TAODUE S.r.l.

ORGANISATIONAL, MANAGEMENT AND CONTROL MODEL AS PER LEGISLATIVE DECREE 231/2001

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1. Legislative Decree 231 of 8 June 2001.

1.1 Regulations regarding the administrative responsibility of legal persons, companies and associations

On 8 June 2001, Legislative Decree 231 was issued (henceforth referred to either as the "**Decree**" or "**L. D. 231/2001**"), and became law on 4 July under the title of *"Regulations regarding the administrative responsibility of legal persons, companies and associations with or without legal persons",* introducing for the first time into Italian law (in response to International Conventions that Italy had adhered to for some time) the concept of the administrative responsibility – referring mainly to criminal responsibility – of companies for a series of offences committed, in the interests or to the advantage of the company in question, by:

(i) individuals who hold a representative, administrative or managerial position in the company in question or in one of their organisational units that enjoys financial and functional independence, together with individuals who are responsible for the management and control of the company in question ("*apical" subjects);*

(ii) individuals subordinate to the management or supervision of one of the subjects referred to above.

If the author of the offence is an apical subject, it is presumed that the company is responsible since such a person expresses, represents and carries out the company's management policies. On the contrary, there is no presumption of company responsibility if the author of the offence is part of the subjects referred to in point (ii), since in such a case the subordinate subject's offence is only the responsibility of the company if it is shown that it was only possible to commit the offence because of the failure of the management and/or the supervisory body to carry out the relevant obligations.

This is intended as an additional and not a replacement responsibility for individuals who materially carry out the illegitimate act which, therefore, is governed by common law.

The extension of responsibility is aimed at involving in the repression of illegal acts the assets of the companies (and, definitively, the economic interests of the shareholders) that gain advantages from the commission of the offences or in whose interest the offences are committed. Before the Decree became law, the principle of the "*personality*" of legal responsibility left the companies immune from any sanctions over and above the eventual payment of damages, if applicable.

The Decree is therefore intended to create a model for company responsibility that conforms to the principles of providing guarantees but with a preventive function, since the intention is that by introducing the concept of companies being directly responsible for offences, the companies themselves will be encouraged to organise their structures and business activities in such a way as to ensure that adequate conditions for safeguarding legally protected interests are in place.

The Decree is applied both in the case of offences committed in Italy and offences committed abroad if the company has its main offices in Italy and if the country where the offences were committed has not already taken direct action.

The responsibilities introduced with Legislative Decree 231/2001 are only applicable if the offence is carried out *in the interests* or *to the advantage* of the company, therefore not only if the offence has produced an advantage for the company but also if the offence has been carried out in the *interests* of the company, even if there are no tangible results. However, the company has no responsibility if the author of the crime or administrative offence has operated exclusively in their own interests or in the interests of a third party.

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The *sanctions* imposed on companies can take the form of either *fines* or *disqualification*, the most serious of which include the suspension of licences and concessions, a ban from dealing with Public Officials, a ban from carrying out specific business activities, exclusion from or cancellation of public finance or contributions, and a ban from advertising goods or services.

Fines are applied every time the company commits one of the offences referred to in the Decree. On the contrary, the *banning* measures can only be applied in relation to the offences specifically provided for in the Decree if at least one of the following conditions apply: (i) the company has received a profit of a substantial amount and the offence has been carried out by an apical subject, or by a subject subordinate to the management or supervision of another individual, when the offence was either helped by or carried out as a result of serious management deficiencies; (ii) in the case of offences being committed again.

The *banning* measures– if they are the result of strong proof of the company's responsibility which is then confirmed and if it contains specific elements that give rise to the concrete possibility of further offences of the same nature being committed– can also be applied, on request of the Public Prosecutor, also as a precautionary measure during the investigative process. In addition to these sanctions, the price of or the profit from the offence can also be confiscated (decided on when the guilt has been proven) and, in certain cases, the guilty verdict can also be published.

In addition, should specific conditions exist, the Judge – if banning measures are applied that involve the company from being prohibited from carrying out its business activities – has the right to nominate a commissioner to supervise the business activities for a period equal to the duration of the banning measures that would have been applied.

1.2 Types of illegal conduct or administrative offences

As for the type of ***illegal conduct*** and administrative ***offences*** covered by a company's administrative responsibility, in its original text Legislative Decree 231/2001 referred to a series of offences committed in conjunction with Public Officials (including unjustified receiving of allocations from the State, embezzlement from the State, fraud perpetrated against the State or other public bodies, computer fraud perpetrated against the State, extortion and corruption, etc.).

The original text was integrated by subsequent legislative measures that progressively extended the number of offences which if commissioned could be held to be the responsibility of companies.

In addition to articles **24** (*Unjustified payment of monies, defrauding the State or a public body or of public funds and computer fraud perpetrated against the State or against a public body*) and **25** (*Extortion and corruption*), the following were also introduced:

- **art.24-bis** (introduced by Law 48 of 18 March 2008 at the time of the ratification and execution of the European Council Convention on computer crime, drafted in Budapest on 23 November 2011) with reference to *"computer crime"* and *"illegal processing of data"*;
- **art.24 ter** (introduced by Law 94 of 15 July 2009, referring to "Regulations concerning public safety") with reference to *"offences connected with organised crime"*;
- **art. 25-bis** (introduced by article 6 of Law 409 of 23 November 2001 and subsequently modified by Law 99 of 23 July 2009), with the aim of punishing the offence of "*forging money, public credit notes, revenue stamps and instruments or identity marks*";
- **art. 25 bis.1** (introduced by Law 99 of 23 July 2009, referring to "Regulations concerning the development and internationalisation of companies, including energy"), with reference to *"offences connected with industry and trade"*;
- **art. 25-ter** (introduced by article 3 of Legislative Decree 61 of 11 April 2002), which extended the administrative responsibility of companies to include cases where "*corporate offences"* are committed (such as, for example, issuing false company information, rigging the market, impeding company controls, operations against creditors, etc.), although sanctions for these

offences are limited to fines (and to the confiscation of the cost or profits deriving from the offence);

- **art. 25-quater**, (inserted in the original body of article 3 of Decree 7 of 14 January 2003, referring to ratification of the international convention against financing terrorism), which refers to "*offences connected to terrorism or the subversion of democracy*";
- **art. 25-quarter.1** (introduced by article 8 of Law 7 of 9 January 2006), which refers to *"the practice of mutilating female genital organ"*;
- **art. 25-quinquies** (introduced by article 5 of Law 228 of 11 August 2003 and subsequent integrations to article 10 of Law 38 of 6 February 2006), which is aimed at "*offences against individuals*" (such as, for example, reducing individuals or maintaining individuals in slavery, prostitution and under-age pornography, possession of pornographic material, trade in persons, tourism initiatives aimed at exploiting under-age prostitution, etc.);
- **art. 25-sexies** (introduced by European Community Law in 2004 in adoption of European Community Directive 2003/6/EC), with specific reference to both illegal conduct and administrative offences concerned with "*abuse of inside information*" and "*manipulating markets*";
- **art. 25-septies** (introduced by Law 123 of 3 August 2007 and modified by Legislative Decree 81 of 8 April 2008), with reference to "*manslaughter and culpable serious or very serious injuries committed in violation of the regulations referring to respecting health and safety in the workplace*";
- **art. 25-octies** (introduced by Legislative Decree 231 of 21 November 2007), with reference to the offences of "*receiving, laundering and using money, goods or profits from illegal activities*";
- **art. 25 novies** (introduced by Law 99 of 23 July 2009, referring to "Regulations for the development and internationalisation of companies, including energy") that extended the company responsibility to offences covered by Law 633/41 concerning *"the protection of copyright and other related rights"*;
- **art.25 decies** (introduced by Legislative Decree 116 of 3 august 2009 in ratification and execution of the United Nations Convention against corruption, adopted by the UN General Assembly on 31 October 2003 with resolution 58/4), referring to *"offences connected to inducing individuals into not making statements or into making false statements to judicial authorities"*;
- **art. 25 undecies** (introduced by Legislative Decree 121 of 7 July 2011 in adoption of European Community Directive 2008/99/EC and 2009/123/EC regarding environmental protection) concerning "environmental offences";
- **art. 25 duodecies** (introduced by Legislative Decree 109 of 16 July 2012 in adoption of European Community Directive 2009/52/EC aimed at reinforcing cooperation between member states in the fight against illegal immigration) concerning "the employment of subjects from other countries who are illegal immigrants".

Legislative Decree 231/2001 has also been further extended by the law to "*Ratify and implement the United Nations Convention and Protocols against transnational organised crime*" (Law 146 of 16 March 2006), with particular reference to "*transnational organised crimes*" (such as, for example, criminal association, association with the mafia, migrant trafficking, etc.).

1.3 Organisational, management and control models

In introducing the concept of the administrative responsibility of companies, article 6 of Legislative Decree 231/2001 provides for a specific form of exemption from that responsibility if the company can demonstrate that:

a) the management has adopted and efficiently put into practice, before the offence was committed, *"organisational and management models"* designed to prevent the offences committed;

b) the task of ensuring that the models function and are observed, and that they are kept up-to-date is entrusted to a *department of the company with independent powers to carry out initiatives and checks*;

c) the individuals who carried out the offences did so by fraudulently ignoring the organisational, management and control models in question;

d) there was insufficient or lack of supervision on the part of the department referred to in point (b above.

The company's "e*xemption*" from responsibility depends on the Judge deciding, at the time of the legal trial of the material author (apical or supervised subject) of the illegal actions, if the internal organisational and control system is suitable or not.

Therefore when preparing the *organisational and management models*, the company must ensure that the models are suitable should a judgement be necessary.

Legislative Decree 231/2001 also states that the organisational and management models must be capable of:

1) identifying the areas where the possibility exists that the offences referred to may take place;

2) providing specific protocols aimed at planning the decisions the company must take in deciding on the offences that must be prevented ;

3) identifying the method of administrating the financial resources necessary for preventing these offences being carried out;

4) ensuring that the department entrusted with the task of checking that the model functions and is observed makes all necessary information available;

5) introducing an internal disciplinary system capable of imposing sanctions for failure to respect the measures indicated in the model.

The essential characteristics indicated in the Decree for the construction of an organisational and management model refer to a typical company risk management system.

In addition, in order to ensure that the organisational and management models referring to the types of offences contained in the Decree are efficiently introduced, it is necessary to regularly check and modify them, when appropriate, in relation to any violations discovered and to any changes in the company's organisational structure or business activities.

Legislative Decree 231/2001 also states that organisational and management models can be adopted, if they guarantee the needs referred to above, on the basis of a code of practice drawn up by trades unions representing the category in question, on condition that the code of practice is submitted to the Ministry of Justice which, in collaboration with other relevant Ministries, will issue within thirty days an opinion on whether or not the models are suitable for preventing the offences.

With particular reference to the risks deriving from the commission of offences related to health and safety in the workplace, article 30 of Legislative Decree 81 of 9 April 2008 ("**Testo Unico Sicurezza/single text on safety**") – and reiterated in Legislative Decree 106 of 3 August 2009 – also provides for the presumption that when first introduced company organisational models conform to the expected requirements contained in either the UNI-INAIL guidelines of 28 September 2001 concerning management systems for health and safety in the workplace or to OHSAS 18001:2007 British Standard.

2. The Organisational, management and control model of TAODUE Srl, as per Legislative Decree 231/2001

2.1 General characteristics of the model

In pursuit of the objective of managing the company's business activities on the basis of respecting the values of competence, appropriate behaviour and honesty in all everyday work situations and in concord with the preventive control system already in place, TAODUE Srl (henceforth referred to as "**TAODUE Srl"** or the "**company**") has adjusted its organisational, management and control model (intended as all the general and operational company regulations that are expressed in the company's organisational structure, delegation and power structure, management guidelines, operational practices, disciplinary system and so forth) to conform with the provisions of Legislative Decree 231/2001 (henceforth referred to as the "**Model**"). This has been carried out in the conviction that the adoption of the Model, apart from the requirements of the Decree, constitutes a valid instrument for making the Subjects - as defined below - aware of the need, when carrying out their work, to adopt correct and linear conduct in order to prevent the risk of committing the offences referred to in the Decree.

The Model is applied to TAODUE and was approved by the company's board of directors on *31 October 2012.* The Model applies to all individuals who work for TAODUE, irrespective of the type of professional position they hold, including temporary positions, and, in particular, to those individuals who: (i) hold a representative, administrative or managerial position in the company; (ii) are subordinate to the management or supervision of one of the individuals referred to at point (i) above (henceforth referred to as "**Subjects").**

TAODUE's objective in adopting the Model is to introduce a series of general conduct principles and procedures that are in accordance with Legislative Decree 231/2001 both in terms of the prevention of the illegal conduct and administrative offences referred to in the Decree and in terms of checking that the Model is implemented and that any eventual sanctions are enforced.

