



PROCEDURE

“KEEPING AND UPDATING THE REGISTER OF PERSONS WHO HAVE ACCESS TO INSIDE INFORMATION IN FINMECCANICA”

Procedure no. 10	Issue	
	DATE: 6 th July 2007	SIGNED BY: PAD Ing. P.F. Guarguaglini

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1. FOREWORD

Italian Law no. 62 of 18th April 2005 introduced Market Abuse provisions into the Italian jurisdiction, and amended the Consolidated Law on Finance (Article 115 *bis*) and the Issuers' Regulations (Articles 152 *bis et seq.*) (see Appendix A) providing for the mandatory drawing up and regular update of the Register of Natural and Legal persons having access to inside information (hereinafter "the Register") in the course of their employment or professional activities or while exercising duties on behalf of the listed Company and/or its Relevant Subsidiaries.

This Procedure refers to the provisions contained in the Procedure entitled "Keeping and Updating the Register of Persons who have Access to Inside Information in FINMECCANICA", sections no. 3 Legislative Framework, no. 4 Scope of Application, no. 5 Definitions, no. 6.1 Person responsible, no. 6.2 Persons entered in the Register, no. 6.3 Structure and content – details to be provided for each Person entered in the Register, no. 8 Obligations of Persons entered in the Register, no. 9 Non compliance with the Procedure, no. 10 Penalties.

2. PURPOSE

The present Procedure defines the scope of application, roles and responsibilities relating to the management of, and the search for, information contained in the Register of those Persons in Finmeccanica who have access to inside information, so as to ensure the correct access to, management, consultation, retrieval and publication of, such information as may be required by the appointed Authority.

3. REGISTER

3.1 PERSON RESPONSIBLE

The Register shall be kept by the Audit Department.

The Audit Manager shall identify the Person Responsible for the Register, who shall be appointed by means of a specific Service Order.

The Person Responsible shall be assisted, in managing the Register, by an assistant who shall carry out similar duties to those carried out by the Persons in Charge in the Relevant Subsidiaries.

3.2 PERSONS ENTERED IN THE REGISTER

The Section of the Register pertaining to Finmeccanica contains the names or company names of the following:

- Chairman and Chief Executive Officer, Directors, Chairman of the Board of Statutory Auditors, and the Statutory Auditors;
- Secretary of the Board of Directors;
- Members of the Supervisory Body;
- General Manager and Co-General Managers;
- Executive Vice Presidents;
- Executive Managers in charge of the following Departments/Functions:
 - Director of the Administration and Control Department
 - Director of the Group Finance Department
 - Director of the Legal and Corporate Affairs Department
 - Director of the Strategy Department
 - Director of the Washington Office
 - Director of the Communications Department
 - Director of the Marketing and Sales Department
 - Director of the USA/UK Operations Office
 - Director of the Audit Department
 - Responsible of the Administration and Accounts Function
 - Responsible of the Control Function
 - Responsible of the Mergers and Acquisitions Function
- Assistant to the General Manager
- all those persons who cooperate, insofar as it is required, on the basis of those functions performed, with the Chairman and Chief Executive Officer, the General Manager, the Co-General Managers, the Executive Vice Presidents and the Executive Managers in charge of the aforementioned Departments/Functions;
- Secretary of the Strategic Committee, if appointed;
- the firm appointed for the auditing, and in the name and on behalf of said firm, the Partner responsible for the work in question;
- consultants their professional services on the basis of a paid consultancy or service provision agreement lasting more than one year, who have access to the Information.

4. MANAGEMENT OF THE REGISTER

The Register is managed in accordance with the guidelines set out in the Document “R.A.P. Guidelines”.

4.1 UPDATING THE REGISTER

In order to update the Register, the Departments listed below shall complete attachments B and B1. It should be noted that attachment B1 shall be completed in the event of inclusion either in the permanent or occasional sections, while attachment B shall only be completed in the event of opening a project, and it must be followed by attachment B1.

