

**CALTAGIRONE EDITORE S.P.A.**

**BY-LAWS APPROVED BY THE  
EXTRAORDINARY SHAREHOLDERS'  
MEETING OF SEPTEMBER 29, 2004**

## **BY-LAWS**

### **NAME – SUBJECT-REGISTERED OFFICE-DURATION**

#### **ARTICLE 1**

1. A limited liability company is hereby constituted under the name of: “CALTAGIRONE EDITORE S.p.A.”.

#### **ARTICLE 2**

1. The business purpose of the Company is the publication of newspapers, both daily and periodic, as well as the exercise in general of publishing, printing, advertising and distribution, including on behalf of third parties or in any case relating to information and diffusion even via internet or audiovisual as well as any kind of technology including technology not yet created.

2. For the purpose of achieving its corporate aims the Company can:

- carry out all the operations of a commercial, industrial and financial (excluding the management of savings, except within the limits of Legislative Decree 385/93), investment and real estate nature (excluding brokerage or intermediation or investment services as per Legislative Decree 58/98);
- may acquire, either directly or indirectly, interests and holdings in other companies and businesses having similar or connected corporate objectives or considered appropriate to optimise the management of the liquidity not invested in normal operating activities.

3. For the development of business activities the Company may agree loans providing mortgages and guarantees and make recourse to any form of financing with credit institutions, banks, companies, public and private bodies and provide the necessary guarantees.

#### **ARTICLE 3**

1. The registered office of the Company is at Roma.

2. The board of directors have the right to instruct the opening of administrative and representative branches and offices in Italy and abroad. They may also change the address of the registered office within the same municipality.

#### **ARTICLE 4**

1. As far as the Company is concerned and for all effects of law, each Shareholder shall be deemed to have elected domicile at the address recorded in the Shareholders' Register.

## **ARTICLE 5**

1. The duration of the Company is until December 31, 2100 and its life may be extended in conformity with the provisions contained in the legislation in force.

## **SHARE CAPITAL**

### **ARTICLE 6**

1. The nominal value of the Company's share capital amounts to Euro 125,000,000 (one hundred and twenty five million), divided into 125,000,000 (one hundred and twenty five million) shares, each with a par value of Euro 1.

2. In the case of a share capital increase the shareholders are reserved the right of an option on the new shares issued.

### **ARTICLE 7**

1. The shares are nominative. When fully paid, and if permitted by the law, shares may be converted to the bearer and vice versa, at the request and cost to the shareholder.

2. The company can issue preference shares or having rights different than previous shares issued. Every share has the right to one vote.

3. The Company may request from its shareholders and within the provisions of law and the regulations in force, funds for the continuation of the corporate purpose. The loans made with the right of repayment of the amounts paid may be made to the Company exclusively by shareholders who are registered in the share register for at least three months and have a holding in the share capital of at least two per cent of the nominal share capital as resulting from the latest approved financial statements and in any case in compliance with current legislation in force.

### **ARTICLE 8**

1. Subject to the provisions of section 2344 of the Civil Code, interest shall be charged to shareholders in arrears at the official Bank of Italy discount rate plus 3%.

## **SHAREHOLDER MEETINGS**

### **ARTICLE 9**

1. The Shareholders' Meetings shall be called by publishing an appropriate notice in the manner

and within the terms prescribed by law in the Official Gazette or the newspaper “Il Messaggero”.

2. The shareholders’ meetings are ordinary and extraordinary in accordance with the legislative provisions. They may be convened outside of the registered offices of the company as long as this is within the national boundaries.

3. The shareholders’ meetings are convened by the Board of Directors. With prior communication to the Chairman of the Board of Directors it may be convened by at least two members of the Statutory Auditors.

4. The Board of Directors calls the Shareholders’ Meeting within 30 days from the request made by shareholders representing at least 10 % of the share capital and the request contains the agenda for the meeting. An exception to this is where in consideration of the matters on the agenda, in the interests of the Company, the Board deliberates not to convene the shareholders’ meeting. Article 2367 of the Civil Code is applied.

5. The ordinary shareholders’ meeting for the approval of the annual accounts must be called at least once a year, within six months after the end of the year, as the company is required to prepare consolidated financial statements.

#### **ARTICLE 10**

1. Shareholders may attend the shareholders meeting if they have deposited the appropriate certificates at the registered office of the company or the communications as required by article 2370 of the civil code within two days prior to the date for each shareholder meeting.