The adjustment process for defining the Model was implemented taking into account the provisions of Legislative Decree 231/2001, the Guidelines issued on the subject by Confindustria (including those issued after the Decree came into force and any new offences subsequently included) and the specific initiatives already introduced by the Mediaset Group relating to control (for example, concerning administrative and representative powers, the formulation of the organisational structure, the separation of responsibility assigned to company departments, etc.) and corporate governance.

In particular, the adjustment process was implemented with reference to the specific type of offences provided for in accordance with:

- **articles 24 and 25** of Legislative Decree 231/2001, concerning *offences connected to relations with Public Officials*;
- **article 24 bis**, with reference to computer crime and the illegal processing of data;
- **article 24 ter**, concerning "*offences connected with organised crime*";
- **article 25 bis**, concerning "*forging money, public credit notes, revenue stamps and instruments or identity marks*";
- **article 25 bis 1**, concerning "*offences connected with industry and trade*";
- **article 25-ter**, concerning "*corporate offences*";
- **article 25-sexies**, concerning "*market abuse*;
- **article 25 septies**, concerning "*culpable offences* (manslaughter and serious and very serious culpable injuries) *committed in violation of the regulations referring to respecting health and safety in the workplace"*;

- **article 25 octies**, concerning "*receiving, laundering and using money, goods or profits from illegal activities*";
- **article 25 novies**, concerning offences referred to in Law 633/41 connected with the "*protection of copyright and other related rights*";
- **article 25 decies,** concerning "*offences connected to inducing individuals into not making statements or into making false statements to judicial authorities*";

The control system was evaluated and analysed taking into account the offences included in the Decree, therefore the adjustment process focused on offences that were considered to be more likely to be committed given the nature of the company's business and management structure.

Other types of offences covered by the Decree have been excluded since it is either considered extremely unlikely that they will be committed due to the nature of the activities carried out by TAODUE or because they have not yet been accurately analysed as part of the risk assessment carried out by the company (for example, environmental offences).

The Model will, if necessary, be updated to take account of any further regulations issued as part of the application of Legislative Decree 231/2001. All updating of the Model, both in terms of integrations and modifications, will be carried out with the aim of guaranteeing the effectiveness and suitability of the Model, in relation to its function of preventing any of the offences indicated in the Decree being committed.

2.2 The Mediaset Group's Code of Ethics

The Mediaset Group's Code of Ethics contains the general principles that are intended to regulate the company's conduct when carrying out its corporate purpose and is an essential part of the Model.

The Code of Ethics was drawn up with the aim of clearly defining the values the Mediaset Group recognises, accepts and shares, in the conviction that in order for the company to be successful it is necessary to carry out its business in an ethical way. The Code of Ethics, which was also adopted by TAODUE in December 2010, contains the fundamental ethical principles (such as, for example, honesty, appropriate behaviour, responsibility, etc.) that, affecting all everyday work situations, constitute the essential and functional elements for the correct development of collaboration within the Mediaset Group at every level. In this context, the principles contained in the Code also constitute a useful interpretive reference for the concrete application of the Model within the reality of the Group, with the aim of putting into operation the provisions contained in article 6 of Legislative Decree 231/2001.

The Code of Ethics, the provisions of which are binding for the Subjects, is designed for all individuals who are either employed by or work as consultants for Mediaset or other Group companies (including all directors and statutory auditors). The Code establishes, as a fundamental principle of the Mediaset Group's actions, respect for the law and current regulations and sets out the appropriate behaviour that all Subjects must adhere to when carrying out their everyday work and responsibilities.

Following its adoption, the Code of Ethics was distributed to all the Group's employees and consultants. All contracts of collaboration, supply and, more generally, those concerned with business relations with the companies that are part of the Mediaset Group have been reviewed in order to contain an explicit reference to the Mediaset Group's Code of Ethics (and the company Model), and any non-compliance with the rules contained in the Code may be construed as a failure to comply with contractual obligations.

The importance of the Code of Ethics for the company and Mediaset and the binding nature of the provisions it contains can be attested to by the sanctions that can be imposed in case of violation of the Code, as indicated in paragraph 2.6 below.

2.3 The process of adjusting to the Model: aims and methodology

As referred to above, the decision taken by the Board of Directors of TAODUE to adopt an organisational and management model as per Legislative Decree 231/01 (and to ensure that it is constantly updated) is part of a wider company policy – adopted by all the Mediaset Group – aimed at ensuring that all Subjects are fully aware of the importance of correct, transparent management practices for the company, in accordance with current laws and the fundamental principles of business ethics that must be employed when pursuing the corporate purpose.

The main aim of the Model is to define a structured, organic procedure/regulation system for conduct and control activities, to be carried out mainly as preventive measures in order to prevent – as much as possible - the various types of offences referred to in the Decree from being committed.

In particular, the aim of the Model is to:

- promote and establish a company ethos based on respect of the law and regulations, preventing and where possible limiting the possible risks connected to business activities, with particular attention given to identifying and reducing any illegitimate conduct;
- promote the idea that "*control*" must preside over the importance of meeting the objectives the company sets;
- provide an efficient, balanced company management system, with specific reference to taking decisions and the transparency of those decisions, preventive and subsequent control measures and to external and internal information;
- inform and make the Subjects and, in particular, all the individuals who operate in the name of and on account of TAODUE in those "*areas of business activities at* risk", as defined elsewhere, aware of the possibility that should they infringe the provisions of the Code of Ethics, the Model or the company procedures that refer to it they could incur sanctions of either a legal or administrative nature both for themselves and for the company;
- stress that such forms of illegitimate behaviour, of any type and independently of the aim, are condemned by the company since they are contrary both to the provisions of the law and to the ethical principles adopted by the companies belonging to the Mediaset Group in their business activities and in carrying out the company mission;
- allow the company to intervene in good time, and also for preventive purposes, by means of monitoring those areas of business activities considered to be at risk, in order to prevent and/or deal with the commission of these offences or to apply the disciplinary measures contained in the Model.

In the process of defining the Model, TAODUE made use of a series of consolidated principles regarding corporate governance and internal control. According to these principles a management and risk control system that satisfies the provisions contained in Legislative Decree 231/2001:

(i) identifies and maps out those "*areas of business activities at risk*", that is those areas of company activities where offences may take place;

(ii) analyses the potential risks in the "*areas of business activities at risk*" as identified above, with the reference to the potential methods of carrying out the offences;

(iii) analyses potential risks and evaluates the company preventive control system regarding the commission of offences and, if necessary, defines and adjusts the system.

The Model definition process is therefore divided into two phases:

a) identification and mapping of risks, or an analysis of the company context in order to recognise in which areas/sectors of the business and with which methodology any of the eventual illegal episodes referred to in Legislative Decree 231/2001 may occur;

b) definition of Model, by evaluating the organisational, management and control system of the risks that already exist inside TAODUE and its subsequent adjustment, integrating and modifying the existing

preventive checks and defining new procedures, if necessary, aimed at dealing effectively with the risks identified.

In this way an organisational, management and control system has been defined, aimed at preventing the type of offences referred to in Legislative Decree 231/2001 being committed.

2.4 The "areas of business activities at risk"

On the basis of the results of the process to identify risks carried out by TAODUE, the following *"areas of business activities at risk"* were identified (those business areas where offences could potentially take place):

1) the making of television programmes in cooperation with public bodies;
2) the handling of obligations necessary for obtaining and/or renewing authorisations, licences and/or concessions from Pubblic Officials;
3) the handling of obligations involving Public Officials and Public Supervision Bodies, and dealing with these bodies when they carry out inspections and checks;
4) the handling of legal, extra-judicial and arbitrational procedures;
5) the preparation of company financial statements, quarterly financial reports and reports on company performance and general company information;
6) the management of relations with outside auditors, the Board of Statutory auditors and shareholders;
7) the management of activities connected to the preventions of injuries in the workplace and, in general, to risks connected to the health and safety of employees (also as part of contracts)
8) the purchase and management of rights and brands;
9) the handling and disclosure of sensitive information;
10) the management of financial resources;
11) the planning and production of television programmes and films;
12) the sale of rights and product placement;
13) the management of expenses for gifts and sponsorship, agencies and presents for third parties;
14) the management of the sale of goods and services;
15) the selection and hiring of personnel (for company headquarters and production operations;
16) the management of company computerised systems.

The results of the process of analysing the "*areas of business activities at risk*" are contained in a document that is kept at the company offices.

2.5 The procedures defined by the Model

Once the operations to identify the risks and "*areas of business activities at risk*" have been carried out, the next step involves carrying out a recognition and evaluation of the efficiency of the organisational, management and control system already in place and used inside the company, and documenting, where necessary, the standards and control activities that need to be applied in order to prevent the illegitimate conduct referred to in Legislative Decree 231/2001.

The activities of documenting, integrating and/or modifying the conduct/procedure regulations included in the Model are carried out by the relevant company departments.

Once the process for documenting the existing organisational, management and control procedures and up-dating the procedures/regulations dealing with conduct have been completed, the company **(i)** identifies the procedures referring to the Model, **(ii)** collects them together in documents kept at the company offices, **(iii)** ensures that the Subjects are made aware of their contents and, **(iv)** makes them available for inspection by the Subjects through the company intranet.

The procedures/regulations in the Model that deal with conduct are an integral part of the other organisational guidelines, organisation charts, service orders and the system of attributing authority and company power of attorney - when it refers to the Model – that are already used or operational within the company and which do not need any modifications in order to comply with Legislative Decree 231/2001.

The procedures contained in the Model, just like the other internal company regulations, correspond to general internal control principles aimed at guaranteeing sound and correct management of the company that is consistent with the pre-established aims and, more specifically, in accordance with the provisions of Legislative Decree 231/01. In general, the company's internal control system, delineated with reference to company procedures and other internal company regulations, must be suitable for:

- guaranteeing, as far as company processes are concerned, an adequate level of separation of functions so as to reduce the incidences of conduct that risks being illegitimate and to favour the swift identification of such conduct;
- ensuring that the powers of authority and signature assigned are consistent with the organisational and management responsibility assigned;
- guaranteeing, as far as operational and administrative-accounting activities are concerned, that systems and procedures that ensure the complete and accurate registration of company information and management decisions are used;
- ensuring that financial resources management is carried out in full respect of current laws and that every financial movement is promptly authorised and accurately and completely registered and itemised;
- guaranteeing the traceability of the control and monitoring activities carried out on the operational processes and on the administrative-accounting activities.

2.6 The sanctions system

As per article 6, paragraph 2, letter a) and article 7, paragraph 4, letter b) of the Decree, the definition of a suitable disciplinary system that hinders and sanctions any eventual infringements of the Model and the company conduct/procedure regulations relating to it by apical subjects and/or subjects subordinate to the management or supervision of others, constitutes an indispensable part of the Model and is an essential condition for guaranteeing its efficiency.

In general terms, the inclusion of sanctions commensurate with the offence and which include a *"deterrent mechanism"*, applicable in cases of violation of the Model and company procedures, is intended to contribute to the effectiveness and efficiency of the Model itself and to the efficiency of the control activities carried out by the control and supervisory body.

The company has therefore declared that any violation of the regulations contained in the Code of Ethics or of the principles contained in the Model and in the company conduct/procedure regulations relating to it will result in the application of sanctions to the Subjects involved. Any such violations damage the relationship of trust – based on transparency, correctness, integrity and honesty - with the company and may lead to disciplinary action being taken against the individual in question and sanctions being imposed, regardless of any eventual legal or management proceedings that may arise should the conduct constitute any form of offence and of the results of such proceedings since the Code of Ethics, the Model and the company procedures that refer to it constitute specific conduct regulations that are binding for the Subjects.

Since any violation of the Code of Ethics, the Model or internal procedures is independent of any violation of the law that may constitute a legal or administrative offence as per Legislative Decree 231/01, the evaluation by the company of the conduct by the Subjects may not coincide with the judicial evaluation expressed in a court of law.

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The sanctions and violation procedures differ depending on the different category of Subjects.

Company employees

As referred to above, any conduct by **company employees** which violates the regulations dealing with conduct contained in the code of Ethics, the Model and the company procedures is considered to be in non-compliance with the primary obligations of employment relations and, therefore, is classified as breaking disciplinary regulations.

The sanctions that can be imposed on company employees are those referred to in the company disciplinary system and/or in the sanction system provided for by the specific regulations contained in particular in the CCNL (national collective labour agreement) and the CIA (supplementary company contracts), where applicable, in respect of the procedures contained in article 7 of Law 300/1970 (workers' statute) and eventual special and/or sector regulations applicable.

The TAODUE company disciplinary system is therefore in line with the regulations contained in the Civil Code, the special laws that exist concerning this matter and the provisions contained in the CCNL and the CIA. Any violations are verified and the consequent disciplinary procedures are implemented by the relevant company management structure, in conformity with current legislation and with the provisions contained in the CCNL and the CIA, where applicable.

