

Annex “A” to deed index no. 77925/15335

BY-LAWS
“Bracco Foundation”
Article 1
Incorporation-Registered office-delegations

A foundation denominated “**Fondazione Bracco**” with registered office in Milan, Via Cino del Duca no. 8 is hereby incorporated.

The Foundation may use the English denomination “**Bracco Foundation**”.

Delegations and offices may be established both in Italy and abroad to carry out, in an additional, instrumental manner to Foundation purposes, promotion activities and to develop and increase the necessary national and international network supporting the Foundation itself.

It answers to the principles and legal structure of a Participatory Foundation, within the vaster Foundation category governed by the Civil Code and related laws.

The Foundation is non-profit and may not distribute profits.

Art. 2
Purposes

The Foundation creates, promotes and spreads expressions of culture and art, also as a way to improve quality of life and social cohesion.

In this context, the Foundation promotes the valorising of national cultural, historical and artistic heritage, develops environmental sensitivity, promotes scientific research and the safeguarding of health, favours education, teaching and professional training for young people, develops initiatives of a welfare and jointly liable nature to contribute to community well-being.

Art. 3
Instrumental, additional and connected activities

To achieve its purpose, the Foundation may also:

- a) draw up any type of deed or agreement, even to finance operations resolved on, including, without excluding others, taking out short or long-term loans and mortgages, purchase, proprietorship or right of common, property, draw up agreements of any kind with public or private entities, also registered in public registers, considered useful or opportune for achieving Foundation purposes;
- b) administer and manage assets owned, leased, under free loan or owned in any way;
- c) collect funds for the implementation, direct and indirect, of structures, intervention and services connected to institutional purposes;
- d) take part in associations, foundations, entities and institutions, both public and private, whose activities are directly or indirectly aimed at achieving similar purposes to those of the Foundation itself; the Foundation may, where deemed necessary, establish the aforementioned bodies;
- e) establish or take part in stock companies carrying out activities to achieve statutory purposes instrumentally and exclusively;
- f) promote and organise seminars, training courses, events, conventions, meetings, publishing relative deeds or documents, and all initiatives favouring contact between the Foundation, national and international operators and bodies, relative operators and the public;
- g) draw up agreements with third parties for assigning parts of the activity to third parties;
- h) establish awards, grants;
- i) carry out, additionally and instrumental to achieving institutional purposes, commercialisation activities, also referred to the publishing sector and audiovisuals in general, within the limits of laws in force;

- j) carry out all other suitable or supporting activities to achieve its institutional purpose.

Article 4 Supervision

Competent Authorities supervise Foundation activities pursuant to the Civil Code and specific legislation on the matter.

Article 5 Assets

Foundation assets include:

- the cash endowment fund made up of contributions in money or movable and real estate assets, or other utility usable to achieve purposes, made by the Founder, by Institutional Participants or by other Participants;
- movable and real estate assets allocated or that will be allocated to the Foundation in any way, including those purchased by it in accordance with these By-laws;
- donations made by entities or individuals specifically intended to increase assets;
- annuities not used which, through a Steering Board resolution, may be attributed to increasing assets;
- contributions attributed to assets by the European Union, the State, territorial entities or other public authorities.

Article 6 Management Fund

The Management Fund of the Foundation is constituted by:

- revenue and income from assets and Foundation activities;
- any donations, free gifts or bequests not specifically intended for the cash endowment fund;
- any other contributions made by the European Union, the State, territorial entities or other public authorities;
- revenue from institutional, additional, instrumental and connected activities.

Foundation revenue and resources shall be used to operate the Foundation itself and to achieve its purposes.

Article 7 Financial period

The financial period starts on January 1st and ends on December 31st each year.

By the end of the month of November, the Steering Board shall approve the budget for the following period and by the following June 30th the balance sheet for the past period, prepared by the Management Committee.

When drawing up the balance sheet, including balance sheet, income statement and Notes, pursuant to laws in force each time, the following Civil Code principles concerning stock companies must be complied with, where compatible.

