



**INTERNAL DEALING PROCEDURE**

**MARCH 2006**

## INTERNAL DEALING PROCEDURE

### 1. GENERAL INSTRUCTIONS

#### 1.1 Introduction

This procedure, adopted pursuant to art. 114 clause 7, in Law Decree 58 24 February 1998 and subsequent amendments (hereafter "T.U.F.") and art. 152 sexies and following in Consob Listed Companies Regulations n° 11971, 14 March 1999 and subsequent amendments (hereafter "Consob Regulations") has the purpose of:

- (i) Regulating methods and times of disclosing to Consob and to the market operations involving the acquisition, sale, subscription or exchange of shares or Prima Industrie Group relevant financial instruments, carried out by Relevant Persons or by Persons strictly connected to Relevant Persons, and identifying Relevant Persons among Prima Industrie S.p.A. and other Group Companies managers;
- (ii) Informing Relevant Persons about their obligations coming from their qualification;
- (iii) Establishing, with aim to Prima Industrie S.p.A. protection and fair market functioning, Close Periods when it is forbidden to some Relevant Persons and Connected Persons to carry out operations on shares issued by Prima Industrie.

#### 1.2 Relevant Persons

Pursuant to art. 114, clause 7, in T.U.F. and art. 152 sexies in Consob Listed Companies Regulations:

a) "**Relevant Persons**" are:

- a1) Prima Industrie S.p.A. directors and statutory auditors;
- a2) Prima Industrie S.p.A. managing director and managers who have regular access to inside information and are empowered to take management decisions affecting the development and future prospects of Prima Industrie S.p.A. or of its Group, as defined according to this procedure;
- a3) members of the Board of Directors and Auditors, persons with management functions and managers empowered to take management decisions affecting the development and future prospects of a Prima Industrie S.p.A. subsidiary, as defined in the following par. 1.4; for the fiscal year 2006 and until further notice no Prima Industrie subsidiary is included in such case;

- a4) persons who should take directly or indirectly the control over Prima Industrie S.p.A.;
- a5) anyone holding at least 10% of Prima Industrie S.p.A. voting share capital;
- b) **Connected Persons** to Relevant Persons are:
  - b1) a not legally separated spouse, dependant children or cohabiting for more than one year, children of the spouse whether they are dependant or cohabiting for more than one year and, if cohabiting for more than one year, parents, family and in-laws of relevant Persons;
  - b2) companies, partnerships and trusts in which a Relevant Person or a Connected Person as defined in b1) is, alone or jointly with another Relevant or Connected Person, a managing director;
  - b3) companies, directly or indirectly controlled by a Relevant Person as defined in b1);
  - b4) partnerships whose economic interests are substantially equivalent to those of a Relevant Person or a Connected Person as per b1);
  - b5) trusts set up for the benefit of a Relevant Person or a Connected Person as per b1).

### 1.3 Financial Instruments subject to disclosing procedure

Relevant Persons must disclose operations (hereafter “**Operations**”) of acquisition, sale, subscription or exchange carried out by themselves or by their Connected Persons and regarding:

- a) Prima Industrie S.p.A. ordinary shares (hereafter “**Shares**”);
- b) all other financial instruments linked to Shares and in particular:
  - b1) financial instruments giving the right to subscribe, acquire or sell the Shares;
  - b2) debt financial instruments convertible into Shares or exchangeable against Shares;
  - b3) derivative financial instruments on Shares as defined in art. 1, clause 3 del T.U.F.<sup>1</sup>;
  - b4) other financial instruments, equivalent to Shares, representing such Shares;
  - b5) non listed shares issued by Prima Industrie S.p.A. subsidiaries, as they shall be defined in the following par. 1.4 as well as their connected financial instruments.

There is no disclosing obligation for:

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<sup>1</sup> And in particular:

- a) “future contracts” on Shares and their relevant indexes, even when the transaction is settled through the cash payment of differentials;
- b) equity swaps regarding Shares, even when the transaction is settled through the cash payment of differentials;
- c) forward agreements connected to Shares and relevant indexes, even when the transaction is settled through the cash payment of differentials ;
- d) options contracts to acquire or sell Shares or instruments defined in previous clauses and relevant indexes, even when the transaction is settled through the cash payments of differentials;
- e) combinations of contracts or shares defined in previous clauses.

