



INFORMATION DOCUMENT ON THE 2016 - 2020 STOCK GRANT PLAN FOR FERRAGAMO GROUP'S MANAGEMENT, DRAFTED PURSUANT TO ARTICLE 114-BIS OF LEGISLATIVE DECREE No. 58/98 AND TO ARTICLE 84-BIS OF REGULATION No. 11971 APPROVED BY CONSOB WITH ITS DECISION OF 14 MAY 1999, AS AMENDED

Florence, 17 March 2016

LEGAL NOTICE

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

Definitions

In addition to the terms defined in other paragraphs of this information document and for the latter's purposes, the terms listed below will have the meaning ascribed to each of them hereunder:

“Grant”	will mean the grant, for free, of the Rights to each single Beneficiary, resolved upon by the Board of Directors, for each of the two Cycles of the Plan, in years 2016 (1 st Cycle) and 2017 (2 nd Cycle);
“Shareholders' Meeting”	will mean the Company's shareholders' meeting;
“Allotment”	will mean the calculation of the number of Shares that each single Beneficiary will receive for free after having checked that the Performance Targets have been achieved, resolved upon by the Board of Directors after having consulted the Remunerations and Appointments Committee, at the end of the Performance Period and for each of the two Cycles of the Plan in years 2019 (1 st Cycle) and 2020 (2 nd Cycle);
“Shares”	will mean the ordinary shares in the Company, listed on the Screen-Based Stock Exchange organised and managed by Borsa Italiana S.p.A., each of which having face value of Euro 0.10;
“Beneficiaries”	will mean the recipients of the Plan, pursuant to paragraph 1 of the Information Document, as identified by the Board of Directors after having consulted the Remunerations and Appointments Committee, for each of the two Cycles of the Plan starting in years 2016 (1 st Cycle) and 2017 (2 nd Cycle). In no way will the participation to the 1 st Cycle of the Plan entitle to participate to the following Cycle;

“Change of Control”	will mean the change of control of the Company pursuant to the laws and regulations in force;
“Cycles of the Plan”	the Plan foresees two Cycles with Grants in years 2016 (1 st Cycle) and 2017 (2 nd Cycle);
“Claw-back”	will mean the clause based on which the Company will be entitled to request the Beneficiaries to return the Shares allotted based on the Plan, if any, if they were received based on data proving to be clearly wrong at a later stage due to unlawful, wilful or gross negligence conducts on the side of one or more Beneficiaries;
“Code”	will mean the Self-Regulation Code of Listed Companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A. in March 2006, as amended and supplemented;
“Remunerations and Appointments Committee”	will mean the committee set up by the Company by implementing the recommendations included in the Code;
“Delivery”	will mean the delivery of the Shares to each of the Beneficiaries of the Plan following the Allotment resolved upon by the Board of Directors at the end of the Performance Period for each of the two Cycles of the Plan. The Delivery of the Shares will take place in years 2019 (1 st Cycle) and 2020 (2 nd Cycle);
“Board of Directors”	will mean the Company's board of directors;
“Date of Granting of the Rights”	will mean the date on which the Board of Directors, after having consulted the Remunerations and Appointments Committee, states the number of rights granted to each single Beneficiary for each

	of the two Cycles of the Plan;
“Date of Allotment of the Shares”	will mean the date on which the Board of Directors, at the end of the Performance Period and after having checked the level of achievement of the Performance Targets, resolves upon the number of Shares to be allotted to each single Beneficiary for each of the two Cycles of the Plan, also ordering that the notice of the Allotment of the Shares be sent to the Beneficiaries;
“Rights”	will mean the rights granted to the Beneficiaries to receive the Shares for free at the end of the Performance Period based on the achievement of the Performance Targets for each of the two Cycles of the Plan;
“Information Document”	will mean this information document related to the Plan, drafted pursuant to article 114- <i>bis</i> of the Consolidated Law on Finance (TUF) and to article 84- <i>bis</i> of the Issuers' Regulation;
“Group” or “Ferragamo Group”	will mean, collectively, the Company and the Italian and foreign companies controlled by the Company pursuant to section 2359 of the Civil Code;
“Granting Letter”	will mean the notice letter informing the Beneficiaries of the participation to a specific Cycle of the Plan and including a number of granted Rights and the Performance Targets upon which the Allotment of Shares is conditional;
“Performance Targets”	will mean the Plan's targets, upon which achievement the Allotment of Shares to each Beneficiary at the end of the Performance Period is conditional, after having checked the level of achievement of the Performance Targets, for each of the two Cycles of the Plan as defined by the

