

TRANSLATION FROM THE ORIGINAL VERSION

Schedule "C"

PROCEDURE FOR THE HANDLING OF SIGNIFICANT INFORMATION

The Board of directors of Piquadro S.p.A. (the "**Company**") on June 14, 2007, approved the criteria and procedure for the handling of significant information indicated below (hereinafter the "**Procedure**").

1. FOREWORD

1.1 The Company disclose information to the market pursuant the principles of proper conduct, transparency and equal access to information.

1.2 For this purpose please refer to:

(a) the provisions under Article 114 of Legislative Decree no. 58 of February 24, 1998 (hereinafter the "**Consolidated Financial Act**");

(b) Article 65 and followings of the Implementing Regulation of the Legislative Decree of February 24, 1998, no. 58 concerning the discipline for the issuers;

(c) the provisions under Principle 4.P.1 of the Self-Discipline Code for Listed Companies (hereinafter the "**Self-Discipline Code**"), with which the Company is in compliance, which recommend the procedures to be adopted for the internal handling and market disclosure of documents and information concerning the Company, with particular attention to the inside information.

1.3 This Procedure governs the conduct that directors, auditors, executive managers and other employees of the Company and of its Italian and foreign subsidiaries (hereinafter the "**Group**"), who have regular access to inside information, must comply with in relation with internal handling and disclosure to the market of information concerning events falling within the sphere of activity of the Company and the Group, with particular attention to the inside information.

2. INSIDE INFORMATION

- 2.1** The Company and the persons that control it shall disclose to the market, without delay, any inside information. This communication shall respect the principles of proper conduct, transparency and equal access to information.
- 2.2** Inside information means information of a precise nature, concerning events falling within the sphere of activity of the Company, of the controlling and relevant controlled companies, which have not been made public relating, directly or indirectly, and which, if made public, would be likely to have a significant effect on the price of the financial instruments.
- 2.3** Information shall be deemed to be of a precise nature if:
- a)** they refer to a set of circumstances which exists, or may reasonably be expected to come into existence, or an event which has occurred or may reasonably be expected to occur;
 - b)** they are specific enough to enable a conclusion to be drawn as to the possible effect of the set of circumstances or event referred to in subparagraph a) on the price of the financial instruments.
- 2.4** The specificity and precision of the information shall be interpreted in connection with the typical effect that the disclosure of this information would be likely to have and i.e. a significant effect on the price of the financial instruments. The evaluation shall be made following the criteria of absolute prudence and in a *ex- ante* perspective.
- 2.5** Information which, if made public, would be likely to have a significant effect on the prices of financial instruments shall mean any information a reasonable investor would be likely to use as part of the basis of his investment decisions.

2.6 For the purpose of fulfilling the market disclosure obligations, an assessment as to whether information are to be classified as inside information can only be performed on a case-by-case basis.

2.7 The final decision on the qualification of the information as inside information is under the direct responsibility of the managing director Mr. Roberto Trotta.

2.8 For the purpose of complying with the obligation of disclosing inside information to the market, the significant moment is represented by the resolution of the board of directors or of the executive committee, if any, and by the decisions of the executive directors. It being understood that, depending on the circumstances, the information may be disclosed to the market even before the relevant transaction has been finalised from a legal viewpoint.

In any case, the information content should be not just potentially significant for the market, but reliable, which means sufficiently probable and determined.

For the purpose of complying with the obligation of disclosing inside information to the market regarding transactions in which both the board and the shareholders' meeting resolutions are significant, the information should refer to both of them.

2.9 In the event of a well-founded suspicion about the qualification as inside of certain information, the managing director Mr. Roberto Trotta should decide on a case-by-case basis, if the information should be disclosed to the market or should be of any interest for the Consob or for the Borsa Italiana in order to be properly evaluated.