In any case, the sanctions contained in the contractual provisions currently in force (*verbal warning, a fine of up to the equivalent of 3 hours salary, suspension from work for up to 3 days and dismissal*, as per the national collective labour contract for technicians and employees engaged in film production employed by audio-visual production companies; *verbal warning, written warning, a fine of up to the equivalent of 4 hours salary, suspension from work for up to 10 days and dismissal*, as per the national collective labour contract for employees of private radio-television companies) are applied, taking into account, in particular, the importance of the violation and:

- the gravity of the conduct and, in particular, the degree of intent in the conduct or the degree of negligence, imprudence or malpractice involved;
- the overall conduct of the employee, with particular attention given to the existence or lack of previous disciplinary sanctions and to the repetition of errant conduct;
- the position and/or duties of the employee in question;
- any other relevant, specific circumstances relating to the violation in question.

Disciplinary sanctions can be applied (merely by way of example and by no means exhaustively) in the case of employees who, also together with other individuals, commit violations deriving from:

- failure to respect, in general, the principles of behaviour contained in the Code of Ethics, the Model and in the company procedures that refer to it, also due to neglectful conduct;
- failure to observe the regulations and correct conduct provided for in Italian and international law, which contains organisational and prevention regulations, obviously due to one or more illegitimate actions referred to in the Decree being carried out;
- failure to observe the conduct contained and described in the Code of Ethics, the Model and in the company procedures that refer to it, thereby exposing the company to the risk of offences described in the Decree being committed;

- failure to follow the procedures and/or processes prescribed for carrying out the decisions of apical subjects and/or superiors for organisational and operational activities;
- failure to respect company procedures concerning the recording of evidence of work carried out, with reference to the method of documenting, conserving and checking in such a way as to make it difficult to check the transparency and verify the accurateness of the records in question;
- violation and/or evasion of the control system in force by removing, destroying or altering the documents referred to in company procedures;
- conduct designed to obstruct or avoid authorised individuals, including the Control and Supervisory Board, from checking or having access to information and documents;
- failure to respect the regulations dealing with the power of signature and the authorisation system;
- lack of supervision on the part of the individuals responsible for the conduct of the individuals under their control with regard to the correct and efficient application of the principles contained in the procedures contained in the Code of Ethics, the Model and company procedures that refer to it.

If the disciplinary sanctions deriving from a violation of the code of Ethics, the Model or the company procedures that refer to it are applied to employees with the authority to represent the company, the imposing of sanctions could result in that authority being withdrawn.

Executives

Executives have a relationship with the company that is strongly based on trust, therefore it is essential that company executives respect the principles and provisions of the Code of Ethics, the Model and internal company procedures and that they ensure that these principles are respected.

Since these individuals are also employees of the company, any violations are verified and the consequent disciplinary procedures are implemented by the relevant company management structure, in conformity with current legislation and with the provisions for executives contained in the CCNL for Industrial Executives.

In cases of any violation by executives of the provisions contained in the Code of Ethics, the Model and the company procedures that refer to it, if the executive's conduct when carrying out activities in *"areas of business activities at risk"* does not conform to the provisions of the Code of Ethics, the Model or the company procedures that refer to it, or if any executive allows any subject subordinate to them to conduct themselves in a manner that does not conform to those provisions, the company will apply to the executive in question the most suitable sanctions in relation to the nature of the executive's role in the company as per current legislation and the CCNL for Industrial Executives (in more serious cases the executive can be dismissed either with or without a warning if the conduct constitutes such a serious breach of the work relationship and, in particular, of the trust that it is impossible to continue the work relationship, even on a temporary basis).

If the disciplinary sanctions deriving from a violation of the code of Ethics, the Model or the company procedures that refer to it are applied to executives with the authority to represent the company, the imposing of sanctions could result in that authority being withdrawn.

Consultants, suppliers and/or individuals who have business relations with the company

The company believes that any conduct attributable to individuals outside of the company that could result to the risk of committing one of the offences referred to in the Decree is open to criticism. Therefore, for *consultants, suppliers and/or individuals who have business relations* with Mediaset Group companies, no matter what type of relationship they may have with the companies in question, including a temporary relationship, any failure to comply with the regulations of the Code of Ethics, the Model and company procedures that refer to it could be construed as non-compliance of the contractual obligations agreed on, and may have legal consequences and could lead to the cancellation of the contract and/or the position and to a claim for compensation for damages from the company.

Directors and statutory auditors

The company will closely examine any violation of the Code of Ethics, the Model and the company procedures that refer to it by apical subjects, since they represent the top echelons of the company and project its image to employees, shareholders, creditors and the market. The creation and consolidation of a company ethic based on the values of correctness, honesty and transparency requires that these values apply to and are respected by the individuals who make company decisions, so that they provide an example and stimulate all those, at all levels, who work in and for the company.

Therefore, in the case of any violation by a **director** and/or **statutory auditor** of the principles and provisions contained in the Code of Ethics, the Model and the company regulations, or in the case of their adopting measures when carrying out their duties that go against those principles, the competent company body will be responsible for adopting the most suitable measures, in accordance with the laws currently in force at the time, including the cancellation of the authorisation and/or mandate conferred on the executive in question.

Whether or not any protection measures are invoked, the company has the right to make use of the measures contained in the Civil Code (responsibility and/or compensatory actions).

If the violation is carried out by an apical subject who is also an employee of the company, the disciplinary actions applicable for employees will also be applied.

Control and supervisory body

With reference to the Control and Supervisory Body, in cases where the individuals concerned are employees of the company the sanctions applicable to *"company employees"* and/or *"executives"* are applied, while if the individuals concerned are consultants or similar then the sanctions referred to in the paragraph dedicated to *"consultants"* are applied.

2.7 Control and supervisory body

The company is exempt from administrative responsibility, as per article 6, paragraph 1, letters b) and d) of Legislative Decree 231/2001, if it adopts and efficiently implements an organisational, management and control model suitable for preventing the commission of offences contained in that Decree, which also provides for the setting up of a company body with the independent powers to carry out checks (aimed at ensuring that the Model functions and is observed) and to take independent initiatives designed to guarantee that the Model is constantly updated.

In order to ensure that the Model is effectively and efficiently implemented, it must have the following characteristics: (i) *autonomy* and *independence*, so as to ensure that the body is not involved in the managerial activities it is charged with controlling and inspecting. The position of this body inside the company must be such as to guarantee the independence of its control activities from all forms of interference and/or conditioning by any component whatsoever of the company (and in particular any executive body); (ii) *professionality*, or in other words it must have the necessary experience in controlling and inspecting activities that allows it to carry out the delicate functions attributed to it and it must also have a sound knowledge of the organisational structure of the company. These characteristics, together with its independence, guarantee the objectivity of its judgements, and (iii) *continuity*, or in other words it must constantly dedicate itself – with all the necessary inspection and control powers - in a full-time capacity to ensuring that the Model is respected and that it is constantly updated.

In carrying out the provisions of Legislative Decree 231/01 and in relation to the dimensions and complexity of the business activities carried out by the company, the control and supervisory body (henceforth referred to as the "**Control and Supervisory Board**"), which is considered a corporate body, is nominated by the Board of Directors as per the logic and *infra* criteria described and is composed of three members.

This choice was deemed suitable since it satisfies the need to confer the role and responsibility on individuals who have a sound knowledge of the organisational structure of the company and, at the

same time, guarantee the effective autonomy and independence required of a Control and Supervisory Board. In any case, the components of the board must be regularly evaluated on the basis of the specific characteristics of the company, any legal and judicial developments and the indications expressed by the entities and associations connected to the category.

Requisites

The members of the TAODUE Control and Supervisory Board must have the necessary requisites of honourability – similar to those required of directors of the Company – and professionality commensurate with the position they are to hold and they must not have any reasons for incompatibility or conflict of interests with other functions and/or company responsibilities that could endanger their independence and liberty of action and judgement. The existence and permanence of these requisites must be periodically checked by the Board of Directors of the company both before and during the period the members of the Control and Supervisory Board are in office – at least once a year. Should any member of the Control and Supervisory Board be found guilty of any offence (or benefit from plea bargaining), particularly with reference to the offences covered by the Decree, they will immediately be ineligible or forced to resign from office.

Nomination, duration and revocation

The Control and Supervisory Board is nominated by the TAODUE Board of Directors and remains in office until the end of the mandate of the Board of Directors that nominated it.

In order to guarantee its full autonomy and independence, the Control and Supervisory Board reports directly to the Board of Directors of the company.

Should even one of the requisites of honourability, professionality, absence of incompatibility and/or conflict of interest referred to in the previous section be lacking, the mandate of the member in question will be revoked.

The TAODUE Board of Directors is responsible for revoking the mandate of any member of the Control and Supervisory Board. In cases where any member has their mandate revoked or in the case of expiry, the Board of Directors of the company will undertake to quickly replace the member in question once the requisites referred to above have been checked. The Control and Supervisory Board will be considered to have expired when all its members have been revoked or have completed their mandate. In this case the Board of Directors of the company will be responsible, without delay, for nominating another Body.

Duties and powers

In carrying out its duties, the Control and Supervisory Board, under its direct surveillance and responsibility, is supported by the *Internal Auditing Department* and can, where necessary, request the support of other company departments (such as the Legal Affairs Department, the Company Affairs Department, the Personnel, Organisational and Services Department, etc.) and outside consultants.

The following responsibilities have been conferred on the Control and Supervisory Board:

(i) to ensure that the rules contained in the Code of Ethics, the Model and/or in the company procedures that refer to it are observed by the relevant individuals, signalling any eventual non-compliance and/or deviation from these rules and the sectors that are most at risk, in view of the violations revealed;

(ii) to check the real efficiency and effective capacity of the Model to prevent the offences referred to in Legislative Decree 231/2001 from being committed, with regard to the individual company departments and the business activities carried out;

(iii) to guarantee that over time the Model remains valid and functional;

(iv) to check if there is a need to update the Model where it has been seen that it is necessary to adjust and/or integrate the Model as a result of changes in regulations, modifications to the

company organisation and/or to the method of carrying out the company's business activities or in the case of significant violations of the requirements of the Model and/or of the company procedures that refer to it;

(v) to acquire from the Subjects of the Model the company documents and information necessary for carrying out their responsibilities and tasks;

(vi) to verify that initiatives connected with providing information and training for the subjects about the principles, values and conduct regulations contained in the Model and in the company procedures that refer to it have been carried out, including when requests for clarification have been received and reports have been sent in.

(vii) to verify the adequacy of the initiatives connected with providing information and training about the principles, values and behaviour regulations contained in the Code of Ethics, the Model and in the company procedures that refer to it, and to check the level of awareness the Subjects have of these, with particular reference to individuals who work in "*areas of business activities at risk*";

(viii) to report to the various company bodies.

(ix) to collect, elaborate and store reports and relevant information sent in by the various company departments that refer to the Model and to the company procedures that refer to it and to store the results of the activities carried out and the relevant reports.

In order to carry out its responsibilities, the Control and Supervisory Board can at any time, in accordance with its independence and discretionary powers, carry out checks to verify that the Model and/or the company procedures that refer to it are being applied, and this verification can be carried out by any or all of the Board's members.

In particular these may include:

(i) checks on specific company operations: with this aim the Control and Supervisory Board may periodically check the activities and/or the contracts relating to the "*areas of activities at risk*" and the "*instrumental processes*", in accordance with the modality and frequency established by the Board itself;

(ii) checks on the conduct procedures/regulations adopted: with this aim the Control and Supervisory Board may periodically check on the effectiveness and effective implementation of the conduct procedures/regulations contained in the Model.

Following the aforementioned checks, the modifications periodically made to the regulations and /or the organisational structure and the checks to verify the existence of any new areas of risk or in the case of significant violations of the requirements of the Code of Ethics, the Model and/or to the company procedures that refer to it, the Control and Supervisory Board will inform the company departments involved of any adjustments and updates the Company intends to make to the Model and/or to the relative procedures.

The Control and Supervisory Board will carry out follow-up checks to ensure that the recommended corrective actions are implemented by the relevant company departments.

Should the Subjects have any problems in interpreting or understanding the Model and/or the company procedures that refer to it, they can apply to the Control and Supervisory Board for clarification.

In order to carry out the specific activities of vigilance and control assigned to it, the Control and Supervisory Board will be allocated an annual expenses budget, which will be periodically updated according to the specific needs that emerge, designed to cover all expenses necessary for carrying out the responsibilities referred to above and to ensure that the Board has total financial and managerial independence.

Functioning of the Control and Supervisory Board

The Control and Supervisory Board meets at least once every two months and whenever any of its members deem it necessary.

The minutes must be drawn up for every meeting and signed by all the members. Meetings of the Control and Supervisory Board are valid when all its members are present. The decisions of the Control and Supervisory Board are taken on the basis of a majority vote.

The Control and Supervisory Board has the authority to nominate a secretary, who can also be chosen from outside its members.

Additional operations regarding the functioning of the Control and Supervisory Board can be dealt with by specific regulations.