	Board of Directors, after having consulted the Remunerations and Appointments Committee;
“Performance Period”	will mean the 2016-2017-2018 three-year period for the 1 st Cycle of the Plan and the 2017-2018-2019 three-year period for the 2 nd Cycle of the Plan, in respect of which the achievement of the Performance Targets is checked;
“Plan”	will mean the 2016 - 2020 Stock Grant plan based on financial instruments and reserved to Ferragamo Group's management;
“Relation”	will mean the existing work and/or collaboration and/or management relation between the Beneficiary and the Company or one of the Subsidiaries;
“Plan's Regulation”	will mean the regulation governing the terms, features, conditions and procedures for implementing the Plan;
“Issuers' Regulation”	will mean Consob Regulation No. 11971, approved with the Decision of 14 May 1999, as amended and supplemented;
“Company”	will mean Salvatore Ferragamo S.p.A., having registered office in Florence (FI), Via Dei Tornabuoni 2;
“TUF”	will mean Legislative Decree No. 58 of 24 February 1998, as amended and supplemented.

Introduction

On 17 March 2016, the Board of Directors decided to submit an incentive plan to the approval of the ordinary Shareholders' Meeting convened on 21 April 2016 in first and only call. The above-mentioned incentive plan foresees the right to expedite the Grant of rights to receive, for free, up to an overall maximum of No. 600,000 Company Shares within the two Cycles and conditional upon the achievement, at the end of each single Performance Period, of Performance Targets established beforehand (hereinafter, the "Plan").

The Plan is aimed at the Ferragamo Group's managers and/or executive directors identified by the Board of Directors, after having consulted the Remunerations and Appointments Committee, amongst those holding key positions and having a significant impact on the creation of value for the Shareholders within the Company and/or the Subsidiaries.

This Information Document has been drafted pursuant to article 114-*bis* of the TUF and to article 84-*bis* of the Issuers' Regulation and consistently, also to the extent of the numbering of the relevant paragraphs, with the instructions given in Scheme 7 of Enclosure 3A to the Issuers' Regulation. As specified in detail in this Information Document, the Board of Directors will define some aspects related to the implementation of the Plan based on the powers to be granted by the Shareholders' Meeting.

Any and all information following the resolutions to be adopted by the Board of Directors by way of implementation of the Plan, subject to the Plan's approval by the Shareholders' Meeting and in compliance with the general criteria mentioned therein, will be given as per and to the extent mentioned under article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.

This Information Document is aimed at providing the shareholders with all necessary information in order for the latter to exercise the respective voting right at the Shareholders' Meeting in an informed manner.

The Information Document is available to the public at the registered office and on the Company's Website www.ferragamo.com, Investor Relations/Governance/Shareholders' Meeting Section, pursuant to law.

The Plan is to be deemed of 'particular significance' pursuant to article 114-*bis*, paragraph 3, of the TUF and to article 84-*bis*, paragraph 2, letters a) and b), of the Issuers' Regulation.

1. Recipients

1.1 *Reference to the names of the recipients who are members of the Board of Directors of the Company, of the company controlling the Company and of the Subsidiaries.*

Reference to the names of the Beneficiaries for each of the two Cycles of the Plan and the other information foreseen by paragraph 1 of Scheme 7 of Enclosure 3A to the Issuers' Regulation will be supplied as per and to the extent of article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation. In no way will the participation to the 1st Cycle of the Plan create any right whatsoever to participate to the following Cycle.

