

ANNEX 1

Offences resulting in administrative liability of legal entities pursuant to Legislative Decree No. 231/2001¹

(i) OFFENCES AGAINST THE PUBLIC ADMINISTRATION (ARTICLES 24 AND 25 OF LEGISLATIVE DECREE NO. 231/2001)

Misappropriation to the detriment of the State (art. 316-*bis* Italian criminal code (hereinafter, “c.p.”))

It consists in the conduct of anyone, extraneous to the Public Administration, who having obtained grants, subsidies or funding from the State or another public body or the European Communities, intended to favour initiatives directed at the realization of works or the carrying out of activities of public interest, does not allocate them to the aforesaid purposes.

Undue receipt of disbursements to the detriment of the State (art. 316-*ter* c.p.)

It consists in the conduct of anyone who, by means of the use or submission of statements or documents which are false or attest untrue circumstances, or by means of omitting to provide due information, unlawfully obtains for himself or for others, grants funding, subsidized loans or other disbursements of the same type, granted or allocated by the State, other public bodies or the European Communities.

Aggravated fraud to the detriment of the State or another public body (art. 640, paragraph 2, no. 1, c.p.)

It consists in the conduct of anyone who, with artifices or deceptions, by misleading someone, secures for himself/herself or others an unlawful advantage to the detriment of the State or another public body.

Aggravated fraud for the obtainment of state disbursements (art. 640-*bis* c.p.)

It is an aggravating factor of the offence of fraud pursuant to art. 640 c.p., which has as object the obtainment of public disbursements.

Computer fraud to the detriment of the State or another public body (art. 640-*ter* c.p.)

It consists in the conduct of anyone who, by altering in any way the functioning of an information technology or telematics system, or by interfering without the right to do so in any way on data, information or computer program contained in an information technology or telematics system pertinent thereto, secures for himself/herself or others an unlawful advantage to the detriment of the State or another public body.

¹ In this document, the crimes, as under Art. 12, Law No. 9/2013, are not included since they are offences pursuant to Legislative Decree No. 231/2001 for legal entities that operate in the fields of production of virgin olive oils.

“Concussione” (art. 317 c.p.)

It is a crime that can only be committed by a public official or a person entrusted with a public service, who, by abusing its position or its powers, forces someone to give or promise unlawfully, to him/her or to a third-party, money or other benefits.

Bribery:

- **Art. 318 c.p. (Bribery for the exercise of a function – *Improper bribery*)**
- **Art. 319 c.p. (Bribery for obtaining an act contrary to office duties – *Proper bribery*)**
- **Art. 319-bis c.p. (Aggravating circumstances)**
- **Art. 320 c.p. (Bribery of person entrusted with a public service)**

It occurs when anyone gives or promises money or other benefit to a public official or a person entrusted with a public service for the execution of his/her function, in order to carry out, omit or delay or because he/she has carried out, omitted or delayed an act of his/her office, or in order to carry out or because he/she has carried out an act conflicting with his/her office duties.

- **Art. 321 c.p. (Penalties for the briber)**
- **Art. 322 c.p. (Instigation to bribery)**

The penalties specifically set forth in articles 321 and 322, paragraphs 1 and 2 c.p., apply either in case the bribery has been actually carried out through the promise or the offer of money or another benefit to a public official or person entrusted with a public service, or in case the crime is only attempted, since such a promise or offer of money or another benefit has not been accepted by the public official or by the person entrusted with a public service.

- **Bribery in judicial actions (Art. 319-ter c.p.)**

It consists in the corruptive behaviour carried out in order to the favour or damage a party in a civil, criminal or administrative legal proceeding.

- **Undue inducement to give or promise benefit (art. 319-quarter c.p.)**

It consists in the conduct of anyone who unlawfully gives or promises money or other benefit to a public official or a person entrusted with a public service as a consequence of the incitement exercised abusing of his/her quality or powers.

- **Embezzlement, *concussione*, undue inducement to give or promise benefit and bribery and instigation to bribery of members of the International Courts, the European Communities bodies or international parliamentary assemblies or international organizations and officials of the European Communities and of foreign States (art. 322-bis c.p.)**

The provisions set forth in articles 319-*quater*, paragraph 2, 321 and 322. paragraphs 1 and 2, c.p., shall also apply to those who give, offer or promise money or other benefits to the members of International Courts, the European Communities bodies or international parliamentary assemblies or international organizations and officials of the European Communities and of foreign States.

Illicit influences peddling (art. 346-bis c.p.)

It consists in the conduct of anyone who, besides the cases of complicity in corruption offences, unlawfully makes others give or promise money or other benefit, to him/herself or others, as price for his/her illicit mediation with a public official or a person entrusted with a public service or other persons as identified by article 322-bis c.p., or in order to remunerate him/her with respect to the exercise of his/her functions or powers (art. 346-bis, first paragraph, c.p.), by exploiting or alleged existent or claimed relationships with a public official or a person entrusted with a public service or other persons as identified by article 322-bis c.p.

The person who unlawfully gives or promises money or other benefit to the aforementioned mediator shall also be punished (art. 346-bis, second paragraph, c.p.).

(ii) *COMPUTER CRIMES AND UNLAWFUL DATA PROCESSING (ART. 24-BIS OF LEGISLATIVE DECREE NO. 231/2001)*

Counterfeiting of public computer documents having evidential effectiveness (art. 491-bis c.p.)

In case one of the falsehoods provided in Book II, Title VII, Chapter III of the Italian criminal code² refers to a public computer document which has evidential effectiveness, the provisions provided in such Chapter regarding public deeds shall apply.

² Material falsity committed by a public official in public acts; material falsity committed by a public official in certificates or administrative authorizations; material falsity committed by a public official in authentic copies of public or private acts and in certificates of the content of acts; ideological falsity committed by a public official in public acts; ideological falsity committed by a public official in certificates or administrative authorizations; ideological falsity in certificates committed by persons exercising a service of public need; material falsity committed by a private individual; ideological falsity committed by a private individual in a public act; falsity in registrations and notifications; falsity in a signed blank sheet – private act; falsity in a signed blank sheet – public act; use of a false act; suppression, destruction and concealment of true acts; falsity of holographic will, bill of exchange or credit instruments; authentic copies that take place of missing originals; falsities committed by public employees in charge of a public service; misrepresentation or false declaration to a public official about the identity or personal qualities of himself/herself or others; misrepresentation or false declaration to the certifier of electronic signature about the own identity or personal qualities or those ones of others; fraudulent alterations to prevent the identification or verification of personal qualities; false declarations related to the own identity or personal qualities or those ones of others; fraud in obtaining certificates from the court records and misuse of such certificates; possession and

Unauthorized access to an information technology or telematics system (art. 615-ter c.p.)

This provision punishes the conduct of anyone who illegally enters in an information technology or telematics system protected by security measures, or stays in it against the expressed or tacit will of a person who has the right to exclude him/her.

Unauthorized possession and disclosure of access codes to information technology or telematics systems (art. 615-quater c.p.)

The offence punishes the conduct of anyone who unlawfully obtains, duplicates, discloses, communicates or delivers codes, key words or other means appropriate for accessing an information technology or telematics system protected by security measures, or in any case, provides indications or instructions aimed to this effect, for the purpose of obtaining an advantage for himself/herself or others or causing damage to others.

Diffusion of equipment, devices or information technology computer program aimed at damaging or shutting down an information technology or telematics system (art. 615-quinquies c.p.)

The offence is committed when anyone, in order to unlawfully damage an information technology or telematics system, the information, data or computer programs contained therein or related to it, or to promote disruption, wholly or partially, or the alteration to its functioning, obtains, produces, duplicates, imports, discloses, communicates, delivers, or in any case makes available to others equipment, devices or computer programs.

Wiretapping, hindrance or unlawful disruption of information technology or telematics communications (art. 617-quater c.p.)

The offence is committed when anyone (i) fraudulently wiretaps communications related to an information technology or telematics system or existing between several systems, hinders or disrupts them, or (ii) reveals the content of these communications to the public, wholly or partially, by way of any means of information.

Installation of equipment capable of wiretapping, hindering or shutting down information technology or telematics communications (art. 617-quinquies c.p.)

The offence is committed when anyone, except for the cases allowed by law, installs equipment capable of wiretapping, hindering or shutting down communications related to an information technology or telematics system, or communications existing between several systems.

elaboration of false identification documents; possession of forged distinguishing marks; misappropriation of rights or honors.

Damaging of information, data and computer programs (art. 635-*bis* c.p.)

The offence is committed when anyone destroys, damages, deletes, alters or suppresses information, data or computer programs of others.

Damaging of information, data and computer programs used by the State or another public body, or in any case, of public interest (art. 635-*ter* c.p.)

The offence is committed when anyone commits an act aimed at destroying, damaging, deleting, altering or suppressing information, data or computer programs used by the State or another public body or related to them, or in any case of public interest.

