

PROTOTIPO S.P.A.

On March 25, 2009, in compliance with Leg. Decree no. 231/2001,
the company approved the adoption of a specific

CODE OF ETHICS

and

OF A MODEL OF ORGANISATION AND MANAGEMENT

to prevent the commission of crimes.

On the same date it also APPOINTED A WATCHDOG BODY.

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CODE OF ETHICS

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SECTION I

GENERAL PRINCIPLES

This Code of Ethics (hereinunder the “Code”) is the collection of values, principles and behavioural guidelines that must underpin all the activities of **PROTOTIPO S.P.A.**, a company whose corporate purpose is the manufacture and marketing of vehicles generally and of their parts and accessories, and the provision of maintenance and repairs, type-approval, certification, consultancy, design, planning, experimentation and testing, and the construction and outfitting of prototypes in small production runs.

The Code is adopted by resolution of the Board of Directors and takes effect immediately.

The Code addresses all company officers, all company employees and anyone linked to it by a continuous or periodical contract to provide work or consultancy (hereinunder “Addressees”).

In the performance of their activities, Addressees must comply with the Code, putting its principles into practice.

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The Code addresses all the companies in the **PROTOTIPO S.P.A. Group**, which assimilate, adopt and implement it in relation to their respective Addressees: as a result, all those who operate in the PROTOTIPO S.P.A. Group, without distinction or exception, are committed to observing and demanding the observance of these principles in the context of their functions and responsibilities. In this regard, PROTOTIPO S.P.A. submits its Code to its subsidiaries, which adopt it formally as a tool of management and an effective element of company strategies and organisation, after having supplemented it to incorporate any particular elements.

PROTOTIPO S.P.A. will take all the most opportune measures permitted by law to ensure that subsidiary and/or investee companies appoint effective Watchdog Bodies with specific duties (see folder “Watchdog Body” below) to exchange information with the Watchdog of the PROTOTIPO S.P.A. company, in order to make checks on financial flows and the corporate operations of the group meaningful.

This Code is also communicated to all those who maintain contact for any reason, with PROTOTIPO S.P.A., which undertakes, for each individual company and/or organisational unit, to promote understanding of the Code, organising special information and refresher courses addressing all the Addressees, and providing them with a complete copy of the Code itself.

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SECTION II

ETHICAL PRINCIPLES

PROTOTIPO SPA demands from the Addressees of the Code that the ethical principles listed below are applied rigorously, grouped into two distinct (but related) groups: a group of coded principles (so-called principle of legality) and a group of principles of common experience (so-called ethical-behavioural principles).

I. Principle of legality

First of all, the behaviour of the Addressees of the Code must comply with the current laws in the country in which the Addressees operate, including any supranational and international laws that the country assimilates.

PROTOTIPO S.P.A. operates in absolute respect for these standards; as a result, the directors and employees of PROTOTIPO S.P.A., and anyone who interacts with them for any reason, are required, in the context of their respective responsibilities, to be familiar with and to observe the disciplines (laws, equivalent deeds, regulations) put in place by international, state, regional and local institutions and, in particular, aspects of company law,

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focusing in particular on regulations governing accounting entries and financial statements, legislation regarding data protection, and health and safety.

II. Ethical-behavioural principles

All the professional activities of anyone working for PROTOTIPO S.P.A. must be performed with professional commitment, moral rectitude and managerial correctness, partly in order to protect the company image.

All the Addressees and everyone working with PROTOTIPO S.P.A. must align themselves with the following ethical-behavioural principles in the performance of their duties and in the evolution of their professional life in PROTOTIPO S.P.A.:

- A. **Fairness**, or a model of behaviour inspired by a common sense of substantial justice;
- B. **Equality**, or uniform treatment and corporate relations with every interlocutor, regardless of differences of age, gender, race, physical handicaps, religion, corporate level, economic power and social influence;
- C. **Protection and enhancement of the individual**, or respect for each individual, the enhancement of their respective capabilities, the establishment of mechanisms of trust and accountability of the individual, so as to unite the Addressees behind the company mission;

