

(Translation from the Italian original which remains the definitive version)

ARPA INDUSTRIALE S.p.A.

Code of Conduct

December 2008

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1. INTRODUCTION

The Code of Conduct of ARPA INDUSTRIALE S.p.A. (“ARPA INDUSTRIALE” or the “company”) groups the fundamental principles that each director and employee of the company shall respect when carrying out their functions. Their correct conduct with other parties, especially customers and suppliers, is an expression of how the company operates on the market. To the extent possible and practicable, consultants engaged by the company will also be required by the company to act in accordance with this Code of Conduct as if they were an employee of the company.

The Code of Conduct also sets out the commitments and ethical responsibilities that the company’s employees and directors shall comply with when carrying out their functions and duties.

Attainment of the company’s objectives is to be aimed at by all those working in or for the company by adopting a loyal, serious, honest and transparent attitude wholly complying with all applicable laws and regulations.

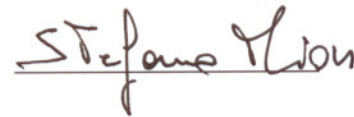
Given the importance of such proper conduct, the company affirms that correctness, discretion and lawfulness at work and in business are and always will be an indispensable value for it.

The Chairman



19 December 2008

The General Manager



2. WORKING FOR ARPA INDUSTRIALE

2.1 Obligations

The Code of Conduct is an integral and substantial part of the employment contract of each company employee. For such purpose, it will be (i) attached to the employment contract of any employees that will be hired after December 15, 2008; and (ii) delivered by regular mail or e-mail or by hand to all employees already working at the company before such date.

Therefore, ARPA INDUSTRIALE requires all its directors and employees to strictly comply with its contents. Any violation of the Code of Conduct will be treated severely with the adoption of suitable disciplinary measures. Directors and employees are thus required to:

- study the regulations and policies set out in the Code of Conduct covering their positions, also by participating in the relevant training courses;
- adopt a conduct in line with the Code of Conduct and refrain from any actions that could damage the company or compromise its honesty, impartiality or reputation;
- promptly communicate any violations of the Code of Conduct, in accordance with the provisions of Section 4.1 below;
- comply with all the internal regulations introduced by the company to ensure compliance with the Code of Conduct or to identify any violations thereof;
- fully cooperate with any investigations carried out into alleged violations of the Code of Conduct, maintaining full confidentiality about such investigations and actively participating in tests of the working of the Code (if required).

2.2 Health and safety in the workplace

ARPA INDUSTRIALE shall encourage, promote and consolidate a health and safety conscious culture, providing its employees and directors with knowledge about risks and responsible behaviour. These objectives shall be achieved especially by:

- adopting systems to manage these issues;
- setting specific objectives and continuous improvement programmes;
- providing training and newsletters.

ARPA INDUSTRIALE shall ensure a safe and healthy work environment for its employees and directors in accordance with the instructions set out in Legislative Decree no. 81 of 9 April 2008 and subsequent modifications and integrations.

Each director and employee, to the extent of their duties and functions, is required to ensure a safe and healthy workplace for everyone, adhering to the company's applicable health and safety rules and practices. Violence and threatening behaviour are not tolerated.

Each director and employee, to the extent of their duties, shall ensure a decent work environment, where everyone's dignity is respected.

Specifically, each director and employee of ARPA INDUSTRIALE:

- shall not work under the effect of alcohol or drugs;
- shall be aware of the needs of others who may physically suffer the effects of "passive smoking" in the workplace.

2.3 Respect for the environment

ARPA INDUSTRIALE manages its business with a view to protecting the environment through the improvement of its activities and their related impact on the environment.

For this aim, ARPA INDUSTRIALE:

- does projects aimed at increasing awareness of this issue;
- uses mediums and technology that do not damage the environment pursuant to the applicable provisions of law.

Accordingly, each director and employee shall endeavour to safeguard the environment when carrying out their duties.

2.4 Confidentiality

The directors and employees shall keep confidential information provided to them by the company, its customers, suppliers or third parties with which the company does business confidential, unless communication of such information has been authorised by the general manager or is required by law.

Confidential information includes all that information which is not public knowledge and which, if disclosed, could be of use to competitors or otherwise detrimental to the company, its customers, suppliers or third parties. It includes details of its business activities, financial results, strategic marketing plans, customers and product prices. Information provided by its customers, suppliers or third parties to the company is also confidential. Any requests for clarification about whether a piece of information is confidential or not should be addressed to the general manager.