Damaging of information technology or telematics systems (art.635-*quater* c.p.)

The offence is committed when a person, by means of the behaviour as of article 635-*bis* c.p. or through the introduction or the transmission of data, information or computer programs, destroys, damages, or wholly or partially renders the information technology or telematics systems of others useless or seriously impedes their functioning.

Damaging of information technology or data transmission systems of public interest (art. 635-*quinquies* c.p.)

When damaging of information technology or telematics systems is aimed at destroying, damaging, wholly or partially rendering information technology or telematics systems of public interest useless or seriously impeding their functioning. The penalty is imprisonment, from one up to four years. If such conduct causes destroying, damaging, wholly or partially rendering information technology or telematics systems of public interest useless or seriously impeding their functioning, the penalty is increased.

Computer fraud carried out by a person providing electronic signature certification services (art. 640-*quinquies* c.p.)

It consists in the conduct of a person providing electronic signature certification services who, in order to obtain unlawful profit for himself/herself or others or to cause damages to others, breaches obligations provided by the law for the issuance of qualified certificate.

(iii) ORGANIZED CRIME (ART. 24-*TER* OF LEGISLATIVE DECREE NO. 231/2001)

Criminal association (art. 416 c.p.)

The provision punishes those who participate, promote, constitute or organize an association dedicated to committing offences.

The criminal association offence occurs only if at least three or more persons participate to the association.

Criminal association (art. 416, paragraph 6, c.p.)

Paragraph 6 of article 416 c.p. sets forth a more severe punishment regime in case the association is aimed at committing offences of “*reduction to or maintenance in a state of slavery or servitude*” (art. 600 c.p.), “*human trafficking*” (art. 601 c.p.), “*trafficking of organs taken from living person*” (art. 601-bis c.p.), “*sale and purchase of slaves*” (art. 602 c.p.), as well as at the infringement of “*provisions concerning the discipline of immigration and new rules on the condition of foreigner*” (article 12, paragraph 3-bis, Legislative Decree no. 286/1998) and of articles 22, paragraphs 3 and 4, and 22-bis, paragraph 1, of Law no. 91 of April 1, 1999, referred to transplantation of organs and tissues.

In this respect, art. 24-ter of Legislative Decree No. 231/2001, in line with the above paragraph, provides for monetary sanctions of higher amount if top-level management or individuals subject to the direction or supervision of top-level management commit, in the interest or advantage of the legal entity, one of the offences expressly referred in article 416, paragraph 6, c.p.

Mafia-type association, including foreign ones (art. 416-bis c.p.)

It punishes anyone who is part to a Mafia-type association made up of three or more persons, as well as those who promote, lead or organize it. An association can be labelled as a mafia-type association when members make use of the intimidating power of the association’s bond and of the subjugation condition and of the code of silence deriving from that, for the perpetuation of crimes to directly or indirectly acquire the management or control of economic activities, concessions, authorizations, contracts and public services, or to obtain unjust profits or advantages for themselves or for others, or to prevent or hinder free exercise of the voting right, or to procure votes for themselves or for others during elections.

Moreover, the Law punishes anyone who promotes, manages or organises the association.

Mafia political election exchange (art. 416-ter c.p.)

It punishes those who accepts the promise to procure election votes through the modalities provided in art. 416-bis c.p., in exchange for money or another benefit or the promise thereof.

Kidnapping of persons for the purpose of robbery or extortion (art. 630 c.p.)

It consists in the conduct of anyone who kidnaps another person to obtain, for himself or for others, the payment of an amount for his/her liberation as unlawful income.

Association for the illicit traffic of narcotic drugs or psychotropic substances (art. 74 Presidential Decree (“DPR”) No. 309 of 1990)

It consists in participating in, on one hand, and promoting, constituting, leading, organizing and financing, on the other hand, an association having the purpose of perpetrating a series of offences provided by art. 73 of the DPR 309 of 1990 (*i.e.* production, trafficking and detention of illegal narcotic drugs or psychotropic substances).

Such offence occurs if the association is composed by at least three persons.

(iv) MONEY FORGERY, PUBLIC CREDIT CARDS, REVENUE STAMPS AND IDENTIFICATION INSTRUMENTS OR SIGNS OF RECOGNITION (ART. 25-BIS OF LEGISLATIVE DECREE NO. 231/2001)

Money forgery, spending and introduction into the State, with prior agreement, of forged money (art. 453 c.p.)

It punishes who: (i) commits forgeries of national or foreign legal tender money; (ii) alters in any way true money in order to give them the appearance of having higher value; (iii) without taking part to the forgery or alteration, but in agreement with the maker or of an intermediary, introduces into the State territory, or holds or spends or circulates forged or altered money; (iv) acquires or, in any case, receives from the forger, or from an intermediary, forged or altered money in order to circulate them. (v) legally authorized to relevant production, improperly fabricates, abusing the instruments or materials in its availability, quantities of money in excess with respect of stated regulations.

Money alteration (art. 454 c.p.)

It consists in the conduct of anyone who alters the quality of the money, as prescribed in art. 453 c.p., decreasing its value or, in regards to forged or altered money, commits the acts indicated at points (iii) and (iv) of art. 453 c.p. above.

Spending and introduction into the state, without prior agreement, of forged money (art. 455 c.p.)

It punishes who, except the cases contemplated in art. 453 and 454 c.p., introduces into the territory of the State, acquires or holds forged or altered money, in order to circulate them, or spends or circulates them.

Spending of forged money received in good faith (art. 457 c.p.)

It consists in the conduct of a person who spends or circulates forged or altered money received in good faith. It is important to identify the moment when the person has become aware that the money has been forged. The mere possession of forged or altered money, acquired in good faith, does not constitute such offence, save for the case in which it is proven the purpose of the spending and circulation of such forged money.

Revenue stamps falsification, introduction into the State, purchase, holding and circulation of counterfeited revenue stamps (art. 459 c.p.)

Provisions set forth in articles 453, 455 and 457 c.p. apply also to the forgery or alteration of revenue stamps and their introduction into the territory of the State, or to the purchase, holding and circulation of counterfeited revenue stamps. For the purposes of criminal law, “*revenue stamps*” are stamp-impressed paper, revenue stamps, stamps and other equivalent instruments as under special laws.

Counterfeiting watermarked paper in use to fabricate public credit cards or revenue stamps (art. 460 c.p.)

It consists in the counterfeiting of watermarked paper in use to fabricate public credit cards or revenue stamps, or the purchase, possession and sale thereof.

Fabrication or possession of watermarks or instruments to be used in the forgery of money, revenue stamps or watermarked paper (art. 461 c.p.)

It punishes the fabrication, purchase, possession or sale of watermarks, computer programs and data or instruments to be used in counterfeiting or alteration of money, revenue stamps or watermarked paper.

Use of counterfeited or altered revenue stamps (art. 464 c.p.)

It consists in the conduct of a person who has not participated in the counterfeit or alteration of revenue stamps, and, once he/she has received them, being aware of their counterfeit, he/she uses such counterfeited revenue stamps.

Counterfeiting, alteration or use of trademarks or distinctive signs or patents, models and drawings (art. 473 c.p.)

It consists in the conduct of anyone who, while being in the position to be aware of the existence of an industrial property title, counterfeits or alters trademarks or distinctive signs, whether domestic or foreign, of industrial products, or without concurring in the counterfeiting or alteration, makes use of such counterfeited or altered trademarks.

Introduction into the State and trade of products with counterfeited signs (art. 474 c.p.)

It punishes anyone who introduces into the State territory, in order to make profit, industrial products with counterfeited or altered domestic or foreign trademarks or other counterfeited signs; Moreover, it is punished anyone who holds for sale, sells or otherwise circulates such industrial products with counterfeited or altered domestic or foreign trademarks or signs, in order to make profit.

(v) *CRIMES AGAINST INDUSTRY AND TRADING (ART. 25-BIS.1 OF LEGISLATIVE DECREE NO. 231/2001)*

Interference with the freedom of industry or trade (art. 513 c.p.)

It consists in the conduct of anyone who uses violence on things or fraudulent means to prevent or interfere with the exercise of an industry or a trade.

Unlawful competition with threats or violence (art. 513-bis c.p.)

It consists in the conduct of anyone who engages in unlawful competition with threats or violence while performing industrial, trade or productive activities.

Fraud against national industries (art. 514 c.p.)

It punishes the sale or circulation into national or foreign markets of industrial products, having denominations, trademarks, distinctive signs which are counterfeited or altered, causing a damage to the national industry.

Fraud in trading (art. 515 c.p.)

It punishes anyone who, while engaging in a trade activity or in a shop open to the public, delivers to the purchaser a movable thing for another, or a movable thing different from the one that stated or agreed in terms of its origin, source, quality or quantity.

Sale of non-genuine food substances as genuine food (art. 516 c.p.)