- The secretary’s offices of the Chairman and Chief Executive Officer, of the General Manager, of the Co-General Manager shall transmit the names and information required for the updating of the Register, relating to those persons who in the course of their employment have regular or occasional access to inside information;
- the Human Resources Department shall transmit the names and information required for the updating of the Register, relating to the General Manager, the Co-General Managers, the Executive Vice Presidents and the Heads of Departments/Functions in Finmeccanica;
- the Legal and Corporate Affairs Department shall transmit to the person responsible for the Register, the names and information required for the updating of the same Register, relating to Board Directors, Members of the Board of Statutory Auditors, and the Secretary to the Board of Directors;
- the Administration and Control Department shall transmit to the Person Responsible for the Register the names and information required for the updating of the Register, relating to the Independent Audit Firm appointed to audit the annual and interim financial statements;
- the Audit Department shall transmit to the Person Responsible for the Register, the names and information required for the updating of the Register, relating to the Members of the Supervisory Body, as foreseen in the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001;
- the Investor Relations Department shall transmit to the Person Responsible for the Register the names and information required for the updating of the Register relating to the Rating Agencies appointed to evaluate credit rating;
- the Group Finance Department shall transmit to the Person Responsible for the Register the names and information required for the updating of the Register relating to the Banks that organize and implement funding programmes in favour of Finmeccanica, which are of particular importance for the financial stability of the borrowers in question;
- the Finmeccanica Heads of Department/Function in question shall:

- a) identify within their respective areas of competence those Persons Responsible and their respective assistants who, as a result of the positions they hold and the duties they perform, have regular or occasional access to inside information;
 - b) identify, insofar as they are so required, those persons who carry out their professional duties or other functions in favour of Finmeccanica, and who, as a result of the duties they perform, have regular or occasional access to inside information;
 - c) convey the names of those persons identified above at points a) and b), and the respective information required to update the Register, to the Person Responsible for the Register. Notification of the aforesaid information shall be made: i) promptly, in the case of natural or legal persons with regular access to inside information; ii) within five business days following the start of each single project or transaction, in the case of natural or legal persons who have occasional access to inside information;
- The Finmeccanica Heads of Department/Function in question shall also promptly inform the Person Responsible for the Register of any change in the reasons for which an employee, consultant or external service provider of Finmeccanica or of the Relevant Subsidiaries has been entered in the Register (e.g. organisational changes, the information ceases to be of an inside nature following its disclosure to the market in accordance with the provisions of current legislation);
 - finally, the Finmeccanica Heads of Department/Function in question, shall promptly inform the Person Responsible for the Project, insofar as each is responsible for doing so, of the start of any transaction or project to which inside information may be connected, and in doing so shall provide all available information together with the personal details of the persons in question;
 - any person coming into possession of inside information who has not been already enrolled in the Register for such purposes, shall report the fact immediately (in the form of a “self-declaration”) to the Head of the Department/Function of Finmeccanica in question, who shall then inform the Person Responsible for the Register;
 - any person entered in the Register who becomes aware of having disclosed inside information to persons who, according to company procedures, should not have access to such information, is bound to notify this circumstance to the Head of the Department/Function of Finmeccanica, who shall inform the Person Responsible for the Register;
 - the Person Responsible for the Register, at the moment of each enrolment in the Register and of each updating thereof, shall inform the person in question (see Appendix C) of:
 - his/her inclusion in the Register and of subsequent updates;
 - the obligations deriving from having access to inside information;

- the penalties laid down for insider trading and market abuse offences (as provided for by Title 1-*bis*, Part V, of the Italian Consolidated Law on Finance), or for the unauthorized disclosure of inside information.

4.2 RETENTION OF THE REGISTER

The data concerning those persons entered in the Register, shall be retained for at least five years from the time when the circumstances that led to the inclusion or updating of said data ceased to exist, in accordance with Italian Legislative Decree no. 196/2003.

APPENDIX A

Italian Legislative Decree no. 58 of the 24th February 1998.

Article 115-*bis* (Registers of persons having access to inside information)

1. Listed issuers and persons in a control relationship with them, and persons acting on their behalf or for their account, shall draw up and keep regularly updated a list of the persons who, in the exercise of their employment, profession or duties, have access to the information referred to in Article 114, subsection 1 (“inside information”)¹. CONSOB shall lay down the procedures for drawing up, keeping and updating such Registers.