Confidential information shall only be communicated within the company to those directors and employees who require it to carry out their duties or to comply with legal requirements. Directors and employees shall not discuss such information with their family members or acquaintances or in places where they may be overheard.

2.5 Respect for the individual

Each director and employee shall refrain from any acts that may harm the safety, freedom and individuality of others as well as from acts that involve the potential exploitation or subjection of others.

Conduct that creates an intimidatory or offensive climate is forbidden, as are acts performed to exclude or discredit other directors and/or employees in the workplace.

The company gives great importance to protection of minors and the checking of any forms of conduct involving their exploitation.

2.6 Equal opportunities

ARPA INDUSTRIALE provides equal opportunities for advancement to all its employees.

The head of each department shall guarantee that the employees are treated in line with their abilities to meet the job requirements for all aspects of the employment relationship (ie, hiring, training, remuneration, promotions, transfers and termination of the relationship), avoiding any forms of discrimination by race, gender, age, nationality, religion and personal beliefs.

2.7 Hiring

In order to contribute to development of the company's objectives and to ensure that such objectives are shared by everyone in accordance with the Code of Conduct and values promoted by ARPA INDUSTRIALE, the company's policy is to select all its employees and consultants based on the above values and characteristics. During the selection procedure, which respects the principle of equal opportunity and does not enter into the candidates' private beliefs and opinions, ARPA INDUSTRIALE acts to ensure that the new entrants' profiles match the company's requirements, avoiding favouritism and any form of favours.

2.8 Protection and appropriate use of company assets

The directors and employees, to the extent of their duties, shall protect the company's assets and ensure their proper use. Theft, carelessness and waste can negatively affect the company's profitability. The company assets should only be used for legitimate business purposes and not for commercial or personal use, which has nothing to do with the company's business, unless specific authorisation has been given.

The directors and employees, to the extent of their duties, shall implement all necessary measures to discourage theft, damage or misuse. Any suspicions about accidents or theft shall be reported immediately.

E-mail users shall use the e-mail system solely for work purposes, always complying with the principles and values set out herein. This is because any messages or information communicated by electronic network can be taken to be an affirmation made by the company.

The above principles apply to use of the internet/intranet. Specifically:

- their use shall be for work purposes only;
- only "safe" (in terms of information and ethics) sites shall be used, in order to protect the integrity of the company's systems and reputation.

Moreover, it is forbidden to install unauthorised programmes on company computers that could potentially host viruses. If a user suspects that their PC has a virus for any

reason, they shall immediately inform the IT Department in order that it can take the necessary steps.

2.9 Compliance with the law

ARPA INDUSTRIALE acknowledges the fundamental importance of the principles of democracy and free political will upon which the Italian state is founded. Therefore, the directors and employees shall act in accordance with the law and shall avoid any conduct that could be construed as or tied to terrorism or subversion of democratic order, committing themselves not to directly or indirectly finance or assist in any way groups, associations or individuals carrying out unlawful activities.

Any director or employee that, during their normal activities, becomes aware of deeds or conduct that are against the law shall immediately inform their superiors and the “Organismo di Vigilanza”, unless the law provides otherwise.

As a general remark, any director or employee shall comply with any applicable provisions of laws, public orders and regulations, as the case may be. Any request of clarification as to the application of any provisions of laws, public orders and regulations shall be addressed to the general manager, who will seek legal advice if he/she so deems appropriate.

2.10 Relations with the judiciary

ARPA INDUSTRIALE acts in compliance with the law and promotes the correct administration of justice (the due course of which cannot be obstructed once the truth has been established) within the limits of its duties.

When carrying out its business, ARPA INDUSTRIALE acts lawfully and correctly cooperating with the representatives of the judiciary, Armed Forces and with any other public officer with inspectorial powers, when necessary.

ARPA INDUSTRIALE requires that the directors and employees shall cooperate fully with any party that visits the company to carry out inspections and controls on behalf of any public body.

Should a legal proceeding, investigation or inspection be planned by a public body, it is forbidden to destroy or modify recordings, minutes, accounting records and any other type of document, to lie or make false statements to the relevant authorities.