Information to the various company bodies

With reference to the reporting to the various company bodies, the Control and Supervisory Board provides written reports to the Board of Directors - on the implementation of the Model - and to the Board of Statutory Auditors.

The Control and Supervisory Board can be consulted at any moment by the aforementioned company bodies to report on the functioning of the Model or on specific situations, while in cases of particular necessity on its own initiative it can directly inform the company bodies.

Information given to the Control and Supervisory Board

The Subjects of the Model are required to provide any information requested by the Control and Supervisory Board in accordance with the contents, modality and frequency defined by the Board itself.

Subjects must provide, without hesitation, the Control and Supervisory Board with all information concerning any measures taken by the magistracy, the investigative police or any other public body pertaining to investigations being carried out involving any of the offences covered by Legislative Decree 231/2001 that concern the Company and/or the Subjects.

The Subjects of the Model must also promptly inform the Control and Supervisory Board as soon as possible of any facts they may come into their possession pertaining to the commission of any offences contained in Legislative Decree 231/2001 or to any events or circumstances aimed at carrying out activities that are the competence of the Control and Supervisory Board.

The Control and Supervisory Board will evaluate the information received and take any necessary steps, providing a written reason if it decides not to open an internal inquiry.

The storing of all information and reports gathered by the Control and Supervisory Board is the responsibility of the Board itself, in accordance with regulations, criteria and conditions for access to the data that guarantee its integrity and privacy.

For the purposes of collecting the information referred to above, (and also for clarification purposes and/or for providing information), the Control and Supervisory Board has its own e-mail address that is for the exclusive use of members of the Board and, if nominated, the secretary.

Any eventual violation of the obligation to inform the Control and Supervisory Board on the part of any Subject may result in the application of the sanctions referred to in point 2.6 described above.

2.8 Information and training

In accordance with the provisions contained in Legislative Decree 231/2001, TAODUE is committed to ensuring that the principles and provisions contained in the Model are widely disclosed, partly in order to guarantee that it is effectively adhered to.

Therefore the company regularly defines a disclosure and training plan designed to guarantee that all Subjects are fully aware of the principles and provisions contained in the Code of Ethics, the Model and in the company conduct procedures/regulations that refer to it. The degree to which the Subjects

are familiar with these provisions depends on their roles, responsibilities and duties, as well as on the activities each individual subject carries out. This plan is the responsibility of the relevant company departments, which coordinate with the Control and Supervisory Board.

* * *

As far as *disclosure* is concerned, any adoptions and/or updating of the Model is communicated to all Subjects, and the company undertakes to ensure that a copy of the Model, together with the conduct procedures/regulations that refer to it, is given to the Subjects. The Model is also published on the Mediaset Group Internet site and on the company intranet (where the company procedures that refer to it are also available).

In order to ensure that information concerning the Model is easily accessible, it can be consulted via the company intranet at **"Portal 231"**, has been created that can be accessed through the company intranet and which contains the text of the decree and laws that introduce the various offences the Model refers to, the Code of Ethics, the Model itself, relevant judicial sentences, presentations, case studies and so forth. The published documents are constantly updated to reflect the modifications and/or integrations introduced from time to time to the laws, judicial opinions and the Model, so that the portal constitutes a useful source of support information for all company employees.

The adoptions (and any eventual) updating of the Model are also disclosed and given to individuals outside of the company (such as consultants, suppliers and others who are included in the definition of Subjects). The formal commitment on the part of these Subjects to respect the principles of the Code of Ethics and the Model is contained in specific contractual clauses they are required to accept and sign.

* * *

The contents of training courses are updated to take into account developments both in laws and in the Model itself.

An accurate record is also kept of the training courses held.

The Control and Supervisory Board regularly checks to see that the training programme is being implemented and, if necessary, it can request specific checks be made to ascertain the level of knowledge the Subjects have of the contents of the Decree, the Code of Ethics and the Model and to gauge the operational implications.

The training is aimed at promoting knowledge of the rules of the Decree, to provide a complete picture of the same, the practical implications that derive from those standards and the principles and content on which the model (and the Code Ethics) to all those who are required to know and observe and respect them, contributing to their implementation.

The training contents are, in general, the regulations concerning the administrative liability of entities (and, therefore, the consequences to the Company from any irregularities have been committed by person acting for it), the essential characteristics of the offenses referred on the Decree and, more specifically, the principles contained in the Code of Ethics, in the Model and in the procedures/rules of behavior linked to it as well as the specific purposes that the preventive model pursued in this context.

The training modules are structured in relation to the roles, functions and responsibilities covered by individual recipients as well as the level of risk of the activity in which they operate.

* * *

In keeping with the principles and values expressed in the Code of Ethics and the Model, TAODUE recognises the relevance and importance of the health and safety of employees in the workplace when carrying out their business activities, and it is committed to constantly improving the company

performance in respect of the laws relating to the prevention of accidents and protection in the workplace.

In this context, specific *information and training initiatives* are also carried out on the subject of preventing work-related injuries and, in general, the risks for the health and safety of employees, designed to improve their employees' basic knowledge of operational methods and of the best conduct to assume in the workplace. In particular, the aim of these activities is to make sure that employees (as defined by the Testo Unico Sicurezza/single text on safety and subsequent modifications and integrations) are aware of:

- the role and responsibilities of everybody in the workplace, and how to deal with emergency situations;
- the risk of undesired and dangerous effects on health and safety for people and for the surrounding environment deriving from their work activities and conduct;
- the potential consequences deriving from the failure to respect company procedures and operating instructions.

ATTACHMENT A

Legislative Decree 231 of 8 June 2001 and subsequent modifications and integrations

"Regulations regarding the administrative responsibility of legal entities, companies and associations including those without legal persons "

in accordance with article 11 of Law 300 of 29 September 2000
(G.U. no 140, 19 June 2001, General Series)

The President of the Republic

- having taken into consideration articles 76 and 87 of the Constitution; having taken into consideration article 14 of law no. 400 of 23 August 1988; having taken into consideration articles 11 and 14 of law no. 300 of 29 September 2000 that authorise the Government to adopt, within eight months of it coming into force, a legislative decree concerned with the regulations regarding the administrative responsibility of legal entities, companies, associations and entities without legal persons that do not carry out duties of constitutional relevance according to the principles and criteria policies contained in article 11;
- having taken into consideration the preliminary resolutions of the Council of Ministers, adopted during the meeting of 11 April 2001;
- having heard the opinion of the relevant permanent commissions of the Senate of the Republic and of the Chamber of Deputies, in accordance with article 14, paragraph 1 of the aforementioned law no. 300 of 29 September 2000; having taken into consideration the resolution of the Council of Ministers adopted during the meeting of 2 May 2001;
- following the proposal of the Ministry for Justice in concert with the Ministry for Industry and Trade and the Ministry for Foreign Trade, with the Ministry for EU Policies and the Ministry for the Treasury;

issues the following legislative decree:

ITEM I
ADMINISTRATIVE RESPONSIBILITY OF ENTITIES

SECTION I
GENERAL PRINCIPLES AND CRITERIA FOR ATTRIBUTING ADMINISTRATIVE RESPONSIBILITY

Art. 1 - Subjects

1. The present legislative decree regulates the responsibility of entities for administrative offences.

2. The provisions it contains are applied to entities with legal persons and to companies and associations with or without legal persons.

3. It does not apply to the State, local public entities, non-economic public entities nor entities that carry out duties of a constitutional nature.

Art. 2 – Principle of legality

1. An entity cannot be held responsible for an action that constitutes an offence if its administrative responsibility for that offence and the relative sanctions are not expressly provided for in a law that came into force before the offence was committed.

Art. 3 – Subsequent laws

1. An entity cannot be held responsible for an action that according to a subsequent law no longer constitutes an offence or which no longer provides for the administrative responsibility of the public body, and, if there has been a conviction, the said conviction will not be executed and the judicial effects will be cancelled.

2. If the law that existed when the offence was committed and the subsequent law are different, the law that is more favourable is applied, unless a definitive sentence has been passed.

3. The provisions contained in points 1 and 2 are not applied if dealing with exceptional or temporary laws.

Art. 4 – Offences committed abroad

1. In the cases and under the conditions provided for in articles 7, 8, 9 and 10 of the criminal code, those entities that have their head offices in Italy are also liable to prosecution for offences committed abroad, provided that the State where the offence was committed does not intend to prosecute.

2. In those cases where the law provides that the guilty party is punished on request from the Ministry of Justice, the entity in question will only be prosecuted if the request from the Ministry also involves the entity itself.

Art. 5 – Responsibility of entities

1. Entities are responsible for offences committed in their interests or to their advantage:

a) by individuals who hold the position of representatives, directors or managers of the entity or of one of its organisational units that enjoys financial and functional independence, in addition to individuals who are responsible for the management or control of the entity;

b) by individuals who are subject to the management or supervision of one of the parties referred to in letter a).

2. The entity is not responsible if the individuals referred to in point 1 have acted exclusively in their own interests or in the interests of a third party.

Art. 6 – Individuals in apical positions and the organisational models of entities

1. If the offence has been committed by an individual indicated in article 5, point 1, letter a), the entity is not prosecuted if it can prove that:

a) the management has adopted and efficiently put into effect, before the offence was committed, organisational and management models designed to prevent those types of offences in question;

b) the responsibility for supervising the functioning and observation of the models and their updating has been entrusted to a department of the entity with independent powers of initiative and control;

c) the individuals have committed the offence by fraudulently evading the organisational and management models;

d) there have not been any omissions or insufficient supervision by the department referred to in letter b).

2. In relation to the extension of delegated powers and to the risk of commissioning offences, the models referred to in letter a), point 1, must be capable of carrying out the following:

a) identifying the activities where offences may be carried out;
b) produce specific protocols aimed at planning training and the adoption of the decisions taken by the entity in relation to the prevention of offences;
c) identify methods of managing financial resources suitable for preventing the commission of offences;
d) ensure that the department entrusted with supervising the functioning and the observation of the models provides full information;
e) introduce a disciplinary system that is suitable for sanctioning the failure to respect the measures indicated in the model.

3. The organisational and management models can be adopted, guaranteeing the actions referred to in point 2, on the basis of a code of practice drawn up by the individual entity's representative associations and communicated to the Ministry of Justice which, in concert with other relevant Ministries, can express their opinion on the suitability of the models for preventing offences.

4. In small entities the duties referred to in letter b), point 1, can be directly carried out by the management department.

4.bis In joint stock companies the board of statutory auditors, the supervisory board and the management control committee can carry out the control and supervisory duties referred to in point 1, letter b).

5. Any profit made by an entity as a result of an offence can be confiscated, including in the form of equivalent assets.

Art. 7 – Individuals subject to management by others and organisational models for entities.

1. In the case provided for in article 5, point 1, letter b), the entity is responsible if the commission of the offence was possible due to non-compliance with the obligation for management and supervision.

2. In any case, non-compliance with the obligation for management and supervision is excluded if the entity, before the commission of the offence, adopted and efficiently put into effect an organisational, management and control model suitable for preventing offences of the type carried out.

3. The model includes, in relation to the nature and dimension of the organisation and the type of business activity carried out, measures suitable for guaranteeing that the business activities are carried out in respect of the law and for discovering and quickly eliminating situations at risk.

4. The effective implementation of the model requires:

a) periodic verification and eventual modification of the model when significant violations of the regulations are discovered or when the organisation or its business activities change;

b) a disciplinary system suitable for sanctioning any failure to respect the measures indicated in the model.

Art. 8 – Autonomy of the responsibility of an entity

1. An entity is also responsible when:

a) the author of the offence has not been identified or is not imputable;

b) the offence is no longer punishable for a reason other than an amnesty.

2. Unless the law states differently, an entity is not prosecuted if an amnesty has been granted for an offence it is responsible for and the individual in question has declined the application of the amnesty.

3. An entity can decline the application of an amnesty.

SECTION II
GENERAL SANCTIONS

Art. 9 – Administrative sanctions

1. Sanctions for administrative offences, depending on the offence, are:
a) monetary sanctions;
b) disqualification sanctions;
c) confiscation;
d) publication of the sentence.
2. Disqualification sanctions are:
a) disqualification from carrying out the activity in question;
b) the suspension or cancellation of the authorisations, licences or concessions required for commissioning the offence;
c) prohibition from contracting with the public administration, except for obtaining a public service;
d) the exclusion from subsidies, funding, contributions or grants and the eventual revocation of those already awarded;
e) prohibition from publicising goods or services.

Art. 10 – Monetary administrative sanctions

1. For administrative offences monetary sanctions are always applied.
2. Monetary sanctions are applied in proportion to a number not less than a hundred and not more than a thousand.
3. The amount of a share or proportion is not less than 500,000 lire and not more than 3 million lire.
4. Reduced payment is not allowed.

Art. 11 – Proportioning criteria for monetary sanctions

1. In proportioning monetary sanctions the judge determines the number of shares by taking into account the gravity of the case, the extent of the entity's responsibility and what has been done to eliminate or mitigate the consequences of the offence and prevent the commission of similar offences.

