



**FONDAZIONE DI PARTECIPAZIONE (HOLDING FOUNDATION)
“La fornace dell’innovazione”**

Articles of Association

"LA FORNACE DELL'INNOVAZIONE" ARTICLES OF ASSOCIATION

NAME

Art. 1. A Fondazione (Foundation) has been formed, for the purpose of business, regional and cultural promotion and professional training, under the name of LA FORNACE DELL'INNOVAZIONE.

The Fondazione is governed by these articles of association.

It complies with the principles and legal framework of the "Fondazione di Partecipazione" (Holding Foundation) within the wider general scope of foundations governed by sections 12 et seq. of the Italian Civil Code.

The Fondazione is non-profit making and may not allot profits.

REGISTERED OFFICE

Art. 2. The Fondazione has its registered office in Via Strada Muson n. 2/C, Asolo (TV) at La Fornace di Asolo.

Delegations and offices may be set up both in Italy and abroad where, on a secondary and instrumental basis in relation to the purpose of the Fondazione, activities of promotion may be carried out and the necessary network of national and international relations supporting the same Fondazione developed and increased.

PURPOSE

Art. 3. The Fondazione intends constantly carrying out every search and every action aimed at helping both quantitative and qualitative business growth, having technological, organizational and cultural innovation as a basic criterion for its activities so that an entrepreneurship of special value will be encouraged that is effective on the local, national and international market.

In the priority commitment of stimulating and enhancing the creative, economic and cultural potential of the region, the Fondazione shall research the following objectives in particular:

- to spread the culture of innovation by creating a favourable environment for the circulation of skills, ideas and knowledge;
- to aid the creation of businesses that are innovative or in any case able to give added value to the region through the setting-up and management of a Business Incubator;
- to refine the processes of creation and dissemination of product and process innovation;
- to experiment innovative and transferable pilot projects without limitation of areas of intervention;
- to guarantee assistance and stimulation especially in the start-up stage of new firms;
- to research specific innovative branches;
- to promote and provide also directly, alongside the traditional services of assistance, also innovative and competent services;
- to help networking processes with other services and structures at provincial, regional, national and international level;
- to consider economic initiative and leadership as a constant commitment.

Instrumentally recourse is made to continual training and relative promotion in the various cultural, professional and regulatory environments contemplated by its activity, also through the creation of courses, seminars, exhibitions and conventions.

INSTRUMENTAL, SECONDARY AND CONNECTED ACTIVITIES

Art. 4

To achieve its purposes the Fondazione may:

- a) stipulate any suitable deed or agreement, also for the financing of resolved transactions, including, without being limited thereto, the undertaking of short or long-term loans and financing, the letting, undertaking on lease or gratuitous loan for use or the purchase, in ownership or in building lease/ground rent, of real estate, the stipulation of agreements of any kind whatsoever also registrable in public records, with Public or Private Agencies, which are considered advisable and useful for achieving the Fondazione's purposes;
- b) administer and manage the assets of which it is owner, lessor/landlord, borrower or in whatever way held, also arranging for and approving projects and reinforcement work or extraordinary maintenance;
- c) stipulate agreements and contracts for the placing in management of part of the activities;
- d) participate in associations, agencies and institutions, whether public or private, whose activity is devoted directly or indirectly to the pursuit of similar purposes to those of the actual Fondazione. Whenever it deems fit, the Fondazione may also help in the setting-up of the aforesaid bodies or organizations;
- e) establish or help set up - always on a secondary and instrumental basis, direct or indirect, to the pursuit of the institutional purposes - business corporations as well as invest in companies of the same type;
- f) disburse contributions, prizes and study grants to natural persons or corporations for activities organized and co-organized by the Fondazione;
- g) promote and organize shows, events, conferences, forums, meetings, exhibitions or other topical events proceeding with the publication of the relative records or documents and all those suitable initiatives for encouraging an organic contact between the Fondazione and other operators in the same sectors and the public institutions or government agencies of reference;
- h) carry out, on a secondary and instrumental basis to the pursuit of the institutional purposes, activities of marketing, also with reference to the publishing, multimedia and audiovisual sector in general;
- i) carry out any other opportune activity or of support to the pursuit of the institutional aims.

SUPERVISION

Art. 5

Pursuant to current legislation, the activity of the Fondazione is controlled by the Italian State.

