f) if more than one list is presented, the statutory auditors are elected as follows:
(i) the votes obtained by each list are divided by one, two, three, etc. depending on the number of candidates to be elected;
(ii) the scores are assigned to the candidates of each list in consecutive order and the candidates are then put in one descending order list based on their scores;
(iii) the candidates with the highest scores are elected;
(g) at least one standing statutory auditor shall be taken from the minority list that receives the most votes.
Therefore, if the three highest scores are obtained by candidates all from majority lists, the last standing statutory auditor to be elected is taken from the minority list that received the most votes even though their score is lower than the majority list candidate with the third highest score;
(h) should more than one candidate have the same score, the candidate from the list from which a statutory auditor has not yet been elected is elected, or if all the lists have elected the same number of statutory auditors, the candidate from the list with the most votes is elected. If lists receive the same number of votes and score, the shareholders vote again and the candidate with the most votes is elected.
20.2 Should a standing statutory auditor be substituted, their substitute is taken from the same list.
20.3 The chairperson of the board of statutory auditors is the standing statutory auditor who was elected first from the list that received the most votes.
20.4 If just one list is presented, the candidates on that list are elected in consecutive order if it receives votes equal to at least the majority required by law for the election of company bodies. If no lists are presented, the shareholders elect the board of statutory auditors, including its chairperson, by legal majority vote.
20.5 The shareholders determine the annual fee of each standing statutory auditor in their ordinary annual meetings when they are elected.
20.6 The statutory auditors have a term of office of 3 (three) years which expires at the date of the meeting called to approve the financial statements for the third year of their term. They may be re-elected.
Expiry of their term of office is effective from when the board of statutory auditors is reconstituted.
20.7 Board of statutory auditor meetings may also be held using webtools as per article 16 of these by-laws.

Article 21

The board of statutory auditors, set up pursuant to article 2409-*bis*.2 of the Italian Civil Code, carries out the legally-required audit of the company's financial statements. However, if so required by law or decided by the shareholders in an ordinary meeting and moreover pursuant to the regulations in place from time to time, the legally-required audit is carried out by an individual auditor or audit company included in the specific register set up pursuant to Legislative decree no. 9 of 27 January 2010.
The Company's individual auditor or the audit company that performs the legally-required audit of the company's financial statements, also through exchanges of information with the board of statutory auditors:
(a) checks that the accounts are kept correctly and the accounting records correctly reflect the company's operations during the year on at least a quarterly basis;
(b) checks that the annual financial statements and, if prepared, the consolidated financial statements are consistent with the accounting records and checks performed and with the relevant legal provisions;
(c) expresses an opinion on the separate and consolidated (if prepared) financial statements in an audit report.
The shareholders decide the audit fee for the term of the engagement, which cannot exceed 3 (three) years, when they appoint the individual auditor or audit company.
The individual auditor or audit company's term of engagement ends with approval of the financial statements of the last year of their engagement. They may be re-appointed.

SECTION VI
FINANCIAL STATEMENTS AND PROFITS

Article 22

The company's annual reporting period ends on 30 September of each year.

Article 23

The profit for the year as per the annual financial statements is allocated as follows:
- 5% (five percent) to the legal reserve, until it equals one fifth of share capital;
- the other 95% (ninety-five percent) as decided by the shareholders.

SECTION VII
DISSOLUTION, LIQUIDATION AND WITHDRAWAL

Article 24

Should the company be dissolved at any time and for any reason, the shareholders in an extraordinary meeting decide on the liquidation method and appoint one or more liquidators, establishing their powers.

Article 25

Shareholders that do not approve resolutions about the following matters have the right to withdraw:
(a) changes to the business object, when this leads to a significant change in the company's activities;
(b) the company's transformation;
(c) transfer of the registered office abroad;
(d) cancellation of the liquidation status;
(e) modification of the criteria to determine the value of the shares in the case of withdrawal;
(f) changes to the by-laws affecting voting rights or participation;
(g) elimination of one or more of the withdrawal reasons provided for by these by-laws.

When the company is managed and coordinated pursuant to article 2497 and subsequent articles of the Italian Civil Code, shareholders have the right to withdraw in the cases provided for by article 2497-*quater* of the Italian Civil Code.

The shareholders also have the right to withdraw in the circumstances described in article 7.5.

Shareholder that have not approved resolutions about (A) extension of the duration and (B) the introduction or removal of constraints to the circulation of shares do not have the right to withdraw.

Shareholders that intend to withdraw from the company shall inform the board of directors in writing by registered letter with notice of receipt.

The registered letter shall be sent within 15 (fifteen) days of the filing with the company registrar of the resolution legitimising withdrawal, with details of the withdrawing shareholder, their domicile for the purposes of communications about the procedure, the number and category of shares for which the withdrawal right will be exercised.

If the event legitimising withdrawal is not a resolution, the withdrawal right may be exercised within 30 (thirty) days of when the shareholder becomes aware of this event.

The right is taken to be exercised on the day on which the board of directors receives the communication.

Exercise of the withdrawal right is noted in the shareholders register.

The withdrawal right cannot be exercised and, if already exercised, is not effective when the company cancels the resolution which legitimised it within 90 (ninety) days or if the company's winding up is resolved.

The withdrawing shareholder has the right to receive payment for the shares for which it has exercised the right.

The directors determine the value of the shares, after consulting the board of statutory auditors and considering the company's financial position and outlook as well as the shares' market value, pursuant to article 2437-*ter* of the Italian Civil Code.

Should the shareholder that exercises the withdrawal right concurrently oppose the board of directors pricing the shares when communicating their intention to exercise the right, the share value is determined within 90 (ninety) days of the exercise of the withdrawal right with a sworn appraisal of an expert appointed by the court in whose jurisdiction the company is based. The court also decides how to allocate the related costs, on the motion of the more diligent party. Article 1349.1 of the Italian Civil Code applies.

The directors offer the shares of the withdrawing shareholder to the other shareholders in proportion to their investments as per article 2437-*quater* of the Italian Civil Code. The pre-emptive right may be exercised within 30 (thirty) days from when the offer is deposited.

If the shares are not taken up, the provisions of article 2437-*quater* of the Italian Civil Code applies.

SECTION VIII
GENERAL INSTRUCTIONS

Article 26

Reference should be made to the Italian Civil Code and other applicable special laws for all that which is not covered herein.