- 1) Operations whose amount is below 5,000 euro within a calendar year; for connected derivative financial instruments amount is calculated with reference to the underlying Shares. This amount is calculated adding up all operations of acquisition, sale, subscription (including conversion of convertible bonds and shares free assignment) or exchange of shares and financial instruments linked thereto, carried out by the Relevant Person and Connected Persons as well as those carried out on behalf of each relevant Person and Connected Persons.

We precise that, for the above purpose, operations carried out by his/her investment manager within a individual portfolio management are also taken into account, even when the Relevant Person or the Connected Person expressly give up the right to provide instructions;

- 2) Operations carried out between the Relevant Person and his/her Connected Persons;
- 3) Shares lending, Shares pledge, usufruct concession and assignment of options for shares subscription operations.

#### 1.4 Subsidiaries

Pursuant to art. 152 sexies in Consob Regulations, subsidiaries, directly or indirectly controlled by Prima Industrie S.p.A., are included in the present procedure and relevant disclosure obligations only if the book value of the equity interest represents more than 50% of the total assets of Prima Industrie S.p.A., as per last approved annual report.

Therefore, in order to check the possible inclusion of the subsidiaries, the Person Responsible (as defined in the present procedure) must check, within 15 days from the Board of Directors approval of Prima Industrie S.p.A. annual report, the list of subsidiaries, directly or indirectly controlled by Prima Industrie S.p.A., for which said parameter has been exceeded.

Disclosure by subsidiaries' Relevant Persons, as above defined, shall be made, pursuant to this procedure, since the day of approval of Prima Industrie S.p.A. annual report by the Shareholders' Meeting.

#### 1.5 Close periods

It is forbidden to Prima Industrie S.p.A. directors and statutory auditors and to their Connected Persons to carry out Operations on Shares during 15 days before the day of Prima Industrie S.p.A. Board meetings approving the annual report, half-yearly report and quarterly reports.

The Board of Directors has the power to extend the Close Periods complying with the best practice of listed companies.

## **2. METHODS AND TIMES OF RELEVANT OPERATIONS DISCLOSING**

### **2.1 Relevant Persons obligations**

Pursuant to art. 152 octies in Consob Regulations, Relevant Persons must comply with disclosing obligations about Relevant Operations carried out by themselves or their Connected Persons according to the following terms and methods:

- A) Relevant Persons defined sub a1), a2) and a3) in par. 1.2 must disclose to Consob and Prima Industrie S.p.A. all Operations by the end of the fifth business day after the date of the last transaction which involved the exceeding of the 5,000 euro amount and by the end of the fifth business day after every other following operation during the year;
- B) Relevant Persons defined sub a4) and a5) in par. 1.2 disclose all operations to Consob and publish them, by sending a press release to Borsa Italiana S.p.A., Consob and to at least two press agencies, by the end of the fifteenth day of the month following the one in which was carried out the last operation that involved the exceeding of the 5,000 euro cumulated amount and, once exceeded the previous 5,000 euro limit, by the end of the fifteenth day of the month following the one in which every other operation was carried out.

Relevant Persons must timely inform their Connected Persons, also through the delivery of this present procedure, about their being part of the present procedure and following disclosing obligations to Relevant Persons of the Operations here defined.

### **2.2 Prima Industrie S.p.A. obligations**

Pursuant to art. 152 octies in Consob Regulations, Prima Industrie S.p.A. must publish, by sending a press release to Borsa Italiana S.p.A., to Consob and to at least two press agencies, information received by Relevant Persons pursuant to letter A) in previous par. 2.1, by the end of the business day following the day of their receipt.

It is well understood that Relevant Persons make themselves responsible and in charge of possible burdens coming from a delay in disclosure to Consob and to the market when they were not compliant with timely communication to Prima Industrie S.p.A. or other procedure obligations.

### **2.3 Person Responsible**

The Person Responsible of the receipt, dealing and disclosure of information relevant to the present procedure is defined as the Investor Relator Officer, today Mr. Massimo Ratti.

