

## **Article 1 Establishment**

There is hereby established a Foundation to be known as  
**"ORGANISMO ITALIANO DI VALUTAZIONE"**,  
"OIV" for short

## **Article 2 Registered office and duration**

The Foundation has its registered office at Università Commerciale Luigi Bocconi, via Sarfatti 25, Milan, Italy. The Foundation may establish secondary offices in Italy and abroad.

The Foundation has unlimited duration.

## **Article 3 Purpose of the Foundation**

The Foundation is a non-profit organization and, in keeping with the applicable rules and regulations, is intended:

- a) To set and maintain valuation standards for the preparation of expert opinions, fairness opinions and business valuations, through a process capable of protecting the public interest and ensuring high quality;
- b) To provide, through a transparent process based on broad stakeholder consultation and review, application guidance and best practices on the standards under a);
- c) To become the standard setter of reference for the stakeholders – including valuation experts, valuation users, Supervision Authorities, lawmakers, their foreign and international counterparts, national and international accounting standard setters;
- d) To participate – proactively and in a cooperative manner – in the process to set international valuation standards, application guidance and best practices issued by foreign standard setters inspired by the same conceptual framework as domestic and/or international valuation standards;
- e) To foster the knowledge of national and international valuation standards;
- f) To advance Italy's valuation culture through the publication of papers and research in the area, as well as through the organization of conferences, seminars and study meetings;
- g) To cooperate with lawmakers and Supervision Authorities in issuing laws and regulations concerning valuations, including through opinions rendered to Parliament and Government.

To achieve its purposes, the Foundation – which is guided by the principles of productivity, efficacy and cost-effectiveness - may, among others:

- a) execute deeds or contracts, comprising, without limitation, agreements of any kind with government and private entities, including those entered in public records, which are considered appropriate and conducive to the

- achievement of the Foundation's purposes;
- b) manage and operate the assets that it owns, leases, has as a bailee in commodatum or otherwise holds;
  - c) negotiate contracts and agreements to manage part of the operations;
  - d) participate in public and private Associations, Entities and Institutions, both national and international, whose activities are directly and indirectly designed to pursue purposes similar to the Foundation's; the Foundation may, where deemed appropriate, participate in the creation of the foregoing organizations;
  - e) create or participate in the creation of for-profit corporations, or make equity investments in such corporations, provided that any such action is ancillary or conducive, directly and indirectly, to the achievement of the Foundation's purposes;
  - f) contribute to national and international organizations that perform activities similar to the Foundation's;
  - g) promote and organize events, conferences and meetings, publishing the relevant proceedings or papers, and all the initiatives suited to encourage meaningful interaction among the Foundation, the national and international cultural system and its operators and the public;
  - h) carry out, in a manner ancillary and conducive to the pursuit of the Foundation's purposes, marketing activities in the publishing sector and in audiovisual products in general;
  - i) undertake any other activity that is suited or provides support in pursuit of the Foundation's purposes.

#### **Article 4** **Assets**

The Foundation's assets consist of:

- the endowment fund represented by the cash, chattel, property and other valuables that can be used to pursue the Foundation's purposes, which are provided by the Founders or by third parties;
- assets transferred to the Foundation through will, donation or other means;
- donations by individuals, entities, Italian, foreign or supranational institutions expressly designed to increase the endowment fund;
- annual surpluses brought forward.

#### **Art. 5** **Operating fund**

The Foundation's operating fund includes:

- rental and investment income generated by the Foundation's assets;
- donations or legacies that are not expressly intended to increase the endowment fund;
- grants received by operation of law;
- donations by individuals, entities, Italian, foreign or supranational institutions expressly designed to increase the endowment fund;
- dues by Founders and Members;
- revenues from the Foundation's core, ancillary, instrumental and related

activities.

The Foundation's income and resources will be used to operate the Foundation itself and to pursue its purposes.

#### **Art. 6** **Founders**

Founders comprise the six entities that signed the Foundation's memorandum of association.

Founders may include, pursuant to a resolution of the Board of Trustees adopted by a majority of four-fifths of its members, entities, natural and legal persons, both public and private, that provide contributions to increase the endowment fund or the operating fund in the manners and for the amount determined by the Board of Trustees. Upon resolution of the Board of Trustees, Founders are stripped of their title if they fail to contribute to the endowment fund or the operating fund as required by articles 4 and 5.

#### **Art. 7** **Members**

By resolution of the Board of Trustees, membership is available to entities, natural persons and legal persons, both public and private, that share the Foundation's purposes, participate in its activities and in the achievement of its purposes through annual or multi-year contributions, in the manners and for amounts not lower than those set every year by the Board of Trustees. Membership does not attribute any right with respect to the functioning of the Foundation and participation in its governance bodies.

#### **Art. 8** **Foundation's governance bodies**

The Foundation's governance bodies are:

- the Board of Trustees;
- the Management Board;
- the Board of Statutory Auditors.

#### **Art. 9** **Board of Trustees**

The Board of Trustees shall consist initially of thirteen members: the memorandum of association shall indicate, as specified therein, seven members who, eventually, shall designate the other six members.