CONSOB Regulation no. 11971 of the 14th May 1999, implementing Italian Legislative Decree no. 58 of the 24th February 1998.

Omissis

Title VII

PERSONS HAVING ACCESS TO INSIDE INFORMATION

¹ In accordance with the aforementioned Article 114, subsection 1, of the Consolidated Finance Law, inside information is “information of a precise nature that has not been made public, and that directly or indirectly concerns one or more issuers of financial instruments, or one or more financial instruments, which, if it were made public, could significantly affect the prices of those financial instruments”.

2. In relation to derivatives on commodities, inside information shall mean information of a precise nature which has not been made public, relating directly or indirectly to one or more such derivatives, that market traders operating in markets where such derivatives are traded, expect to receive in accordance with accepted market practice in those markets.

3. Information shall be deemed precise if:

a) it refers to a set of circumstances which already exist, or which may be reasonably expected to arise, or to an event which has occurred or which may be reasonably expected to occur;

b) it is specific enough to enable a conclusion to be drawn as to the possible effect of the set of circumstances or the event, referred to in subparagraph *a)*, on the prices of financial instruments.

4. Information which, if made public, would be likely to have a significant effect on the prices of financial instruments, shall mean information that a reasonable investor would presumably be likely to use as one of the elements on which he/she bases his/her investment decisions.

5. In the case of persons charged with the execution of orders concerning financial instruments, inside information shall also mean information conveyed by a client and related to the client’s pending orders, which is of a precise nature, which relates directly or indirectly to one or more issuers of financial instruments, or to one or more financial instruments, which were it made public, could significantly affect the prices of those financial instruments”.

Chapter 1

Registers of persons with access to inside information.

Article 152-*bis* (Establishment and content of the Register).

1. The Register provided for by Article 115-*bis* of the Consolidated Law on Finance shall be kept in a manner which will ensure easy access to, and retrieval of, data.
2. It shall contain at least the following information:
 - a) the identity of any person who has access to inside information on a regular or occasional basis;
 - b) the reason why the person has been entered in the Register;
 - c) the date on which the person was entered in the Register;
 - d) the date of every update of the information concerning the person.
3. Persons required to keep the Register shall record the criteria used in keeping the Register, and the methods used for managing and retrieving data.

Article 152-*ter* (Updating the Register)

1. The Register shall be promptly updated whenever:
 - a) there is any change to the reason why that person is in the Register;
 - b) a new person has to be entered in the Register;
 - c) it becomes necessary to record the fact that someone on the list no longer has access to inside information, and from when such holds true.

Article 152-*quater* (Retention of the Register)

1. The data pertaining to persons entered in the Register shall be retained for at least five years from the time when the circumstances that led to the inclusion or the updating of their data ceased to exist.

Article 152-*quinquies* (Provision of information obligations)

1. Persons subject to the obligation provided for in Article 115-*bis* of the Consolidated Law on Finance shall promptly inform the persons in the Register:
 - a) of their inclusion in the Register and of the updates concerning them;

- b) of the obligations deriving from their having access to inside information, and of the penalties established for offences provided for in Part V, Title *I-bis* of the Consolidated Law on Finance, or in the case of unauthorized disclosure of inside information.

Omissis

CONSOB Communication DME/6027054 of the 28th March 2006

Omissis

Registers of persons with access to inside information

a) Scope of application

101. Article 152-bis, subsection 4, of the CONSOB Regulation allows companies in a control relationship with the issuer, and the issuer itself, to delegate to other companies within the Group, the creation, management and keeping of the Register, provided that company policy regarding the circulation and monitoring of inside information allows the appointed company to perform its duties in full. In this regard, it should be pointed out that in order to take advantage of this power, the Register shall be managed, in the interests of the person responsible for the Register, in compliance with those procedures designed to guarantee the confidentiality of inside information, and without committing any acts constituting market abuse; the provisions contained in Article 114, subsection 4, of the Consolidated Law on Finance shall apply in the case of the intentional or unintentional disclosure of such information to the public. This provision shall also apply to physical persons in a controlling position; in such cases, said persons shall keep records of all persons who have acted in their name or on their behalf.