1.2 *Reference to the categories of employees, recipients of the Plan, or to the collaborators of the Company, or of the company controlling the Company, or of the Subsidiaries.*

Based on the Plan's Regulation, the Beneficiaries will be identified, for each of the two Cycles of the Plan, upon the Board of Directors' final decision to such extent, after having consulted the Remunerations and Appointments Committee, amongst the managers and/or executive directors of the Company, or of the Group companies holding key positions and having a significant impact on the creation of value for the Company and for the shareholders. In no way will the participation to the 1st Cycle of the Plan create any right whatsoever to participate to the following Cycle.

The information notice will be integrated as per and to the extent mentioned by article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.

1.3 *Reference to the names of the recipients of the Plan belonging to the groups mentioned in paragraph 1.3, letters a), b), c), of Enclosure 3A, Scheme 7, to the Issuers' Regulation.*

Reference to the names of the Beneficiaries for each of the two Cycles of the Plan and the other information foreseen by paragraph 1.3 of Scheme 7 of Enclosure 3A to the Issuers' Regulation will be supplied as per and to the extent mentioned by article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation. In no way will the participation to the 1st Cycle of the Plan create any right whatsoever to participate to the following Cycle.

1.4 *Description and reference to the number of recipients of the Plan, split by the categories mentioned in paragraph 1.4, letters a), b), c) and d) of Enclosure 3A, Scheme 7, to the Issuers' Regulation.*

Based on the Plan's Regulation, the Board of Directors will identify the Beneficiaries per each of the two Cycles of the Plan, after having consulted the

Remunerations and Appointments Committee, following the Plan's approval by the Shareholders' Meeting. In particular, the Beneficiaries for the 1st Cycle will be identified no later than the Date of Granting of the Rights for the 1st Cycle, that is no later than 30 June 2016 and the Beneficiaries for the 2nd Cycle will be identified no later than the Date of Granting of the Rights for the 2nd Cycle, that is no later than 30 June 2017. The Board of Directors may foresee further Grants in favour of the Beneficiaries becoming part of the Group during the period of validity of the Plan. In no way will the participation to the 1st Cycle of the Plan create any right whatsoever to participate to the following Cycle. The maximum number of Beneficiaries is hereby fixed in 25.

The other information foreseen by paragraph 1.4 of Scheme 7 of Enclosure 3A to the Issuers' Regulation will be issued as per and to the extent of article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.

2. Reasons motivating the adoption of the Plan

2.1 Aims of the Plan

The Company sets itself aims to be achieved by implementing the Plan, namely, incentivising the Group's key resources, thus favouring loyalty by awarding instruments representing the Company's value, based on the achievement of Performance Targets established beforehand.

The fundamental aims of the Plan may be summarised as follows:

- (i) align the Beneficiaries' remuneration with the interests of the shareholders and with the Code's provisions;
- (ii) foster the loyalty of the Group's key resources;
- (iii) guide management towards decisions that pursue the creation of value for the Group in the medium-long term.

The Plan is structured in two Cycles:

- 1st Cycle: with 2016/2018 Performance Period;

- 2nd Cycle: with 2017/2019 Performance Period.

Each Cycle foresees:

- the Grant of a certain number of Rights to the Beneficiaries;
- a three-year Performance Period;

- the Allotment and Delivery of the Shares subject to the Board of Directors' checking of the Performance Targets achieved in the three-year period.

The Board of Directors deems that an incentive plan based on the accrual of the right to a free allotment of shares extended in the medium term and based on the performance targets is a more effective incentive instrument, meeting the interests of the Company and of the Group in a better way.

In particular, the three-year Performance Period allows the Beneficiaries to avail themselves of an adequate period of time in order to obtain the financial benefits of the Plan, consistently with the aims of loyalty and of aligning the interests of management and of the shareholders in the medium-long term as pursued by the Plan.

The Plan is included in the group of instruments used by the Company to integrate the fixed component of the pay package of strategic resources through variable components based on some performance targets, according to the best market practices approach.

2.2. Key variables and performance indicators.

The Allotment of the Shares for each of the two Cycles is conditional upon the achievement of the Performance Targets related to the 2016/2018 three-year period (1st Cycle) and to the 2017/2019 three-year period (2nd Cycle).