It punishes whoever sales or puts into the market non-genuine food substances as genuine food.

Sale of industrial products with mendacious marks (art. 517 c.p.)

It punishes whoever offers for sale or otherwise places into circulation intellectual property or industrial products with domestic or foreign names, trademarks or distinctive marks able to mislead the buyer regarding the origin, source or quality of the work or the product.

Manufacture and trade of goods made by misappropriating industrial property titles (art. 517-ter c.p.)

It punishes whoever, being in the position to be aware of the existence of a title of industrial property, manufactures or industrially uses things or other goods realized by misappropriating an industrial property title or in violation thereof. Moreover, as under art. 517-ter c.p, it punishes whoever, in order to make profit, introduces into the State territory, holds for sale, offers for sale directly to consumers or, in any case, circulates things or other goods carried out by misappropriating a valid industrial property title or violating it.

Counterfeiting of geographic indications or designation of origin of agro-food products (art. 517-quarter c.p.)

It consists in the conduct of counterfeiting or altering the geographic indications or designation of origin of agro-food products.

Moreover, pursuant to art. 517-quarter c.p., it is punished anyone who introduces into the State territory, sells, offers for sale to consumers or otherwise places into circulation such products in order to make profit from this.

(vi) CORPORATE CRIMES (ART. 25-TER OF LEGISLATIVE DECREE NO. 231/2001)

False corporate communications (art. 2621 of Italian civil code (hereinafter, “c.c.”))

It is represented by the conduct of directors, general managers, executives in charge of the drafting of corporate accounting documents, statutory auditors and liquidators who in order to make an unfair profit for themselves or others, in the financial statements, in the reports and in other corporate communications sent to shareholders or the public, as provided by law, knowingly present relevant material facts that are untrue or omit relevant material facts, whose disclosure is required by law on the economic, asset or financial situation of the company or the group to which it belongs, in a way to mislead third-parties.

Minor false corporate communications (art. 2621-bis c.c.)

It is represented by the conduct of those who commit the acts provided by art. 2621 c.c. to a slight degree, taking into account the nature and size of the company and the manner or effects of the conduct. Moreover, the penalty is decreased if the facts referred in art. 2621 c.c. are relevant to companies that do not exceed the limits indicated in paragraph 2 of art. 1 or the Royal Decree 16 March 1942, no. 267 (*i.e.* in the previous three financial years, the company had an asset corresponding to an annual total amount not exceeding three-hundred thousand euros, had obtained, in the three previous exercises, gross revenues for an amount not exceeding two-hundred thousand euros, and had debts, even not overdue, not exceeding five-hundred thousand euros).

False corporate communication of listed companies (art. 2622 c.c.)

It is represented by the conduct of directors, general managers, executives in charge of the drafting of corporate accounting documents, statutory auditors and liquidators of listed companies in the Italian Stock Exchange market or of another UE Country who, in order to make an unfair profit for themselves or others, in the financial statements, in the reports and in other corporate communications sent to shareholders or the public, knowingly present material facts that are untrue or omit relevant material facts, whose disclosure is required by law on the economic, asset or financial situation of the company or the group to which they belong, in such a way as to mislead third-parties on the aforementioned situation.

Other companies equivalent to the ones above are:

- 1) Companies issuing financial instruments for which a request to be admitted to negotiation in the regulated market of Italy or of another UE Country has been submitted;
- 2) Companies issuing financial instruments admitted to negotiation in an Italian multilateral negotiation system;
- 3) Controlling companies of listed companies admitted to negotiation in the regulated market of Italy or of another UE Country;
- 4) Companies which publicly collect and/or manage savings.

Prevented control (art. 2625, paragraph 2, c.c.)

It consists in the conduct of directors who, by concealing documents or with other appropriate artifices, prevent or in all cases impede the carrying out of the control activities legally assigned to the shareholders or other corporate bodies.

Unlawful repayment of contributions (art. 2626 c.c.)

It consists in the conduct of directors who, except for cases of legitimate reduction of corporate capital, repay, also through simulation, contributions to the shareholders or release them from the obligation to contribute.

Illegal distribution of profits and reserves (art. 2627 c.c.)

It consists in the conduct of directors who distribute profits or advance payments regarding profits not effectively earned or which are allocated by law to a reserve, or who distribute reserves, including when not formed with profits, which cannot be distributed by law.

The return of the profits or the reconstitution of reserves before the term of the approval of financial statements approval, extinguish the crime.

Unlawful transactions of shares or quotas or those of the parent company (art. 2628 c.c.)

It consists in the conduct of directors who, except for those cases allowed by law, acquire or subscribe shares or quotas, damaging the integrity of the corporate capital or reserves which cannot be distributed by law or directors who, except for those cases allowed by law, acquire or subscribe shares or quotas issued by the parent company, damaging the corporate capital or reserves which cannot be distributed by law.

If the corporate capital and the reserves are reconstituted within the term for the approval of financial statements referred to the financial year when the conduct was carried out, the crime is extinguished.

Transactions to the detriment of creditors (art. 2629 c.c.)

It consists in the conduct of directors who, in violation of legal provisions which protect creditors, execute reductions in corporate capital, mergers with another company or demerger transactions, causing damage to creditors.

The compensation for damages to the creditors before the judgment extinguishes the crime.

Omission of communication of conflict of interests (art. 2629-bis c.c.)

It punishes the directors or members of the management board of a listed company in the Italian Stock Exchange market or in another EU Country regulated market or with financial instruments distributed among general public in significant numbers, or subject to supervision, who infringe the legal obligation provided by art. 2391, paragraph 1 c.c., (*i.e.* the director must inform the other directors and the Board of Statutory Auditors of any interest had in a specific transaction of the

company, on behalf of himself/herself or of others, specifying its nature, terms, source and importance; if the director is a managing director, he must refrain from carrying out the transaction, entrusting the board of directors with such action; in case of a sole director, he must inform the shareholders' meeting of the company at the next meeting).

Fictitious formation of capital (art. 2632 c.c.)

It consists in the conduct of directors and contributing shareholders who factitiously form or increase the corporate capital, including partially, by means of the assignment of shares or quotas with an overall value higher than the amount of corporate capital, the mutual subscription of shares or quotas, or the significant overestimation of contributions in kind or receivables, or of the assets of the company in the event of a transformation.

Unlawful distribution of company assets among liquidators (art. 2633 c.c.)

It punishes the conduct of liquidators who, by distributing to themselves the company assets before paying the creditors or before constituting the provision of funds necessary to pay creditors, cause damage to these.

The compensation for damages to the creditors before the judgment extinguishes the crime.

Bribery among private individuals (art. 2635, paragraph 3, c.c.)

It consists in the conduct of whoever gives or promises undue money or other benefits, even through interposed person, to directors, general managers, the executives in charge of drafting company financial statements, statutory auditors and liquidators of companies or private entities, as well as to whoever exercises management functions different from the aforementioned ones and whoever is subject to the management or supervision of the said persons, in order to carry out or omit, , acts in violation of the obligations related to their office or obligations of loyalty.

Instigation to bribery among private individuals (art. 2635-bis, paragraph 1, c.c.)

Art. 2635-bis c.c. punishes the corruptive conducts among private individuals, as under art. 2635, paragraph 3 c.c., should the offer or the promise be not accepted.

Illicit influence on the shareholders' meeting (art. 2636 c.c.)

It punishes whoever, in order to obtain undue profit for himself/herself or for others, causes, with simulated and fraudulent acts, to get the majority of the shareholders' meeting, which would not have been obtained without the votes illicitly obtained.

Market manipulation (art. 2637 c.c.)

It consists in the conduct of whoever disseminates false news, or carries out simulated transactions or other artifices concretely able to cause an appreciable alteration in the price of not listed financial instruments or those for which an application for admission to trading in a regulated market has not

been submitted, or affects in a significant manner the trust which the public places in the financial stability of banks or banking groups.

Hindrance to the exercise of the functions of public surveillance authorities (art. 2638, paragraphs 1 and 2, c.c.)

It consists in the conduct of directors, general managers and executives in charge of drafting the corporate accounting documents, statutory auditors and liquidators of companies, entities or organizations and other persons subjected by law to the public supervisory authorities or required to have obligations towards them, who, in the communications to the aforesaid authorities required by law, in order to hinder the exercise of the supervisory functions, represent material facts not corresponding to the truth, on the economic, asset or financial situation of those subjected to supervision or, for the same purpose, wholly or partially conceal with other fraudulent means, facts which they should have communicated concerning the same situation.

Furthermore, article 2638 c.c. punishes directors, general managers, statutory auditors and liquidators of companies, or entities and other persons subjected by law to public supervision authorities or required to have obligations towards them, who in any form whatsoever, including by omitting the communications due to the aforesaid authorities, knowingly hinder their functions.

