

REFERENCE LEGISLATION

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Legislative Decree no. 58 of 24 February 1998 as subsequently amended Article 127-quinquies (Vote increase)

1. The articles of association may specify that increased voting rights may be attributed, up to a maximum of two votes, for each share belonging to the same subject for an uninterrupted period of no less than twenty-four months starting from the date of registration contemplated by subsection 2. In such a case, the articles of association may also contemplate that the subject holding the voting right may irrevocably renounce, all or part, the increased votes.
2. The articles of association establish the methods for the attribution of the increased vote and for checking the relative conditions, contemplating, in any case, a specific list. Consob establishes with its own regulation the implementation provisions of this article in order to ensure the transparency of the ownership structures and observance of the provisions of Title II, Chapter II, Section II. Without prejudice to the communication obligations borne by the holders of relevant stakes.
3. The transfer of shares for a consideration or free of charge, or the direct or indirect sale of the majority interest of a company or body whose voting right has increased to above the threshold contemplated by Article 120, section 2, involves the loss of the increased voting right. Unless otherwise laid down by the articles of association, the increased voting right:
 - a) is maintained in the case of succession pursuant to death, as well as in the case of the merger or spin-off of the shares;
 - b) extends to the newly issued shares in the case of a capital increase pursuant to Article 2442 of the Italian Civil Code.
4. The merger or spin-off project of a company whose articles of association rule that an increase in voting rights can contemplate that the increased voting right is also due to the entitled shares in lieu of those to which the increased vote is attributed. The articles of association may also rule that the increased voting right is extended proportionately to the shares issued in execution of a capital increase by means of new contributions.
5. The shares to which the benefit contemplated by subsection 1 is applied do not represent a special category of shares pursuant to Article 2348 of the Italian Civil Code.
6. The resolution to amend the articles of association in order to contemplate increased voting does not recognise the withdrawal right as envisaged by Article 2437 of the Italian Civil Code.
7. If the resolution to amend the articles of association referred to in subsection 6 is adopted during the procedure for the listing on a regulated market of the shares of a company not resulting from a merger involving a listed company, the relative clause can envisage that, for the purposes of the uninterrupted possession contemplated by subsection 1, it is also necessary to count the possession prior to the date of registration on the list contemplated by subsection 2.
8. Unless otherwise ruled by the articles of association, the vote increase is also calculated to determine the quorum for the constitution of the shareholders' meeting and for resolutions which regard the share capital quotas. The increase does not affect rights, other than voting rights, due pursuant to the possession of certain capital quotas.

Regulation implementing Italian Legislative Decree No. 58 of 24 February 1998, concerning the discipline of issuers (adopted by Consob under resolution No. 11971 of 14 May 1999 and subsequently amended by resolutions).

Article 85-bis (Changes to the share capital)

1. During changes to the share capital, issuers of shares shall disclose the amount of capital, the number and categories of shares into which it is divided:

a) to the public, in the ways specified by Articles 65-quinquies, 65-sexies and 65-septies, and b) to Consob, by means of the remote collection system, in accordance with the specific methods specified by it in a communication.

2. The communication envisaged by paragraph 1 is made within the day after:

a) filing with Companies House of the certificate of the share capital increase envisaged by Articles 2420-bis, paragraph 3 and 2444, paragraph 1 of the Italian Civil Code;

b) that on which the resolution to reduce the capital can be enforced in accordance with Article 2445, paragraph 3 of the Italian Civil Code;

c) the date on which the effects apply of the merger or spin-off in accordance with Articles 2504-bis and 2506-quater of the Italian Civil Code.

3. The communication is made within five days of registration with Companies House:

a) of the resolution for the share capital increase in accordance with Article 2442 of the Italian Civil Code or reduction of capital due to losses;

b) of the resolutions passed by the general and special shareholders' meetings, which order the mandatory conversions of shares of a category of shares to another category.

4. In the other hypotheses of capital changes, communication is made within the day after deposit, established by Article 2436, paragraph 6 of the Italian Civil Code, of the amended Articles of Association. 4-bis. If the articles of association contemplate increased voting rights pursuant to Article 127-quinquies, or the issue of multiple-voting shares pursuant to Article 127-sexies of the Consolidated Law, without prejudice to what is contemplated by the preceding subsections, the issuer communicates to the public and to Consob the total amount of the voting rights, with indication of the number of shares of which the capital is composed, by means of the procedures indicated under paragraph 1, within the fifth trading day from the end of each calendar month during which an increase of a decrease of such an amount has occurred, and also within the day following the date indicated in Article 83-sexies, paragraph 2, of the Consolidated Law.