Foundation bodies, within their respective competences, may undertake commitments and obligations within approved balance budget allocation limits.

Profits or budget surpluses may not be distributed nor may any funds or reserves while the Foundation exists, unless allocation or distribution have been imposed by laws in force.

Article 8 Foundation Members

Foundation members are divided into:

- Founder;

- Institutional Participants and Participants.

Article 9 Founder

The Founder is the company “Bracco spa” with registered office in Milan.
If the Founder should resolve on any mergers, splitting or transformations, or even turn to the venture capital market, said Founder company may appoint the party to exercise prerogatives due to said company foreseen by these By-laws.

Article 10 Institutional Participants and Participants

Institutional Participants, denominated as such by irrevocable Steering Board resolutions, may be those public or private legal entities and bodies which contribute to the Cash Endowment and/or Management Funds, through cash contributions or by attributing tangible or intangible assets, resolved on by the Steering Board itself.

Participants, denominated as such by irrevocable Steering Board resolutions, may be individuals or public or private legal entities and bodies which, sharing Foundation purposes, contribute to its existence and to the achievement of its purposes through annual or multi-annual money contributions; in ways and for amounts that are no lower than what is established, even annually, by the Management Committee itself or through an activity, even professional, of particular importance or with the allocation of tangible or intangible assets.

The Management Committee may Regulate the possible subdivision and grouping of Participants in Foundation activity and participation categories.

Participants may allocate their contribution to specific projects included in Foundation activities.

Institutional Participant and Participant qualifications last for the entire period for which the contribution was regularly paid or service supplied.

Institutional Participants and Participants must specifically undertake to comply with the provisions in these by-laws and the regulations.

Article 11 Foreign Participants

Individuals and legal entities as well as public or private bodies or other institutions with their registered offices abroad may also become Institutional Participants or Participants.

Article 12 Exclusion and withdrawal

The Steering Board resolves on the exclusion of Institutional Participants and the Management Committee decides the exclusion of Participants. The exclusion of Institutional Participants and Participants may occur for serious, repeated non fulfilment of obligations and duties arising from these By-laws, including, as a non binding example:

- non fulfilment of the obligation to make contributions and allocations foreseen by these By-laws;
- behaviour that is not compatible with Foundation purposes specified in art. 2 and with the duty to collaborate with other Foundation members;
- behaviour that goes against the duty to provide not asset services.

For bodies and/or legal entities, exclusion may also occur for the following reasons:

- transformation, merger and splitting;
- transfer, for any motive, of the control package or its being varied;
- resorting to the venture capital market;

- extinction, for any reason whatsoever;
- start of liquidation proceedings;
- bankruptcy and/or the start of bankruptcy, even out-of-court, procedures.

Institutional Participants and Participants may withdraw from the Foundation at any time, with no prejudice to their duty to fulfil any obligations undertaken.

The Founder may never be excluded from the Foundation.

Article 13 Foundation Bodies

The following are Foundation bodies:

- the Steering Board;
- the Management Committee;
- the Chairman and Vice Chairman of the Foundation, if appointed;
- the Advisory Board, if established;
- the Board of Auditors.

Article 14 Steering Board

The Steering Board has from a minimum of three to a maximum of seven members.

Composed as follows:

- a) up to five members, including the Chairman, appointed by the Founder, and for it by its Chairman, with no prejudice to what is established in art. 16 of these By-laws;
- b) up to two members appointed by the above-appointed members also chosen from amongst Institutional Participants.

This Board may co-opt up to another two members, also choosing them from amongst Participants; in said case, the Board shall have a maximum of nine members.

The Chairman may identify guests, also permanent, to Board meetings. These shall take part for advisory purposes, with no right to vote, and shall be chosen from amongst parties considered useful and prestigious for the Foundation.

Steering Board members remain in office until approval of the balance sheet for their third period following appointment and may be confirmed, unless cancelled by the appointing party, before the mandate expires.

