Foundation Articles of Association

“HANGAR BICOCCA—Spazio per l’Arte Contemporanea”

Article 1
Formation - Registered offices - Representative Premises
A foundation designated "HANGAR BICOCCA - Spazio per l'Arte Contemporanea" i.e. “Pirelli HANGAR BICOCCA” with registered premises at Via Chiese n. 2”, Milan, has been formed by its Founder “Pirelli & C. Real Estate S.p.A.”. The Foundation may use the name in its shortened form, "Hangar Bicocca". Representative premises and offices may be opened in Italy and abroad to carry out by way of action accessory and instrumental to the purposes of the Foundation - promotion as well as the development and extension of the network of national and international contacts required to support the Foundation. It conforms to the principles and the legal framework governing Fondazione di Partecipazione bodies, within the broader category of Fondazioni (foundations) as regulated by the Italian Civil Code and the law relating to them. The Foundation is a non-profit-making body and cannot distribute profits.

Article 2
Aims
The Foundation gives form to, promotes, and disseminates expressions of culture and art, especially of contemporary art. Within that sphere the Foundation acts to protect, conserve, promote, enhance the value of, and provide stewardship of artefacts of artistic interest within the meaning of Legislative Decree no. 42 of 22nd January 2004, as subsequently amended and supplemented, including through holding shows, exhibitions, or other series of specifically cultural events. The protection and conservation of artefacts of cultural interest, as a rule the responsibility solely of central government, concerns the artefacts of which the Foundation is, or shall be, the owner. The Foundation likewise gives its backing to any approach, means, and/or manner that gives expression to culture in situations where different realms of learning, art, literature, knowledge and means of expression interact. The Foundation also intends to function as a forum where the public encounters contemporary culture and its manifestations with a view to increasing public awareness of culture and to devising and inventing ways of providing recreational and educational experience.

Article 3
Instrumental, accessory, and allied activities
In particular, the Foundation intends to enhance, extend, and improve the organisation of "HANGAR BICOCCA - Spazio per l'Arte Contemporanea" as a body and a container in which works of art, as well as the teaching and research aids associated with them, are securely kept, protected, and promoted with the aim of getting culture and art across to the public at large. To achieve its aims the Foundation, among other things, can:
a) sign any appropriate deed or contract, including for the financing of the operations it decides, including, though not excluding others: taking out short-term and long-term loans, purchasing properties (for full ownership or for ownership barring the land), renting them, or bailing them for use, making agreements of any kind - including those as are entered in public registers- with public or private bodies where those agreements are seen as appropriate and advantageous;
b) administer and operate such property as it is the owner, the renter, or the bailee of, or that is in any case in its possession for whatever reason;
c) participate in associations, foundations, bodies, and institutions, be they public or private, the activity of which seeks, directly or indirectly, to pursue aims that are similar to that of the Foundation; The Foundation may, where it sees fit, take part in forming the above bodies;
d) form or participate in joint stock companies that carry out activity—solely instrumentally - directed at achieving the aims in these articles of association;
e) promote and organise activity and events (exhibitions, reviews, congresses, debates, conferences, symposia); training and specialisation courses in subjects of interest to the Foundation, by publishing the related acts or documents;
f) set up awards and scholarships;
g) form teams, specialised centres, and workshops in which artists and researchers, both Italian and foreign, can exchange ideas, as well as monitor and disseminate developments in the knowledge acquired in the subjects of interest to the Foundation;
h) engage in commercialisation - by way of activity accessory and instrumental to its institutional aims - which can include the sector for publishing, within the limits of the law in force, and for audiovisual media in general;
i) make agreements for entrusting to third parties some of its activities;
j) carry out any other activity as is fitted to or supports the achievement of its institutional aims.

Article 4
Supervision
The competent Authorities shall supervise the activities of the Foundation in accordance with the Italian Civil Code and with the laws relating to this matter.

Article 5
Assets
The assets of the Foundation are made up of:
- the Foundation endowment comprising contributions in money or in movable and immovable property, or other benefits as may be used for achieving the aims of the Foundation, provided by the Promoting Founder, the Founders, and by the other participants;
- movable and immovable property that is received or shall be received by the Foundation for any reason, including such as is bought by the latter in accordance with the rules of these Articles of Association;
- donations by bodies and by individuals made expressly for the
Article 6
Operating Fund
The Operating Fund of the Foundation is made up of:
- income and proceeds sourced from the assets and the activities of the Foundation;
- any donations or legacies not expressly assigned by way of endowment assets;
- any other contributions from the European Union, central government, local government authorities, or from other public bodies;
- proceeds from institutional, accessory, instrumental, and allied activities.