Article 143-quater (Contents of the list)

1. In companies which allow for increased voting rights, the list contemplated by Article 127-quinquies, paragraph 2, of the Consolidated Law, contains at least the following information:

a) the identification data of the shareholders who have requested listing;

b) the number of shares for which listing has been requested with indication of the transfers and the restrictions relative to the same;

c) the listing date.

2. In a special section of the list, the following are also indicated:

a) the identification data of the shareholders who have obtained increased voting rights;

b) the number of shares with increased voting rights, with indication of the transfers and of the restrictions relative to the same, as well as the deeds of renunciation;

c) the date on which the increased voting rights were obtained.

3. The companies update the list according to the communications and reports made by the intermediaries, as contemplated by the Consolidated Law and by the relative implementation regulations, and on the basis of any communications received from the shareholders, within the term contemplated by the articles of association, if such is contemplated, and in any case in compliance with the provisions of Article 85-bis, paragraph 4-bis.

4. The contents of the list are made available to the shareholders, at their request, also on electronic support in a commonly used format.

5. Without prejudice to the provisions of the preceding subsection, the companies make known, by publication on their own Internet sites, of the identification data of the shareholders who have requested inclusion on the list, with indication of the relative stakes, which, in any case, must be above the threshold indicated under Article 120, paragraph 2, of the Consolidated Law, and of the entry data, within the term contemplated by paragraph 3.

Rules governing central depositories, settlement services, guarantee systems and related management companies adopted by the Bank of Italy and Consob with decision of 22 February 2008 as subsequently amended

Article 23-bis (Vote increase)

1. The subject intending to be registered on the list established by Article 127-quinquies, Section 2 shall make a specific request to the last intermediary, in compliance with the provisions of Article 21, Section 1.

2. The entitlement to register on the list is certified by a communication to the issuer containing the information pursuant to Article 21, Section 2, with the clause "until revoked".

3. Where the articles of association establish a subsequent certificate of entitlement in order to obtain the majority vote, once the continuous period specified in accordance with Article 127-quinquies, Section 1 of the Consolidated Law on Finance has expired, the subject on the list asks the last intermediary to make a second communication with the same characteristics as the communication pursuant to Section 2.

4. In the event of a share capital increase, the entitlement to extend the majority as may apply in accordance with Article 127-quinquies is certified by a communication to the issuer in accordance with Section 2.

5. The issuer notifies the intermediary without delay, and in any case by the accounting date on which the list is updated in accordance with the provisions of the regulation implementing Article 127-quinquies of the Consolidated Law on Finance, of failure or eventual registration or, as applicable, the achievement or failure to achieve majority, for all consequent requirements, explaining the reason for any denial.

6. The intermediary informs the issuer of any total or partial transfer of the shares concerned by the communication envisaged under Section 2 and the waiver of registration on the list where notified, through a communication of total or partial revocation, which also indicates the specific cause and the progressive annual issue number of the original communication, where available. If more than one communication has been made in accordance with Section 2 and the transfer or waiver do not relate to all shares, in order to indicate the progressive annual issue number of the original communication or communications, the intermediary shall consider the shares registered on the account as transferred on a "last in, first out" basis. In the cases where the indication of the annual progressive number of the original communication or communications is missing, the issuer shall apply the "last in, first out" criteria when updating the list.

7. The above Section does not apply to the case of total or partial transfer of the shares concerned by the communication pursuant to Section 2 without changing the account holder's name, carried out in ways that guarantee that the issuer can access the identity of the intermediaries involved in the centralised management system concerned by the transfer.

8. In the event of succession following death, merger or spin-off of the owner of the account, where notified to the intermediary, the intermediary shall inform the issuer of such events for the fulfilment of all requirements.

9. The intermediary informs the issuer of the establishment of restrictions in accordance with Article 83-octies of the Consolidated Law on Finance affecting shares involved by the communication envisaged by Section 2 and their amendment or extinguishing, also specifying the annual progressive number of the original communication or communications, where available.

10. The issuer notifies the intermediary without delay, and in any case by the accounting date on which the list is updated in accordance with the provisions of the regulation implementing Article 127-quinquies of the Consolidated Law on Finance, of cancellation from the list or, as applicable, loss of majority vote for reasons other than the sale or free transfer of shares, explaining the relevant reasons.

11. The intermediary shall preserve, in progressive order of year of issue, all records of communications made in accordance with this Article.

12. Intermediaries, issuers and centralised management companies are required to follow best market practices for operational aspects not expressly governed by this provision

Articles of association of TOD'S S.p.A

Art. 7

The shares are registered and, if fully released, can be converted to bearer stocks or vice-versa, if not prohibited by law.