A Steering Board member who, for no justified motive, should not take part in three consecutive meetings may be declared as having fallen from office by the Board itself. In that case, as in any other Member vacancy hypothesis, said councillor/s who have fallen from office shall be replaced in accordance to the second point above. New members shall remain in office until the Steering Board expires. If there should be less than three Councillors, the Board shall be considered as having fallen from office and must be reconstituted pursuant to these By-laws.

The Steering Board resolves on Foundation goals and programs proposed by the Management Committee and controls the latter's overall operating results.

In particular, it:

- establishes general Foundation activity lines annually, within purposes and activities foreseen in articles 2 and 3 herein;
- establishes criteria for the nomination of Institutional Participants and makes the relative appointment;
- approves the budget and balance sheet at the Management Committee's proposal;
- appoints, where deemed opportune, a Foundation Vice Chairman, based on Chairman indications choosing him/her from amongst its members;
- appoints, where deemed opportune, a Steering Board secretary resolving on assignment tasks, nature and duration;
- appoints members of the Management Committee;

- sets up, where deemed opportune, a Foundation Advisory Board pursuant to art. 17 in these By-laws, based on Management Committee proposal and indication;
- appoints members of the Board of Auditors;
- approves Foundation regulations, prepared by the Management Committee;
- resolves on any statutory amendments;
- resolves on the proposal to wind up the Foundation and on devolving its assets.

The Steering Board is convened by its Chairman or, on his/her instructions, by the Vice Chairman, if appointed. Or by a member of the Steering Board appointed to do so by the Chairman. Moreover, the Board may be convened at the request of at least one third of its members. In this latter case, and if the Chairman and Vice Chairman, where appointed, should not take any action, the meeting shall be convened by the Chairman of the Audit Committee.

No particular formalities are required to call a meeting except for use of suitable means to inform all members providing notice of receipt by the addressee. Callings shall be sent at least ten days before the date of the meeting. In case of need or urgency, the meeting may be called three days before the date set.

The calling must contain: meeting agenda, place and time. It may also indicate a second calling date and time and may establish that this be on the same date as the first calling at no less than one hour's difference.

The Board meets validly, in first calling, with at least two thirds of its members present. In second calling, the meeting is valid whatever the number of members present as long as a majority of Founder appointed members are present. Resolutions are taken with a favourable vote by the majority of those present. In a draw, the Chairman's vote prevails.

Resolutions concerning approval of balance sheet, approval of amendments to the by-laws and on winding up the Entity are validly adopted with the favourable vote of the majority of members appointed by the Founder.

Meetings are chaired by the Chairman, or if he/she is absent or unavailable, by the Vice Chairman, where appointed, or by a Steering Board member appointed by the Chairman. If both should be absent, the meeting is adjourned.

Minutes are drawn up by Board meetings and are signed by whoever chairs the meeting and by the meeting secretary.

Board meetings may also be held using telecommunication systems as long as all those taking part may be identified and may follow the discussion and intervene in real time to discuss matters dealt with. If said requirements have been met, the Steering Board meeting is considered as held in the place where both meeting Chairman and secretary are present.

Article 15

Management Committee

The Foundation is managed by a Management Committee with a variable number of members, a minimum of three and a maximum of five, including the Foundation Chairman.

Management Committee members remain in office until approval of the balance sheet for the third period following their appointment and may be confirmed, unless cancelled before their mandate expires by the appointing party.

The Chairman may identify guests, also permanent, to Board meetings. These shall take part for advisory purposes, with no right to vote, and shall be chosen from amongst parties considered useful and prestigious for the Foundation.

The Management Committee handles ordinary and extraordinary administration and Foundation management, applying cost, effectiveness and efficiency criteria for plans, projects and budget lines resolved on by the Steering Committee.

In particular, the management Committee must:

- approve the activity program, even multi-annual;
- propose Foundation regulations to the Steering Committee;

- identify and approve the Foundation's organisation structure, related to development of Foundation activities;
- set up departments, and technical and advisory committees for single projects and/or activity sectors; appoint those Responsible for them, deciding on tasks, nature and duration;
- appoint, where opportune, a Steering Committee secretary, deciding on assignment tasks, nature and duration;
- establish criteria for appointing Participants and appoint them;
- suggest that the Steering Board should set up, where opportune, a Foundation Advisory Board, pursuant to art. 17 in these by-laws, also indicating its members;
- resolve on the acceptance of inheritances, bequests and contributions;
- prepare budget proposals and the balance sheet.