Disclosure to Prima Industrie S.p.A. by Relevant Persons, pursuant to letter A) in previous par. 2.1 in this procedure, must be addressed to the Person Responsible (upon telephone notice to 011-4103.206, 011-4103.208 or 335-746.94.80) through fax to number 011-

411.73.34 or e-mail to [internaldealing@primaindustrie.com](mailto:internaldealing@primaindustrie.com), using the special schedule in Annex 6 in Consob Regulations (wholly attached herewith sub "A") duly filled in every part. In case of subsequent changes of said disclosing schedule, of disclosing methods or of the Person Responsible itself, the Person Responsible will timely inform the Relevant Persons.

#### 2.4 Sanctions

Pursuant to art. 193, clause 1 bis, in T.U.F. Relevant Persons not complying with disclosure obligations as per this procedure are sanctioned with an administrative fine from 5,000 to 500,000 euro by Consob for each and every violation.

### **3. DEFINITION OF MANAGERS AS RELEVANT PERSONS**

#### 3.1 Prima Industrie S.p.A. Managers

With aim to this procedure and relevant disclosure obligations in T.U.F. and Consob Regulations, Prima Industrie S.p.A. managers with regular access to inside information and with the power to adopt strategic decisions affecting the development and future prospects of Prima Industrie S.p.A. are defined as the ones with following requirements:

- regular access to Inside Information;
- power to take long term strategic decisions, that is able to affect more than one fiscal year;
- power to take decisions on their own without the previous authorization of an executive director.

As at April 1<sup>st</sup> 2006 managers complying with said requirements are:

- Ezio Basso, Prima Industrie S.p.A. managing director
- Massimo Ratti, Corporate C.F.O. Prima Industrie Group

#### 3.2 managers of relevant Prima Industrie S.p.A. subsidiaries

In order to comply with this procedure and following disclosure obligations in T.U.F. and in Consob Regulations, Prima Industrie S.p.A. subsidiaries as defined in previous par.1.4 shall identify managers with regular access to Inside Information and with the power to take strategic decisions affecting the development and future prospects of the subsidiaries themselves on the basis of criteria identified in previous par.3.1 for Prima Industrie S.p.A. managers.

With this aim the Person Responsible, once yearly identified the relevant subsidiaries, will inform them about both such event and the present procedure.

Subsidiaries so identified shall therefore:

- a) adopt this procedure;
- b) identify among their own managers those with qualification to be Relevant Persons on the basis of criteria said in previous par. 3.1;
- c) send to all Relevant Persons (that is direction and auditing boards, officers with direction and auditing duties as defined in previous letter b) of the subsidiary itself this procedure for its acceptance;
- d) timely disclose to the Person Responsible the list of all Relevant Persons (that is direction and auditing boards, officers with direction duties and managers specified) of the subsidiary itself and copy of the acceptance of the present procedure as well as every subsequent change.

#### 4. INFORMATION

##### 4.1 Information to managers

The Person Responsible, when a Prima Industrie S.p.A. or a subsidiary's manager has been identified as a Relevant Person according to this procedure, informs him/her about of his/her identification and about his/her relevant disclosure obligations giving him/her the present procedure. The manager shall have to accept the present procedure transmitting back the schedule in annex sub B.

##### 4.2 Information to directors and effective statutory auditors

Directors and effective statutory auditors shall have to accept the present procedure transmitting to the Person Responsible the schedule in annex sub B.

This procedure applies to Operations carried out since April 1<sup>st</sup> 2006.

Collegno, March 30, 2006

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**[ANNEX A](#)**



**ANNEX B**

**Confidential to Relevant Person**

The undersigned

**declares**

- he acknowledges he is a Relevant Person according to art. 114, clause 7, in Law decree 58/1998 and art. 152 sexies in Consob Listed Companies Regulations;
- he has received , read and understood the above Internal Dealing Procedure and, in particular, the subsequent obligations:

**authorizes**

pursuant to law decree 196/2003, personal data processing required by the present Internal Dealing Procedure, also through third parties, in order to comply with rules on the subject.

**engages himsel/herself**

to disclose to the Person Responsible, under terms and conditions established, operations relevant to this Internal Dealing Procedure and also to keep undamaged Prima Industrie S.p.A. from any consequence coming from his/her non-complying with the Internal Dealing Procedure.

**Date,**

**Signature**