Each Founder shall appoint a member and work together with the other Founders to designate six independent members with proven integrity, authoritativeness and qualifications, selected from among academicians or financial market, financial statement, valuation, management or control experts with a substantial experience or skilled accounting, auditing, valuation standard setters with a significant experience in their interpretation or application, coming from authoritative national and international organizations in such fields.

Considering that the Founding institutions include Borsa Italiana S.p.A. - which carries out institutional and regulatory duties, and does not intend to appoint a

member on the Management Board to prevent any confusion in roles - in a departure from the second paragraph of this article, Borsa Italiana shall be given the possibility to appoint two members on the Board of Trustees. Eventually, should the number of Founders increase, pursuant to article 6, paragraph 2, the number of members of the Board shall be raised by a number sufficient to ensure: a) that the new Founders appoint one member on the Board of Trustees; b) the appointment of a new independent member for every new member designated by the new Founders. When the number of new Founders exceeds nine, the maximum number of members of the Board of Trustees is nineteen; of these at least five must be independent. The Board of Trustees appoints a Chairman and a Deputy Chairman from among its members to represent the Board as a whole. The Chairman of the Management Board shall act as minute secretary of the Board of Trustees, participating to its meetings but without voting rights.

The members of the Board of Trustees do not represent the entities that designated them and, as such, are not bound by them.

All members serve in office on a voluntary basis and without compensation. The Trustees' term of office is three financial years and may be renewed for two subsequent terms (for a total of three terms).

The Board of Trustees shall be responsible for the Foundation's ordinary and extraordinary activities. Specifically, the Board of Trustees shall:

- a. supervise the Foundation's core activities, ensuring that such activities are in keeping with the Foundation's purposes;
- b. appoint the Chairman and the members of the management Board, designated in accordance with article 11 hereinbelow;
- c. approve the Foundation's annual budget and accounts;
- d. set out the guidelines for the Foundation's activities;
- e. approve the annual activity plan of the Management Board;
- f. appoint the member of the Board of Statutory Auditors, designated pursuant to article 13 hereinbelow;
- g. set the criteria and requirements for the entities under article 6 to become Founders and proceed with the relevant appointment;
- h. check stakeholders' compliance with the consultation and review (so-called due process) of the documents prepared by the Management Board;
- i. issue valuation standards, application guidance, best practices after the due process and define the manners and policies of external communication;
- j. adopt resolutions to amend the bylaws, including the dissolution of the Foundation and the distribution of its assets;
- k. set every year OIV's borrowing requirements as well as the amount to be allocated to the International Valuation Standard Council (IVSC) upon proposal of the Management Board;
- l. set any adjustment for the annual dues payable by the Founders;
- m. prepare an annual report on OIV's activities;
- n. determine whether secondary offices should be opened or closed, in Italy and abroad.

The Board of Trustees can delegate its powers to the Chairman, Deputy Chairman and other members via resolutions adopted and filed in accordance with the law.

## **Article 10**

### **The Chairman**

The Chairman of the Board of Trustees represents the Foundation before third parties. He is a plaintiff and a defendant before any administrative or jurisdictional authority, including by appointing legal counsel.

The Chairman exercises proactively all the powers necessary for the proper administrative and operational working of the Foundation. The Chairman may delegate individual tasks to the Deputy Chairman who, in the Chairman's absence, takes over his duties.

The Chairman manages relationships with entities, institutions, public and private companies and other bodies, also to establish cooperation ties and obtain support for the Foundation's initiatives.

## **Article 11**

### **Calling of meetings and quorum**

The Board of Trustees shall meet at the Foundation's offices or in such places as are indicated from time to time in the notice of meeting, provided that it is in Italy.

The Board of Trustees shall meet at least twice a year, as well as whenever the Chairman of the Management Board deems it appropriate, or upon request of at least one third of the Trustees.

The Board of Trustees is convened by the Chairman through a written notice with the agenda at least eight days prior to the meeting. The meeting may be convened through any means that can ensure receipt by the addressee.

Participants in the meetings can attend from a remote location via audio or audiovisual devices. In this case, individual participants must be able to speak and to express their opinions based on a clear understanding of the issues at hand and the relevant discussions. In these cases the meeting is considered as held where the Chairman and the Minute Secretary are.

The Board of Trustees adopts resolutions by a majority of its members, except as otherwise provided under article 15 hereinbelow and for the appointment of Founders, for which a four-fifth majority is required.

Each member is entitled to one vote.

Proceedings of the meetings are recorded in minutes, signed by the Chairman and the Secretary of the Board of Directors (who is also the Chairman of the Management Board) or, in the event that the Secretary is absent, by a member of the Board of Trustees selected for the occasion.

## **Article 12**

### **Management Board**

The Management Board shall consist initially of seventeen members.

The Chairman shall be selected from among highly prestigious and broadly representative personalities. Members of the Management Board are

designated with the objective to gather as many areas of expertise and experiences as possible in the valuation field. Specifically, in addition to one member appointed by each of the Founding Institutions – except for Borsa Italiana S.p.A. which performs institutional and regulatory functions – the remaining members are designated by the Board of Trustees in accordance with the following criteria:

- 4 members as representatives of the Accounting profession;
- 4 members as representatives of the audit firms;
- 1 expert in the field of real estate valuation;
- 1 expert in the field of financial instrument valuation;
- 2 experts in the investment banking/advisory field.