Characteristics of persons to be entered in the Register

From a general point of view, the list of persons to be entered in Registers does not coincide with that of those persons who are bound to communicate all transactions relating to the buying and selling of an issuer's shares, or of other related financial instruments, under Article 114, subsection 7, of the Consolidated Law on Finance. In particular, with regard to persons within a listed issuer, the number of persons who are to be entered in the Registers is normally significantly greater than the number foreseen by Article 114, subsection 7, of the Consolidated Law. Those persons to be included in the Registers are, in fact, all those who have access to inside information, regardless of their functional level or position held in the organisational structure of the issuer, or in companies in a control relationship with the issuer, or in significant third parties. Persons subject to internal dealing reporting obligations, on the other hand, are identified on the basis of their respective position at the higher levels of the issuer's organisational structure (administration, management and control), as well as on the basis of their capacity to impact the issuer's developments and future prospects, and in the case of other persons, in relation to their regular contact with the persons identified above.

109. Article 115-bis of the Consolidated Law on Finance states that all those persons who “*in the exercise of their employment, profession or duties*” have access to inside information, shall be entered into a register. The European directive on Market Abuse states that those persons who have to be entered in said a register are those working “*for*” those required to maintain said registers. It thus appears clear that the mandatory enrolment in a register refers solely to those persons who work for or in other words in the interest of those bound to keep said registers. Therefore, counterparties in a merger and acquisition transaction, for example, do not have to be entered in said registers. Nevertheless, it should be pointed out that the names of persons who do not work for the person required to keep the register, but who have access, however, to inside information relating to the issuer, may be included within the scope of a CONSOB investigation into market abuse.

d) The nature of access to inside information

Article 115-bis of the Consolidated Law on Finance establishes that the persons entered in the Registers are those who “*have access to inside information*”. Said access does not necessarily imply the effective possession of inside information, which is, however, an essential prerequisite underpinning the forms of abuse of said information provided for by the Consolidated Law on Finance. Indeed, access to inside information should not be considered the “possible consequence” of having access to inside information, otherwise the Registers would include, for example, all the employees of a listed issuer, and thus the rule would lose all effectiveness.

In order to apply the regulations in question correctly, the issuer’s internal procedures for the management of internal flows of inside information have to be taken into account. Consequently, the persons entered in the Registers must be those who, on the basis of said procedures actually have the opportunity to access inside information; said persons are typically those who can come into possession of inside information in a lawful, authorized manner.

The Registers should also contain all those persons who actually come into possession of inside information, even if only on an occasional basis.

In regard to this, it should be pointed out that the regulations in question also attempt to encourage those persons obliged to keep a Register, to implement a pro-active approach to the circulation and monitoring of inside information.

The nature of inside information, access to which results in the mandatory enrolment in the register, coincides with the definition provided by Article 181 of the Consolidated Law on Finance. In particular, said article lays down that information shall be deemed to be precise if it refers to a set of circumstances or events that arise or that can reasonably be expected to arise. It is therefore necessary to record those persons who dispose of inside information relating either to events or sets of circumstances which exists (and must therefore be made public), or to events or sets of circumstances that may reasonably be expected to occur.

e) *Structure of the Register*

In general, the criteria adopted when keeping registers should reflect the choices made by those persons obliged to keep such registers with regard to the circulation and monitoring of inside information, and could therefore differ significantly depending on the specific individual situation of each person.

The issuer is therefore free to establish and manage the register in accordance with its own organizational structure.

In this regard, the register may be either in paper or electronic form. The methods and procedures adopted for the keeping of the register shall, however, be suitable for guaranteeing the following qualitative standards: i) certainty regarding the date of each entry/update; ii) protection of the register to prevent any tampering with its contents. Electronic registers certainly appear to be the more suitable format for the easy, prompt consultation in the event of a CONSOB inspection.

With regard to the methods of registration in, and updating of, the registers, both “*permanent*” or “*functional*” registers, and “*occasional*” registers may be established, in relation to those persons with access to inside information as a result of the positions they hold and the duties they perform. Thus a person may be entered in the register on the basis of the fact that such person works in a given organizational unit which, on the basis of the issuer’s internal procedures regarding the circulation of inside information, has access to certain specific categories, types or sets of inside information.