ASSETS

Art. 6 The assets of the Fondazione consist of:

- a) the endowment fund consisting of contributions in money or movable and immovable property or other amenities useable for the pursuit of the purposes, made by the founder members or by other participants;
- b) movable and immovable property that the Fondazione receives or shall receive for any reason whatsoever, including those purchased by the same in accordance with the provisions of these Articles of Association;
- c) donations made by Bodies/Agencies or by private persons with express destination to increase the assets also under the form of capital goods;
- d) sums of unused income that, with Board of Directors resolution, may be destined for increasing the assets;

e) contributions allocated to the endowment fund by the State, Regional Agencies or by other Public Institutions or Government Agencies.

OPERATING CAPITAL OR FLOATING ASSETS

Art. 7

The operating capital or floating assets of the Fondazione consists of:

- a) income and revenue deriving from the assets and from the activities of the actual Fondazione;
- b) any donations or bequests that have not been expressly allocated to the endowment fund or in any case to the assets;
- c) any other contributions attributed by the State, Regional Agencies or by other Public Institutions or Government Agencies.;
- d) contributions of Founder Members, Contributing Members, Institutional Members, Voluntary Members;
- e) revenue from the institutional, secondary, instrumental and connected activities.

The income and the resources of the Fondazione shall be used for operation of the same Fondazione and to achieve its purpose.

FINANCIAL YEAR

Art. 8.

The financial year commences on 1st January and ends on 31st December each year. Within 4 months from the end of each financial year the Board of Directors shall approve the final statement of accounts after presentation to the Board of Auditors, and by the month of October the same Board of Directors shall adopt the document for budget planning and the budget for the next financial year.

The Board of Directors is suitably informed of the expense commitments and obligations directly contracted by the legal representative of the Fondazione or by proxies/deputies.

Any operating surplus in the year shall be used for offsetting any losses of previous years or for strengthening and expanding the Fondazione's activities or for the purchase of capital goods for increasing or improving its activity or with allocation into a specific reserve fund.

The distribution of profits or operating surplus or of funds and reserves during the life of the Fondazione is forbidden, unless the destination or distribution thereof is enforced by law.

MEMBERS OF THE FONDAZIONE

Art. 9.

Members of the Fondazione are divided into

- Founder Members;
- Contributing Members;
- Institutional Members;
- Voluntary Members;

FOUNDER MEMBERS

Art. 10

Founder Members are public or private persons who have started up, invested in or contributed to setting up the project that is developed within the Fornace di Asolo location and in the adjoining new building used for Business Incubator and service centre for SMEs. They are mentioned in the memorandum of association of the actual Fondazione.

Founder Members are also natural persons, single or associated, and corporations, public or private, and institutions or agencies that contribute within 12 months from the date of establishment of the Fondazione to the endowment fund and the operating capital, with such an amount or prestige as to acknowledge their status of Founder Member. They are designated on the basis of such requirements with resolution adopted with absolute majority vote of the Board of Directors. After 12 months from the establishment of the Fondazione the status of Founder Member, subject to the requirements indicated above, may only be acknowledged with a majority vote of 2/3 of the Board of Directors.

CONTRIBUTING MEMBERS

Art. 11

The status of “Contributing Members” may be obtained by natural persons, single or associated, and corporations, public or private, and institutions or agencies that, sharing the aims of the Fondazione, contribute to the survival of the same and to the achievement of its purposes through annual or multi-year contributions in money, which flow into the operating capital with the methods and in the amount not less than that established, also yearly, by the Board of Directors.

The status of Contributing Member lasts for the whole period for which the contribution has been duly paid.

INSTITUTIONAL MEMBERS

Art. 12

Institutional Members are Public Institutions, Government Agencies, Academies and Universities that contribute to the endowment fund or to the operating capital of the Fondazione in the forms and to the extent determined in a minimum amount established by the Board of Directors.

VOLUNTARY MEMBERS

Art. 13

The status of “Voluntary Members” may be obtained by natural persons, single or associated, and corporations, public or private, as well as institutions or agencies that contribute to the purposes of the Fondazione with a particularly important activity, also professional, or with the contribution of tangible or intangible property.

The Board of Directors may establish by statutory instrument the possible division and grouping of voluntary members by categories of activity and investment in the Fondazione.

PARTICIPATION OF FOREIGN PERSONS

Art. 14

Founder Members, Contributing Members, Institutional Members, Voluntary Members may also be natural persons and corporations as well as Public Institutions and Government Agencies or Private Agencies or other institutions having their registered offices abroad.