(vii) *CRIMES OF TERRORISM OR SUBVERSION OF DEMOCRATIC ORDER (ART. 25-QUATER OF LEGISLATIVE DECREE NO. 231/2001)*

Association with the aim of subversion (art. 270 c.p.)

It punishes whoever, within the territory of the State, promotes, establishes, organizes or manages associations aimed at imposing with violence dictatorship of a social class on the others, or, suppresses with violence a social class or, in any case, subverts with violence the socio-economical organisation established within the State.

Association with the aim of terrorism, including international terrorism, or subversion of the democratic order (art. 270-bis c.p.)

In addition to the penalty due to the participation in association with the aim of terrorism or subversion of the democratic order, it is punished also the promotion, constitution, organization, direction and financing of such associations.

From criminal law standpoint, this provision also applies if the acts of terrorism are addressed to a foreign Country, or other international institution or organization.

Support to the members of the associations (art. 270-ter c.p.)

It punishes whoever, without concurring or abetting in the commission of offence, provides refuge, food, hospitality, means of transportation, communication means to persons involved in the associations referred in articles 270 and 270-bis c.p..

It is not punished whoever provides such support in favour of a person with kinship relation.

Enlistment with the aim of terrorism, including international terrorism (art. 270-*quater* c.p.)

It punishes whoever, except for the provision set forth under art. 270-*bis* c.p., enlists one or more persons in order to commit act of violence or sabotage of essential public services, with the aim of terrorism, even against a foreign Country or an international institution or organization.

Enlistment means to enlist armed persons, or the insertion of subjects in a military structure, with a hierarchic relation between commander and his subordinate, either regular or irregular.

Organisation of transfer of persons with the aim of terrorism (art. 270-*quater*.1, c.p.)

It punishes whoever manages, finances or promotes transfer to foreign territories in order to commit acts of violence with the purpose of terrorism, as under 270-*sexies* c.p., except for the provisions set forth under articles 270-*bis* and 270-*quater*.

Training activities with the aim of terrorism, including international terrorism (art. 270-*quinquies* c.p.)

It punishes whoever, except for art. 270-*bis* c.p., trains or provides instructions for the preparation or use of explosive materials, fire arms or other weapons, dangerous and noxious chemical or bacteriological substances, as well as any other technique or method in order to commit act of violence with the purpose of terrorism or sabotage of essential public services, also against a foreign Country, international institutes or organizations.

This article punishes the trained person, or the person who independently trained himself/herself that commits acts univocally aimed to the purposes provided under art. 270-*sexies* c.p..

Financing with the purpose of terrorism (art. 270-*quinquies*.1 c.p.)

It punishes whoever collects, grants or provides goods or money in any way realized, for the purpose of being used, wholly or partially, in order to carry out conducts with the purpose of terrorism as set forth under article 270-*sexies* c.p..

Stealing of goods or money under seizure (art. 270-*quinquies*.2 c.p.)

It punishes whoever steals, destroys, disseminates, suppresses or damages goods or money under seizure for preventing the financing of acts with the aim of terrorism as under art. 270-*sexies* c.p..

Behaviours with the aim of terrorism (art. 270-*sexies* c.p.)

Behaviours with the purpose of terrorism are considered to be those behaviours that, due to their nature and context, can cause a serious damage to a Country or to an international organization and are committed with the aim of frightening the population or forces public authorities or international organisation to act or abstain from acting or destabilize or destroy the fundamental political, constitutional, economic, social structures of a Country or of an international organization, as well as

other terroristic behaviours or committed with the aim of terrorism, as defined in the conventions or other international laws which are binding for Italy.

Attack with the aim of terrorism or subversion (art. 280 c.p.)

It punishes whoever attempts the life or the safety of a person with the aim of terrorism or subversion of the democratic order.

This offence requires the presence of the aim of terrorism or subversion; the concept of terrorism includes the acts meant to spread terror among the population even if not with the aim of political subversion. Within the subversion concept, acts with the aim of subversion of the democratic order are included.

Terroristic attack with lethal and explosive devices (art. 280-bis c.p.)

It punishes whoever acts with the aim of terrorism in order to damage movable or immovable assets of others, by means of lethal and explosive devices. Acts that are carried out only with demonstrative purpose, without actual danger and not causing panic among the public, are not included in this article.

Lethal and explosive devices are intended to be weapons and assimilated materials, as under art. 585 c.p., able to cause significant damages to things.

Acts of nuclear terrorism (art. 280-ter c.p.)

It punishes whoever, with the aim of terrorism as under art. 270-sexies c.p., buys for himself/herself or others, radioactive material, fabricate a nuclear device or comes into its possession.

Kidnapping of a person with the aim of terrorism or subversion (art. 289-bis c.p.)

It punishes whoever kidnaps a person with the aim of terrorism or subversion of the democratic order.

Instigation to commit any of the crimes provided in chapters 1 (“Crimes against the international identity of the State”) and 2 (“Crimes against the national identity of the State”) (art. 302 c.p.)

It punishes the instigation of a person to commit any of the un-intentional crimes provided under Chapters I and II of Title I, Book II of the Italian criminal code for which the law establishes life sentence or imprisonment.

Political conspiracy through agreement (art. 304 c.p.)

It punishes the conduct of a plurality of persons who agree to commit any of the offence as of article 302 c.p. and whoever takes part to such agreement.

Political conspiracy through associations (art. 305 c.p.)

The offence has the same nature of criminal conspiracy as provided under art. 416 c.p. with the difference that it refers to crimes as under art. 302 c.p..

It also differs from the type of conspiracy provided in art. 304 c.p., since a minimum number of three persons is required.

Armed gangs: establishment and participation (art. 306 c.p.)

It punishes whoever either establishes, promotes or organizes armed gangs or simply participates thereto, with different penalties.

Support to participants of conspiracies or armed gangs (art. 307 c.p.)

Except for the cases of concurring in crime or abetting, it punishes whoever provides refuge, food, hospitality, means of transportation, communication means in favour of persons involved in the conspiracy associations or armed gangs, as under articles 305 and 306 c.p..

Emergency measures for the safeguard of the democratic order and public security (art. 1, Decree Law 625/1979, converted with amendments into Law 9 February 1980, no. 15)

In regards to offences committed with the aim of terrorism or subversion of the democratic order, punishable with penalties different from life sentence, the corresponding penalty is increased of its half, save for the existence of circumstances that are constitutive element of the offence.

Seizure, hijacking and destruction of an airplane (art. 1, Law 342/1976)

It punishes whoever, by violent means or threat, commits acts aimed at seizing an airplane or whoever, with violence, treat, fraud, commits acts meant to the hijacking or destruction of an airplane.

Damages to ground installations (art. 2, Law 342/1976)

It punishes whoever, in order to hijack or destroy an airplane, damages the ground installations for the air navigation or sabotages them.

Sanctions (art. 3, Law 422/1989)

It punishes whoever commits acts, with violence and threat, in order to take possession of a ship or of fixed installations or exercises its control over them.

Active Repentance (art. 5, Legislative Decree 625/1979)

This law prescribes that the person guilty for an offence committed with the aim of terrorism or of subversion of the democratic order is not punishable if the same person has voluntarily prevented such event and gives decisive proofs for the exact reconstruction of the event and for the identification of the potential accomplices.

New York Convention of 9 December 1999 (art. 2)

According to this Convention commits a crime, anyone who by any means, directly or indirectly, unlawfully and wilfully, provides or collects funds with the intention that they should be used or in the knowledge that they will be used, in full or in part, in order to carry out:

- a) an act which constitutes an offence as defined under one of the treaties listed in the annex to the New York Convention;
- b) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in a situation of armed conflict.

(viii) OFFENCES INVOLVING PRACTICES OF FEMALE GENITAL MUTILATION (ART. 25-QUARTER.1 OF LEGISLATIVE DECREE NO. 231/2001)

Practices of mutilation of female genitals (art. 583-bis c.p.)

It punishes whoever, without the need of therapeutic treatments, causes female genitals mutilation. According to this article, these practices more specifically are clitoridectomy, excision, infibulation or other similar practice which causes the same effects.

This article also punishes whoever, without the need of therapeutic treatments, causes, in order to mutilate sexual organs, injuries to female genitals, different from the above mentioned, which lead to a physical or mental disease.

Such provisions apply also if the offence is committed abroad by an Italian citizen or by a foreigner resident in Italy, as well as if the offence is suffered by an Italian citizen or by a foreigner resident in Italy. In this case the subject is punished upon request of the Ministry of Justice.

(ix) OFFENCES AGAINST THE PERSON (ART. 25-QUINQUIES OF LEGISLATIVE DECREE NO. 231/2001)

Enslavement or maintenance in a state of slavery or servitude (art. 600 c.p.)