#### **ARTICLE 11**

1. Each shareholder who has the right to intervene at the shareholders’ meeting can be represented by written proxy in accordance with current legislation and the regulations.

#### **ARTICLE 12**

1. The Shareholders’ Meetings shall be chaired by the Chairman of the Board of Directors or the Vice Chairman, or in the absence is elected by the shareholders’ meeting.

2. The chairman shall be assisted by a Secretary or a Notary and may appoint two tellers.

3. The Chairman of the Shareholders’ Meeting shall verify the right to attend, the propriety of the powers of attorney and that the Meeting is validly constituted by the presence of the necessary quorum.

#### **ARTICLE 13**

1. At both ordinary and extraordinary shareholders' meetings, whether held on the first, second or third call, resolutions must be adopted by the majority required by law in each case. 2. For the appointment of the corporate offices a simple majority is sufficient.

## **ADMINISTRATION- LEGAL REPRESENTATIVE AND SIGNATURE**

### **ARTICLE 14**

1. The Company shall be administered by a Board of Directors made up of between 3 (three) and 9 (nine) members, and need not be shareholders.
2. The directors are elected for a period not greater than three years and until the date of the shareholders' meeting for the approval of the annual accounts for the last year of their appointment.
3. The directors may be re-elected.
4. The shareholders' meeting determine the number of members on the Board and on their appointment decide on the duration of the office.
5. Members of the Board of Directors shall be elected on the basis of slates submitted by shareholders with voting rights representing at least 2% of share capital or any different threshold that shall be set in accordance with applicable law.
6. Slates shall be filed at the Company's registered office at least 15 days prior to the date set for the Shareholders' Meeting at first calling.
7. The slates shall identify the candidates meeting statutory independence requirements and shall be accompanied by the curriculum vitae of the candidates demonstrating their professional and personal qualifications and their acceptance of the candidacy.
8. Each shareholder may submit or take part in the submission of only one slate containing a maximum of 15 candidates, numbered in descending order. Each candidate may only appear on one slate or be subject to disqualification.
9. Persons submitting slates shall demonstrate that they are shareholders by filing accompanying documentation at the same time showing that they hold the number of shares required to submit the slate.
10. The lead candidate on the minority slate who receives the largest number of votes and who is not connected in any way, directly or indirectly, with the slate that received the most votes shall be elected a Director. The other members of the Board of Directors shall be selected in numerical order from the slate that received the largest number of votes.
11. In the event only one slate is submitted or where only one slate receives votes, all the

candidates from that slate shall be deemed elected on the basis of ordinary statutory majorities.

As to the allocation of Directors to be elected, slates that fail to receive a percentage vote that is at least half the percentage required to present a slate shall be disregarded.

12. At any time other than when the entire Board of Directors is being elected, the Shareholders' Meeting shall elect Directors on the basis of statutory majorities without following the above procedures.

If one or more Directors should leave the Board during the year, the provisions of Article 2386 of the Civil Code shall apply.

#### **ARTICLE 15**

1. The Board, where this has not been performed at the shareholders' meeting, appoints a Chairman; and can also appoint one or more Vice Chairman who will substitute the Chairman in case of his absence or prohibition. They also appoint a secretary who need not be a member of the Board.

2. In the absence or impediment, of the Chairman and the Vice Chairmen of the Board, the meetings will be chaired by the oldest Director.

#### **ARTICLE 16**

1. The Board meets in the registered office of the company when the Chairman deems it necessary or where at least one third of the members make a written request.

2. The convocation by the Chairman is send by registered letter at least five days before the meeting to each Director and Statutory Auditor; in case of urgency this can be by telegram, fax or electronic post sent at least two days before the meeting.

3. Within the same time, the Board of Statutory Auditors shall be informed of the convocation.

4. The Board of Directors, and if existing the Executive Committee, can also be called in accordance with the above-mentioned procedures, with prior notice to the Chairman of the Board of Directors, by at least two statutory auditors.

5. The meetings of the Board of Directors are also valid when all of the Directors and Statutory Auditors are present, even without the above convocation procedures.

6. The Board of Director meetings are held in the registered offices of the company or at another location provided this is within the European Union.

7. The Board of Director and Executive Committee meetings may also be held by teleconference. Therefore the right of participation at the meetings can be from other locations

utilising adequate communication systems.