Registers may also be subdivided into “*categories*” of inside information, rather than into single specific information entries. In particular, lists may be established containing the names of persons possessing inside information at different stages of the information flow: initial (e.g. business units operating at the offices of a merchant bank that handle the receipt of possible inside information by post), intermediate (e.g. organizational units specifically dealing with the circumstances underlying the inside information), advanced (e.g. members of the board of directors), or final (e.g. organizational units responsible for the public disclosure of inside information); the categorization of persons could also be based on a mix of criteria, such as the issuer’s different business activities, or the territorial distribution of the offices or factories. It may also be a good idea to establish a register of those persons with regular access to information about significant events at the initial stage which may subsequently develop further.

The establishment of such “*permanent*” or “*functional*” Registers does not exempt issuers from their duty to enter persons in their register who only have occasional access to inside information. Such persons may be, for example, those handling specific inside information (e.g. relating to a merger and acquisition transaction), or those employees who have come into possession of inside information outside the normal company procedures regulating the flow of inside information underlying “*permanent*” or “*functional*” registers. It therefore appears appropriate that the issuer establish an internal procedure requiring employees already included

in the register, who transmit inside information to persons who, according to internal regulations, are not supposed to have access to such inside information, to notify this fact to the person responsible for managing the register.

Given that the function of the register is to illustrate the connection between inside information and the person with access to that information, it is clear that recording should be made at the time access to inside information takes place.

f) Enrolment in, and cancellation from, the Register

Issuers bound to establish and maintain registers shall ensure that the methods in which enrolment takes place identifies interested parties effectively and monitors the effective functioning of those procedures designed to protect the confidentiality of inside information. In this regard, it is felt that a *self-declaration* mechanism whereby persons who find themselves in possession of inside information, report this fact to the person responsible for the register, is in itself inadequate. Such a mechanism may be foreseen, however, by the issuer's internal regulations, as an oversight instrument to monitor the circulation of inside information.

Article 152-*quarter* of the CONSOB Regulation states that the data pertaining to persons included in the register, shall be retained for at least five years from the time when the circumstances that led to their inclusion or updating ceased to exist. On the basis of this provision, termination of a particular position or office (e.g. that of head of administration), and with it termination of access to a particular type of inside information (e.g. financial reports and accounts) must also be recorded. In such cases, the name of the aforesaid employee shall remain in the register for a further five years as of the date of the last recording coinciding with the aforesaid termination of office.

APPENDIX B

Request for the opening of a Project

Section A

Company name of applicant:.....		
Divisions/departments/functions involved:		
Project shared:	YES ⁽¹⁾	NO ⁽²⁾
Relevant Subsidiaries involved:		

Section B – Description of the Project

<p>Type of Transaction⁽³⁾</p> <p>⁽⁴⁾Company or entity to which the transaction refers/Business Sector/Name /Object of research/Counterparty/Legal claim/Banks Involved</p> <p>NOTES</p> <p>Date of Request:</p> <p style="text-align: right;">SIGNED⁽⁵⁾</p>
<p>(1) If the Project is shared, TICK the YES box and ENTER the names of the Relevant Subsidiaries involved in the Project; then complete Section B</p> <p>(2) If the Project is not shared, TICK the NO box and go on to Section B “Description of the Project”</p> <p>(3) Indicate the type of information, choosing from those types listed in Appendix D</p> <p>(4) According to the type of operation provided above, indicate the relevant data (e.g.: type of operation: Merger – Company to which the operation refers: ALFA)</p> <p>(5) Head of an Internal Department of Finmeccanica or an equivalent figure: Chief Executive Officer of a Relevant Subsidiary; Head of Internal Auditing</p>

APPENDIX B1

Request for enrolment/updating/cancellation

Applicant
Function/Department/Company:
First Name and Surname:
Position held:

Request for enrolment Request for amendment Request for cancellation

Details of the person to be entered in the Register/whose details in the Register require amending/to be cancelled from the Register	
<p>Natural Person</p> <p>Name and Surname:</p> <p>Place and date of birth:</p> <p>Tax Code:</p> <p>e-mail:</p> <p>telephone numbers:</p>	<p>Legal Person</p> <p>Name of Company, Entity or Association:</p> <p>Registered Office:</p> <p>Tax Code:</p> <p><u>Contact person</u></p> <p>Name and Surname:</p> <p>Tax Code:</p> <p>Position held:</p> <p>e-mail:</p> <p>telephone numbers:</p>