2.10 Events that may potentially produce inside information include, but are not limited, to the following events:

- entry into, or withdrawal from, a significant business sector;
- changes in the composition of the company bodies caused by the resignation of one or more directors with specific managerial ability;

- mergers or demergers;
- transfer and purchase of business lines of significant value;
- execution of a major commercial agreement;
- preliminary activities concerning the launch of a takeover bid;
- resignation of the Company's auditing firm;
- any extraordinary transaction on the capital structure or issuance of warrants;
- issuance of bond or other instrument of debt;
- losses capable to significantly affect the net assets;
- major legal disputes;
- transactions on the Company's own shares;
- filings for bankruptcy or issuance of insolvency measures;
- related-party transactions.

2.11 Events such as manifestation, even bilateral, of intents, approval of projects, negotiations and any contractual or non-contractual conduct aimed at concluding a transaction, should be regarded as inside information and consequently disclosed to the market if each of the following circumstances occurs:

- (a) unequivocal signs that the duty of confidentiality has not been complied, notwithstanding the adoption of the procedure suitable to maintain the confidentiality of the information concerning the related events;
- (b) where there are justified reasons to assume, with a reasonable degree of certainty, that the operations for which these events represent initial or intermediary stages will be successfully completed.

For the purpose of fulfilling the provision contained in subparagraph (a), the confidentiality of the information should not be considered violated if the Company or the persons that control it communicates these information for business reason to a third

party (i.e. professionals, auditors, financial advisors, banks, contractual counterpart) bound by a legal or contractual confidentiality obligation.

It shall be considered significant information, even if not finalised from a legal viewpoint, a transfer or an acquisition transaction, defined in its major contents, but subject to the condition precedent of the board of director's approval. Contrariwise, the preannouncement to the market of not defined deals, can occur just if it is necessary to grant an equal access to information and, in any case, it should comply with the principles of coherence and accuracy in respect of the provision of transparency and proper conduct.

3. SPECIFIC DISCLOSURE OBLIGATIONS DURING THE FORMATION OF SIGNIFICANT INFORMATION AND DIRECTIVES TO THE GROUP'S COMPANIES

3.1 The directors, the auditors, the executive managers (*'dirigenti'*) and the employees are obliged to:

- (a) keep confidential all documents and information acquired in the performance of their duties;
- (b) use the above mentioned documents and information exclusively in connection with the exercise of their duties;
- (c) abide scrupulously by the procedure for the handing and the disclosure to the market of the inside information, in particular where a significant information is concerned.

3.2 Each person is personally responsible for keeping confidential the documentation that comes into his possession.

- 3.3** If any confidential documentation are accidentally lost, the directors, auditors, executive managers and employees shall immediately notify it to the managing director Mr. Roberto Trotta, indicating the conditions and circumstances in which they were lost.
- 3.4** The privileged documentation should be kept in a place whether it is only accessible to authorised persons.
- 3.5** If directors, auditors, executive managers and employees are required, for reasons due to their office, to transmit any confidential documents and information to third parties, they shall ascertain that such third parties are required, by law or contract, to observe the most absolute secrecy of the documents and information received.
- 3.6** The Company issues in writing to the other Group's companies the appropriate directives so that they will promptly communicate any necessary information in order for the Company to comply with the disclosure obligation to the market. These directives shall be adopted with a specific communication of the Company to the Group's companies.

4. DISCLOSURE TO THE MARKET OF INSIDE INFORMATION, OF FINANCIAL REPORTS, OF RELATED-PARTY TRANSACTIONS AND CORRECTIVE OPERATION

- 4.1** Inside information must be disclosed to the market in a timely manner with complete and absolute respect for the principles of correctness, clarity, transparency, widespread and consistent dissemination to guarantee equality of treatment, completeness, intelligibility and continuity of information.
- 4.2** In particular, inside information must be disclosed to the market by dispatch of a proper communication (hereinafter the "**Communication**") to:
- (a)** Borsa Italiana;
 - (b)** Consob;