Each share is indivisible and grants the right to one vote, unless the Shareholders' Meeting has resolved to issue shares without voting rights or with limited voting rights.

The shares are freely transferable.

Notwithstanding the above provisions, each share gives the right to a double vote (i.e. two votes per share) if both the following conditions are fulfilled: (a) the same person has possessed the share, by virtue of a real right legitimating the exercise of voting rights (full ownership with voting rights or bare property with voting rights or usufruct with voting rights), for an uninterrupted period of not shorter than twenty-four months ; (b) the shares registered in the special list that has been opened for the purpose referred to in (a) are certified as having been in the shareholder's uninterrupted possession for a period of not shorter than twenty-four months, which is regulated by this article (the "Special List"), as well as in a specific notice from the broker stating the period which has elapsed since they were first registered, pursuant to the regulations in force.

The acquisition of the increased voting rights comes into effect on the earlier between (i) the fifth trading day of the calendar month following that in which the conditions laid down in the Articles of Association for obtaining the increased voting rights have been fulfilled; and (ii) the record date of a Shareholders' Meeting (if any), set in accordance with the regulations in force, following the date on which the conditions laid down in the Articles of Association for obtaining the increased voting rights have been fulfilled.

The Company opens and keeps the Special List, in the manners and with the contents required by applicable regulations, at its registered office. Shareholders who intend to enjoy increased voting rights must register their stock in this Special List. Rightful owners of shares pursuant to this article must submit an application in order to register their stock in the Special List, supporting the application with a notice which certifies their possession of the shares, which may also concern only a portion of the shares held by the owner – to be issued by the broker with which the shares are deposited pursuant to the regulations in force. They may also apply for increased voting rights only to be assigned to a part of their stock. Applications presented by holders other than natural persons must state whether the holders are subject to the direct or indirect control of third parties and the particulars of the controlling entity (if any).

The Special List is updated by the Company by the fifth trading day from the end of each calendar day and, in any case, by the record date set in the current regulations in relation to the right to attend and vote at shareholders' meetings.

The Company removes Shareholders from the Special List in the following circumstances:

- (i) waiver on the Shareholder's part;

- (ii) communication from the Shareholder concerned showing that the conditions for being assigned increased voting rights are no longer fulfilled, or that he has lost title to real legitimate right and/or related voting right;
- (iii) ex officio if the Company learns that circumstances have arisen which result in the Shareholder's no longer satisfying the requirements for increased voting rights or the loss of title to real legitimate right and/or related voting right.

Increased voting rights lapse:

- a) if the shares involved are transferred for valuable consideration or free of charge, it being understood that "transfer" must also be interpreted as including the creation of a pledge, an usufruct or any other restriction on the share which entails the Shareholder's loss of voting rights;
- b) if controlling interests are transferred, either directly or indirectly, which are held in companies or entities that hold shares with increased voting rights in an amount exceeding the threshold set out in Article 120, paragraph 2, of Legislative Decree 58 of 24 February 1998.

Increased voting rights:

- a) are preserved in the event of succession by the heir and/or legatee as a result of decease;
- b) are preserved in the case of merger or demerger of the holder of the shares in favour of the company resulting from the merger or the beneficiary of the demerger;
- c) are extended proportionally to newly-issued shares in case of capital increases pursuant to Article 2442 of the Italian Civil Code and capital increases through new contributions made in exercising rights of option;
- d) may also be assigned to shares allocated in exchange for those to which increased voting rights have been granted, where it is required by the related plan of merger or demerger;
- e) are preserved in the case of the transfer of the UCIs managed by the same person from a portfolio to another one.

In the cases referred to in letters (c) and (d) of the paragraph above, new shares acquire increased voting rights if they are:

- (i) newly-issued shares to which the holder is entitled in relation to shares for which increased voting rights have already been earned in that they have been registered in the Special List, without it being necessary to start counting the period of possession again from the beginning;
- (ii) newly-issued shares to which the holder is entitled in relation to shares for which increased voting rights have not yet been earned (but which are being earned) in that the period of possession starting with their registration in the Special List is running.

Shareholders who are entitled to increased voting rights may always waive their rights irrevocably (in whole or in part) at any time, by a written notice to be sent to the Company; it is understood that they may re-acquire increased voting rights for the shares whose rights they have waived by registering them in the Special List again and waiting for at least the full 24-month period of possession to elapse.

Increased voting rights should count towards the quorum for the constitution of the Shareholders' Meeting and for resolutions regarding share capital quotas, while they should have no effect on rights, other than voting rights, to which Shareholders are entitled by virtue of the possession of certain capital quotas.

For the purposes of this article, the concept of control is that required by the regulations on listed issuers.