Occasional access	Permanent access
Project Code:	Position held:
Activities:	
Notes:	
Date on which the person acquired the inside information requiring registration in the Register:	

APPENDIX C

Important information for Persons entered in the Register

1. Notification of registration or update of details contained in the Register of persons with access to inside information concerning the Finmeccanica Group

In compliance with the provisions contained in Article 152-quinquies of CONSOB Regulation no. 11971 implementing Italian Legislative Decree no. 58 of the 24th February 1998, concerning regulation of issuers, and with FINMECCANICA Procedure “Keeping and updating the Register of persons who have access to inside information in Finmeccanica”, as Person Responsible for the keeping of the said Register, I would like to inform you that your personal details have been entered, as of today, in the Register for the following reason (tick the appropriate box):

- by virtue of the position you hold, the duties you perform and the other functions you carry out, you have permanent access to inside information,
- by virtue of your participation in the project/transaction regarding, you have occasional access to the following type(s) of inside information concerning the Finmeccanica Group:.....
- you (or your Company/Professional Association etc.) no longer have/has access to the following type(s) of inside information concerning the Finmeccanica Group:

With regard to the foregoing, I would like to point out that on the basis of the provision of Article 181 of the Consolidated Law on Finance, “inside information” means: (i) information of a precise nature, (ii) that has not been made public, (iii) directly or indirectly concerning Finmeccanica S.p.A. and/or any listed companies it controls, or one or more of the respective financial instruments, and that (iv) if made public, could significantly affect the prices of such financial instruments.

2. Obligations arising from having access to inside information

Persons identified as having access to inside information (and entered in the Register as such) shall:

- a) maintain the confidentiality of the inside information in their possession;
- b) refrain from disclosing such information to others, other than during the normal course of their employment, professional duties, functions or the working of the office.

With regard to the latter obligations, inside information shall only be disclosed through authorized channels, and in accordance with company procedures concerning the classification and handling of the information itself, and subject to the adoption of all necessary precautions required in order to guarantee the confidential nature of such information when circulated.

In any event, inside information may only be divulged to persons subject to confidentiality obligations established by law, regulations, statute or contract.

3. Penalties for insider trading and market abuse, or for the unauthorized disclosure of inside information

Part V, Title I-*bis* of the Consolidated Law on Finance defines the offences of “insider trading” and of “market abuse”, penalizing them as both criminal offences (Articles 184 and 185 of the Consolidated Law on Finance) and administrative offences (Articles 187-*bis* and 187-*ter* of the Consolidated Law on Finance)².

² “**Insider trading**” – both as a criminal offence and as an administrative offence – is committed by anyone in possession of inside information by virtue of (i) his/her membership of the administrative, managerial or supervisory bodies of an issuer, or of (ii) his/her interest in the capital of the issuer, or of (iii) the exercise of his/her duties, profession, function or office, including such as is of a public nature, or of (iv) his/her preparing or carrying out any criminal activities, who:

- a) buys, sells or carries out any other transaction involving, either directly or indirectly, on their own account or for third parties, any financial instruments, using such information (*trading*);
- b) discloses such information to others beyond the normal exercise of his/her duties, profession, function or office (*tipping*);
- c) recommends or induces others, on the basis of such information, to carry out any of the operations cited under a) above (*tuyautage*).

Persons may also be charged with the administrative offence of market abuse if they come into possession of inside information, for whatever reason, and knowing, or being in a position to know, as a result of due diligence, of the confidential nature of such information, then carry out any of the activities listed at points a), b) or c) above.

The offence of “**market**” is committed by anyone who divulges false information, or who simulates transactions, or adopts other fictitious devices actually capable of resulting in a significant change in the price of financial instruments. The definition of the market manipulation as an administrative offence is more detailed in that an administrative penalty may be imposed on anyone who:

- through the media (including the Internet), divulges false or misleading information, news or rumours that are likely to provide false or misleading signals regarding financial instruments;

The penalties foreseen for such criminal offences are as follows:

- imprisonment of between two and twelve years, together with a fine of between 20,000 and 3,000,000 euro, in cases of insider trading;
- imprisonment of between two and twelve years, together with a fine of between 20,000 and 5,000,000 euro, in cases of market abuse.