2. The amount of each share is based on the financial and economic situation of the entity in order to ensure the effectiveness of the sanctions.
3. In the cases provided for in article 12, point 1, the amount of the share is always 200,000 lire.

Art. 12 – Cases of reduction of monetary sanctions

1. Monetary sanctions are reduced by half and in any case cannot be more than 200,000,000 lire if:
a) the author of the offence committed the offence mainly in their own interests or in the interests of a third party and the entity did not receive any advantage or received a minimum advantage;
b) the damage caused is particularly slight.
2. The sanctions are reduced by between a third to a half if, before the court hearing opens:
a) the entity has completely refunded the damage and has either eliminated the damaging or dangerous consequences of the offence or taken effective steps in this direction;
b) the entity has adopted and put into practice an organisational model that are suitable for preventing offences of the same type as the one in question;
3. In cases where both the conditions referred to above in letters a) and b) are true, the sanctions are reduced by between a half and two-thirds.
4. In any case, monetary sanctions cannot be less than 20,000,000 lire.

Art. 13 – Disqualification sanctions

1. Disqualification sanctions are applied for those offences for which they are expressly provided for, when at least one of the following conditions exists:
a) the entity has gained a significant benefit from the offence and the offence has been committed by either apical individuals or individuals under the management of others when, in this case, the commission of the offence was determined or helped by grave organisational deficiency;
b) in case of repeated instances of the offence being committed.
2. Disqualification sanctions last for not less than three months and not more than two years.
3. Disqualification sanctions are not applied for those cases referred to in article 12, point 1.

Art. 14 – Criteria employed in applying disqualification sanctions

1. Disqualification sanctions are applied to the specific business activity the offence committed by the entity refers to. The judge determines the type and duration of the sanctions on the basis of the criteria indicated in article 11, taking into consideration the suitability of each individual sanction for preventing the type of offence committed.

2. The prohibition to contract with the public administration can also be limited to specific types of contract or to specific types of public administration. The prohibition from carrying out a business activity involves the suspension or revoking of the authorisation, licence or concession granted for that activity.

3. If necessary, disqualification sanctions can be applied jointly.

4. Disqualification from carrying out an activity is only applied when other disqualification sanctions are inadequate.

Art. 15 – Court appointed administrator

1. If the conditions exist for applying disqualification sanctions that result in the interruption of an entity's business activities, the judge, when applying the sanctions, will arrange for the entity's business activities to continue under a court appointed administrator for a period equal to the duration of the disqualification applied, when at least one of the following conditions applies:

a) the entity provides a public service or a service of public necessity which if interrupted could cause grave harm to the general public;

b) interruption to the entity's business activity could cause important repercussions on employment, as a result of the dimension of the activity and the economic conditions in the area where it takes place.

2. In the sentence providing for the disqualification of the business activity, the judge indicates the responsibilities and powers of the court appointed administrator, taking into account the specific activity where the offence took place.

3. In the context of the responsibilities and powers indicated by the judge, the court appointed administrator is entrusted with implementing organisational and control models suitable for preventing offences of the type in question from being carried out. The court appointed administrator cannot carry out extraordinary administration operations without the authorisation of the judge.

4. Any profit deriving from the continuation of the business activity will be confiscated.
5. A court appointed administrator cannot be assigned to continue a business activity if the disqualification sanction is definitive.

Art. 16 – Disqualification sanctions applied definitively

1. Disqualification from carrying out a business activity may be applied definitively if the entity has obtained a large profit from the offence and has already been found guilty, at least three times in the last seven years, and sentenced to temporary disqualification from carrying out the activity.
2. The judge may sentence the entity to definitively being disqualified from contracting with the public administration or publicising goods or services when the entity has already been sentenced to the same sanctions at least three times in the last seven years.
3. If an entity or one of its organisational units is permanently used for the single or prevalent purpose of carrying out or helping to carry out the offences in question, disqualification from carrying out the business activity is always definitive and the provisions contained in article 17 do not apply.

Art. 17 – Redressing the consequences of an offence

1. Given the application of monetary sanctions, disqualification sanctions are not applied when, before the court hearing opens, the following conditions apply:
a) the entity has completely refunded the damage and has either eliminated the damaging or dangerous consequences of the offence or taken effective steps in this direction;
b) the entity has eliminated the organisational deficiencies that allowed the offence to be committed by adopting and implementing organisational models that are suitable for preventing offences of the same type as the one in question;
c) the entity has made available for confiscation the profit made from the offence.

Art. 18 – Publication of the sentence

1. Publication of the sentence can be ordered when disqualification sanctions are applied to the entity.
2. The sentence is published once, either in part or in total, in one or more newspapers indicated by the judge in the sentence and is also displayed in the council area where the entity has its head offices.
3. The publication of the sentence is arranged by the clerk of the court and paid for by the entity.

Art. 19 - Confiscation

1. The sentence may also include confiscation from the entity of the price or profit from the offence, with the exception of that part which can be restored to the damaged party. Any third parties that have acquired rights in good faith are exempt from this.
2. When it is not possible to carry out the confiscation referred to in point 1, a sum of money or goods or other assets with a value equivalent to the price or profit derived from the offence may be seized.

Art. 20 - Repetition

1. Repetition occurs when the entity that has already been definitively found guilty for an offence commits another within five years of the definitive sentence.

Art. 21 – Multiplicity of offences

1. When the entity is responsible for a multiplicity of offences due to one action or omission or committed as part of the same business activity, and before a sentence, either definitive or not, for one of these offences has been passed, the monetary sanctions provided for the most serious offence, increased by up to one third, are applied. As a result of this increase, the amount of the monetary sanctions cannot in any case be more than the sum of the sanctions applicable for each offence..
2. In the cases referred to in point 1, if the conditions exist for the application of disqualification sanctions for one or more of the offences, the sanctions for the most serious offence are applied.

Art. 22 – Time bar

1. There is a time bar of five years from the date of the offence being committed for administrative sanctions.
2. A request to apply precautionary disqualification measures and challenging an administrative offence in accordance with article 59 interrupts the time bar.
3. If such an interruption takes place, a new five-year period for the time bar begins. Any individual who, when carrying out a business activity for an entity for which sanctions or precautionary disqualification measures have been applied, ignores the obligations or prohibition inherent in the sanctions or measures, is liable to a period of imprisonment of between six months and three years.

In the case referred to in point 1, the entity for whose interest or advantage the offence was carried out is liable to a monetary sanction of between two-hundred and six-hundred shares and the confiscation of the profit in accordance with article 19.

If the entity has made a consistent profit from the offence referred to in point 1, disqualification sanctions are applied.

Art. 23 – Non-compliance with disqualification sanctions

1. Any individual who, when carrying out a business activity for an entity for which sanctions or precautionary disqualification measures have been applied, ignores the obligations or prohibition inherent in the sanctions or measures, is liable to a period of imprisonment of between six months and three years.

2. In the case referred to in point 1, the entity for whose interest or advantage the offence was carried out is liable to a monetary sanction of between two-hundred and six-hundred shares and the confiscation of the profit in accordance with article 19.

3. If the entity has made a consistent profit from the offence referred to in point 1, disqualification sanctions are applied.

SECTION III

ADMINISTRATIVE RESPONSIBILITY FOR OFFENCES

Art. 24 - Unjustified payment of monies, defrauding the State or a public body or of public funds and computer fraud perpetrated against the State or against a public body

1. In relation to the commission of the offences referred to in articles 316 bis, 316 ter, 640, paragraph 2, no. 1, 640 bis and 640 ter if committed against the State or other public bodies, of the criminal code, a public body is punished with monetary sanctions of up to five-hundred shares.
2. If, following the commission of the offences referred to in point 1, the entity makes a consistent profit or particularly grave damage is caused, the monetary sanctions applied are between two-hundred and six-hundred shares.
3. In the cases provided for in the previous points, the disqualification sanctions referred to in article 9, paragraph 2, letters c), d) and e) are applied.

Art. 24 bis – Computer crimes and illegal processing of data

1. In relation to the commission of offences referred to in articles 615 ter, 617 quater, 617 quinquies, 635 bis, 635 ter, 635 quater and 635 quinquies of the criminal code, an entity is punished with monetary sanctions of up to five-hundred shares.
2. In relation to the commission of offences referred to in articles 615 quater and 615 quinquies of the criminal code, an entity is punished with monetary sanctions of up to three-hundred shares.
3. In relation to the commission of offences referred to in articles 491 bis and 640 quinquies of the criminal code, with the exception of the provisions contained in article 24 of the present decree referring to computer fraud against the State or another entity, monetary sanctions of up to four-hundred shares are applied.
4. In the case of a conviction for one of the offences indicated in point 1, the disqualification sanctions contained in article 9, paragraph 2, letters a), b) and e) are applied. In the case of a conviction for one of the offences indicated in paragraph 2, the disqualification sanctions contained in article 9, paragraph 2, letters b) and e) are applied. In the case of a conviction for one of the offences indicated in paragraph 3, the disqualification sanctions contained in article 9, paragraph 2, letters c), d) and e) are applied.

Art. 24-ter. – Offences involving organised crime

1. In relation to the commission of offences referred to in articles 416, paragraph 7, 416-bis, 416-ter and 630 of the Civil Code, to offences committed that come under the conditions referred to in the previously mentioned article 416-bis (in order to facilitate the instances of criminal association provided for in the article in question), together with the offences referred to in article 74 of the single text (testo unico) of Presidential Decree 309 of 9 October 1990, the monetary sanctions applied amount to four-hundred shares.
2. In relation to the commission of the offences referred to in article 416 of the criminal code, with the exclusion of those referred to in paragraph 7 (that is, article 407, paragraph 2, letter a), number 5) of the criminal procedure code), the monetary sanctions applied are between three-hundred and eight-hundred shares.
3. In the case of a conviction for one of the offences referred to in paragraphs 1 and 2, the disqualification sanctions contained in article 9, paragraph 2 are applied for a period of not less than one year.
4. If the entity or one of its organisational units is permanently used for the single or prevalent purpose of carrying out or helping to carry out the offences indicated in points 1 and 2, the definitive sanctions for disqualification from the business activity are applied in accordance with article 16, paragraph 3.

Art. 25 – Extortion and corruption

1. In relation to the commission of the offences referred to in articles 318, 321 and 322, paragraphs 1 and 3 of the criminal code, monetary sanctions of up to two-hundred shares are applied.

2. In relation to the offences referred to in articles 319, 319 ter, paragraph 1, 321, 322, paragraphs 2 and 4, of the criminal code, the entity is punished with monetary sanctions of between two-hundred and six-hundred shares.

3. In relation to the commission of the offences referred to in articles 317, 319, aggravated as per article 319 bis when the entity has obtained a consistent profit, 319 ter, paragraph 2, and 321 of the criminal code, the entity is punished with monetary sanctions of between three-hundred and eight-hundred shares.
4. The monetary sanctions for offences referred to in points 1 and 3 are also applied to the entity when the offences are committed by individuals indicated in articles 320 and 322 bis.

5. In cases where an entity is convicted of one of the offences referred to in points 2 and 3, the disqualification sanctions referred to in article 9, paragraph 2 are applied for a period of not less than one year.

Art. 25 bis – Forging money, public credit notes, revenue stamps and instruments or identity marks

1. In relation to the commission of offences provided for in the criminal code concerning forging money, public credit notes, revenue stamps or instruments and identity marks, the following monetary sanctions are applied to the entity:

a) for the offence referred to in article 453, up to five-hundred shares;

b) for the offences referred to in articles 454, 460 and 461, up to five-hundred shares;

c) for the offences referred to in article 455, the monetary sanctions established in letter a), in relation to article 453, and in letter b), in relation to article 454, reduced by between one third and a half;

d) for the offences referred to in articles 457 and 464, second paragraph, up to two-hundred shares;

e) for the offence referred to in article 459, the monetary sanctions provided for in letters a), c) and d) reduced by one third;

f) for the offence referred to in article 464, first paragraph, up to three-hundred shares.

f-bis) for the offences referred to in articles 473 and 474, up to five-hundred shares.

2. In cases of conviction for an offence referred to in articles 453, 454, 455, 459, 460 and 461 of the criminal code, the disqualification sanctions referred to in article 9, paragraph 2, are applied for a period of no more than one year.

Art. 25-bis.1. – Offences connected with industry and trade

1. In relation to the commission of offences against industry and trade provided for in the criminal code, the following monetary sanctions are applied to the entity:

a) for the offences referred to in articles 513, 55, 516, 517, 517-ter and 517-quarter, monetary sanctions up to five-hundred shares;

b) for the offences referred to in articles 513-bis and 514, the disqualification sanctions referred to in article 9, paragraph 2 are applied to the entity.

Art. 25 ter – Corporate offences

(The monetary sanctions provided for in the present article are doubled as per article 39, paragraph 5 of Law no. 262 of 28 December 2005.)