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- D. Diligence**, or the performance of one’s duties with great care and scrupulous attention and precision;
- E. Honesty**, or an incapacity to perform deeds that are illegal, illicit or even malicious, either in terms of observance of juridical principles, of the Code and of moral principles, or out of a deep-rooted sense of justice: the Addressees must be aware of the ethical significance of their actions, they must not pursue personal benefit or that of the company to the detriment of current law and the standards set out here, or even perform actions which contrast with a common sense of honesty;
- F. Transparency**, or the performance of one’s duties in a manner that is comprehensible to everyone; every action taken by the Addressees and by anyone who maintains relations with PROTOTIPO S.P.A. must be fully traceable and easily identifiable at all levels, so that all relationships are comprehensible and the related actions are justifiable;
- G. Impartiality**, or an objective and impartial way of operating, without favouritism for any party, whether public or private, linked with the Target by friendship, enmity, kinship or any similar relationship;
- H. Loyalty**, or a way of operating that is loyal and consistent with the shared ethical ideals, in order to behave in a manner consistent with the principles adopted by the company and the goals it pursues;
- I. Confidentiality**, or scrupulous abstention from divulging any corporate

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fact (whether of a technical, logistic, strategic or economic character) or personal information, respecting all current data protection legislation; the collection and processing of data are strictly reserved to the delegated company organs and performed rigidly according to company practice;

- Ѕ.** **Advisability**, or critical evaluation of every action or omission by criteria which, although not part of any specific ethical-behavioural principle, reflect the common sense of suitability and pertinence;
- Ў.** **Safeguarding of health**, or respect for all current standards regulating accident prevention and the prevention of professional disease, as well as scrupulous attention to personal health and safety in the workplace;
- Л.** **Protection of the environment**, or respect for all current legislation regarding the environment and pollution, as well as scrupulous attention to every type of behaviour which, although minimally, may offend the common sense of environmental education; implementation of differentiated waste collection programmes and the recycling of re-usable material; reduction of every form of pollution, whether environmental, acoustic, radio-electrical or any other type.

PROTOTIPO S.P.A. undertakes to enhance individuals and to maintain their physical and moral integrity, fostering the dissemination of ethical-behavioural principles, encouraging their observance and punishing non-compliance.

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The Addressees must comply and apply the principles listed above, having recourse to the common sense of morality and conscientiousness in the performance of every duty and in every circumstance.

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SECTION III

APPLICATION OF THE PRINCIPLES AND RULES OF BEHAVIOUR

To pave the way for rigorous application of the principles outlined, this Code proposes to identify the context of application of the same, focusing attention on the main types of working contracts that the Addressees enter into; to this end, it is important to distinguish between macrogroups: the group that refers to internal relations; the group of external relations; infragroup relations.

I. Internal relations

Internal relations refer to all relations between persons who fill key positions in PROTOTIPO S.P.A. (administrative organs, company officers, management organs, hereinunder “key figures”), between people who fill positions in PROTOTIPO S.P.A. that are subordinate to the former group (hereinunder “employees”), between key figures and employees and, finally, between all the above and the Watchdog body.

In general, PROTOTIPO S.P.A. expects anyone who works in the

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company to respect the personality and dignity of each individual, even during the selection process, preventing the emergence of situations in which people may find themselves at a disadvantage; discrimination or abuse of any form; training suited to the position that each one fills; the description of roles, responsibilities, powers of attorney and the availability of information that allows each one to take the necessary decisions in the interest of the company and with respect for the rules that the company adopts; a prudent, balanced, objective approach to his powers in the exercise of his functions; correct, confidential use of personal and corporate data.

Where conflicts of interest are concerned, no employee or collaborator of PROTOTIPO S.P.A. may perform activities in favour of the competition, or act as a consultant, a member of the Board of Directors or Board of Auditors of a competitor nor provide his professional services to competitors; no one may use company assets or provide services that PROTOTIPO S.P.A. offers to its customers, at work or in his free time, without the prior authorisation of the competent company function or his direct superior; no one may perform any other activity not congruous with his duties or responsibilities in the organisation during his working hours, nor use company assets outside of said duties.