No one shall endeavour to persuade others to provide false or misleading information to the relevant authorities. No one shall undertake financial transactions, assign professional positions, make or promise donations, cash or other favours to the parties carrying out the inspections or investigations or to the relevant judicial authorities. Anyone involved in inspections or investigations for reasons related to their work or for personal reasons or that receive subpoenas and/or those that will be involved in other legal proceedings shall inform the “Organismo di Vigilanza” promptly.

3. PROFESSIONAL CONDUCT

3.1 Conflicts of interest

A conflict of interest arises when a director or employee of ARPA INDUSTRIALE is able to exercise powers arising from their position to the detriment of the company's interests to: (a) influence the company's commercial decisions in such a way as to obtain an improper advantage or unjust financial benefit for themselves, a family member or acquaintance; or (b) obtain for themselves, a family member or an acquaintance a financial advantage in addition to the remuneration that the director or employee receives from ARPA INDUSTRIALE. A relationship of trust exists between the company and its directors and employees whereby it is their foremost duty to use the company's assets and their working skills to achieve the company's interests, in line with the principles set out herein, which represent the company's values.

Accordingly, the directors and employees of ARPA INDUSTRIALE shall avoid all situations and abstain from any activities that might bring personal interests into conflict with those of the company or that could interfere or affect their ability to make impartial and objective decisions in the company's interests. Situations of conflict of interest are damaging to the company's reputation and standing as well as being against the law and the principles set out herein.

The directors and employees shall thus avoid any situations where their personal interests and/or those of their families shall overlap or mix with those of the company.

Any situation that represents or could represent a conflict of interest shall be communicated immediately by the employee to their superior or to the "Organismo di Vigilanza" as per Legislative Decree no. 231/2001.

Directors and statutory auditors shall make such communications to the "Organismo di Vigilanza" and the chair of the Board of Statutory Auditors, respectively.

3.2 Gifts

ARPA INDUSTRIALE, its directors and employees are committed to the highest standards of integrity, honesty and correctness in their dealings both within and outside the company.

No director or employee may directly or indirectly take or give bribes or anything of value, also after unlawful pressure. Any director or employee shall immediately reject any request for or offer of such bribe or anything of value and shall report the same to the "Organismo di Vigilanza". Items with a total value of up to Euro 100,00 per occasion are considered to be "of value", unless the "Organismo di Vigilanza" has given its written approval for the acceptance and/or granting as a gift of an item exceeding such value.

Any director or employee may accept and provide reasonable business entertainment (lunch, dinner, events) in the course of the company's business. In case of doubt on the legitimacy of any item, the director or employee should first contact the head of their departments and seek its/her instructions thereto, who will report to the "Organismo di Vigilanza", if deemed appropriate.

ARPA INDUSTRIALE does not condone any form of corruption of public officers or any other parties related to or associated with public officers in any form or manner. Therefore, it forbids its directors and employees to offer marketing gadgets, presents or other equivalents that may constitute violations of the laws or regulations, or that counter that set out herein, or that may, if made public, damage ARPA INDUSTRIALE's reputation or other.

Similarly, directors and employees are forbidden to accept gifts or other benefits that may compromise their decision-making independence.

3.3 Contributions and sponsorships

Activities that ARPA INDUSTRIALE can sponsor or give contributions to shall have social implications such as, for example, the environment, sport and acts of charity. The company ensures that there are no possible individual or company conflicts of interest when evaluating projects.

3.4 Prevention of money recycling

ARPA INDUSTRIALE and any director or employee shall never perform or be involved in activities that imply the recycling (i.e., acceptance and handling) of proceeds from criminal activities in any form or manner.

To this end, all available information (including financial) about its commercial counterparties and suppliers shall be checked beforehand to ensure their respectability and the legitimacy of their business activities before entering into any type of business relationship.

3.5 Relations with customers

The objective is to make best efforts to meet customer expectations and the company believes it essential that its customers are treated correctly and honestly. Therefore, all relations with customers shall be based on principles of honesty, professional correctness and transparency.

All employees and directors, when dealing with customers as part of their duties, are required to:

- maintain a proper, friendly and approachable attitude in all situations;
- not become involved (not even indirectly) in dishonest or potentially unlawful activities by customers and to immediately inform the "Organismo di Vigilanza" of any potentially critical situations;
- provide clear and true information;
- keep information about customers acquired during their work confidential;
- inform their superiors of any problem or critical issues arising from the relationship.

Satisfaction of customer expectations and requirements never justifies dishonest conduct and unlawful behaviour or actions that violate current regulations and rules.