The penalties foreseen for such administrative offences are as follows:

- a fine of between 100,000 and 15,000,000 euro in cases of insider trading;
- a fine of between 100,000 and 25,000,000 euro in cases of market abuse³

The perpetration of the criminal and/or administrative offences of insider trading and market abuse, may also expose the company in whose interest, or to whose advantage, such offences are committed, to administrative liability and to the consequent administrative pecuniary sanctions provided for by Article 25-*sexies* of Italian Legislative Decree 231/2001 and by Article 187-*quinquies* of the Consolidated Law on Finance.

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- buys or sells, or places orders to buy or sell, giving, or likely to give, false or misleading ideas as to the supply of, the demand for, or the price of, financial instruments;
 - buys or sells, or places orders to buy or sell, in such a way as is likely, through the actions of one person, or of more than one person acting together, to set the market price of one or more financial instruments at an abnormal or artificial level;
 - buys or sells, or places orders to buy or sell, employing fictitious devices or any other form of deception or contrivance;
 - employs other fictitious devices likely to give false or misleading ideas as to the supply of, the demand for, or the price of, financial instruments.

The notion of insider trading and market abuse as both criminal and administrative offences has led to the creation of a “twin-track” system of penalties, whereby criminal penalties can be added to pecuniary administrative penalties.

³ The Consolidated Law on Finance provides for a possible increase of both the criminal fines inflicted pursuant to Articles 184 and 185 of said Law, and of the administrative fines inflicted pursuant to Articles 187-*bis* and 187-*ter* thereof, by up to three times, or up to the greater amount of ten times the product of the offence, or the profit resulting from said offence, if, in view of: (i) the particularly serious nature of the act (in the case of criminal offences only), or (ii) the personal situation of the guilty party, or (iii) the entity of the product of the offence, or of the profit resulting from said offence, or (iv) the sanctions appear inadequate, even if the maximum penalty is applied, in the light of the negative effects the act has had on the market (in the case of the administrative offence of market manipulation only).

Finally, it should be noted that failure to observe those obligations deriving from access to inside information, as indicated herein in section 2, shall result in the following actions:

- in the case of employees of Finmeccanica S.p.A., or of any of its subsidiaries, the adoption of the more suitable measures provided for in the employees' employment contract and in the Italian Civil Code;
- in the case of consultants and external service providers supplying their services to Finmeccanica S.p.A. and/or to its subsidiaries, application of those measures provided for in the respective letter of appointment or consultancy/service provision contract;
- in the event that Finmeccanica S.p.A. and/or its subsidiaries incur administrative fines as a result of the failure to observe the aforesaid obligations, the instigation of an action against those responsible for said infringements aimed at recovering the costs linked to the payment of such fines.

For any further details you may require regarding the above, please write to: Registro@Finmeccanica.it, or call 06/32473255 or 06/32473207.

I would like to inform you that pursuant to Article 13 of Italian Legislative Decree 196/03 – the Personal Data Protection Code (the “Decree”) – FINMECCANICA S.P.A. (“FINMECCANICA”), as data controller, is bound to provide the persons to whom the data refers with certain information regarding the processing of their personal data (the “Processing”), that is, any information regarding such persons.

This information shall permit you to know the nature of the personal data being processed, and purpose and manner of such Processing, any recipients of the data, as well as your rights under the aforesaid Decree.

The personal data entered in the Register in accordance with the aforementioned provisions are: your first name(s), surname, tax code, company, together with the reason why you have been entered in the Register.

No data other than those mentioned shall be processed.

In the future, other personal data of the same kind may be collected and processed for the abovementioned reasons and purposes.

Data processing methods

Data are processed both manually and automatically, in accordance with current legislation, by means of the collection, classification and storage of the documents containing such data. The data in question shall be held at the registered office of FINMECCANICA S.p.A., Piazza

Montegrappa, 4, Rome, in its electronic archives, and when in paper form, such data shall be stored in dedicated filing cabinets under lock and key ; staff have been duly trained in order to guarantee confidentiality and avoid any loss, destruction, unauthorized access or processing, of the data in question.