1. In relation to the corporate offences provided for in the criminal code, if committed in the interests of the company by directors, general managers or liquidators or individuals who come under their supervision, if the offence would not have been committed if these individuals had carried out their obligations , the following monetary sanctions are applied:

a) for the offence of false company disclosures, provided for in article 2621 of the civil code, from between one-hundred and one-hundred and fifty shares;

b) for the offence of false company disclosures damaging to shareholders or creditors, provided for in article 2622, first paragraph of the civil code, between one-hundred and fifty and three-hundred shares;

c) for the offence of false company disclosures damaging shareholders and creditors, provided for in article 2622, third paragraph, of the civil code, between two-hundred and four-hundred shares;

d) for the offence of issuing false prospective disclosures, provided for in article 2623, first paragraph, of the civil code, between one-hundred and one-hundred and three shares;

e) for the offence of issuing false prospective disclosures, provided for in article 2623, second paragraph, of the civil code, between two-hundred and three-hundred and thirty shares;

f) for the offence of deceit in relations or in disclosures issued by audit companies, provided for in article 2624, first paragraph, of the civil code, between one-hundred and one-hundred and thirty shares;

g) for the offence of deceit in relations or in disclosures issued by audit companies, provided for in article 2626, second paragraph, of the civil code, between two-hundred and four-hundred shares;

h) for the offence of obstructing control, provided for in article 2625, second paragraph, of the civil code, between one-hundred and one-hundred and eighty shares;

i) for the offence of fictitious accumulation of capital, provided for in article 2632 of the civil code, between one-hundred and one-hundred and eighty shares;

l) for the offence of unjustified payment of contributions, provided for in article 2626 of the civil code, between one-hundred and one-hundred and eighty shares;

m) for the offence of illegal distribution of profits or reserves, provided for in article 2627 of the civil code, between one-hundred and one-hundred and thirty shares;

n) for the offence of illegal operations in shares or in share capitals, including those of parent companies, provided for in article 2628 of the civil code, between one-hundred and one-hundred and eighty shares;

o) for the offence of operations prejudicial to creditors, provided for in article 2629 of the civil code, between one-hundred and fifty and three-hundred and thirty shares;

p) for the offence of unjustified distribution of company assets by liquidators, provided for in article 2633 of the civil code, between one-hundred and fifty and three-hundred and thirty shares;
q) for the offence of illegal influence on shareholders' meetings, provided for in article 2636 of the civil code, between one-hundred and fifty and three-hundred and thirty shares;
r) for the offence of rigging the market, provided for in article 2637 of the civil code and for the offence of failure to declare a conflict of interest, provided for in article 2629 bis of the civil code, between two-hundred and five-hundred shares;
s) for the offence of obstructing public supervision authorities from carrying out their responsibilities, provided for in article 2638, first and second paragraphs, of the civil code, between two-hundred and four-hundred shares.
2. If, after the commission of the offences referred to in point 1, the entity obtains a consistent profit, the monetary sanctions are increased by a third.

Art. 25 quater – Offences connected to terrorism or subversion of democracy

1. In relation to the commission of offences connected to terrorism or the subversion of democracy, provided for in the civil code and in special laws, the following monetary sanctions are applied to authorities:
a) if the offence is punishable by imprisonment of less than ten years, between two-hundred and seven-hundred shares;
b) if the offence is punishable by imprisonment of not less than ten years or by life imprisonment, between four-hundred and one thousand shares.
2. In the case of a conviction for one of the offences indicated in point 1, the disqualification sanctions provided for in article 9, paragraph 2 are applied for a period of not less than one year.
3. If the entity or one of its organisational units is permanently used for the single or prevalent purpose of carrying out or helping to carry out the offences indicated in point 1, the definitive sanctions for disqualification from the business activity are applied in accordance with article 16, paragraph 3.
4. The provisions of points 1, 2 and 3 are applied for the commission of offences other than those indicated in point 1 that are in any case carried out in violation of the provisions of article 2 of the international convention for the repression of funding terrorism signed in New York on 19 December 1999.

Art. 25 quater.1 – Mutilation of female genital organs

In relation to the commission of offences referred to in article 583-bis of the criminal code, an entity on whose premises the offence was committed is punished with monetary sanctions of between three-hundred and seven-hundred shares and the disqualification sanctions contained in article 9, paragraph 2, are applied for a period of not less than one year.
In cases where the entity is accredited, the accreditation is also revoked.
If am entity or one of its organisational units is constantly used for the sole aim or mainly for the aim of allowing or assisting the commission of the offences indicated in paragraph 1, the body is disqualified from ever carrying out its business activities again, in accordance with article 16, paragraph 3..

Art. 25 quinquies – Offences against individuals

1. In relation to the commission of offences provided for in section I, item III, title XII, book II of the criminal code, the following monetary sanctions are applied:
a) for the offences referred to articles 600, 601 and 602, between four-hundred and one thousand shares;
b) for the offences referred to in articles 600 bis, first paragraph, 600 ter, first and second paragraphs, and 600 quinquies, between three-hundred and eight-hundred shares;
c) for the offences referred to in articles 600 bis, second paragraph, 600 ter, third and fourth paragraphs, and 600 quater , between two-hundred and seven-hundred shares.
2. In cases of conviction for one of the offences indicated in point 1, letters a) and b), the disqualification sanctions provided for in article 9, paragraph 2 are applied for a period of not less than one year.
3. If an entity or one of its organisational units is permanently used for the single or prevalent purpose of carrying out or helping to carry out the offences indicated in point 1, the definitive sanctions for disqualification from the business activity are applied in accordance with article 16, paragraph 3.

Art. 25 sexies – Market abuse

1. In relation to offences connected with the abuse of inside information and the manipulation of markets provided for in part V, title I bis, item II of the single text of the legislative decree no. 58 of 24 February 1998, monetary sanctions of between four-hundred and one thousand shares are applied.

2. If following the commission of offences referred to in point 1 the product or profit obtained by the entity is of a consistent amount, the sanctions are increased by up to ten times the value of the product or profit.

Art. 25 septies – Manslaughter and culpable serious or very serious injuries committed in violation of prevention of injury regulations and the regulations referring to the respect of health and safety in the workplace

1. In relation to the offences referred to in articles 589 and 590, paragraph 3 of the criminal code committed in violation of prevention of injury regulations and regulations concerning health and safety in the workplace, a monetary sanction of not less than one-thousand shares is applied..

2. In the case of a conviction for one of the offences indicated in paragraph 1, the disqualification sanctions contained in article 9, paragraph 2 are applied for a period of not less than three months and not more than one year.

Art. 25 octies – Receiving, laundering and using money, goods or profits from illegal activities

1. In relation to the offences referred to in articles 648, 648-bis and 648-ter of the criminal code, an entity is punished with monetary sanctions of between two-hundred and eight-hundred shares. In cases where the money, goods or other profits come from an offence where the maximum prison term is set at five years or more, monetary sanctions of between four-hundred and one-thousand shares are applied.

2. In the case of a conviction for one of the offences indicated in paragraph 1, the disqualification sanctions contained in article 9, paragraph 2 are applied for a period of not more than 2 years.

3. In relation to the offences referred to in paragraphs 1 and 2, the Ministry of Justice, after hearing the opinion of the UIF, makes a decision in accordance with article 6 of Legislative decree 231 of 8 June 2001.

Art. 25-novies – Offences connected with copyright infringement

1. In relation to the commission of the offences referred to in articles 171, paragraph 1, letter a-bis), and paragraph 2, 171-bis, 171-ter, 171-septies and 171-octies of Law 633 of 22 April 1941, monetary sanctions of up to five-hundred shares are applied.

2. In the case of a conviction for one of the offences referred to in point 1, the disqualification sanctions referred to in article 9, paragraph 2 are applied to the entity for a period of not more than one year, without in any way affecting the provisions contained in article 174-quinquies of Law 633 of 1941.

Art. 25 decies- Inducement not to make statements or to make false statements to the court

In relation to the commission of the offense reffered to in Article 377 – bis of the Penal Code, the entity is fine up to five hundred shares.

Art. 25 – undecies – Environmental offences

1. In relation to the commissioning of the offences referred to in criminal code, the following monetary sanctions are applied to the company:

a) for any breach of article 727-bis, monetary sanctions of up to two hundred and fifty shares;

b) for any breach of article 733-bis, monetary sanctions of between one hundred and fifty and two hundred and fifty shares.

2. In relation to the commissioning of offences referred to in Legislative Decree 152 of 3 April 2006, the following monetary sanctions are applied to the company:

a) for offences referred to in article 29-quattuordecies, monetary sanctions up to two hundred and fifty shares;

b) for offences referred to in article 137:

1) for any breach of paragraphs 1, 7, first hypothesis, 9, 12 and 14, monetary sanctions up to two hundred and fifty shares

2) for any breach of paragraphs 3,4,5, first part, 7, second hypothesis, 8 and 13 , monetary sanctions of between one hundred and fifty and two hundred and fifty shares;

3) for any breach of paragraphs 2,5, second part, and 11, monetary sanctions of between two hundred and three hundred shares.

c) for offences referred to in article 256:

1) for any breach of paragraphs 1, letter a) and 6, first part, monetary sanctions up to two hundred and fifty shares;

2) for any breach paragraphs 1, letter b), 3, first part, and 5, monetary sanctions of between one hundred and fifty and two hundred and fifty shares;

3) for any breach of paragraph 3, second part, monetary sanctions of between two hundred and three hundred shares.

d) for offences referred to in article 257:

1) for any breach of paragraph 1, monetary sanctions of up to two hundred and fifty shares;

2) for any breach of paragraph 2, monetary sanctions of between one hundred and fifty two hundred and fifty shares.

e) for offences referred to in article 258, paragraph 4, second part, monetary sanctions of between one hundred and fifty and two hundred and fifty shares;

f) for offences referred to in article 259, first paragraph, monetary sanctions of between one hundred and fifty and two hundred and fifty shares;

g) for offences referred to in article 260, monetary sanctions of between three hundred and five hundred shares, in cases referred to in paragraph 1, and of between four hundred and eight hundred shares in cases referred to in paragraph 2;

h) for offences referred to in article 260-bis, monetary sanctions of between one hundred and fifty and two hundred and fifty shares in cases referred to in paragraphs 6, 7, second and third points, and 8, first part, and monetary sanctions of between two hundred and three hundred shares in cases referred to in paragraph 8, second part;

i) for offences referred to in article 279, with the exception of the last hypothesis in paragraph 1, monetary sanctions up to two hundred and fifty shares.

3. In relation to the commissioning of offences referred to in Law 150 of 7 February 1992, the following monetary sanctions are applied to the company:

a) for any breach of article 1, paragraphs 1, 2, points 1 and 2, and 6, point 4, monetary sanctions up to two hundred and fifty shares; arts

b) for any breach of article 1, paragraph 2, monetary sanctions of between one hundred and fifty and two hundred and fifty shares;

c) for offences referred to in article 3-bis, paragraph 1 of the criminal code:

1) monetary sanctions up to two hundred and fifty shares, in the case of offences for which a period of imprisonment not exceeding one year is applicable;

2) monetary sanctions of between one hundred and fifty and two hundred and fifty shares, in the case of offences for which a period of imprisonment not exceeding two years is applicable;

3) monetary sanctions of between two hundred and three hundred shares, in the case of offences for which a period of imprisonment not exceeding three years is applicable;

4) monetary sanctions of between three hundred and five hundred shares, in the case of offences for which a period of imprisonment not exceeding three years is applicable;

4. In relation to the commissioning of offences referred to in article 3, paragraph6 of Law 549 of 28 December 1993, monetary sanctions of between one hundred and fifty and two hundred and fifty shares are applied to the company.

5. In relation to the commissioning of offences referred to in Legislative Decree 202 of 6 November 2007, the following monetary sanctions are applied to the company:

a) for the offences referred to in article 9, paragraph 1, monetary sanctions up to two hundred and fifty shares;

b) for the offences referred to in articles 8, paragraph 1, and 9, paragraph 2, monetary sanctions of between one hundred and fifty and two hundred and fifty shares;

c) for the offences referred to in article 8, paragraph 2, monetary sanctions of between two hundred and three hundred shares.

6. The sanctions referred to in paragraph 2, letter c), are reduced by a half in the case of the commissioning of offences referred to in article 256, paragraph 4, of Legislative Decree 152 of 3 April 2006.

7. In the case of a company being found guilty of any offence referred to in paragraph 2, letter b), no. 3, letter c), no. 3 and letter g), and in paragraph 5, letters b) and c), the disqualification sanctions referred to in article 9, paragraph 2, of Legislative Decree 231 of 8 June 2001 are applied for a period not exceeding six months.

8. If a company or one of its departments is regularly used with the sole or main aim of consenting or facilitating the commissioning of any offences referred to in article 260 of Legislative Decree 152 of 3 April 2006 and article 8 of Legislative Decree 202 of 6 November 2007, the company is definitively

disqualified from carrying out its operations in accordance with article 16, paragraph 3 of Legislative Decree 231 of 8 June 2001.