The income and the resources of the Foundation shall be used for the operation of the Foundation and for achieving its social purposes and its aims.

Article 7
Financial year
The financial year shall begin on 1st January and end on 31st December of each year.
The Board of Directors shall, no later than 30th April, approve the financial statement of the previous year. Where particular needs so require, the Board of Directors shall approve the financial statement by 30th June.
The distribution, directly or indirectly, of profits or operating surpluses as well as of funds and reserves is prohibited during the lifetime of the foundation, barring where the purpose or the distribution is compulsory in law.

Article 8
Members of the Foundation
The members of the Foundation are divided into:
- Promoting Founder, and Founders;
- Participants.

Article 9
Promoting Founder and Founders
The Promoting Founder is "Pirelli & C. S.p.A.".
In the event of the Promoting Founder adopting a decision whereby it itself is dissolved, changes its corporate status, combines with other entities, or in any case ceases to be, it shall indicate the entity/entities that shall exercise the prerogatives assigned to it under these Articles of Association.
The following are eligible as Founders where appointed as such through a resolution of the Board of Directors not open to challenge and adopted with the supporting votes of two thirds of the Directors: public or private entities that contribute to the Endowment Assets and to the Operating Fund in the form of cash or tangible or intangible assets, according to parameters decided by the Board of Directors. The status of Founder shall last for the
entire period for which the contribution has been regularly paid or the benefit has been provided.

**Article 10**

**Participants**

The following can qualify as “Participants”: natural or legal persons, be they private or public, as well as bodies that, because they subscribe to the aims of the Foundation, contribute to the life of the latter and to the achievement of its aims through cash contributions every year or every number of years in the manner and to an extent not less than that decided each year by the Board of Directors or through an activity, including professional activity, of particular significance or by providing tangible or intangible assets. The Board of Directors can, through a regulation, decide in favour of the possible subdivision or grouping of the Participants by categories of activity and participation in the Foundation.

The Participants can apply their contribution to specific projects that fall within the scope of activity of the Foundation.

The status of Participant shall last for the entire period for which the contribution has been regularly paid or the benefit regularly provided.

Participants are admitted through a resolution of the Board of Directors not open to challenge and adopted with the supporting votes of the majority of its members. The Participants must expressly commit themselves to complying with the rules of these articles of association and of the Foundation regulations, where such have been approved.

Natural or legal person can be appointed as Participants as well and private or public bodies or other institution with a registered office abroad.

**Article 11**

**Exclusions and withdrawal**

Through a resolution adopted with the supporting votes of the majority of its members the Board of Directors shall decide the exclusion of Founders and Participants for seriously and repeatedly breaching the obligations and the duties arising out of these Articles of Association including, by way of example, but not definitively:

- a breach of the obligation to make the contributions required under these Articles of Association;
- conduct that is incompatible with the aims of the Foundation as in Article 2 and with the duty of cooperation with others similarly involved in the Foundation;
- behaviour contrary to the duty of non-pecuniary service.

In the case of legal bodies and/or persons, exclusion can take place also for the following motives:

- change of status, merger and division;
- transfer, for whatever reason, of the controlling holding or a change in it;
- raising equity capital in the market;
- cessation, for whatever reason;
- start of liquidation procedure;
- insolvency and/or the start of collective creditor proceedings, including out-of-court proceedings.
The Founders and the Participants may, at any time, withdraw from the Foundation, this without prejudice to the duty to comply with the obligations they have accepted.
In no circumstances can the Promoting Founder be excluded from the Foundation.

**Article 12**

**Governing structure of the Foundation**

The governing structure of the Foundation is made up of:
- the Board of Directors - Delegated Director, where appointed;
- the Chairman of the Foundation;
- the General Manager;
- the Advisory Board;
- the Board of Auditors.

**Article 13**

**Board of Directors Composition and competence**

The Board of Directors is made up of a variable number of members, from a minimum of three to a maximum of fifteen.

Its composition shall be as follows:

a) a member appointed by the Promoting Founder;
b) a member nominated by each Founder;
c) up to three members appointed from among the Participants;
d) a member nominated by Milan Municipal Authority.

The Board can co-opt up to two other members from among persons viewed as useful to the activities of the Foundation.

The members of the Board of Directors shall remain in office up to the approval of the financial statements for the fourth financial year following their appointment and may be confirmed, barring annulment of the appointment by the subject that appointed them before their tenure expires.

Where a director's post is vacant, the remaining board members must, having regard for the designation mechanism as in paragraph two above, co-opt the other Director(s) who shall remain in office until the Board of Directors serves out its term of office.

The Board of Directors shall approve the goals and the programs of the Foundation proposed by the Chairman on the basis of the cultural guidelines expressed by the Advisory Board, and examine the overall results of the Foundation's performance.