The Board of Directors will identify the Performance Targets for each Cycle upon the Grant of the Rights, which will consist of benchmarks aimed at measuring the Company's stock exchange performance, such as the Total Shareholder Return compared to a specifically identified peer group and to the Company's economic and financial performance.

For the 1st Cycle (2016/2018), the selected performance indicators are the relevant Total Shareholder Return (TSR) and the consolidated Gross Profit (before taxes).

The identified Performance Targets will be measured with respect to the specific three-year period of each Cycle: the 2016/2018 three-year period for the 1st Cycle and the 2017/2019 three-year period for the 2nd Cycle.

A detailed list of the Performance Targets foreseen for each Cycle and of the relevant incentive curve will be communicated to the Beneficiaries in the Granting Letter to be signed by the Beneficiaries by way of acceptance no later than 15 days as from receipt thereof, otherwise, the referred to Granting Letter will no longer be effective.

2.3 Criteria for calculating the number of Shares to be granted.

The Grant of the Rights for each of the two Cycles of the Plan will be carried out by the Company's Board of Directors after having consulted the Remunerations and Appointments Committee, subject to the Plan's approval by the Shareholders' Meeting of 21 April 2016.

The Grant for the 1st Cycle will take place no later than 30 June 2016, whilst the Grant for the 2nd Cycle will take place no later than 30 June 2017.

The Board of Directors may foresee further Grants in favour of Beneficiaries having entered the Group during the period of effectiveness of the Plan.

The Board of Directors will calculate the number of Rights to be granted to the Beneficiaries for each of the two Cycles of the Plan at the moment of the Grant, after having consulted the Remunerations and Appointments Committee.

In calculating the number of Rights to be granted to each single Beneficiary, the Board of Directors will mainly take into account the role held and the significance of the position within Ferragamo Group.

2.4 Reasons underlying a possible decision to award remuneration plans based on financial instruments not issued by the Company.

Not applicable. The Plan is only based on the Company's Shares.

2.5 Considerations on significant tax and accounting implications.

The Plan's layout has not been affected by significant tax or accounting considerations. In particular, in so far as tax issues are concerned, reference will be made to the jurisdiction of the country of residence of each single Beneficiary.

2.6 Possible aid to the Plan by the special fund for incentivising workers' participation in companies, pursuant to article 4, paragraph 112, of Law No. 350 of 24 December 2003.

The Plan receives no aid whatsoever from the special fund for incentivising workers' participation in companies, pursuant to article 4, paragraph 112, of Law No. 350 of 24 December 2003.

3. Approval procedure and timing for granting the instruments

3.1 Powers and duties delegated by the Shareholders' Meeting to the Board of Directors for Plan implementation purposes

On 17 March 2016 and after having consulted the Remunerations and Appointments Committee, holding a meeting on 14 March 2016, the Board of Directors decided to submit the Plan's approval to the ordinary Shareholders' Meeting to be held on 21 April 2016 in first and only call.

At the ordinary Shareholders' Meeting, a proposal will also be made as to granting the Board of Directors with the power to do the following, after having consulted the Remunerations and Appointments Committee: (i) implement the Plan; (ii) identify the Beneficiaries by name; (iii) calculate the number of Rights to be granted to each single Beneficiary; (iv) prepare and approve the documentation related to the implementation of the Plan.

3.2 Parties in charge of managing the Plan

The Board of Directors has the authority to manage the Plan.

The Board of Directors will be granted all powers to implement the Plan including, for instance:

- (i) the power to identify the Beneficiaries;
- (ii) the power to check that the Performance Targets for the Allotment of the Shares are achieved;
- (iii) the power to ask the Beneficiaries to return the Shares allotted, if any, based on the Plan, if the Shares were received based on data proving to be clearly wrong at a later stage due to unlawful, wilful or gross negligent behaviours by one or more Beneficiaries (Claw-Back);
- (iv) the power to define the terms and conditions for the Allotment of the Shares in the event of Change of Control or delisting;
- (v) the power to modify the Plan as per paragraph 3.3 hereunder.

In exercising the powers to be granted to the Board of Directors by the Shareholders' Meeting in connection with the Plan, the Board of Directors may delegate its own powers, duties and responsibilities as regards the performance of the aforesaid Plan to one or more of its members.