- (c) at least two press agencies.
- 4.3** The content of the Communication is determined by the managing director Mr. Roberto Trotta, after the Investor Relator's approval.
- 4.4** The diffusion of the Communication is assigned to the managing director Mr. Roberto Trotta, which should act in accordance with the present provisions.
- 4.5** The dispatch of the Communication is to be promptly made. If the Communication must be spread during trading hours, it should be sent to Consob and to Borsa Italiana at least fifteen minutes before public disclosure.
- 4.6** The Communication is published on the web site of the Company on the day after its circulation. The Communication should remain on the website at least for two years.
- 4.7** For the purposes set above, the managing director Mr. Roberto Trotta shall abide to the provisions adopted by Borsa Italiana in relation with:
- (a) the minimum content of the Communication and the modalities to represent the information contained therein with reference to the individual types of events;
 - (b) modalities of disclosing information to the market by listed companies.
- 4.8** In any event the Communication must:
- (a) contain any basic elements in order to allow for a complete and correct assessment of the events and circumstances which they are likely to produce on the price of the financial instruments;
 - (b) contain links and comparisons with the content of any previous press releases, as well as any updating on significant modification to the information contained therein.

This content is in any case compliant with the principles of clarity, transparency and materiality, in order to disclose to the public all the information considered significant in relation with significant events.

4.9 In addition to the above, the managing director Mr. Roberto Trotta informs the public, in compliance with the modalities for the handling of the inside information about:

(a) the financial information to be reported in the financial statements, in the consolidated financial statements and in the half-yearly report;

(b) the board of directors resolutions which approve the financial statements project, the proposal for any distribution of dividends, the consolidated financial statements and the half-yearly report.

4.10 The managing director Mr. Roberto Trotta, in the event that the financial instruments' price has a major variations in relation with the previous day's official price and if there are information related to the financial situation of the Company, extraordinary transactions of the Company or the Company business, already disclosed to the public without the use of the above mentioned Procedures, should inform promptly the public, after consultation with the Investor Relator, about the information's truthfulness, correcting it and integrating it, where necessary, in order to re-establish the truthfulness information condition.

In that event, those information should be disclosed to the market according to the procedures laid down for inside information.

5. INFORMATION DISCLOSED IN SHAREHOLDERS' MEETING

5.1 Disclosure of inside information in shareholders' meeting is permitted only if such information has been previously disclosed to the market.

5.2 If any inside information is disclosed accidentally in shareholders' meetings, such information must be disclosed to the market without delay by the managing director Mr. Roberto Trotta, according to the procedures laid down for inside information.

6. RELATIONS WITH PRESS AGENCIS, MEETINGS WITH ANALYSTS AND INSTITUTIONAL INVESTORS

- 6.1** Directors, auditors, executive managers and employees are strictly prohibited from holding interviews with press agencies or from making general statements that contain inside information that have not yet been disclosed to the market.
- 6.2** If the Company organises or participates in restricted meetings with financial analysts, institutional investors or other market operators, the managing director Mr. Roberto Trotta:
- (a) must previously inform Consob and Borsa Italiana about the date, place and main issues of the meeting, as indicated by the Investor Relator;
 - (b) must send to such bodies the documentation furnished to participants during the meeting, as prepared by the Investor Relator, no later than the time of such meetings.
- 6.3** The managing director Mr. Roberto Trotta, in agreement with the Investor Relator shall:
- (a) make the documentation available to the public with the proper instruments;
 - (b) arrange for representatives of the media to take part in the meetings, if the meetings are open without distinction to all market operators.
- 6.4** If the Company wishes to disclose any significant information during the meetings with market operators, the managing director Mr. Roberto Trotta, in agreement with the Investor Relator, shall disclose such information to the market in advance according to the procedures laid down for inside information.
- 6.5** If, in the course of the above meetings, any significant information is accidentally disclosed, the managing director Mr. Roberto Trotta, according to the procedures laid down for inside information, shall immediately disclose such information to the market.

7. INTERNET'S USE

- 7.1** Without prejudice to the respect of the obligations of public disclosure of inside information, the managing director Mr. Roberto Trotta shall make available, in a

specific section of the Company's website, among others, the articles of association of the Company, the individual and consolidated financial statements, the half-yearly report, all the inside information disclosed to the market, and the documentation distributed in meetings with market operators.