PRIVILEGES OF FONDAZIONE MEMBERS

Art. 15

The status of Fondazione member, irrespective of the quantity and type of contribution, gives the right to be an active part thereof in consideration of the need and importance of the categories of origin in the general aim of the Fondazione to have as broad a participating base as possible. With methods identified and established by the Board of Directors the members may access the premises and functional structures of the same and also consult archives, workshops and any documentation, also audiovisual, centres, as well as take part with a preferential channel in the initiatives of any kind organized by the Institution.

EXCLUSION

Art. 16

The Board of Directors resolves with the majority vote of two thirds of its members the exclusion of Founder Members and with the absolute majority vote of its members the exclusion of other Members.

FONDAZIONE ORGANS

Art. 17

The organs of the Fondazione are the:

- Board of Directors
- Executive Committee
- Chairman
- General Manager
- Members' Board
- Board of Auditors

BOARD OF DIRECTORS

Art. 18

The Board of Directors comprises between eleven and fifteen members appointed by the Founder Members. The Veneto Region (or its instrumental bodies), the Province of Treviso and the Chamber of Commerce for Industry, Agriculture and Handicraft of Treviso are members by right of the Board of Directors, designating their own representative.

All members hold office for four financial years (subject to transitional provisions). The Board of Directors has all the powers for ordinary and extraordinary management of the Fondazione.

In particular it:

- a) establishes the general lines of the Fondazione and the relative programmes within the scope of the purposes and activities as set forth under articles 3 and 4;
- b) adopts the budget and the final accounts presented by the General Manager;

- c) votes on the acceptance of inheritances, legacies and donations as well as on the purchase and sale of movable and immovable property;
- d) appoints Founder Members as well as Contributing, Institutional and Voluntary Members;
- e) appoints the Chairman of the Fondazione and the Deputy Chairman from among the members of the Board;
- f) appoints the members of the Executive Committee;
- g) approves the internal regulations of the Fondazione;
- h) appoints the General Manager, establishing his/her remuneration, position and duration of the relationship;
- i) votes on the fee for the members of the Board of Auditors;
- j) votes on any amendments to the articles of association;
- l) votes on dissolution of the Fondazione and the assignment of the assets;
- m) votes on the exclusions as set forth under art.16;
- n) performs all the other tasks attributed to the same by these Articles of Association.

The resolutions as per letters a), b), e), f), h), m) are validly adopted with the presence of at least 2/3 of the members in office and with the favourable majority vote of those present.

The resolutions as per letter l) are validly adopted with the favourable majority vote of two thirds of those having the right to vote.

The members of the Board of Directors are also entitled, in addition to the reimbursement of out-of-pocket expenses, to an attendance fee for the board meetings, established by the same Board of Directors having consulted the Board of Auditors.

CALL AND QUORUM

Art. 19

The Board of Directors is convened by the Chairman, at his discretion or upon request by at least 1/3 of its members, with registered letter sent with at least eight days' notice or in the case of an emergency by telegram or fax sent with three days' notice. In any case the Board is understood as regularly convened and meets quorum requirements whenever all the members are present even if the normal procedures of call have not been fulfilled.

The notice of call shall contain the agenda of the meeting, the place and the time. It may also indicate the day and time of the second call and may establish that this is fixed for the same day as the first call at not less than one hour from the latter.

The Board has a quorum with the presence of at least one half + 1 of the Directors in office.

The board adopts resolutions with the majority vote of those present, without prejudice to other quorums established under art.18. In the case of an equality of votes, the Chairman casts the deciding vote.

The resolutions are shown by the relative minutes signed by the Chairman and by the secretary of the meeting, written in a special book to be kept with the methods envisaged for the same type of book of joint stock companies.

Voting regarding persons is by secret ballot on the request of even just one director.

THE EXECUTIVE COMMITTEE

Art. 20

The Executive Committee comprises between 3 and 5 members elected from within the Board of Directors including the Chairman and the Deputy Chairman. The Committee has a quorum with the presence, either physical or by videoconference, of the majority of the members and adopts resolutions by the majority vote of those present. The Committee is chaired by the Chairman or by

the Deputy Chairman in the former's absence.

The Committee has the task of putting into effect the resolutions adopted by the Board of Directors and remains in office for four years as does the Board.

The organ is convened by the Chairman or in his/her absence by the Deputy Chairman via fax with five clear days' notice.