3.6 Relations with suppliers and external consultants

A correct and transparent relationship with suppliers and external consultants is a key success factor. The selection of suppliers and purchases of assets, goods and services shall take place in accordance with the principles set out herein and the internal procedures, using the written forms and complying with the hierarchical structure. Decisions shall be exclusively based on objective factors such as quality, convenience, price, capacity and efficiency. Particular attention shall be paid to the acceptance and sending of bank notes, cash, documents of credit and securities during commercial transactions in order to avoid the danger of distributing counterfeit or forged instruments to the public.

The company avoids unjust discrimination in its dealings with suppliers and does not make incorrect use of its contractual powers to their detriment.

The suppliers and external consultants (consultants, brokers, agents, etc.) are required to comply with the principles set out herein.

All company employees and directors, in line with their duties and functions, shall:

- respect the internal principles and procedures for the selection and management of relations with suppliers and foreign consultants;
- only work with qualified, reputable persons and companies;
- inform their superiors or the “Organismo di Vigilanza” promptly about uncertainties related to possible violations of the Code of Conduct by the suppliers and external consultants;
- include a clause for the explicit obligation for the suppliers and external consultants to comply with the Code of Conduct in their contracts, setting out the sanctions for any violations, termination of the contract and/or claims for damages pursuant to article 1456 of the Italian Civil Code.

Agreements with external consultants shall always be in writing. Moreover, any fees paid shall be solely for the services covered by the agreement, the consultant’s professional abilities and services provided.

3.7 Relations with group companies

ARPA INDUSTRIALE avoids conduct that while in its own interests is damaging to the integrity or reputation of another company of the Group¹. ARPA INDUSTRIALE requires that none of its subsidiaries undertake transactions or make decisions that, while of benefit to them, could damage the integrity or reputation of another Group company.

Those directors holding positions within the Group are required to regularly attend the meetings to which they have been invited, to carry out their duties loyally and correctly, to encourage communication among the Group companies and to foster and use intra-group synergies, cooperating for the attainment of shared objectives and avoiding unlawful behaviour. The circulation of information within the Group shall take place in line with the principles of truthfulness, loyalty, correctness,

¹ “Group” means ARPA INDUSTRIALE and any company (directly or indirectly) controlling, controlled or subject to the same control of ARPA INDUSTRIALE.

completeness, clarity, transparency and prudence while respecting the independence of each company and their specific sphere of business.

3.8 Fair competition

ARPA INDUSTRIALE acknowledges the fundamental importance of competition in line with current regulations and correct economic principles in a proper market and on a fair basis. Therefore, the company agrees to avoid practices that may directly or indirectly run counter to EU regulations and fair competition laws. It abstains from unlawful agreements, harassing conduct and abuse of dominant positions, such as, for example:

- promising, offering, directly or indirectly contributing an advantage to a person, for itself or on behalf of a third party, in exchange for the awarding of a tender, or other forms of collusion with the person in charge of awarding the tender;
- not communicating the existence of an illegal agreement or a concerted practice;
- an agreement to increase prices or limit offer conditions;
- offering or conceding advantages to other competitors so that they withdraw their bid or do not participate in the tender;
- creating cartels;
- splitting up markets;
- limiting production or sales such as to modify the rules of a free market.

3.9 Accounting transparency

Truthfulness, accuracy, completeness and clarity of information are indispensable conditions for transparent account-keeping and are fundamental to ARPA INDUSTRIALE, also to ensure that its shareholders and third parties have a clear view of the company's financial position and results of operations. In order to ensure that these conditions are complied with, it is firstly mandatory that all documentation related to transactions recorded in the records is complete, clear, truthful, accurate and valid and that it is filed for future reference. With respect to financial statements captions based on measurements, the related entries shall be made on a prudent and reasonable basis, clearly showing the criteria based on which the caption's amount in the accounting records was calculated in the related documents. Any persons who become aware of possible omissions, falsifications or irregularities in the accounting records and their keeping and in the related supporting documentation, or violations of the principles set out herein or specific protocols are required to inform the supervisory authorities promptly. Such violations damage the relationship of trust with the company, are covered by its disciplinary measures and will be suitably punished.