Art. 26 – Attempted offences

1. The monetary and disqualification sanctions are reduced by between one third and a half if an attempt is made to commit one of the offences indicated in the present item of the decree.
2. The entity is not punishable if it voluntarily stops or blocks the offence from being carried out.

ITEM II
THE ASSET RESPONSIBILITY AND MODIFICATIONS TO ENTITIES

SECTION I
AN ENTITY'S ASSET RESPONSIBILITY

Art. 27 - The Asset responsibility of an entity

1. Only the entity in question is entirely responsible with its assets or common fund for the payment of monetary sanctions.
2. State credits deriving from administrative offences committed by an entity have a privileged position according to the provisions of the penal procedure code concerning credits from offences. In this context, any monetary sanctions are the same as monetary penalties.

SECTION II
MODIFICATIONS TO ENTITIES

Art. 28 – Transformation of entities

In the case of the transformation of an entity, any responsibility for offences committed before the date of the transformation are still valid.

Art. 29 – Merger of entities

In the case of mergers, including for incorporation, the entity that emerges from the merger is responsible for any offences committed by the entity that merged.

Art. 30 – Division of entities

1. In the case of the partial division of an entity, the entity divided is responsible for any offences committed before the date of the division, with the exception of the provisions contained in point 3.
2. The entities that benefit from the division, whether total or partial, are responsible for the payment of any monetary sanctions owed by the divided entity for offences committed before the date of the division. This obligation is limited to the effective value of the net equity transferred to the individual entity, unless dealing with entities which received that sector of the business activity where the offence was committed.
3. Disqualification sanctions relative to offences indicated in point 2 are applied to the entities who receive or keep the sector of the business activity where the offence was committed.

Art. 31 – Calculation of sanctions in case of merger or division

1. If the merger or division happened before the court case is concluded, the judge, when proportioning the amount of monetary sanctions on the basis of article 11, paragraph 2, takes into account the financial condition and the assets of the entity that was originally responsible.
2. Apart from the provisions of article 17, the entity that results from the merger and the entity which, in the case of a division, is responsible for the disqualification sanctions can request the judge to replace the disqualification sanctions with monetary sanctions if, following the merger or division, the conditions contained in letter b) of paragraph 1 of article 17 are applicable and if the conditions contained in letters a) and c) of the same article apply.
3. If the judge accepts the request, he can replace the disqualification sanctions with monetary sanctions for an amount equal to either one or two times the monetary sanctions originally imposed on the entity for the offence.
4. In cases of merger or division after a court case has finished, the entity has the right to request any disqualification sanctions to be converted into monetary sanctions.

Art. 32 – Relevance of mergers or divisions in case of repetition

1. In cases of the responsibility of the entity that results from a merger or benefits from a division for offences committed after the date of the merger or division, the judge may consider that a repetition has taken place , in accordance with article 20, if a conviction was obtained against the entities involved in the merger or the division for offences committed before the date.

2. In this context, the judge will take into consideration the nature of the offence and the activity involved as well as the characteristics of the merger or division.
3. For entities that benefit from divisions, an instance of repetition can only be deemed to have taken place, in accordance with points 1 and 2, if they received the sector of the business activity, or part of it, where the offence was carried out and for which the original entity was convicted.

Art. 33 – Disposal of a company

1. In the case of the disposal of a company where an offence has been committed, the purchaser is obliged, except for the benefits from the examination estimate of the seller and within the limits of the value of the company, to pay the monetary sanctions.
2. The purchaser's obligations are limited to the monetary sanctions shown in the accounts, as a result of administrative offences which the purchaser was aware of.
3. The provisions of this article are also applied in the case of the transfer of a company.

ITEM III
ASSESSMENT PROCEDURES AND PROCEDURES FOR APPLYING ADMINISTRATIVE SANCTIONS

SECTION I
GENERAL PROVISIONS

Art. 34 – Applicable legal provisions

For proceedings concerning administrative offences, the regulations contained in this item are observed together with, when compatible, the provisions of the penal proceedings code and legislative decree no. 271 of 28 July 1989.

Art. 35 – Extension of the regulations relative to the accused

The trial provisions relative to the accused are applied to entities, when applicable.

SECTION II
SUBJECTS, JURISDICTION AND COMPETENCE

Art. 36 – Competence of criminal judge

1. The judges who are responsible for dealing with administrative offences committed by public bodies are those responsible for the crimes the offences are related to.
2. The investigation proceedings for administrative offences committed by entities are based on the provisions on the competence of the courts and the related trial provisions relative to the crimes the administrative offences depend on.

Art. 37 – Cases that cannot be proceeded with

An investigation of an administrative offence committed by an entity does not proceed when the criminal action can no longer begin or continue against the author of the offence due to the lack of pursuable conditions.

Art. 38 – Joining and separating proceedings.

1. The proceedings for administrative offences committed by an entity are joined to the criminal proceedings against the author of the crime on which the offence depends.
2. Administrative offences committed by an entity are tried separately only when:
a) the proceedings have been suspended in accordance with article 71 of the criminal proceedings code;
b) the proceedings are defined by an accelerated procedure or by the application of the penalty in accordance with article 444 of the criminal proceedings code, or a guilty judgement has been reached;
c) the observance of the procedural provisions make it necessary.

Art. 39 – Legal representative of the entity

1.The entity is present at the criminal proceedings together with their legal representative, unless the legal representative is accused of the crime on which the administrative offence depends.
2. Entities that intend to participate in the proceedings must deposit, or not be allowed to participate, with the relevant clerk of the court a declaration containing:
a) the name of the entity and the details of its legal representative;
b) the name and surname of the lawyer and an indication of the power of attorney;
c) the signature of the lawyer;
d) a declaration or nomination of residence.
3. The power of attorney, presented in the form provided for in article 100, paragraph 1 of the criminal proceedings code, must be deposited in the secretariat of the public prosecutor or with the relevant clerk of the court or presented at the trial together with the declaration referred to in point 2.
4. When the legal representative does not appear, the entity is represented by a court-appointed lawyer.

Art. 40 – Court-appointed lawyers
Any entity that does not nominate a lawyer or has not got a lawyer will be assisted by a lawyer appointed by the court.
Art. 41 – Default of the entity
Any entity that does not appear at their trial will be declared in default.
Art. 42 – Modifications to an entity during court proceedings
In the case of the transformation, merger or division of the entity originally responsible, the proceedings will proceed against the entities resulting from the modification or benefiting from the division, who are participating in the proceedings, in the form they are at the time, depositing the declaration referred to in article 39, paragraph 2.
Art. 43 – Notifications to the entity
1. For the first notification to the entity the provisions contained in article 154, paragraph 3, of the criminal proceedings code are observed.
2. Notifications consigned to the legal representative are also valid, even if the legal representative is accused of the crime on which the administrative offence depends.
3. If the entity has declared or nominated a residence in the declaration referred to in article 39 or in another document consigned to the judicial authorities, the notifications are carried out in accordance with article 161 of the criminal proceedings code.
4. If it is not possible to carry out the notifications in the manner referred to in the previous points, that judicial authorities will employ a new method. If this method does not prove successful, the judge, on request from the public prosecutor, will suspend the proceedings.

SECTION III
PROOF

Art. 44 – Incompatibility with the position of witness
1. The following cannot be accepted as witnesses:
a) the individual accused of having committed the administrative offence;
b) the individual representing the entity indicated in the declaration referred to in article 39, paragraph 2, who held that position when the offence was committed.
2. In case of incompatibility the individual who represents the entity may be questioned and examined in the form, within the limits and with the effects provided for by law for the interrogation and examination of individuals involved in a connected case.

SECTION IV
PRECAUTIONARY MEASURES

Art. 45 – Application of precautionary measures
1. When there is strong proof which suggests that an entity is responsible for an administrative offence and there are well-founded and specific elements that point to the concrete possibility of the danger that further offences of the same type will be committed, the public prosecutor can ask for the application as a precautionary measure of one of the disqualification sanctions provided for in article 9, paragraph 2, presenting the judge with the elements on which this request is based, including any elements in favour of the entity and any eventual deductions and defence statements already deposited.
2. The judge will then make an order based on this request, indicating the method of applying the measure. The provisions of article 292 of the criminal proceedings code are observed in such cases.
3. When the precautionary disqualification measures are being decided on, the judge may nominate a court appointed administrator in accordance with article 15 for a period equal to the duration of the precautionary measure.
Art. 46 – Criteria for choosing precautionary measures
1. In fixing the precautionary measures, the judge takes into account the specific suitability of each of the available measures in relation to the nature and the degree of the need for precautionary measures in the case in question.
2. Each precautionary measure must be proportional to the gravity of the fact and to the sanction that could be applied to the entity.
3. Disqualification from carrying out the business activity can only be applied as a precautionary measure when all other measures are judged to be inadequate.
4. Precautionary measures cannot be applied jointly.
Art. 47 – Competent judge and application proceedings

1. The judge in the case is responsible for deciding on the application and repeal of precautionary measures as well as for the modification of their executory modality. The preliminary investigation judge is responsible during the investigation, and the provisions contained in article 91 of legislative decree no. 271 of 28 July 1989 are applied.
2. If a request for the application of precautionary measures is presented outside the hearing, the judge will fix a date for deciding on the request and will advise the public prosecutor, the entity and the defence lawyers. The entity and the defence lawyers are also advised that the request made by the public prosecutor and the elements the request is based on are available for inspection with the clerk of the court.
3. In the date referred to in point 2 for deciding on the request for precautionary measures, the provisions of article 127, paragraphs 1, 2, 3, 4, 5, 6, and 10, of the criminal proceedings code are observed, and the terms provided for in paragraphs 1 and 2 of the aforementioned article are reduced respectively to five and three days. A period of not more than fifteen days must elapse between when the request is deposited and the date for discussing it .

Art. 48 – Executory obligations

The public prosecutor is responsible for notifying the entity of a ruling concerning the application of a precautionary measure.

Art. 49 – Suspension of precautionary measures

1. Precautionary measures can be suspended if the entity requests to be able to invoke the obligations with which the law regulates the exclusion of disqualification sanctions in accordance with article 17. In this case the judge, after conferring with the public prosecutor, and if the request is granted, establishes an amount of money as security, suspends the measures and indicates the terms for the reparatory conduct as provided for in article 17.
2. The security consists in the depositing in the court of an amount of money that must not be inferior to half the minimum monetary sanctions for the offence in question. When the security is deposited, a guarantee in the form of a guarantee or a solid surety is acceptable.
3. In case of incomplete, ineffective or complete failure to carry out the activity in accordance with the established terms, the precautionary measures will be reintroduced and the amount of money or guarantees deposited will be kept by the court.
4. If the conditions referred to in article 17 are fulfilled, the judge will repeal the precautionary measures and return the security or cancel the guarantee or surety.

Art. 50 – Repeal and substitution of precautionary measures

1. The precautionary measures are repealed if the conditions for applying them provided for in article 45 no longer apply, including for unexpected reasons, or when provisions contained in article 17 apply.
2. If the need for precautionary measures diminishes or if the measures applied are no longer proportional to the gravity of the offence or to the sanctions that could be definitively applied, the judge, on request from the public prosecutor or the entity, may substitute the measure with another, less grave measure or change the application modality or establish as shorter duration for the measure.

Art. 51 – Maximum duration of precautionary measures

1. When stipulating a precautionary measure the judge also decides on the duration, which cannot exceed half the maximum duration indicated in article 13, paragraph 2.
2. After a verdict of guilty, the duration of the precautionary measure may be as long as the corresponding sanction applied with the same sentence. In any case, the duration of the precautionary measure cannot exceed two-thirds of the maximum duration indicated in article 13, paragraph 2.
3. The precautionary measure begins from the date of the notification of the ruling.
4. The duration of the precautionary measure is calculated on the duration of the sanctions definitively applied.

Art. 52 – Challenging rulings that apply precautionary measures

1. The public prosecutor and the entity, in the person of its defence lawyer, can appeal against all rulings pertaining to precautionary measures, indicating the treasons for the appeal. The provisions contained in article 322 bis, paragraphs 1 bis and 2 of the criminal proceedings code are observed.
2. The public prosecutor and the entity, in the person of its defence lawyer, can appeal for the ruling made in accordance with point 1 to be annulled for violation of the law. The provisions contained in article 325 of the criminal proceedings code are observed.

Art. 53 – Preventive sequestration

The judge can order the sequestration of objects which are allowed to be confiscated in accordance with article 19. The provisions contained in article 321, paragraphs 3, 3 bis and 3 ter, 322, 322 bis and 323 of the criminal proceedings code are observed, if applicable.

Art. 54 - Attachment

If there is good reason to believe that there is a lack of guarantees for the payment of monetary sanctions, the cost of the proceedings or any other amount due to tax authorities, the public prosecutor, at any stage of the

case including during any eventual appeal proceedings, may request the attachment of movable goods and real estate belonging to the entity or of money or goods due to the entity. The provisions contained in articles 316, paragraphs 4, 317, 318, 319 and 320 of the criminal proceedings code are observed, if they are applicable.