More generally, in view of the relationship of trust between PROTOTIPO S.P.A. and the people who work for the company, all the Addressees must avoid any situation and refrain from any activity that may favour a personal interest over that of the company or that may interfere with or obstruct the capacity to take impartial and objective decisions in the interest of

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PROTOTIPO S.P.A..

In particular:

A. Relations between key figures.

The key figures who work for PROTOTIPO S.P.A. must guarantee full collaboration and the exchange of information, in order to promote the coordination and full pursuance of the corporate goals; they are also obliged to respect the principles of both moral legitimacy and ethical-behavioural principles, with reference to the roles they fill (management, supervision, controls); in particular, they must meet the obligations of confidentiality and non-competition pacts, performing their duties with complete loyalty for PROTOTIPO S.P.A.; they must operate with complete transparency, to allow all the operations that they put in place to be monitored, with specific reference to those that regard the movement of funds belonging to PROTOTIPO S.P.A.; as the leading representatives of PROTOTIPO S.P.A., they must transmit an image of the company that adheres fully to the principles of this Code.

B. Relations between employees.

PROTOTIPO S.P.A. employees are the workforce that lives in daily contact with the reality of the outside world.

They must respect the principles of moral legitimacy and ethical-behavioural principles fully and constantly; because they are all

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employees of PROTOTIPO S.P.A. without distinction – albeit organised hierarchically – they must observe and apply the ethical-behavioural principles of diligence, honesty and equality, fostering mutual collaboration and solidarity, fostering the creation of a working environment that can safeguard individuals and workers from a professional and relational viewpoint; they must use the PROTOTIPO S.P.A. resources and trademarks – or those coordinated by the company – within the limits permitted by the duties that they are asked to perform, without ever abusing them for extraneous ends or outside the hours required by their working activities; and finally they have to respect all the requirements set out in the Collective Labour Contract that applies to them, and all the union requirements regarding behaviour between colleagues and employees.

c. Relations between key figures and employees.

Key figures must exercise their powers in a balanced, fair and non-discriminatory manner in relation to employees, respecting the individual and his dignity; they must in no way abuse their position, neither during the selection of employees (a function that must be performed on purely meritocratic grounds and/or the mechanisms imposed by law), nor during the execution of their contract; they must always and only give orders that comply with the law and the principles of the Code, and must abstain from any harassing and/or intimidating conduct designed to cause employees to violate the above principles.

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On their part, employees must respect the instructions given to them by people in key positions and execute them diligently, providing the orders themselves are not clearly in contrast with current law and/or with the principles of this Code; they must also report any situations that they might come across, that are in conflict with current laws and/or with the principles of this Code.

D. Relations between key figures, employees and the Watchdog.

Both the key figures and employees are obliged to implement and pay attention to all the directives and communications of the Watchdog body (regarding which we refer you to Section IV below), scrupulously respecting the indications supplied; they are also obliged to report to the Watchdog any situation, conduct, event or circumstance in conflict with current laws and/or this Code; they have the power, for every doubt or advice of an ethical-behavioural character, to contact the Watchdog in order to obtain anonymous and confidential suggestions regarding the behaviour to adopt to comply with the Code.

(For further details about the Watchdog Body, we refer you to the relevant section).

II. External relations.

PROTOTIPO S.P.A. is a company that is in daily contact with third

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parties, whether suppliers, customers (both private, hereinunder “customers”, and Public Authorities, hereinunder “P.A.”) or the mass media.

In general, in their business relations with third parties, Addressees must conduct themselves ethically and with respect for the law, all with the utmost transparency, clarity, correctness, efficiency and fairness, as defined in the standards of the Code.

A. Relations with suppliers.

The selection of suppliers and decisions regarding purchases of assets, goods and services must respect the principles of this Code and internal procedures, in respect for the hierarchical structure of the group, using the written form.

Suppliers must be selected exclusively on the basis of objective parameters such as quality, economic viability, price, capacity and efficiency.

In relations with suppliers, donations, gratuities, benefits (both direct and indirect), gifts, acts of courtesy and hospitality designed to obtain favourable treatment; so-called seasonal gifts – i.e. gifts that by practice are exchanged on particular festivities, such as Christmas – when they are given habitually, must meet the dual requirements of tenuousness (i.e. modest symbolic value) and equality (i.e. equal cost of the gifts chosen for all suppliers).