Your refusal to allow the processing of your personal data will prevent FINMECCANICA from complying with the requirements of law.

Processing of your personal data shall be performed exclusively according with procedures and organizational methods strictly connected to the obligations, duties and purposes of the present letter.

Your data shall be retained solely for the period of time required to meet the purposes for which said data have been collected or subsequently processed in compliance with the requirements of law, and shall be destroyed after a period of five years following the time when the circumstances for their Processing cease to exist.

You will be promptly informed in writing of the cancellation of your data from the Register.

The Person Responsible for data processing and for keeping and updating the Register, is the Person Responsible *pro-tempore* for the Register.

You are kindly requested to return a signed copy of this letter, as acceptance of the terms and conditions set out herein, no later than 7 days following receipt, to:

Finmeccanica S.p.A.
Person Responsible for the Register.....
Piazza Montegrappa, 4
00195 Rome

Yours faithfully,

Person Responsible for the Register

APPENDIX D

Examples of inside information

Although the relevance of individual events or sets of circumstances can only be evaluated on a case-by-case basis, information regarding the following events or sets of circumstances, chosen on the basis of the guidelines provided by the Committee of European Securities Regulators (CESR) ⁽⁴⁾ and by Borsa Italiana S.p.A., may be considered examples of inside information:

ENDOGENOUS INFORMATION (pertaining to the Company's activities)

- entry into, or withdrawal from, core business sectors;
- resignation or appointment of members of the board of directors, or of the board of statutory auditors, of listed companies;
- acquisition or disposal of shareholdings or branches of corporate activity;
- auditing companies foregoing their engagement;
- transactions involving the share capital of Finmeccanica and/or its listed Subsidiaries;
- issue of warrants, bonds or other debt securities by Finmeccanica and/or its listed Subsidiaries;
- changes in the class rights of the listed financial instruments of Finmeccanica and/or its listed Subsidiaries;
- losses that substantially impact the net worth of Finmeccanica or of its listed Subsidiaries;
- mergers and demergers;
- the stipulation, amendment or termination of commercial contracts or agreements;
- completion of the procedures for registering strategically important intangible assets such as inventions, patents or licences (registration of Patents, trademarks, etc.);
- legal disputes that may affect the image and reputation of the Parent Company or its listed Subsidiaries;
- changes to key personnel positions;
- transactions involving Finmeccanica's own shares or those of its listed Subsidiaries;
- submission of applications, or the issue of documents, for recourse to bankruptcy procedures;

⁴ The body uniting the financial market regulatory authorities of the various member states of the European Union.

- application for admission of the company to bankruptcy procedures;
- operations with related parties involving Finmeccanica and/or its listed Subsidiaries;
- increases or reductions in the value of financial instruments in portfolio;
- introduction of innovative processes or products;
- liability or actions for environmental damage;
- substantial changes in investment policy;
- forecast results and quantitative targets for business performance, and any changes in expected earnings or losses;
- accounts for the period and those to be published in the interim and annual reports;
- communications concerning significant new projects, or negotiations and/or agreements regarding the acquisition or sale of equity interests or significant assets;
- information concerning negotiations and/or agreements regarding industrial and technological cooperation, also in the form of joint ventures;
- orders, letters of intent, memoranda of understanding for the various products and/or systems offered by Finmeccanica Group companies;
- audit reports with any findings, negative opinions, or statements declaring the impossibility of expressing an opinion.

EXOGENOUS INFORMATION (pertaining to the Company's business and to factors outside the company sphere)

- changes in sector regulations that are likely to impact Finmeccanica's business (including any measures taken by the Anti-Trust Authorities);
- the provision of public funds for specific productive activities;
- a significant reduction in Government defence spending;
- changes in trading agreements between Sovereign States with which Finmeccanica has business dealings;
- the interruption of diplomatic relations with Countries in which Finmeccanica has representative offices, or with which Finmeccanica has business dealings;
- the presentation of new technologies in business sectors in which Finmeccanica operates.