It punishes whoever exercises on another person powers equivalent to the right of property or imposes or maintains a person in a state of a permanent subjection, forcing this latter to work or to accept sexual harassment or forcing it into beggary or to commit illicit acts, resulting in his/her exploitation or forcing him/her to submit to removal of his/her organs.

Such crime occurs when the offence is carried out with violence, threat, deception, abuse of authority or exploitation of a vulnerable situation, physical or mental inferiority or of a situation of necessity, or through a promise or giving of money or other benefits to the person having such authority on the exploited person.

Underage prostitution (art. 600-bis c.p.)

It punishes whoever recruits or instigates to prostitution a person under 18 years old or exploits, takes advantage, manages or controls prostitution of a person under 18 years old as well as takes profit by such practice.

Underage pornography (art. 600-ter c.p.)

It punishes whoever: (i) exploits underage person to make porno-performances or to fabricate pornographic material or sell it; (ii) recruits or instigates underage person to participate to pornographic displays or from such act obtains any profit.

This offence also applies if information or news are spread or disseminated in order to soliciting and exploiting underage person, even by means of free distribution of child porn material.

To the aim of this article, for underage pornography it is intended any displays of explicit sexual acts, actual or simulated, or any displays of underage sexual organs for sexual pleasure.

Possession of pornographic material (art. 600-quater c.p.)

It consists in the offence by anyone who, consciously, acquires and holds pornographic material, made by the exploitation of underage prostitution.

Virtual pornography (art. 600-quater.1, c.p.)

It consists in the offence of a person, as set forth under art. 603-ter and 604-quater c.p., utilizes pornographic material represented by virtual images, made by taking underage images or part of such images.

Virtual images are intended to be those images realized with graphical elaboration that are not wholly or partially associated to actual situations, but the resulting displays made actual unrealistic situation.

Tourism initiatives aimed at the exploitation of underage prostitution (art. 600-quinquies c.p.)

The offence punishes whoever promotes or organizes travel with the aim to the fruition of underage prostitution or other in any way including similar practices.

Human trafficking (art. 601 c.p.)

It punishes whoever enlists, makes someone enter into the State territory, transfers also abroad, transports, give the authority on the person to someone else, gives hospitality to one or more persons in the conditions described as at art. 600 c.p. (*i.e.* slavery or servitude).

The offence is also carried out through deceit, violence, threat, abuse of authority or exploitation of a vulnerable situation, physical or mental inferiority or of a situation of state of necessity, or through a promise or giving of money or other benefits to the person subject to such authority on the exploited person with the aim to induce or force the subjected person to work, to accept sexual abuse, or forcing it into beggary or to commit illicit acts, resulting in his/her exploitation or forcing him/her to submit to removal of his/her organs.

Sale and purchase of slaves (art. 602 c.p.)

It consists in the offence by a person who, except as provide under art. 601 c.p., acquires, sells or cedes a person already under slavery or servitude condition.

Illicit mediation and labour exploitation (art. 603-bis c.p.)

It punishes whoever:

- 1) enrolls manpower with the aim of providing work to third-parties in a condition of exploitation, taking advantage of the state of necessity of workers;
- 2) uses, hires, or employs manpower, also by means of illicit mediation as per point 1 above, by way of subjecting them to a condition of exploitation, taking advantage of the state of necessity of the workers.

The legislator sets forth the following exploitation index which support the judge in order to decide if the worker is subjected to work exploitation: a) the repetition payment of a salary which is explicitly different from the one provided by national or territorial collective labour agreements executed by the most representative national trade unions; b) the repetition of payments clearly disproportionate with respect to the quality or the quantity of work; c) repeated infringement of the provisions related to working hours, rest periods, weekly rest, compulsory leaves, right to holidays,; d) infringement of workplace health and safety provisions; e) degradant working conditions; f) degradant surveillance means imposed to workers; g) degradant accommodation conditions imposed to workers.

Solicitation of Underage people (art. 609-undecies)

It punishes whoever lures young people under sixteen years old to commit the offences prescribed at articles 600, 600-bis, 600-ter, 600-quater c.p., also regarding pornographic material as under art.600-quater.1, 600-quinquies, 609-bis, 609-quater, 609-quinquies and 609-octies c.p..

To lure means any act meant to gather the underage trust through artifices, flatteries, threats addressed also through the web, other networks, or other means of communications.

(x) MARKET ABUSE (ART. 25-SEXIES OF LEGISLATIVE DECREE NO. 231/2001)

Insider trading

Criminal offence (art. 184 of the Italian Unified Finance Act (“TUF”))

Pursuant to article 184 TUF, it is punished anyone who, being in possession of inside information by virtue of his membership to the administrative, management or supervisory body of an issuer, or being part to the capital of an issuer, or due to the exercise of his employment, profession, function, including public function, or office:

- a) acquires, sells or carries out other transactions involving, directly or indirectly, for his own account or for the account of a third-party, financial instruments using such information;

- b) discloses such information to others, outside the normal exercise of his employment, profession, function or office;
- c) recommends or induces others, on the basis of such information, to carry out any of the transactions referred to in paragraph a).

Moreover, this article punishes whoever, being informed of inside information, commits any of the above mentioned actions, in order to prepare or commit offences.

The execution of transactions involving financial instruments pursuant to article 184 of the TUF, paragraph 1, letter a), numbers 2), 2)-bis) and 2-ter)³, only for financial instruments whose price or value depends on or has an effect on the price or value of a financial instrument as those described in points 2) and 2-bis), or relating to auctions on an auction platform authorised as a regulated market for emission allowances, entails the application of a criminal sanction of a fine up to one hundred and three thousand two hundred and ninety one euros and up to three years imprisonment.

Administrative offence (art. 187-bis TUF)

Except for criminal sanctions when the act constitutes a criminal offence (art. 184 of the TUF), anyone who abuses inside information, recommends or induces others to abuse inside information or unlawfully discloses inside information in violation of Article 14 of Regulation (EU) No. 596/2014⁴ shall be punished with a pecuniary administrative sanction ranging from twenty thousand euros to five million euros.

The administrative pecuniary sanctions provided for by this article are increased up to three times or up to the greater amount of ten times the profit achieved or the losses avoided as a result of the offence when, due to the gravity of the fact and the extent of the product or profit of the offence, they appear inadequate even if applied to the maximum.

Market manipulation

Criminal offence (art. 185 TUF)

Market manipulation consists in the dissemination of false news (so-called “*information manipulation*”) or by way of executing simulated transactions or other activities (so-called “*operative manipulation*”) that can cause a significant change to the price of financial instruments.

³ Financial instruments are defined as follows:

2) the financial instruments referred to in Article 1, paragraph 2, of TUF admitted to trading or for which a request for admission to trading has been submitted in an Italian multilateral trading facility, or in another European Union Country;
2-bis) financial instruments traded on an Italian or other European Union Country organized trading facility;
2-ter) financial instruments not previously listed, whose price or value depends on the price or value of a financial instrument mentioned above, or has an effect on such price or value, including, but not limited to, credit default swaps and differential contracts.

⁴ Article 14 – Prohibition of abuse of inside information and unlawful disclosure of inside information. It is forbidden:

- a) to abuse or to attempt to abuse inside information;
- b) to recommend to others that they abuse inside information or induce others to abuse inside information; or
- c) unlawful disclosure of inside information.

A person who committed the act by means of trading orders or transactions carried out for legitimate reasons and in accordance with accepted market practices, pursuant to Article 13 of Regulation (EU) No 596/2014, shall not be punished.

The execution of transactions relating financial instruments listed by Article 180 of TUF, paragraph 1, letter a), numbers 2), 2-bis) and 2-ter)⁵, limited to financial instruments whose price or value depends on the price or value of a financial instrument referred to in paragraphs 2) and 2-bis) or has an effect on that price or value, or relating to auctions on an auction platform authorised as a regulated market for emission allowances, entails the application of a criminal sanction of up to one hundred and three thousand and two hundred ninety-one euros in fines and up to three years imprisonment.

The scope of application is also extended to:

- a) facts concerning spot contracts on goods which are not wholesale energy products, suitable to determine a significant alteration of the price or value of financial instruments listed in article 180, paragraph 1, letter a);
- b) facts concerning financial instruments, including derivative contracts or derivatives for the transfer of credit risk, which are likely to cause a significant change in the price or value of a spot commodity contract, in case the price or value depends on the price or value of such financial instruments;
- c) facts concerning benchmark indices.

Administrative offence (art.187-ter TUF)

Without prejudice to the criminal sanctions when the act constitutes a criminal offence, anyone who carries out market manipulations in accordance with Article 15 of Regulation (EU) No. 596/2014⁶ is punished with a pecuniary administrative sanction ranging from twenty thousand euros to five million euros.

The administrative pecuniary sanctions are increased up to three times or up to the greater amount of ten times the profit achieved or the losses avoided as a result of the offence when, taking into account the criteria listed in article 194-bis and the extent of the product or profit of the offence, they appear inadequate even if applied to the maximum.