For more effective management, the Management Committee may delegate, through resolutions taken pursuant to laws in force and regularly deposited, a part of its powers to some of its members.

The Management Committee is convened by its Chairman at his/her initiative or at the request of at least one third of its members, with no formal obligations except for suitable means being used to inform all members providing notice of receipt by the addressee. Callings shall be sent at least seven days before the date of the meeting. In case of need or urgency, the meeting may be called three days before the date set.

The calling must contain: meeting agenda, place and time. It may also indicate a second calling date and time and may establish that this be on the same date as the first calling at no less than one hour's difference.

The Committee is validly convened with the majority of its members in office present and resolves with the majority of those present. In a draw, the Chairman's vote prevails. Board meetings may also be held using telecommunication systems as long as all those taking part may be identified and may follow the discussion and intervene in real time to discuss matters dealt with. If said requirements have been met, the Management Committee meeting is considered as held in the place where both meeting Chairman and secretary are present.

Article 16 Foundation Chairman

The Chairman of the Foundation, who is also Chairman of the Steering Board and of the Management Committee is appointed by the Founder.

The Chairman represents the Foundation legally before third parties, takes action and organises opposition before any administrative or legal authorities, appointing attorneys. He/she may delegate single tasks to the Vice Chairman, where appointed.

In particular, the Chairman handles relations with entities, institutions, public and private companies and other entities, also to establish collaboration relationships and support for single Foundation initiatives.

If the Chairman should be absent or unavailable, he/she is replaced by the Vice Chairman, if appointed, or by a Board member appointed by the Chairman.

The first Foundation Chairman, until renunciation, shall be Ms. Diana Giovanna Maria Bracco.

Article 17 Advisory Board

Where established, the Advisory Board is an advisory entity for the Foundation and has a variable number of members, chosen and appointed by the Steering Board, based on a Management Committee indications, from amongst individuals and legal entities, particularly qualified Italian

and foreign bodies and institutions, of acknowledged prestige and mirrored professionalism in matters of interest to the Foundation.

In collaboration with the Management Committee, the Advisory Board formulates opinions and proposals on the annual program of initiatives and any other matter for which the Committee or Steering Board should specifically request an opinion to define the Foundation's cultural strategy. Each Advisory Board member remains in office for the period established at time of appointment, unless said appointment is revoked or the person resigns.

The Advisory Board is chaired by and meets when convened by the Foundation Chairman.

In any hypothesis where the Chairman should be absent or unavailable, the Advisory Board is chaired and convened by the Vice Chairman, where appointed, or by a member of the Steering Board assigned to do so by the Chairman.

The Management Committee may establish, within the Advisory Board, a Scientific Committee made up of Advisory Board members, deciding its tasks and operations when the Committee itself is set up.

Article 18

Board of Auditors

The Board of Auditors has three members appointed by the Steering Board; one of these acts as Chairman and members are chosen amongst people registered in the Chartered Accountants register.

The Board of Auditors ascertains that accounts are kept regularly, examines budget and the balance sheet proposals, drawing up specific reports and carries out cash-flow controls.

Board of Auditor members may take part in Steering Board and Management Committee meetings, with no right to vote.

Board of Auditor members remain in office until approval of the balance sheet for the third period following their appointment and may be reconfirmed.

Article 19

Winding-up

If the Foundation should be wound up for any reason, its assets shall be devolved, through a Steering Board resolution which shall also appoint a liquidator, to other entities pursuing similar purposes or of public utility.

When the Foundation itself is wound up, assets assigned in use to it shall be returned to the assigning parties.

Article 20

Deferment Clause

For anything not specifically foreseen herein, Civil Code provisions and laws in force on the matter shall apply.

Signed LUCA GIOVANNI BONANNO
ENRICO BELLEZZA NOTARY L.S.