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It is however forbidden to give gratuities on personal initiative or drawing on the individual's or company funds not allocated in advance to this purpose: only PROTOTIPO S.P.A. has the power to decide company policy regarding gifts and to allocate the necessary funds; it is therefore essential to document the expenses sustained and to prepare a transparent account of them.

In any case, no one who works for PROTOTIPO S.P.A. may receive donations, gratuities, benefits (whether direct or indirect), gifts, acts of courtesy and hospitality from suppliers; in the event of promised donations or un-opposable deliveries, the PROTOTIPO S.P.A. operator must immediately notify the Watchdog body which will, after suitable verification, inform the author of the gift of company policy on the matter, returning the gift or giving it to a charitable organisation.

B. Relations with customers/clients.

The clientele may only be approached through the advertising channels approved and promoted by PROTOTIPO S.P.A..

Any form of bombardment of the clientele, that violates the regulations on competition and that does not respect the regulatory standards and

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legislation regarding the protection of privacy is forbidden; any surreptitious form of approaching the clientele, which takes the form of deeds that are illegal or contrary to the Code is also forbidden.

In particular, donations, gratuities, benefits (both direct and indirect), gifts, acts of courtesy and hospitality designed to influence customers' choices are all prohibited; seasonal gifts must meet the dual requirements of tenuousness (i.e. modest symbolic value) and equality (i.e. equal cost of the gifts chosen for all suppliers).

It is however forbidden to give gratuities on personal initiative or drawing on the individual's or company funds not allocated in advance to this purpose: only PROTOTIPO S.P.A. has the power to decide company policy regarding gifts and to allocate the necessary funds; it is therefore essential to document the expenses sustained and to prepare a transparent account of them.

In any case, no one who works for PROTOTIPO S.P.A. may receive donations, gratuities, benefits (whether direct or indirect), gifts, acts of courtesy and hospitality from clients with the purpose of obtaining favourable treatment; nothing is due to PROTOTIPO S.P.A. employees other than their salaries for the services they perform.

In the event of promised donations or un-opposable deliveries, the PROTOTIPO S.P.A. operator must immediately notify the Watchdog body which will, after suitable verification, inform the author of the gift of company policy on the matter, returning the gift or giving it to a

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charitable organisation.

C. Relations with Public Authorities and Agencies.

Relations between PROTOTIPO S.P.A. and public officials or representatives of a public service (operating on behalf of the central or peripheral P.A., or of Legislative organs, EU institutions, international public organisations and those of any foreign state), with the Judiciary, with public watchdogs and other independent authorities, but also with private partners with the concession for a public service, must be entered into and managed in absolute and rigorous respect for the law and current standards, the principles set out in the Code of Ethics and internal procedures and protocols.

With particular reference to operations related to tenders, contracts, authorisations, licences, concessions, requests and/or management and use of financing under any name from public sources (regional, national and/or EU), management of contracts, relations with watchdog authorities or other independent authorities, welfare agencies, tax collection agencies, bankruptcy, civil, penal, administrative and other procedural organs, every contact with third parties must be conducted by the competent company organs and parties, in line with company strategies and in writing; all paperwork with the public entities mentioned above must be protocolled and inventoried, as must all

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telephone contacts. The parties delegated to perform the operations listed above must refer to the delegating party under the law or internal organisational procedures.

In particular, donations, gratuities, benefits (both direct and indirect), gifts, acts of courtesy and hospitality designed to influence the decisions of the P.A. or even only to raise awareness among their representatives are all prohibited; seasonal gifts must meet the dual requirements of tenuousness (i.e. modest symbolic value) and equality (i.e. equal cost of the gifts chosen for all public and private customers).

It is however forbidden to give gratuities on personal initiative or drawing on the individual's or company funds not allocated in advance to this purpose: only PROTOTIPO S.P.A. has the power to decide company policy regarding gifts and to allocate the necessary funds; it is therefore essential to document the expenses sustained and to prepare a transparent account of them.