4. VIOLATIONS OF THE CODE OF CONDUCT AND DISCIPLINARY MEASURES

4.1 Communication of violations

The directors and employees shall be vigilant and careful about situations that could constitute a violation of the Code of Conduct or applicable laws, regulations and standards (including the Organisation, Management and Control Model as per Legislative Decree no. 231/2001, once approved by the Board of Directors of ARPA INDUSTRIALE). Should a director or employee become aware of a violation or suspect one has taken place, they shall immediately inform the “Organismo di Vigilanza”. Communications of alleged violations of the Code of Conduct or applicable laws, regulations and standards (including the Organisation, management and control model as per Legislative Decree no. 231/2001) shall be made in writing and signed to the “Organismo di Vigilanza” using the following e-mail address: OdV@arpaindustriale.com. All such communications will be treated with the maximum discretion and will continue to be confidential, without prejudice to any legal obligation to disclose them.

If, however, the (potential) violation has been committed by a member of the “Organismo di Vigilanza”, the “Organismo di Vigilanza” shall not be involved in such matter and such (potential) violation shall be reported directly to the general manager of ARPA INDUSTRIALE. In such case, the General Manager shall immediately inform the Board of Directors and request such Board to appoint one or more persons who shall deal with such matter as a substitute for the “Organismo di Vigilanza” in accordance with the provisions of the Organisation, Management and Control Model as per Legislative Decree no. 231/2001.

The company does not allow reprisals of any kind against directors or employees who have communicated certain or suspect violations in good faith. However, anyone who deliberately makes a false communication of censurable conduct will be disciplined.

4.2 Investigations

Reports of (alleged) violations will be investigated by the “Organismo di Vigilanza”, or its substitute (as referred to in article 4.1), as the case may be, without delays. The person who made the charge is not entitled to carry out the investigation, and is only entitled to assist the “Organismo di Vigilanza”, or its substitute, as the case may be, if and to the extent so requested. All directors and employees shall fully cooperate with internal investigations aimed at ascertaining whether a violation (alleged or not) has taken place. The “Organismo di Vigilanza”, or its substitute, as the case may be, will, within 4 weeks from the date on which the report of an alleged violation was received, notify the person who has made such report about the outcome of the investigation in respect of such alleged violation and the measures taken in connection with such matter. If it is not reasonably possible to so inform such person within such period of 4 weeks, such person will in any case be notified within the same term by the “Organismo di Vigilanza”, or its substitute, as the case may be, and will be informed about the extended period within which such person will be so informed.

If the person who has reported an (alleged) violation:

1. does not receive any notice within the period of four weeks from the date on which the report of an alleged violation was received by the competent body or officer, as the case may be or
2. does not agree with the outcome of the investigations and the measures taken in connection with such matter; or
3. has not received a notice about such outcome and measures within the period referred to above, as eventually extended as specified above; or
4. has objected in writing to the General Manager that the extended period is unreasonably long and the General Manager has not reduced such extended period to a period which the person who has reported an (alleged) violation considers reasonable,

such person may report to the Chairman or to the Vice-Chairman of the Board of Directors, who can immediately convene a meeting of the Board of Directors to resolve upon such actions as the Board of Directors deems appropriate with respect to this matter.

4.3 Measures

The “Organismo di Vigilanza”, or its substitute, as the case may be, will inform the Board of Directors or persons appointed by it of the outcome of its investigation. The Board of Directors or persons appointed by it decide(s) the actions to be taken in the case of violation of the Code of Conduct. If, however, the (alleged) violation regards a member of the Board of Directors, the “Organismo di Vigilanza” shall inform the shareholder of the outcome of its investigation.

The parties involved in the above process shall use their best efforts to ensure that the period within which the person who has reported the alleged violation is to be notified in accordance with article 4.2, shall not be exceeded.

The actions referred to above shall be designed responsibly to discourage transgressions and encourage responsibility and compliance with the Code of Conduct. All information available shall be evaluated, including about the nature and seriousness of the violation, whether it refers to an isolated episode or has been repeated over time, whether it was intentional or unintentional, whether the party in question had previously been informed about the correct conduct required and if they have committed other violations in the past. This is necessary in order to decide what actions are appropriate in the circumstances. Any violation of the Code of Conduct can lead to application of a disciplinary measure to be decided depending on the seriousness of the violation itself.

Directors and employees who were aware of a violation and did not communicate it promptly or take the necessary steps to correct it will also be subject to disciplinary measures as will directors and employees who order or approve the violation.

Moreover, certain violations of the Code of Conduct constitute crimes and, therefore, the guilty directors or employees may become involved in civil or criminal proceedings.