3.3 Existing procedures for reviewing the Plan

If deemed necessary or expedient to keep the essential contents of the Plan unchanged to the greatest possible extent and within the limits permitted by the laws and regulations in force from time to time, the Company's Board of Directors will regulate the rights arising and/or amend and/or integrate the terms and conditions for the Grant of the Rights upon completion, amongst others, of the following transactions: split or pooling of the Shares, the Company's free share capital increase, paid capital increase, distribution of

extraordinary dividends to the Shares, share capital reductions for losses by annulling the Shares.

In the event of Change of Control or of delisting, the Shares may be allotted to the Beneficiaries prior to the dates foreseen by the Plan's Regulation at the final discretion of the Board of Directors.

The Board of Directors has the duty to set forth the terms and conditions for the allotment of the Shares in the event of Change of Control or delisting.

As regards Change of Control, reference is hereby made to the cases foreseen by the law provisions on the subject matter.

3.4 Procedures for ascertaining the availability and Grant of the Shares

The Shares servicing the Plan may be retrieved, at the discretion of the Board of Directors, in compliance with the applicable law provisions, (a) from a free share capital increase pursuant to section 2349, paragraph 1, of the Civil Code, to be submitted to the approval of the extraordinary Shareholders' Meeting convened on 21 April 2016 and/or (b) from the shares purchased on the market and/or otherwise held by the Company. For the purposes of letters (a) and (b) above, the proposals to create a specific restricted equity reserve servicing the above-mentioned capital increase and to authorise the Board of Directors to purchase and to avail itself of treasury shares, respectively, pursuant to and to the extent of section 2357 *et seq.* of the Civil Code, as well as pursuant to and to the extent of article 132 of the TUF will also be submitted to the approval of the ordinary Shareholders' Meeting convened on 21 April 2016.

3.5 Role held by each single Director in setting out the Plan's features; possible conflict of interest situations.

The Company's Remunerations and Appointments Committee has been involved in the different phases for drafting the Plan.

The Company's Directors, as identified by the Board of Directors in due course may be included amongst the Beneficiaries of the Plan. Should this be the case, the Board resolutions for the Grant of the Rights and for the Allotment of the Shares will be reached in compliance with the applicable law and regulatory provisions.

3.6 Date of the decision made by the competent body for proposing the Plan's approval to the Shareholders' Meeting and of the opinion of the Remunerations and Appointments Committee, if any.

In its meeting held on 14 March 2016, the Remunerations and Appointments Committee gave its own opinion on the Plan.

In its meeting held on 17 March 2016, the Board of Directors decided to submit the adoption of the Plan to the approval of the ordinary Shareholders' Meeting convened on 21 April 2016.

At the above-mentioned meeting held on 17 March 2016, the Board of Directors thus approved, following the Remunerations and Appointments Committee's favourable opinion, this Information Document and the directors' explanatory report on the remuneration plan under article 114-*bis* of the TUF having as purpose the Information Document.

3.7 Date of the decision made by the competent body for granting the instruments and of the opinion, if any, to the above-mentioned body given by the Remunerations and Appointments Committee.

The Board of Directors will grant the Rights foreseen by the Plan to the Beneficiaries for each of the two Cycles of the Plan, after having consulted the Remunerations and Appointments Committee, following the Plan's approval by the ordinary Shareholders' Meeting convened on 21 April 2016. The Grant for the 1st Cycle will take place no later than 30 June 2016, whilst the Grant for the 2nd Cycle will take place no later than 30 June 2017. The Board of Directors may foresee further Grants in favour of the Beneficiaries entering the Group after such dates during the period of effectiveness of the Plan.

The Board of Directors will allot the underlying Shares to the Beneficiaries for each of the two Cycles of the Plan after having consulted the Remunerations and Appointments Committee, subject to the achievement of the Performance Targets, at the end of the Performance Period and for each Cycle and, in particular, following the approval by the Shareholders' Meeting of the Financial Statements for 2018 Financial Year for the 1st Cycle and of the Financial Statements for 2019 Financial Year for the 2nd Cycle.