PROTOTIPO S.P.A. refrains from making any direct or indirect contribution under any form to political parties, movements, committees and organisations or trades unions, or to their representatives and candidates, with the exception of what is admitted and envisaged by law and by current regulations.

D. Relations with the mass media and management of information

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Relations with the press, channels of communication and information and, more generally, with external interlocutors, must only be maintained by expressly delegated parties, in compliance with the procedures and prescriptions adopted by PROTOTIPO S.P.A..

Any request for information from the mass media received by PROTOTIPO S.P.A. personnel must be communicated to the competent company delegate/department, that will take care to divulge non-confidential information.

Communications with the outside world must however follow the guidelines of truth, correctness, transparency and prudence, so as not to invite partial, false, ambiguous or misleading interpretation.

Any form of investment, either direct or through a third person, that is based on confidential company information, is strictly forbidden.

Where the management of information is concerned, in no case will behaviour based on insider trading be accepted, nor the use, for one's own advantage or that of third parties, of data, news or business opportunities encountered in the performance of one's duties, or behaviour of any other type whose consequences could be to impoverish company equity, or that are designed to bring undue advantages to the individual or to third parties.

Any person operating on behalf of PROTOTIPO S.P.A. in any capacity is

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obliged to maintain confidentiality and not to divulge or wrongfully ask for information about documents, expertise, research projects, company operations and, generally, all the information that comes to his attention because of his position in the company.

Confidential or secret information is information that is the subject of specific standards or regulations (for example, because they regard national security, the military, inventions, scientific discoveries, protected technologies, and new industrial applications) as well as any information classified secret by contract.

Any news encountered in the performance of a person's job, whose dissemination and utilisation could represent a danger or damage to the company and/or undue gain to the employee or third parties is also confidential.

III. Infragroup relations.

Infragroup relations are all those factual and contractual relations between PROTOTIPO S.P.A. and its subsidiary and/or associated companies, and between the latter.

All infragroup relations must be managed with full respect for the law and for current regulations, and in compliance with the principles set out in this Code.

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Relations between the Group’s subsidiary and/or associated companies must be founded on principles of transparency and correctness, cohesion and opportuneness, and implemented by respecting the prevention protocols that supplement the model of organisation and control.

Group companies adopt and implement this Code and assimilate any subsequent amendments; they comply with the Group strategy regulating internal and external relations (suppliers, customers, P.A., mass media), aligning with the Group’s behaviour standards; they inform PROTOTIPO S.P.A. of any anomaly in the operation of the model of organisation drafted as per Leg. Decree 231/01, in order to perfect the model and to bring it into line with the principles of this Code of Ethics.

Group companies exchange the information necessary to implement group strategies and to optimise implementation of the models of organisation.

To this end, if the Watchdog bodies of the investee and/or subsidiary companies of PROTOTIPO S.P.A. comprise persons other than the members of the PROTOTIPO S.P.A. Watchdog, they must submit to the latter Watchdog a half-yearly report on the activities performed, and immediately provide any information requested by said Watchdog; they must also assist the aforementioned Watchdog body in every inspection it performs – in respect for current standards – in matters related to the running of the group, such as, purely by way of example, the drafting of the consolidated financial statements or the coordination of the group’s participation in public tenders.

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On the other hand, the Watchdog body of the PROTOTIPO S.P.A. company must be prepared to collaborate with the Watchdog bodies of investee and/or subsidiary companies, pursuing the objective of the transparency of the group.

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SECTION IV
CHECKS AND PENALTIES:
THE WATCHDOG BODY

The task of monitoring the observance and functioning of the Model of Organisation and management adopted by PROTOTIPO S.P.A. in compliance with Leg. Decree 231/01 and subsequent amendments is entrusted to the Watchdog body, which has autonomous powers of initiative, control and the imposition of penalties.

I. Powers and characteristics.

The Watchdog body complies with the law and with the principles of this Code; it acts with impartiality, authority, autonomy, continuity and professionalism.