8. The following must be assured for the meeting to be valid:

- the identification of all participants at each location;
- the presence, of the chairman and secretary in the same location;
- the possibility for each participant to intervene, discuss and express verbally their opinion, send, receive and transmit documents and information in general at the same time as the examination and deliberation of the decisions.

9. In the case of teleconferences or videoconferences, the meeting is considered to that place where the Chairman and Secretary are located.

#### **ARTICLE 17**

1. A meeting of the Board of Directors shall be validly constituted when at least half the members in office are present. Board resolutions shall be carried by an absolute majority of the directors present. In the event of a tie in votes, the casting vote shall be that of the chairman of the meeting.

#### **ARTICLE 18**

1. The Board of Directors shall be reimbursed for all expenses incurred by them during the course of their duties. The shareholders' meeting may also determine an annual fee for the Board, which may consist in a share of the profits of the company.

#### **ARTICLE 19**

1. The Board shall have the widest powers of ordinary and extraordinary administration of the Company and may therefore carry out any and all acts it deems appropriate for attaining the corporate scope, with the sole exclusion of those attributed by law or the present by-laws to the Shareholders' Meeting.

2. The Board of Directors may also make deliberations in relation to:

- the incorporation or spin of companies where permitted by law;
- the opening and closing of secondary offices;
- the indication of which directors represent the company;
- the reduction of the share capital in the case of return of shares by shareholders;
- the transfer of the registered office in the national territory.

3. The Board of Directors, or the Chairman, must report in a timely manner and in any case at least quarterly to the Board of Statutory Auditors on the activities performed concerning the most significant economic and financial operations made by the Company and its subsidiaries, in particular in relation to operations of potential conflict of interests.

4. The communication is made at the board meetings and where particular circumstances render it appropriate, this may also be made in writing to the Board of Statutory Auditors, who will record this in the register required under article 2421 of the Civil Code.

## **ARTICLE 20**

1. The Chairman of the board or the person substituting him is the legal representative of the company in legal matters against third parties.

2. All of the other directors have powers within the delegated powers given by the Board.

## **ARTICLE 21**

1. The Board can delegate, in the limits permitted by law, powers to an Executive Committee, comprising members of the board, or to individual directors appointing one or more Managing Directors, and can nominate persons who are not members of the Board, senior management, proxies and mandate's in general to carry out deeds or certain category of deeds.

2. The Executive Committee deliberates with a majority of the votes of the members present; in case of a tie, the vote of the person chairing the meeting shall be decisive.

## **BOARD OF STATUTORY AUDITORS**

### **ARTICLE 22**

1. The Board of Statutory Auditors is composed of the Chairman, two standing members and two alternate members, appointed by the shareholders' meeting who also determine the emoluments of the Chairman and standing members. They are elected for a period of three years and until the date of the shareholders' meeting for the approval of the annual accounts for the last year of their appointment and they may be re-elected.

2. Persons who already cover the role of statutory auditor in more than five other quoted companies, excluding the direct or indirect subsidiaries of the company or controlled by the same parent company that controls the Company, may not be elected nor can persons who do not have the requisites of honourability and professionalism as required by the relevant regulations as well as incompatibility by law.

3. Where the requisites no longer exist, the Statutory Auditor must leave the office.



4. The Board of Statutory Auditors shall be elected on the basis of slates submitted by shareholders with voting rights representing at least 2% of share capital or any different threshold that shall be set in accordance with applicable law.
5. The slate shall be filed at the Company's registered office at least 15 days prior to the date set for the Shareholders' Meeting at first calling. Persons submitting slates shall demonstrate that they are shareholders by filing accompanying documentation at the same time showing that they hold the number of shares required to submit the slate.
6. Each shareholder, as well as shareholders belonging to the same group (it is intended holding companies, including individuals, as per article 2359 of the civil code and its subsidiaries), who adhere to a shareholder pact in accordance with article 122 of the Legislative Decree 24.2.1998 no. 58, cannot present, directly, by interposed persons, or through trust companies, more than one list. Violation of this regulation will result in the application of paragraph 12 for all of the lists presented independent of the order of the lists presented.
7. In the event only one slate is submitted by the deadline for presenting slates or only slates by shareholders belonging to the same group or party to a shareholders' agreement concerning the Company's shares have been submitted, shareholders may continue to submit slates for up to five days following such deadline, without prejudice to compliance with statutory notice requirements. In this case, the percentage threshold from paragraph 4 for presenting slates shall be reduced by half.
8. Slates shall be accompanied by information on the shareholders presenting them, indicating the total percentage of shares held, the curriculum vitae of each person on the slate and a statement from each candidate affirming, under their personal responsibility, that he or she meets the requirements established by law and agrees to be a candidate.
9. Together with each list a declaration must be deposited in which the individual candidates accept their candidature and the inexistence of ineligibility and incompatibility.
10. Slates for the election of the members of the Board of Auditors shall contain the names of one or more candidates numbered in descending order. In no case, however, may the number of candidates on the slate exceed the number of Auditors to be elected. The slates may be divided into two separate sections for Standing Auditors and Alternate Auditors, each with a maximum of three candidates numbered in descending order.
11. No shareholder may submit or vote, either directly or through another person or a trust company, for more than one slate, and each candidate may appear on only one slate or be subject to disqualification.
12. The lists which are not in conformity with the previous points four, five, six, eight, nine and ten are considered as not presented.
13. Once the votes are counted, the Standing Auditors shall be the top two candidates on the