The members of the Management Board do not represent the entities that designated them and, as such, are not bound by them.

Without prejudice to the above, members of the Management Board are selected from among professionals with a significant experience in at least one of the following fields:

- valuations to prepare financial statements or professional opinions;
- valuations of financial instruments, properties or companies;
- valuations for external growth transactions (mergers and acquisitions);
- administrative, control and auditing activities in corporations with equity of at least 25 million euros;
- financial analysis applied to capital market operations;
- management and control of financial markets;
- tenured university teaching of business management or corporate law courses.

Members of the Board of Trustees and of the Board of Statutory Auditors are precluded from serving on the Management Board.

The Management Board shall be responsible for:

- a) proposing to the Board of Trustees the annual activity plan and the relevant objectives and programs, in keeping with the purposes and activities under article 3, and carrying out all the necessary initiatives to implement them;
- b) defining the procedures for a consultation and review process (so-called due process) involving the documents prepared by the Management Board;
- c) approving the final drafts of the valuation standards, the technical notes, the application guidance and best practices as well as comment letters and opinions on the laws and regulations to be adopted in the area of valuation to be submitted to the Board of Trustees;
- d) promoting the creation of working groups composed of at least one member of the Management Board or the Board of Trustees and experts who have indicated an intention to cooperate, on a voluntary basis, provided that they have adequate experience and expertise;
- d) reporting to the Board of Trustees on the guidelines and positions adopted for the recommendations and cooperation activities related to the work of the bodies engaged in the preparation of foreign and international valuation standards;
- e) proposing to the Board of Trustees candidates to be appointed as members of international bodies;
- f) preparing the budget of the Foundation, to be submitted for approval to the Board of Trustees at least thirty days prior to the deadline set for its approval, attaching the work-plan;

g) preparing the accounts of the Foundation, to be submitted for approval to the Board of Trustees at least thirty days prior to the deadline set for their approval.

The Management Board meets at least four times a year and whenever it is necessary, as convened by the Chairman in writing through any means that guarantees receipt of the notice, to be sent five days prior to the meeting, containing the time, place and date of the meeting and the agenda.

Members of the Management Board who fail to attend a total of three meetings in a year shall be terminated automatically.

The term of office for the members of the Management Board is three financial years and may be renewed for two subsequent terms (for a total of three terms). Meetings of the Management Board are open to representatives of the Supervision Authorities (Bank of Italy, Consob and Isvap).

These representatives are invited to express an opinion on the issues being discussed, which the Management Board shall take into consideration in the drafts to be submitted for approval to the Board of Trustees. Any diverging opinion of the Supervision Authorities shall be reported, together with the associated reasons, to the Board of Trustees.

The Board of Trustees may – if funds are available and the objectives of the activity are compatible – appropriate a sum from the annual budget to reimburse travel and lodge expenses incurred by members of the management Board that submit a request to that effect.

### **Article 13**

#### **Board of Statutory Auditors**

The Board of Statutory Auditors consists of three standing members and two alternates. They are appointed by the Board of Trustees and are selected from among a group of professionals registered in the list of Auditors identified by the Founders.

The office of member of the Board of Statutory Auditors is incompatible with that of member of the Board of Trustees and the Management Board.

The Board of Statutory Auditors oversees activities for compliance with the law and the bylaws as well as observance with best practices according to the standards issued by Agenzia per il terzo settore (Agency for the non-profit sector). The term of office for the members of the Board of Statutory Auditors is three years and is renewable.

### **Article 14**

#### **Financial year**

The Foundation's financial year begins on 1 January and end on 31 December of every calendar year.

### **Article 15**

#### **Dissolution and distribution of assets**

The Board of Trustees adopts a resolution to dissolve the Foundation by a three-quarter majority of its members. In case of liquidation or dissolution of the Foundation, for any reason, the residual net assets shall be handed over to another entity or institution with goals similar to the Foundation, or for public

use.

**Article 16**  
**Closing provision**

Anything not expressly provided for hereunder shall be governed by the laws on legal persons.

**Article 17**  
**Transitional provisions**

For the first three financial years the Chairman and the Deputy Chairman of the Board of Trustees and the Chairman of the Management Board shall be appointed by Università Luigi Bocconi in its capacity as primary Founding Institutions which, thanks to the activity its Permanent Committee on “Business Valuation Guidelines” – developed and implemented the project to establish OIV on the basis of criteria and standards aligned with best international practices.

The memorandum of association features the names of the seven members of the Board of Trustees designated by the Founders pursuant to article 9 and the three standing members of the Board of Statutory Auditors as well as the Chairman of the Board of Trustees.

Signature Paolo Balice  
Signature Massimo Campioli  
Signature Mario Boella  
Signature Nunzio Visciano  
Signature Mauro Bini  
Signature Luciano Berzé  
Signature Cinzia Caruana witness  
Signature Shida Galletti witness  
Signature Renata Mariella witness