The dates for the Grant of the Rights and for the Allotment of the Shares will be disclosed pursuant to the terms and conditions under article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.

3.8 The market price for the Shares recorded on the dates mentioned under paragraphs 3.6 and 3.7 above

As at 14 March 2016 and as at 17 March 2016, dates on which the Remunerations and Appointments Committee and the Board of Directors held their respective meetings in order to examine the Plan to be submitted to the ordinary Shareholders' Meeting convened on 21 April 2016, the official Stock Exchange price for the Shares was Euro 22.59 and 21.93, respectively.

The price for the Shares at the moment of the Grant of the Rights and of the Allotment of the Shares by the Board of Directors will be communicated

pursuant to the terms and conditions under article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.

3.9 Procedures adopted by the Company in connection with the possible time coincidence between the date of granting of the Shares or of the possible decisions on the subject matter by the Remunerations and Appointments Committee, and the spreading of relevant information under article 114, paragraph 1, of the TUF.

Please note that it has not been necessary to take any such measures, since the Shares will only be allotted at the end of the Performance Period for each of the two Cycles of the Plan and subject to the achievement of the Performance Targets (cf. paragraph 4.5). Consequently, the possible spreading of privileged information at the moment of the grant of the Rights would be irrelevant for the Beneficiaries who, at that time, could not carry out any transaction over the Shares, since the respective Allotment and Delivery is postponed to a moment following that of the Grant of the Rights.

4. The characteristics of the allotted instruments.

4.1 Structure of the Plan

The Plan has as scope the Grant, for free, to the Beneficiaries of Rights to the free Allotment of a maximum overall number of 600,000 Shares for the two Cycles of the Plan subject to the achievement of the Performance Targets.

The Rights will be granted to the Beneficiaries in a personal capacity only and may not be transferred by way of an *inter vivos* deed, nor may they be subject to restrictions or fall within the scope of other deeds of disposal by any way whatsoever.

4.2 Period of effective implementation of the Plan also with respect to possible different cycles foreseen

The Plan is structured in two Cycles:

- 1st Cycle: with 2016/2018 Performance Period;
- 2nd Cycle: with 2017/2019 Performance Period.

Each Cycle foresees:

- the Grant of a certain number of Rights to the Beneficiaries;
- a three-year Performance Period;

- the Allotment and the Delivery of the Shares subject to the Board of Directors checking the Performance Targets achieved in the three-year period.

The Shares allotted at the end of the Performance Period for each of the two Cycles of the Plan and subject to the achievement of the Performance Targets, after having fulfilled all civil law and administrative and accounting related compliance connected with making the Shares available, will be delivered to each single Beneficiary on the date mentioned in the Allotment notice and, in any event, no later than 30 June 2019 for the 1st Cycle and no later than 30 June 2020 for the 2nd Cycle.

4.3 Duration of the Plan

The 1st Cycle of the Plan will end on 30 June 2019 or, if earlier, on the date of Delivery of the Shares to the Beneficiaries of the 1st Cycle. The 2nd Cycle of the Plan will end on 30 June 2020 or, if earlier, on the date of Delivery of the Shares to the Beneficiaries of the 2nd Cycle.

4.4 Maximum quantity of Shares under the Plan

The Plan has as scope Rights to receive, for free, a maximum number of 600,000 Shares.

4.5 Procedure and clauses for implementing the Plan

The free Allotment of the Shares for each of the two Cycles of the Plan is conditional (i) upon the achievement of specific Performance Targets; as well as (ii) upon the fact that the Relation exists as at the Date of Allotment of the Shares related to each of the two Cycles of the Plan.

The Relation will not be deemed to exist in the event of dismissal or resignation prior to the Date of Allotment of the Shares related to each of the two Cycles of the Plan, and this also in the event that the termination of the Relation became effective after the above-mentioned Date of Allotment of the Shares, as a result of the notice foreseen by contract or for any other reason whatsoever.

The Board of Directors will identify the Performance Targets for each Cycle upon the Grant of the Rights, after having consulted the Remunerations and Appointments Committee, and will consist of benchmarks aimed at measuring the Company's stock exchange performance, such as the Total Shareholder Return compared to a specifically identified peer group and the Company's economic and financial performance.