(xi) *MANSLAUGHTER OR SERIOUS OR LIFE-THREATENING INJURIES, RESULTING FROM VIOLATIONS OF THE REGULATIONS ON HEALTH AND SAFETY IN THE WORKPLACE (ART. 25-SEPTIES OF LEGISLATIVE DECREE NO. 231/2001)*

Manslaughter committed in violation of the rules on the protection of health and safety at work (art. 589, paragraph 2, c.p.)

⁵ Financial instruments are defined as follows:

2) the financial instruments referred to in Article 1, paragraph 2, of TUF admitted to trading or for which a request for admission to trading has been submitted in an Italian multilateral trading facility, or in another European Union Country; 2-bis) financial instruments traded on an Italian or other European Union Country organized trading facility; 2-ter) financial instruments not previously listed, whose price or value depends on the price or value of a financial instrument mentioned above, or has an effect on such price or value, including, but not limited to, credit default swaps and differential contracts.

⁶ Article 15 – Prohibition of market manipulation.

It is forbidden to engage or attempt to engage market manipulations.

In this regard, Article 25-septies, Legislative Decree. No. 231 of 2001, provides for monetary sanctions and sanctions involving disqualification for cases in which the crime referred to in Article 589 c.p. (the crime of manslaughter is committed by the fact of having caused, through negligence, the death of a person), is committed in violation of the regulations on the protection of health and safety at work.

Negligent personal injury (art. 590, paragraph 3, c.p.)

It consists in the conduct of a person who causes by negligence, serious or very serious personal injury to others, in breach of the workplace accident prevention regulations. The personal injury is severe if:

- 1) the event results in an illness that endangers the life of the injured party, i.e. an illness or an inability to manage ordinary occupations for more than forty days;
- 2) the event weakens in a permanent way a sense or an organ.

The personal injury is very severe, and imprisonment from six to twelve years applies, if from the fact derives:

- 1) a disease that is certainly or probably incurable;
- 2) the loss of a sense;
- 3) the loss of a limb, or a mutilation that makes the limb useless, or the loss of the use of an organ or of the ability to procreate, or a permanent and serious difficulty of speech;
- 4) deformation or permanent disfigurement of the face.

(xii) RECEIVING, LAUNDERING AND USING MONEY, GOODS OR BENEFITS OF ILLICIT ORIGIN, AS WELL AS SELF-LAUNDERING (ART. 25-OCTIES OF LEGISLATIVE DECREE NO. 231/2001)

Receiving stolen goods (art. 648 c.p.)

It consists in the conduct of a person who, in order to obtain an advantage for himself or others, purchases, receives or conceals money or goods originating from any offence whatsoever, or in any case intervenes in having them purchased, received or concealed.

The offence of receiving stolen goods, therefore, requires the existence of a predicate offence, from which the money or goods to be received come. Furthermore, the author of the offence must not be involved in the predicate offence, intervening only subsequently to put the goods back into circulation.

Laundering (art. 648-bis c.p.)

Article 648-bis c.p. punishes whoever, besides the cases of complicity for the offence, substitutes or transfers money, goods or other benefits deriving from an offence not due to any negligence, or carries out other transactions in relation to them, so as to hinder the identification of their criminal origin.

Use of money, goods or benefits of illicit origin (art. 648-ter c.p.)

It consists in the conduct of a person who uses money, goods or other benefits originating from an offence in economic or financial activities.

This offence has double purposes:

- 1) to prevent that money of illicit origin is transformed into clean money;
- 2) to ensure that the capital, even transformed into clean money, can be lawfully used.

Self-laundering (art. 648-ter.1 c.p.)

The present article punishes anyone who, having committed or contributed to commit an intentional crime:

- (i) substitutes the good deriving from the offence with another;
- (ii) transfers, *i.e* changes the ownership of the goods arising from the offence;
- (iii) makes use in economic, financial, business or speculative activities, *i.e.* any type of re-introduction of finances of illicit origin in the legal economic framework.

Such offences shall be carried out in such a way as to hinder the traceability of money, goods or other benefits of illicit origin.

According to the offence of self-laundering, pursuant to article 648-ter.1 c.p., it is punishable the conduct of an individual who directly conceals the proceeds from a crime which was committed by him/her or he/she has concurred to commit. However, it is not punishable who allocates goods of illegal origin procured for mere use or enjoyment of a purely personal nature.

(xiii) CRIMES RELATED TO VIOLATION OF COPYRIGHT (ART. 25-NOVIES OF LEGISLATIVE DECREE NO. 231/2001)

Offences prescribed in the Copyright Law (Law no. 633/1941, "LDA")

Art. 171, paragraph 1, letter a-bis), and paragraph 3 of LDA

Paragraph 1, letter a-bis) consists in the conduct of a person who makes available protected intellectual property, or part thereof, to the public, without any right and for any purpose, by way of inserting such property in telematics networks, by means of any kind of connections.

Paragraph 3 of article 171 of LDA punishes whoever commits one of the following conduct regarding a third-party intellectual property not intended for publication, as well as by way of usurpation of the paternity of the work, or by deformation, mutilation or other change to the work, in the event the author's reputation and honourability results harmed:

- a) copying, transcription, recitation in public, diffusion, sale or put on sale or into commerce or introduction and circulation in the State;
- b) availability to the public, by way of telematics networks, as well as by means of any kind of connections;
- c) display, execution, acting in public or circulation of it with or without changes or additions;

- d) commission of the above acts, as set forth in the aforementioned letters, by means of one of the forms of elaboration prescribed in the LDA;
- e) copy of a number of samples, or execution or reproduction of a number of executions or reproduction bigger than the one to which the author was entitled to execute or reproduce;
- f) re-transmission via filo or radio or recording on phonographic disc or other similar devices.

Art. 171-bis of LDA

It consists in the conduct of a person who unlawfully copies processing programmes in order to gain profit, or for the same purposes, imports, distributes, sells, possesses for commercial or business purposes, or leases programmes contained in devices not marked by stamp of the *Società italiana degli autori ed editori* ("SIAE").

Moreover, it is also punished whoever, in order to gain profit, on non-SIAE marked devices, reproduces, , transfers to another support, distributes, communicates, presents or shows in public the content of a database, or performs the extraction or reuse of a database, distributes, sells or leases a database;

Art. 171-ter of LDA

It consists in the conduct of anyone who, for non-personal use and in order to gain profit:

- a. abusively duplicates, reproduces, transmits or disseminates in public by any process, in whole or in part, a work of invention intended for television, cinema, sale or rental, discs, tapes or similar devices or any other media containing phonograms or video grams of musical, cinematic or audio-visual works or sequences of motion pictures;
- b. abusively reproduces, broadcasts or disseminates in public with any process, work or part of literary, dramatic, scientific or educational, musical or dramatic-musical works, or multimedia, even if incorporated into collective or composite works or databases;
- c. even though he/she has not contributed to the duplication or reproduction, introduces it into the territory of the State, holds for sale or distribution, or distributes, puts on the market, grants to rent or in any event transfers, projects in public, broadcasts by television through any means, broadcasts by the radio, makes public listening of duplications or abusive reproductions referred to points (a) and (b) above;
- d. holds for sale or distribution, puts on the market, sells, rents, cedes in any way, projects in public, transmits by radio or television any kind of process, videotapes, tapes, any support containing phonograms or video grams of musical works, cinematographic or audio-visual or motion picture sequences, or any other media for which, under the LdA, the SIAE's stamp is affixed by the SIAE, without the same mark or with a counterfeit or altered mark;
- e. in the absence of agreement with the legitimate distributor, retransmits or disseminates by any means an encrypted service received by means of devices or parts of device for the decoding of conditional access transmissions;
- f. introduces within the territory of the State, holds for sale or distribution, distributes, sells, leases, cedes with any title, commercially promotes, installs devices or special decoding elements that allow access to an encrypted service without the payment of the fee due;
- g. manufactures, imports, distributes, sells, leases, cedes with any title, advert for sale or lease, or holds for commercial purposes, equipment, products or components, or provides services that have the prevailing purpose or commercial use to elude effective technological measures or to

be primarily designed, manufactured, adapted or made with the aim of making possible or facilitating the circumvention of such measures. Technological measures include those applied or remaining as a consequence of the removal of the same measures as a result of the voluntary initiative of the rights holders, or of agreements between the latter and the beneficiaries of exceptions, or following the enforcement of administrative authority measures or court;

- h. abusively removes or alters electronic information, or distributes, carries on distribution, broadcasts by radio or television, communicates or makes publicly available works or other protected material from which the electronic information has been removed or altered.