CHAIRMAN

Art. 21

The Chairman of the Fondazione is also Chairman of the Board of Directors and of the Executive Committee. He legally represents the Fondazione in dealings with third parties. He acts before and opposes any administrative or jurisdictional authority.

The Chairman exercises all necessary powers of initiative for the proper administration and management of the Fondazione.

In particular the Chairman promotes relations with Agencies, Institutions, Public and Private Enterprises and other bodies for the purposes of establishing relations of cooperation in support of the single initiatives of the Fondazione.

If the Chairman is absent or indisposed or the position vacant, the Deputy Chairman takes his/her place.

The office of Chairman ceases at the end of his/her term of office as director.

GENERAL MANAGER

Art. 22

The Board of Directors appoints the General Manager of the Fondazione, who is responsible for the good administrative, accounting and financial performance of the Fondazione.

Within this scope the General Manager supervises the carrying out of the Fondazione's activity.

In particular he outlines the work programmes and the initiatives aimed at achieving the institutional purposes and also presents the draft budget and final statement of accounts. The General Manager arranges for the recruitment of the necessary personnel for proper operation of the activities and takes care of the management thereof.

The General Manager attends, without right of vote, the meetings of the Board of Directors and of the Executive Committee acting as Secretary, which role may be delegated to a person he appoints.

MEMBERS' BOARD

Art. 23

The Members' Board consists of members of the Fondazione as per articles 11, 12, 13 and 14 of these articles of association and meets at least once a year when convened by the Chairman of the Fondazione.

The meeting is validly constituted whatever the number of those present. Prior to transacting any business, the Meeting shall at every session proceed with designating a coordinator from among the participants, who shall chair the activity of the same Meeting.

The Members' Board is the advisory body which expresses opinions and proposals regarding the activities, programmes and objectives of the Fondazione, whether outlined or to be identified, as well as regarding the budgets.

The Members' Board may meet in plenary form as a moment of comparison and analysis in which all the members of the Fondazione come together. In this case not only all the categories of

members of the Fondazione take part, but also any representatives of foreign offices or delegations as well as the representatives of private or public corporations and Italian or foreign Institutions or agencies that request to do so.

BOARD OF AUDITORS

Art.24

The Board of Auditors comprises three statutory auditors appointed by the Board of Directors, who at the same time also appoint the Chairman of the same Board, chosen from among the persons registered in the list of senior auditors or chartered accountants.

The Board of Auditors monitors the financial management of the Fondazione and the legality of the resolutions of the Fondazione organs, checks that the accounting records are kept up to date, examines the proposed budget and final statements of account, carries out the audit, drawing up relative reports and carrying out counts of cash.

In fulfilling its functions the Board may attend meetings of the Fondazione organs. The members of the Board of Auditors hold office for three accounting periods and may be reappointed.

The Board shall meet at least once every 90 days.

DISSOLUTION

Art.25

In the event of dissolution of the Fondazione for any reason whatsoever, the assets shall be transferred, with Board of Directors' resolution, to other institutions that pursue similar purposes, that is, for public purposes.

TRANSITIONAL PROVISIONS

Art. 26

At the time of first application of these Articles of Association, the Chairman, the Board of Directors and the Managing Committee, appointed with the drawing up of the Memorandum of Association, hold office until the date of adoption of the first financial statements with the powers envisaged by these articles of association. They shall see to starting up the basic activities of the Fondazione, promoting the entry of new persons.

The same term of office is envisaged for the Board of Auditors, which shall be confirmed for the subsequent two-year period by the new Board of Directors.

Art.27

At the time of establishing this Fondazione a suitable contract / agreement shall be drawn up in legal form to govern relations between the Consorzio per il Recupero La Fornace di Asolo (Consortium for the recovery of La Fornace di Asolo), which occupies in life-tenancy or free loan for use or building lease the building complex of the former brickworks of Asolo as described hereinafter, the company Asolo Futura srl, which possesses the bare ownership of the property and the actual Fondazione "La Fornace dell'Innovazione". These agreements shall govern the lease of the property with specific rules that allow the Fondazione to be operational.

The property referred to consists of spaces used for Business Incubator and Service Centre for SMEs (approx. 2,400 sq.m), underground car parking garage, new exhibition/display spaces, a covered multipurpose area of approx. 1,500 sq.m, spaces assigned to surveillance, outdoor spaces, new rooms used as store rooms, as well as the conference room and the exhibition centre in the main body of the Fornace (see enclosed plans).