For the 1st Cycle (2016/2018), the selected performance indicators are the relevant Total Shareholder Return (TSR) and the consolidated Gross Profit (before taxes).

4.6 Availability restrictions burdening the Shares

The granted Rights are personal, non-transferable and may not be disposed of *inter vivos*, and may not be pledged or be subject to guarantee. The Rights will become ineffective following the attempted transfer or negotiation including, by way of example, any transfer attempt by way of an *inter vivos* deed or, by way of applying law provisions, pledge or another real property right, seizure and attachment.

4.7 Possible conditions subsequent in connection with the Plan in the event that the recipients carry out hedging transactions.

The carrying out of hedging transactions over the granted Rights by the Beneficiaries prior to the Allotment of the Shares will entail the forfeiture of the Rights.

4.8 Description of the effects leading to the termination of the employment contract.

In the event of termination of the Relation on a date prior to the Date of Allotment of the Shares following: (i) the dismissal by the Company for just cause or justified by subjective grounds ascribable to the Beneficiary, or (ii) voluntary resignation by the Beneficiary, the latter will finally forfeit the granted Rights.

In all cases of termination of the Relation - on a date prior to the Date of Allotment of the Shares - other than those under the paragraph above, the Beneficiary (or his/her heirs) may totally or partially keep, if necessary, the granted Rights only following the Board of Directors' resolution to such extent, which will have the duty to make all relevant decisions at its own final discretion.

The Relation will be deemed terminated on a date prior to the Date of Allotment of the Shares in the event of dismissal or resignation communicated prior to the Date of Allotment of the Shares, and this also should the termination of the Relation become effective following the Date of Allotment of the Shares as a result of the notice foreseen by contract or for any other reason whatsoever.

It being hereby understood that, in the event of transfer of the Relation from the Company or from the Subsidiary to another Group company and/or in the event of termination of the Relation and concomitant creation of a new

Relation within the Group, the Beneficiary will keep the granted Rights, *mutatis mutandis*.

4.9 Reference to other possible causes of cancellation of the Plan

If, following the entering into force of primary and/or secondary laws and regulations (also on social security and tax) and/or following the issue of official interpretation clarification and/or following changes to the existing interpretation related to applicable laws and regulations, the implementation of the Plan were to entail additional burdens not foreseen for the Company at present, of tax and/or social security nature, or of any other nature whatsoever, the Plan would be temporarily suspended, changed or cancelled.

In this case, the Company would incur no liability whatsoever for damages, indemnification or other burdens by any way whatsoever against the Beneficiaries and in no way would any of the Beneficiaries be entitled to claim anything against the Company in connection with the Rights granted thereto to receive Shares for free and not yet allotted.

4.10 Reasons concerning a possible 'redemption' by the Company of the financial instruments under the Plan.

Please note that the Plan does not foresee a right of redemption by the Company.

4.11 Possible loans or other facilities for purchasing the Shares

No loans or other facilities for purchasing the Shares are foreseen, since they are allotted for free.

4.12 Reference to estimates of the expected burden for the Company as at the date of the relevant grant, as may be calculated based on the already fixed terms and conditions, per overall amount and in connection with each single instrument of the Plan.

The expected burden for the Company consists of the fair value of the Shares servicing the Plan, to be accurately and punctually calculated as at the date of Grant of the Rights. The information related to the overall cost of the Plan will be given as per and to the extent mentioned under article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.

4.13 Possible diluting effects caused by the Plan.

The Plan's diluting effect is equal to 0.35%.

4.14 Possible limits for exercising the respective vote and for the allotment of property rights

There are no limits to the exercise of property rights and of voting rights in connection with the Shares to be allotted under the Plan.

4.15 Information related to the grant of the Shares not traded on the regulated markets

Not applicable.

4.16 - 4.23

Not applicable.

4.24 TABLE

Table No. 1 foreseen under paragraph 4.24 of Scheme 7 of Enclosure 3A to the Issuers' Regulation, will be supplied as per and to the extent mentioned under article 84-*bis*, paragraph 5, letter a), of the Issuers' Regulation.