It is also punished, under such rule, anyone who:

- 1) reproduces, duplicates, transmits or disseminates abusively, sells or puts into circulation on the market, cedes at any title, unlawfully import more than fifty copies or samples of works protected by copyright and relevant rights;
- 2) for profit purposes, communicates to the public by including in or into a system of telematics networks, by means of connections of any kind, a work protected by copyright or part of it;
- 3) by exercising in an entrepreneurial manner activities of reproduction, distribution, sale or marketing, importing works protected by copyright and related rights, is found guilty of the facts provided for in the preceding paragraph;
- 4) promotes or manages the illicit activities referred to in the previous paragraph.

Art. 171-septies of LDA

It punishes who products or imports of supports not subject to mark, which do not communicate to SIAE, within thirty days from the date of their distribution into the national market or of their importation, the data necessary for their univocal identification and, save that the fact does not constitute a more severe offence, whoever falsely declares to have accomplished the obligations as under 181-bis, paragraph 2 of LDA, deriving from regulations regarding copyright law and relevant rights.

Art. 171-octies of LDA

It punishes whoever fraudulently produces, sells, imports, promotes, installs, changes, utilizes for private or public use devices or part of devices suitable for the decoding of audio visual broadcasts with limited access, via air, via satellite, by cable, both in analogical or digital form. Limited access means all audio visual signals transmitted by Italian or foreign broadcasters so that only a limited group selected by the subject who broadcasts the signal can see them, regardless of the imposition of a payment fee in order to have such service.

(xiv) INDUCEMENT TO WITHHOLD STATEMENTS OR TO MAKE FALSE STATEMENTS TO JUDICIAL AUTHORITIES (ART. 25 DECIES OF LEGISLATIVE DECREE NO. 231/2001)

Inducement to not make statements or to make mendacious statements to the judicial authorities (art. 377-bis c.p.)

It punishes anyone who, with violence or threat or with the offer or promise of money or other benefits, induces a person called upon to make before the courts statements usable in criminal

proceedings, to not make statements or to make mendacious statements, when the person can exercise the right to silence.

(xv) **ENVIRONMENTAL OFFENCES (ART. 25-UNDECIES OF LEGISLATIVE DECREE NO. 231/2001)**

Offences provided under Criminal Code

Environmental pollution (art. 452-*bis* c.p.)

It punishes whoever abusively causes significant and measurable deterioration or impairment of waters and of the air, or of extensive or significant portions of soil or subsoil, of ecosystems, biodiversity, even agrarian, of the flora or fauna.

Environmental disaster (art. 452-*quater* c.p.)

It punishes whoever causes an environmental disaster.

Environmental disaster is intended as: an irreversible alteration of the ecosystem equilibrium; alteration of an ecosystem equilibrium whose remediation results particularly expensive or achievable only with exceptional measures; offence to public safety caused by the extension of the alteration or of its dangerous effects, or related to the number of injured persons or exposed to danger.

Negligent crimes against the environment (art. 452-*quinquies* c.p.)

This article provides a decrease in the penalty in case the facts prescribed under art. 452-*bis* and 452-*quater* c.p. have been committed as a result of negligence or when such behaviours causes danger of pollution or environmental disaster.

Traffic and abandonment of highly radioactive material (art. 452-*sexies* c.p.)

It punishes whoever abusively cedes, acquires, receives, transports, imports, exports, procures for others, holds, transfers, abandons or illegally disposes of highly radioactive material.

Aggravating circumstances (art. 452-*octies* c.p.)

According to art. 452-*octies* c.p., penalties are increased when:

- a) an association prescribed as at art. 416 c.p. is established, exclusively or concurrently, in order to commit the offences as under Title VI-*bis*, Chapter III, Book II of the Criminal Code;
- b) an association prescribed as at art. 416-*bis* c.p. is established to commit the offences as under Title VI-*bis*, Chapter III, Book II of the Criminal Code, or to achieve the management or, in any case, the control of economic activities, concessions, authorisations, public tenders or public service contracts in environmental field;

- c) the associations include public officials or persons entrusted with a public services who carries out functions or execute services in environmental area.

Killing, destruction, capture, taking, keeping of specimens of protected animal or plant species (art. 727-bis c.p.)

It applies in the event of the killing, capture and/or keeping specimens of protected wild animal species as well as the destruction, taking or keeping specimens of protected wild plant species.

Destruction or debasement of habitat within a protected site (art. 733-bis c.p.)

It applies in the event of the destruction of a habitat within a protected site or its debasement, compromising the state of conservation.

Crimes prescribed by the Environment Consolidated Law (Legislative Decree no. 152/2006)

Criminal sanctions (art. 137, paragraphs 2, 3, 5, first and second sentence, 11 and 13 of Legislative Decree no. 152/2006 (“TUA”))

Article 137 TUA represents the most important provision for the protection of water, and it punishes anyone who:

- a. opens or otherwise makes new industrial waste water discharges containing the noxious substances including in the families and groups of substances indicated in Tables 5 and 3 / A of the Annex 5 part Three of TUA, without authorization, or continues to carry out or maintain such discharges after the authorization has been suspended or revoked;
- b. discharges industrial waste water containing the dangerous substances contained in the families and groups of substances indicated in Tables 5 and 3 / A of Annex 5 to Part Three of TUA without observing the requirements of the authorization or other requirements of the competent authority;
- c. in carrying out an industrial waste water discharge, exceeds the limit values set in Table 3 or, in the case of land drainage, in Table 4 of Annex 5 to Part Three of TUA;
- d. does not observe the prohibitions of exemption under Articles 103 and 104 of TUA;
- e. causes the unloading in sea water by ships or aircraft containing substances or materials for which the total ban has been imposed in accordance with the provisions of the relevant international conventions and ratified by Italy, unless they are in quantities such as to be rapidly harmed by the physical, chemical and biological processes that occur naturally at sea and in the presence of prior authorization by the competent authority.

Unauthorized waste management activities (article 256, paragraphs 1, letters a) and b), 3, first and second sentence, 5 and 6, first sentence, TUA)

Article 256 TUA is the main provision for waste management. Specifically, this provision sanctions anyone who:

- a) performs a collection, transport, recovery, disposal, trading and brokering activity in the absence of the required authorization, registration or communication;
- b) establishes or manages an unauthorized dump or landfill intended, even in part, for the disposal of hazardous waste;

- c) performs activities for mixing of waste without permission;
- d) makes temporary storage at the place of production of hazardous medical waste.

Clean-up of contaminated sites (art. 257, paragraphs 1 and 2 TUA)

It consists in the conduct of whoever causes pollution of the soil, subsoil, surface or underground water with a passing of the risk threshold concentrations, if that person failed to, clean up the site in accordance with the plan approved by the competent Authority. In addition, the person who does not make the communication referred to in Article 242 of the T. UA is punished.

The second paragraph of this article provides for a tightening of penalties in the event that pollution is caused by dangerous substances.

Infringement of obligations of communication, of mandatory record keeping and forms (Article 258, paragraph 4, second sentence, TUA)

Article 258, paragraph 4, second period, TUA punishes whoever in the preparation of a certificate of analysis of waste, supplies false indications on the nature, composition and physical and chemical characteristics of waste, or makes use of a false certificate during transportation.

Illegal traffic of waste (art. 259, paragraph 1, TUA)

The rule sanctions anyone who carries out a shipment of waste constituting illicit traffic within the meaning of Article 26 of Regulation (EEC) of 1 February 1993. no. 259, or carries out a shipment of waste listed in Annex II to that Regulation in breach of Article 1, paragraph 3, letters a), b), c) and d) of that regulation.

Organized activities for the illicit traffic of waste (Article 260, paragraphs 1 and 2, TUA)

The provision in question sanctions anyone who, in order to gain an unfair profit, through multiple transactions and through the organization of organized means and continuous activities, cedes, receives, carries, exports, imports, or in any case manages abusively large quantities of waste. In the case of high radioactivity waste, the penalty is increased (Article 260, paragraph 2, TUA).

Waste tracking computer monitoring system (Article 260-bis, paragraphs 6, 7, second and third sentences, and 8, first and second sentences, TUA)

The article sanctions the person who, in the preparation of a certificate of waste analysis, used under the waste traceability control system, provides false information on the nature, composition and physical and chemical characteristics of the waste and the person who inserts a false waste certificate in the data to be provided for waste traceability.

Paragraph 7 , second and third sentences of Article 260-bis of the TUA punishes the person who carries out transportation of hazardous waste and who, during transportation, makes use of a certificate of waste analysis containing false information on the nature, the composition and the chemical-physical characteristics of the waste transported.

Paragraph 8, first and second sentences, of Article 260-bis, of TUA, punishes the transporter who accompanies the transport of waste with a fraudulently altered hard copy of SISTRI - AREA card. The penalty is increased in the case of hazardous waste.

Sanctions (Article 279, paragraph 5, TUA)

It punishes whoever when operating a facility, breaches the limit of the emissions causing as well the exceeding of the limit values for air quality provided for in the regulations in force.