In particular it shall:
- lay down each year the general lines of activity of the Foundation within the aims and the activities as in articles 2 and 3 of these Articles of Association;
- approve the financial statements;
- approve, where appropriate, the Foundation regulations;
- appoint the Chairman and Deputy Chairman of the Foundation;
- appoint, where appropriate, the General Manager, and may select him/her from among non-members of the Board, as well as deciding on the nature, the duties, and the duration of the appointment and, were needed the compensation, after hearing the Board of the Auditors. The post of General Manager is compatible with other posts as may be held within the Foundation;
- appoint members to the Advisory Board;
- appoint members to the Board of Auditors;
- determine the parameters for acquiring the status of Founder in accordance with article 9, and make the respective appointments;
- determine the parameters for acquiring the status of Participant and make the respective appointments;
- adopt resolutions on any amendments to the Articles of Association;
- adopt resolutions regarding the proposal to dissolve the Foundation and the transfer of its assets;
- perform all other tasks entrusted to it under these Articles of Association.

In order to improve efficiency of management, the Board of Directors can delegate functions both to the Chairman and to the individual members of the Board, choosing, where appropriate, a Delegated Director, within the limits specified in the resolution that it adopts and files following proper legal form.

The Board of Directors may, through a resolution duly filed in proper legal form, set up an Executive Committee, comprising the Chairman and two directors. When appointing the Executive Committee the Board of Directors shall, within the limits of the law and of the Articles of Association, decide on its duties, powers, and spending limits.

**Article 14**

**Board of Directors Calling a meeting and quorum**

Meetings of the Board of Directors are called by the Chairman of his/ her own initiative or at the request of at least one third of its members without any requirements as to form provided means are used as are appropriate and are forwarded at least five days prior to that set for the meeting. Where need or urgency so dictates, notification can be given one day before the set date.

The notice calling the meeting must state the business of the meeting, the place and the time.

The Board is validly convened with the presence of the majority of the Directors in office.

The Board of Directors is in any case validly constituted, even if the above formalities are not complied with, provided that the entire Board is represented, the members of the Board of Auditors are advised and no director opposes the discussion of the business.

The members of the Board may, with due legal form, authorize third parties not belonging to the Board to attend Board meetings on their own behalf.

Resolutions are adopted with the supporting vote of the majority attending. Where there is a tied vote, that of the Chairman shall be the casting vote.

Resolutions concerning the approval of amendments to the Articles of Association, a proposal to dissolve the Organisation, and the admission of new Founders are validly adopted with the majority vote of the Directors.

Meetings are chaired by the Chairman or where he/she is absent or suffers impediment by the Deputy Chairman or by the most senior of the Directors.

Minutes shall be drawn up of the Board meetings and shall be signed by whoever chairs the board and by the secretary.

It is admissible for Board meetings to be held using telecommunication
means on condition that all the participants can be identified and they are able to follow the discussion and take part in real time in dealing with the business of the meeting. Where these requirements are met, the Board meeting shall be deemed as held in the place where the Chairman is and where, likewise, the secretary to the meeting is, if appointed.

**Article 15**

**Chairman of the Foundation**

The Chairman of the Foundation is appointed by the Board of Directors from among its members.

The legal representation of the Foundation with respect to third parties lies with the Chairman of the Foundation; he brings and defends actions with respect to any administrative or judicial authority, and in so doing appoints lawyers.

The Chairman maintains relations with bodies, institutions, public and private undertakings, and other organizations, including for the purpose of establishing cooperation and support for the individual initiatives of the Foundation.

The Chairman may appoint an attorney-at-law for individual acts or categories of acts.

Where the Chairman is absent or suffers an impediment, he shall be replaced by the Deputy Chairman.

**Article 16**

**Foundation General Manager**

The Foundation General Manager may be appointed by the Board of Directors on the Chairman’s proposal, and can be chosen, even among people outside the Board.

When appointing, the Board of Directors determines the tasks and nature of the relationship.

The Foundation General Manager remains in office for the term established by the Board of Directors and in its absence expires with the Board that appointed him.

The General Manager manages the Foundation's administration, with economical and effective criteria and efficiency, within the powers and competences delegated to him by the Board of Directors, as well as in accordance with plans, projects and budget lines deliberated by the Board itself.