7.2 In order to ensure a correct information, the managing director Mr. Roberto Trotta shall:

- (a)** report data and news on the Company's website according to adequate editorial criteria, taking into account the function of information that characterises financial communication to investors, avoiding, in particular, the pursuit of promotional aims;
- (b)** indicate clearly on each web page the date and time when the information were updated;
- (c)** ensure that, where a second language is used other than Italian for the publication of any news, the content is the same in both versions and, if this is not the case, to highlight any differences;
- (d)** if errors are contained in the information on the website, publish, as soon as possible, an amended text showing the corrections made;
- (e)** when publishing data and news prepared by third parties always cite the source of information;
- (f)** specify, in the press releases required by the applicable law, whether have been published on the website the documents relating to events reported in previous press releases, which have not been made available to the public through alternative means of disclosure;
- (g)** indicate, with regard to documents published on the website, whether these are the full version or an extract or a summary, explaining how to find documents in their original format;

- (h) make possible cross-references to other websites on the basis of principles of correctness and impartiality and in such a way as to enable the user to realise immediately which other site he has browsed to;
- (i) indicate the source and the effective time of the data gathering concerning the quotations and the exchanged volumes of financial instruments; and
- (l) allow free consultation of the site by avoiding, including where the web pages are managed by third parties, to make the access subject to the prior disclosure of data and news by investors, without prejudice to the normal security measures.

8. MARKETING COMMUNICATIONS

- 8.1** The managing director Mr. Roberto Trotta should inform the Company and the Group's companies directors, statutory auditors, executive managers and employees about the Procedure. For this purpose, the managing director Mr. Roberto Trotta should send a copy of all the Procedure to all the addressees, specifying the first day of application and that the failure to comply with the Procedure may cause disciplinary sanctions. The managing director Mr. Roberto Trotta shall ask to the addressees, with modalities to be defined, a written declaration of receipt.
- 8.2** It's a duty of the managing director Mr. Roberto Trotta to translate all the Procedures in English in order to disclose it to the employees of the foreign Group's companies under pursuant to Article 8.1.
- 8.3** It's a duty of the managing director Mr. Roberto Trotta to affix the provisions of the procedures and of the national collective labour agreement concerning the relevant disciplinary sanctions in a place accessible to all addressees.
- 8.4** The managing director Mr. Roberto Trotta and the Investor Relator:
- (a) monitor on the correct application and respect of the applicable provision of law concerning the corporate information and of this Procedures;

- (b) analyse the maintenance of the functionality requirements of the procedure with the elapse of time;
- (c) update the Procedure. For this purpose they submit proposals for the updating of the Procedure to the board of directors of the Company and verify the functionality of the proposals;
- (d) send the results of any investigation carried out to the Company's auditors committee and to the board of directors.

9. SANCTIONATORY PROCEDURE

- 9.1** The relevant company body competent for the adoption of any proper measures in the event of failure to comply with this Procedure is the board of directors.
- 9.2** If one of the members of the board of directors has infringed this Procedure, the director in question cannot take part in the relevant resolution.
- 9.3** If the majority of the members of the board of directors have infringed this Procedure, the statutory auditors will take the necessary measures.
- 9.4** Measures *vis-à-vis* directors and auditors: in the event of any breach of the Procedure by directors or auditors, the most appropriate measures will be taken against those persons responsible in accordance with the applicable law.
- 9.5** Measures *vis-à-vis* executive managers: in the event that the managers breach the rules of conduct contained in this Procedure, the most appropriate measures will be taken against those persons responsible in accordance with the National Collective Labour Agreement for Industrial Managers.
- 9.6** Measures *vis-à-vis* to employees: conducts by employees in violation of the rules of conduct laid down in this Procedure are defined as disciplinary offences. The modalities by which breaches of the Procedure are notified and by which the resulting sanctions are inflicted shall comply fully with the applicable law provisions.