Offences as under the Law no. 150/1992

Import, export, holding, use for profit, purchase, sale, display or holding for sale or for the commercial purposes of protected species (Articles 1, paragraphs 1 and 2, 2, paragraphs 1 and 2, 3-bis, paragraph 1, and 6, paragraph 4, of Law no. 150/1992)

This law governs the offenses relating to the application in Italy of the Convention on International Trade in Endangered Animal and Plant Species, signed in Washington on March 3, 1973, as per Law No 19 of 19 December 1975, No. 874 and Regulation (EEC) No. 3626/82 and subsequent amendments.

In particular, Article 1, paragraphs 1 and 2, punishes those who, in violation of Regulation (EC) No. 338/97 of Council of 9 December 1996 and subsequent implementations and amendments (hereinafter referred to as the "Regulation") for specimen belonging to the species listed in Annex A to this Regulation and subsequent amendments:

- a) imports, exports or re-exports specimens, under any customs procedure, without the prescribed certificate or license, or with an invalid certificate or license within the meaning of Article 11, paragraph 2a, of the Regulation;
- b) omits to comply with the prescriptions for the safety of specimens specified in a license or certificate issued in accordance with the Regulation and with Regulation (EC) No. 939/97 of Commission of 26 May 1997 and subsequent amendments;
- c) c. uses the aforementioned specimens differently from the requirements contained in the authorization or certification measures issued together with the import license or subsequently certified;
- d) d. carries or makes transit, also for third-parties, specimens without the license or certificate prescribed, issued in accordance with the Regulation and Regulation (EC) no. No 939/97 of Commission of 26 May 1997 and subsequent amendments and, in the case of export or re-export from a third Country, party to the Washington Convention, issued in accordance with it, or without sufficient proof of their existence;
- e) e. trades artificially reproduced plants in contravention of the requirements laid down in Article 7, paragraph 1, letter b) of Regulation and of Regulation (EC) No, 939/97 of Commission of 26 May 1997 and subsequent amendments;
- f) f. holds, uses for profit, acquires, sells, exhibits or holds for sale or for commercial purposes, offers for sale or otherwise handles specimens without the required documentation.

If one of the aforementioned conduct is put into effect in the course of carrying out a business activity, the suspension of the license will result as consequence of the sentence. .

Pursuant to Article 3-*bis*, Law no. 150/1992, it is punished who forges or alters certificates, licenses, import notifications, declarations, information communications in order to obtain a license or certificate, use of certificates or fake or altered licenses, in accordance with article 16 paragraph 1 letters a), c), d), e) and l) of the Regulation.

Article 6, paragraph 4 of Law no. 150/1992 punishes anyone who has live specimens of mammals and wildlife reptiles and live specimens of mammals and reptiles from captive reproductions that pose a health and public safety hazard.

Offences as under the Law 549/1993

Cessation and reduction of the use of harmful substances (Article 3, paragraph 6, Law no. 549/1993)

The article of the law in question prohibits the authorization of plants that utilize the substances listed in Table A enclosed with Law no. 549/1993, subject to the provisions of Regulation (EEC) 594/91, as amended and supplemented by Regulation (EEC) 3952/92.

Offenses as under the Legislative Decree no. 202/2007

Intentional pollution caused by ships (Article 8, paragraphs 1 and 2, Legislative Decree no. 202/2007)

The rule in question sanctions the commander of a ship, flying any flag, as well as the crew members, the owner and the ship owner, in case the violation occurred with their concurrence, who deliberately violate the provisions of the art. 4 of Legislative Decree no. 202/2007.

The penalty is increased if the above violation causes permanent damage or, in any case, of particular gravity, to water quality, animal or vegetable species or parts thereof.

Negligent pollution caused by ships (Article 9, paragraphs 1 and 2, Legislative Decree no. 202/2007)

The rule in question sanctions the commander of a ship, flying any flag, as well as the crew members, the owner and the ship owner, in case the violation occurred with their concurrence, due to negligent violation of the provisions as of art. 4 of Legislative Decree no. 202/2007.

The penalty is increased if the above violation causes permanent damage or, in any case, of particular gravity, to water quality, animal or vegetable species or parts thereof.

(xvi) CRIME RELATED TO THE EMPLOYMENT OF ILLEGALLY STAYING THIRD-COUNTRY NATIONALS (ART. 25-DUODECIES OF LEGISLATIVE DECREE NO. 231/2001)

Fixed-term and permanent job (Article 22, paragraph 12-*bis*, Legislative Decree no. 286/1998)

It is punished the employer's conduct that employs foreign workers without a residence permit, or whose permit has expired (and which has not been required the renewal within the terms established by law), revoked or cancelled, in the case more than three people are employed, or if they are minors of non-working age, or if they are subject to other particularly exploitative working conditions.

Provisions against illegal immigration (article 12, paragraph 3, 3bis, 3ter and paragraph 5 of Legislative Decree 286/1998)

Unless the fact constitutes a more serious offense, anyone, in violation of the provisions of this Consolidated Law, promotes, directs, organizes, finances or carries out the transportation of foreigners in the territory of the State or performs other acts aimed at illegally obtaining entry into the territory of the State, or of another State of which the person is not a citizen or has no permanent residence title, is punished with imprisonment from five to fifteen years and with a fine of 15,000 euros for each person in the event that:

- a) the fact concerns the illegal entry or stay in the territory of the State of five or more persons;
- b) the person transported has been exposed to danger to his life or his safety in order to obtain illegal entry or stay;
- c) the person transported has been subjected to inhuman or degrading treatment in order to obtain illegal entry or stay;
- d) the fact is committed by three or more persons in competition with each other or by using international transport services or documents that are counterfeit or altered or in any case illegally obtained;
- e) the authors of the fact have the availability of weapons or explosive materials.

The prison sentence is increased if the facts:

- a) are committed in order to recruit people to be used for prostitution or in any case for sexual or labor exploitation, or they concern the entry of minors to be used in illegal activities in order to facilitate their exploitation;
- b) are committed in order to make profit, even indirectly.

Outside the cases provided for in the preceding paragraphs, and unless the fact constitutes a more serious offense, anyone, in order to obtain an unfair profit from the condition of illegality of foreigners or, in the context of activities punished under this article, favors the stay of these people in the territory of the State in violation of the rules of this Consolidated Law is punished with imprisonment up to four years and with a fine of up to 15,493 euros. When the act is committed in competition by two or more persons, or concerns the permanence of five or more persons, the penalty is increased from a third to a half.

(xvii) *CROSS-BORDER OFFENCES, INTRODUCED BY LAW 16 NO. 146, MARCH 2006, ("RATIFICATION AND IMPLEMENTATION OF THE CONVENTION AND PROTOCOLS OF THE UNITED NATIONS AGAINST CROSS-BORDER ORGANISED CRIME")*

Cross-border offences (Article 3 Law No. 146/2006)

We refer to a transnational offense if the offence is punishable by imprisonment not less than four years in the event of an organized criminal group being involved and:

- a) is committed in more than one State;
- b) or is committed in one State, but a substantial part of its preparation, planning, direction or control takes place in another State;
- c) or is committed in one State, but is involved in an organized criminal group involved in criminal activity in more than one State;
- d) or is committed in a State, but has substantial effects in another State.

As part of the wider definition of transnational crimes, they constitute the offences provided for by administrative liability of legal entities of Legislative Decree No. 231/2001, those indicated in art. 10 of Law no. 146/2006, listed below:

1. Criminal association (article 416 c.p.);
2. Mafia-type association, including foreign ones (article 416-bis c.p.);
3. criminal association for the smuggling of foreign manufactured tobacco (article 291-*quater*, Presidential Decree no. 43 of 23 January 1973);
4. Association for the illicit traffic of narcotic drugs or psychotropic substances (article 74 of Presidential Decree no. 309 of 9 October 1990);
5. disposition against the illegal immigration (article 12 of Legislative Decree no. 286 of 25 July 1998);
6. inducement to not make statements or to make mendacious statements to the legal judicial authorities (article 377-bis c.p.);
7. personal aiding and abetting (article 378 c.p.);
8. illicit brokering mediation and labour exploitation (article 603-bis c.p.).

(xviii) RACISM AND XENOPHOBIA CRIMES (ARTICLE 25-TERDECIES, LEGISLATIVE DECREE No. 231 OF 2001)

Offences of racism and xenophobia (Article 3 paragraph 3-bis of 13 October 1975, No. 654)

Every organization, association, movement or group is punished, which has among its own scope incitement to discrimination or violence for racial, ethnic, national or religious reasons, as well as propaganda or instigation and incitement, committed in such a way that may give rise to concrete danger of diffusion, based in whole or in part on the denial of the Holocaust or the crimes of genocide, crimes against humanity and war crimes, as defined in articles 6, 7 and 8 of the Statute of the International Court ratified pursuant to the law of 12 July 1999, No. 232.