In particular the General Manager provides to:

- help the Chairman in the arrangement of the programs and objective, to present annually to the approval of the Board of Directors;
- identify any operational departments or business areas’ Foundation and to appoint the persons responsible, determining their functions, nature and duration of the relationship. The General Manager of the Foundation is the person that has the responsibility of the organization itself or of the production unit as it exercises the decision-making and spending powers and as Employer under the law;
- approve the organizational structure of the Foundation, in relation to the development of the activities of the Foundation;
- prepare the final financial statement proposal;
- put in place all the necessary, appropriate and required activities in the field of protection of ecological environment of the internal and external environment as well as control of the activity urban-building, in relation to provisions set out by the law, regulations, regulations of behavior given by the competent authority or suggested from specific technical experience and, in general, from any other prudence rule or diligence that must be applied in order to eliminate any possible risk and prevent the consequences of harm to people or things, even with it specific with regard to Decree 152/2006 and D.P.R. 380/2001 (and any subsequent changes and additions) and in any case to any other rule of law currently in force, always ensuring compliance with any new ones normative or regulatory disciplines that should come into force with respect to them activities related to the assignment given above;
with regard to the entire activity carried out by the Foundation at the various units owned or used by the Foundation - to put in place all the necessary activity, appropriate and demanding in the field of eco-protection of the internal and external environment and of the control of the urban activity - construction, in relation to provisions of law, regulations, regulations of behavior given by the competent authority or suggested from specific technical experience and, in general, from any other prudence rule or diligence that must be applied in order to eliminate any possible risk and prevent the consequences of harm to people or things, even with it specifically with regard to Legislative Decree 152/2006 and D.P.R. 380/2001 (and any subsequent changes and additions) and in any case to any other rule of law currently in force, always ensuring compliance with any new normative or regulatory disciplines that should come into force with respect to the activities related to the assignment given above;
- ensure the supervision and retention of movable property registered in public registers as well property owned or used by the Foundation in order to ensure the safety of persons inside and outside them.
- carry out any further assignment assigned to it when appointing.

The Foundation General Manager is also a legal representative of the Foundation within the limits and for the effects referred to in Legislative Decree 30 June 2003 no. 196 and subsequent amendments and integrations ("Privacy Code") and to it are granted the powers needed to fulfilled the obligations required by the law.

The Foundation General Manager may be invited to participate without the right to vote meetings of the Board of Directors, to
which he or she is responsible, as well as to the meetings of the Advisory Board.

**Article 17**

**Advisory Board**

Where constituted, the Advisory Board is the consultative body of the Foundation and is made up of a variable number of members, chosen and appointed by the Board of Directors from among the natural and legal persons, bodies and institutions, both Italian and foreign, that are especially qualified, are of recognized prestige and of exemplary professionalism in the subject of interest to the Foundation.

In cooperation with the Board of Directors the Advisory Board formulates opinions and proposals regarding the annual program of initiatives and any other question for which the Board of Directors expressly requires its opinion in order to decide the cultural strategy of the Foundation.

The members of the Advisory Board remain in office until the approval of the financial statement for the fourth financial year following their appointment and can be confirmed. Their appointment can cease through resignation, incompatibility, or annulment.

The Advisory Board is chaired by the person appointed by the Board of Directors and meets when summoned by its chairman.

In any case, where its chairman is absent or suffers impediment, the Advisory Board shall be chaired and summoned by the Chairman of the Foundation.

**Article 18**

**Board of Auditors**

The Board of Auditors is made up of three members appointed by the Board of Directors one of whom acts as Chairman and is chosen from among persons entered in the professional register of Auditors. The Board of Auditors ascertains the proper keeping of the accounts, examines the draft profit and loss and cash flow statements, and in doing so draws up a report, and it makes cash inspections.

The members of the Board of Auditors may take part, without a right to vote, in the meetings of the Board of Directors. The members of the Board of Auditors remain in office until the approval of the financial statements for the fourth year following their appointment and they can be reconfirmed.

**Article 19**

**Dissolution**

In the event of a proposal to dissolve the Foundation, for whatever reason, through a resolution of the Board of Directors, which appoints a liquidator, the residual assets – including the rights of the Foundation of any kind regarding the use of the name “HANGAR BICOCCA – Spazio per l’Arte Contemporanea”; “Pirelli HANGAR BICOCCA”; “Hangar Bicocca” – will be transferred as follows: (i) to the Pirelli Foundation, based in Milan, Viale Piero e Alberto Pirelli 25 having object similar to that of the Foundation (and in particular) to exclusively pursue the aim “to form, promote and disseminate expressions of culture and art” and (ii) in the event of dissolution of the Pirelli Foundation before the dissolution of the
Foundation, to other recognized bodies that pursue similar aims or aims that are to the public good.

**Article 20**

*Clause stating other rules applicable*

For matters not dealt with in these Articles of Association the provisions of the Italian Civil Code and the law relating to such matters shall apply.

Signed in original:
Marco Tronchetti Provera
Ezio Ricci Notaio (L.S.)