The Watchdog body may comprise one person or a group of people, depending on the need felt by each investee and/or subsidiary company, although evident reasons of opportuneness advise against appointing to the Watchdog body someone who, by company articles or authority received from the Board of Directors, is responsible for the everyday running of the company and/or its legal representative or who has been attributed powers of attorney;

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members of the Board without proxies and/or powers or attorney, non-Board members with executive functions and/or external consultants with suitable, specific training, may therefore serve on the Watchdog body.

The Watchdog performs the following corporate activities:

- to disseminate this Code to all the Addressees and the third parties who work with PROTOTIPO S.P.A., preparing information, training and refresher courses (whose content and manner of execution are described in detail in the folder “Code of ethics and Model of organisation: dissemination”);
- management, analysis and verification of the principles and rules expressed in the Code, and its updating and adaptation;
- interpretation of the Code, creating a benchmark to resolve any conflict or doubt regarding the application of the principles expressed in it;
- monitoring observance of the Code of Ethics by all the Addressees considered in this Code;
- monitoring the observance, effectiveness and suitability of the Model of Organisation;
- the safeguarding, assistance and protection of employees who report behaviour that does not conform to the Code or to the Model of organisation, protecting them from pressure, interference, intimidation and reprisals;
- reporting to the competent company functions, in the manner indicated below, any transgressions of the law and/or the requirements of this Code and/or of the Model of organisation;

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- monitoring the regularity and punctuality of the imposition of disciplinary penalties envisaged for transgressions against the Code of Ethics or the Model of organisation, receiving corroboration of any penalties imposed by the competent company authorities;
- the coordination of watchdog activities inside the group;
- the preparation of an annual report for the Board of Director.

In order to achieve its goals, the Watchdog is free to access all the sources of information in PROTOTIPO S.P.A. and companies in the group – in respect for current legislation – and has the power to view documents and to consult data; it performs periodical checks on the functioning and observance of the organisation model adopted; it verifies the destination and correct attribution of incoming and outgoing financial flows at PROTOTIPO S.P.A., excluding current expenses for everyday operations (e.g. payment of salaries, suppliers, welfare contributions, and taxes); it is attributed adequate human and tangible resources to act rapidly and efficiently.

The Watchdog operates with ample discretionary powers and the complete support of the PROTOTIPO S.P.A. top management with which it collaborates completely independently.

The criteria for the composition, election and functioning, and the powers and duties of the Watchdog body are those set out in the Model of Organisation (of which this Code is an integral part).

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II. Reports to the Watchdog body.

In order to guarantee the effectiveness of the Model of Organisation through specific protocols, and to respect the privacy and rights of the individual, PROTOTIPO S.P.A. has created autonomous, confidential channels of information, through which anyone who becomes aware of any illegal behaviour inside the company – or in the performance or the context of the company’s activities – may report directly and confidentially to the Watchdog body. This body is responsible for performing rigorous and detailed checks on all information transmitted, in order to simplify the imposition of any penalties by the competent corporate functions, or the activation of mechanisms to terminate contracts.

All recipients of this Code must report to the Watchdog body any alleged violation of the Code and of the Model of organisation that they come across; failure to do so entails the imposition of the disciplinary penalties contemplated in the Model.

III. Penalty system.

When it receives news that a crime has been committed (by a report from employees or through official channels), the Watchdog body must verify whether or not it is manifestly groundless by performing suitable checks, in respect for current legislation regulating company and trades union law, data protection and the rights of the individual.

Having ascertained that the news is not manifestly groundless, it is the

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Watchdog’s duty to notify the violation in writing to the competent corporate functions, which will impose the penalties for the censured behaviour as set out by current standards, the rules and current Labour Contracts; it is also the Watchdog’s duty to monitor the regular and punctual imposition of the disciplinary penalties envisaged for transgressors of the Code of Ethics or of the Model of Organisation, as set out in the appropriate folder (“Disciplinary system”) of the model, receiving corroboration of the disciplinary action taken.

In any case, violation of the principles set out in the Code of Ethics, in the Model of organisation and in the procedures envisaged by internal protocols will prejudice the relationship of trust between PROTOTIPO S.P.A. and its directors, employees, consultants, collaborators, customers, suppliers, commercial partners and financiers.

As a result, any violation will always be prosecuted under the law.

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