slate that has received the largest number of votes (the “Majority Slate”) and the top candidate of the slate – submitted and voted by shareholders who are not connected, directly or indirectly, with the majority shareholders – with the second-largest number of votes (the “Minority Slate”), who will act as Chairman of the Board of Auditors.

Also elected shall be:

- an Alternate Auditor from among the candidates in the “Alternate Auditors” section of the slate that obtained the most votes;
- an Alternate Auditor from among the candidates in the “Alternate Auditors” section of the slate that obtained the second-largest number of votes.

14. Should two lists receive the same number of votes, a second vote of the entire Shareholders’ Meeting will decide between them.

15. In the event only one slate is submitted or where only one slate receives votes, all the candidates from that slate shall be deemed elected on the basis of ordinary statutory majorities.

16. Where it is not possible to proceed with the appointment of one or more Statutory Auditor through the voting of lists, the Shareholders’ Meeting will deliberate through the majority required by law. In the case of the substitution of a Standing Auditor, an Alternate Auditor is taken from the same list as the auditor leaving office.

17. As regards the rules for appointing any standing or substitute Auditors needed to make up vacancies on the Board of Statutory Auditors in accordance with article 2401 of the Civil Code, these shall be decided by resolutions of the Shareholders’ Meeting, adopted with the majorities required by law.

18. The meetings of the Board of Statutory Auditors may be validly held in video or audio conferencing, provided that the participants may be properly identified, and that they may follow the discussion and take the floor in real time, and on all the topics under discussion, and that they can both examine and receive documentation relating to those topics, and that all this is specifically included in the relevant minutes. If all the above-mentioned conditions are complied with, the meeting shall be deemed to have been held in the place where the Chairman is present.

## **MANAGER RESPONSIBLE FOR FINANCIAL REPORTS**

### **ARTICLE 23**

1. The Board of Directors shall annually appoint the manager responsible for the preparation of financial reports, after consultation with the Board of Auditors. The manager shall be selected from among persons who have acquired sufficient experience in administrative, financial and control matters at large companies or as professionals and meet the integrity requirements

established for Directors.

2. Supervening failure to meet the integrity requirements during the term of office shall result in disqualification from the position. In such case, a new manager shall be appointed promptly.

3. The manager responsible for the preparation of financial reports shall be appointed for a term of one year ending on the date of the Board of Directors meeting to approve the annual financial statements.

## **ACCOUNTS AND PROFITS**

### **ARTICLE 24**

1. The accounting period shall end on December 31 of every year.

2. At the end of each accounting period, the Board of Directors shall draw up the Company's financial statements as required by law.

### **ARTICLE 25**

1. The net profit in the period, excluding the deduction of 5% allocated to the legal reserve, until the reaching of one fifth of the share capital, and 2% available to the Board of Directors, are divided among the shareholders, except where otherwise deliberated by the shareholders' meeting.

2. The payment of the dividend is made at the bank designated by the Board of Directors on the day that is annually fixed by the Board.

3. Dividends not collected within five years from the day they become payable shall be forfeited to the Company.

4. The Board of Directors may distribute interim dividends to shareholders during the course of the year.

## **DISOLUTION**

### **ARTICLE 26**

1. Should the Company be dissolved, a shareholders' meeting shall determine the liquidation procedures and appoint one or more liquidators, establishing their powers and compensation.