SECTION V
PRELIMINARY INVESTIGATIONS AND PRELIMINARY HEARINGS

Art. 55 – Registration of administrative offence
1. The public prosecutor who collects the information about the administrative offence committed by the entity immediately makes a note, in the register referred to in article 335 of the criminal proceedings code, of the identifying elements of the entity together with, if possible, the personal details of its legal representative and the crime related to the offence.
2. The note referred to in point 1 is disclosed to the entity or its defence lawyer on their request within the same limits that allow the disclosure of the registration of a crime to the individual who the crime is attributable to.
Art. 56 – Time limit for verifying administrative offences in preliminary investigations
1. The public prosecutor carries out a verification of the administrative offence within the same time limits as those provided for the preliminary investigation for the crime relating to the offence.
2. The time limit for verifying administrative offences committed by public bodies begins from the date of the registration referred to in article 55.
Art. 57 – Warning that an individual is under investigation
The warning given to public bodies that they are under investigation must contain an invitation to declare or elect a place of residence for notifications and a warning that in order to participate at the proceedings it is necessary to deposit the declaration referred to in article 39, paragraph 2.
Art. 58 - Dismissal
If it is decided not to proceed with the accusation of an administrative offence in accordance with article 59, the public prosecutor issues a decree containing the dismissal of the action and sends a copy to the attorney general at the appeal court. The attorney general can carry out further verifications and, if he believes there is a case to answer, he can accuse the entity within six months of receiving the copy of having committed an administrative offence.
Art. 59 – Accusation of administrative offence
1. When a dismissal has not been decided on, the public prosecutor notifies the entity that it is accused of an administrative offence. The accusation of committing an offence is contained in one of the acts indicated in article 450, paragraph 1 of the criminal proceedings code.
2. The accusation contains the identifying elements of the entity and a statement, written in a clear, precise way, containing the fact that may lead to the application of administrative sanctions, with an indication of the crime the offence relates to, the relative articles of law and the source of the proof.
Art. 60 – Time bar for accusations
It is not possible to proceed with the accusations referred to in article 59 when the crime relating to the administrative offence is no longer valid because of a time bar.
Art. 61 – Rulings issued during the preliminary hearing
1. The judge in the preliminary hearing may rule not to proceed with the case because of a time bar or because the offence does not exist or the proof collected is not sufficient, contradictory or not suitable for making a judicial case out for the responsibility of the entity. The provisions contained in article 426 of the criminal proceedings code are applied.\
2. The decree that, following the preliminary hearing, commits the entity for trial must contain, otherwise it is void, the charge relating to the administrative offence with a statement, written in a clear, precise way, containing the fact that may lead to the application of administrative sanctions, with an indication of the crime the offence relates to, the relative articles of law and the source of the proof , together with the identifying elements of the entity.

SECTION VI
SPECIAL PROCEEDINGS

Art. 62 – Accelerated procedure
1. The provisions of title I of the sixth book of the criminal proceedings code are applied in the case of an accelerated procedure, when applicable.
2. If there is no preliminary hearing, the provisions of articles 555, paragraphs 2, 557 and 558, point 8, are applied, depending on the cases.

3. The reduction referred to in article 442, paragraph 2, of the criminal proceedings code is applied to the duration of disqualification sanctions and to the amount of monetary sanctions.
4. In any case, an accelerated procedure is not admitted when a definitive disqualification sanction is applied for the administrative offence.

Art. 63 – Application of sanctions on request

1. The application of sanctions on request is allowed if the sentence handed out to the accused is definitive or referred to in article 444 of the criminal proceedings code and in all the cases where only a monetary sanction is applied for the administrative offence. The provisions contained in title II of the sixth book of the criminal proceedings code is observed, if it is applicable.
2. In cases where sanctions on request are applicable, the reduction referred to in article 444, paragraph 1 of the criminal proceedings code is applied to the duration of the disqualification sanctions and to the amount of monetary sanctions.
3. If the judge considers that a definitive disqualification sanction should be applied, rejects the request.

Art. 64 – Decree proceedings

1. When the public prosecutor decides that only monetary sanctions should be applied, he can provide the judge responsible for the preliminary hearing, within six months of the administrative offence being entered in the register referred to in article 55 and without transmitting the file, with a motivated request for the issue of a decree for the application of monetary sanctions, indicating the amount.
2. The public prosecutor may request the application of a monetary sanction reduced by up to half of the minimum amount applicable.
3. If the judge does not accept the request and if he does not have to exclude the entity from responsibility, he returns the acts to the public prosecutor.
4. The provisions of title V of the sixth book and article 557 of the criminal proceedings code are observed, if they are applicable.

SECTION VII
JUDGEMENT

Art. 65 – Time limit for arranging for reparation for the consequences of an offence

Before the court case opens, the judge can suspend the case if the entity requests to make use of the measures contained in article 17 and demonstrates that it was impossible for it to do so before. In this case, if the judge accepts the request he calculates the amount of money to be paid into the court as security. The provisions of article 49 are observed.

Art. 66 – Sentence excluding the entity from responsibility

If the administrative offence the entity is accused of has not been committed, the judge issues a sentence containing the reason. The same procedure is used when there is no proof, insufficient proof or contradictory proof for the administrative offence.

Art. 67 – Sentence of non-suit

The judge pronounces a non-suit in the cases provided for in article 60 and when the sanctions are no longer applicable because of a time bar.

Art. 68 – Rulings on precautionary measures

When the judge pronounces one of the sentences referred to in articles 66 and 67, he declares that any precautionary measures that may have been decided on to be null and void.

Art. 69 – Sentence of conviction

1. If the entity is guilty of committing the administrative offence it is accused of, the judge applies the sanctions provided by law and sentences it to the payment of costs.
2. In the case of disqualification sanctions, the sentence always indicates the business activity and the department the sanctions apply to.

Art. 70 – Sentence in case of public bodies that have been modified

1. In the case of transformation, merger or division of the entity responsible for the offence, the judge clarifies in the ruling that the sentence applies to the public bodies that result from the transformation or merger or which benefit from the division, indicating the entity that was originally responsible.
2. The sentence handed down to the entity originally responsible for the offence also applies to the public bodies indicated in point 1.

SECTION VIII
CHALLENGES

Art. 71 – Challenging sentences concerning the administrative responsibility of public bodies

1. For those sentences that apply administrative sanctions other than disqualification sanctions, public bodies may decide to contest them in the cases and the way established for the accused in crimes related to administrative offences.

2. For sentences that apply one or more disqualification sanctions, public bodies can always lodge an appeal even if this is not admitted for the accused in crimes related to the administrative offence.

3. For sentences that concern administrative offences, the public prosecutor may make the same challenge as the one admitted for the crime related to the administrative offence.

Art. 72 – Extension of challenges

Any challenge proposed by an individual or an entity accused of a crime related to an administrative offence are useful to the individual or the entity since they are not based on exclusively personal motives.

Art. 73 – Revision of sentences

When a sentence is passed on an entity, the provisions contained in title VI of the ninth book of the criminal proceedings code are applied, if compatible, except for articles 643, 644, 645, 656 and 647.

SECTION IX
IMPLEMENTATION

Art. 74 – Implementation

1. The judge indicted in article 665 of the criminal proceedings code is responsible for recognising the implementation of the sanctions for administrative offences.

2. The judge indicated in point 1 is also responsible for the rulings concerned with:

a) stopping the implementation of sanctions in the cases referred to in article 3;

b) stopping the implementation of sanctions in cases where the crime is the subject of an amnesty;

c) calculating the administrative sanctions applicable in cases provided for in article 21, paragraphs 1 and 2;

d) the confiscation and restitution of sequestered goods.

3. The provisions contained in article 666 of the criminal proceedings code , if applicable, are observed in implementation procedures. In the cases referred to in point 2, letters b) and d), the provisions in article 667, paragraph 4 of the criminal proceedings code are observed.

4. When disqualification from carrying out a business activity is applied, the judge, on request from the entity, can authorise ordinary administration that does not include the prohibited business activity. The provisions included in article 667, paragraph 4, of the criminal proceedings code are observed.

Art. 75 – Implementation of monetary sanctions

Repealed

Art. 76 – Publication of sentences after conviction

The publication of sentences after conviction is paid for by the entity to which the sanctions have been applied. The provisions contained in article 694, paragraphs 2, 3, and 4 of the criminal proceedings code are observed.

Art. 77 – Implementation of disqualification sanctions

The abstract of a sentence that contains the application of a disqualification sanction is notified to the entity by the public prosecutor.

The duration terms of the disqualification sanctions commence from the date of the notification.

Art. 78 – Conversion of disqualification sanctions

1. Any entity which is late in adopting the conduct referred to in article 17 can request the conversion of administrative disqualification sanctions into monetary sanctions within twenty days of the notification of the sentence abstract.

2. Such a request is presented to the implementation judge and must contain the documents attesting to the implementation of the obligations referred to in article 17.

3. Within ten days of receiving the request, the judge fixes a hearing in chambers and advises the parties involved and the defence. If the request does not appear manifestly unfounded, the judge suspends the implementation of the sanctions. The suspension is contained in a revocable motivated decree.

4. If the request is granted, the judge issues an order converting the disqualification sanctions into monetary sanctions, establishing the amount of the monetary sanctions at a sum not less than the amount applied in the sentence and not higher than double that amount. In determining the amount the judge takes into account the gravity of the offence attributed in the sentence and of the reasons for the late adoption of the conditions referred to in article 17.

Art. 79 – Nomination of court appointed administrator and confiscation of profits

1. When a sentence that includes an entity being disqualified from carrying out its business activity in accordance with article 15, the implementation judge is requested by the public prosecutor to nominate an external administer, who does so without delay.
2. The external administer reports to the implementation judge and the public prosecutor every three months on the performance and, once the disqualification period has finished, provides the judge with a report on the activities carried out, the amount of profit to be confiscated and the method used to implement the organisational models.
3. The judge decides on the confiscation based on the contents of article 667, paragraph 4 of the criminal proceedings code.
4. The costs due for the activities carried out by the court appointed administrator and his remuneration are paid for by the entity.

Art. 80 – National register of administrative sanctions
Repealed
Art. 81 – Register certificates
Repealed
Art. 82 – Questions connected to the enrolment and certificates
Repealed

ITEM IV
PROVISIONS FOR IMPLEMENTATION AND COORDINATION

Art. 83 – Concurrence of sanctions
1. Only the disqualification sanctions contained in the present legislative decree are applied to entities, even when different laws provide, as a consequence of conviction for the offence, for the application to the entity of administrative sanctions of either identical or similar content.
2. If, as a consequence of an offence, an administrative sanction of identical or similar content to the disqualification sanction provided for by the present legislative decree is applied to the entity, the duration of the sanction already in force is taken into account when calculating the duration of the administrative sanction for the crime.

Art. 84 – Disclosures to control and supervisory authorities
The rulings that apply precautionary disqualification measures and irrevocable judgements are disclosed by the clerk of the court where the judge issued them to the authorities responsible for the control and supervision of the entity.

Art. 85 – Regulation provisions
1. As per the regulations issued in accordance with article 17, paragraph 3, of Law no. 400 of 23 August 1988, within sixty days from the date of publication of the present legislative decree, the Ministry of Justice will adopt the regulation provisions concerning the procedures for assessing administrative offences dealing with:
a) the method of compiling and keeping the files of the judicial offices;
b) repealed;
c) the other activities necessary for carrying out the present legislative decree.
2. The opinion of the Council of State on the regulations provided for in point 1 will be given within thirty days of the request.

ATTACHMENT B

OFFENCES REFERRED TO

1) OFFENCES AGAINST PUBLIC OFFICIALS

Articles 24 and 25 of Legislative Decree 231/01

Art. 316 *bis* criminal code Embezzlement from the State

Whoever, outside of public officials, obtains from the State or from another public body or from the European Community, contributions, grants or finance destined to favour initiatives concerned with carrying out work or activities of public interest and does not use them for the aforementioned aims, is punished with a term of imprisonment for a period of between six months and four years.

This offence refers to cases where a company, after receiving from the State or from another public body or from the European Community contributions, grants or finance destined for initiatives or activities of a public interest, does not use the sum in question for the carrying out these aims. Taking into account the fact that the time of committing the offence coincides with the executive phase, the offence itself can also refers to finances obtained in the past which are not used for carrying out the aims for which they were allocated. Even using part of the money received for a use other than the public aim constitutes an offence, even without having to ascertain if the planned activity has been carried out.

Monetary sanctions: from €25,823 to €774,685. If, after the offence is committed, the company either obtains a sizable profit or suffers an important loss, the monetary sanctions imposed range from €51,646 to €929,622

Disqualification sanctions: from 3 to 24 months

Art. 316 ter criminal code - Misappropriation of funds from the State

Unless the fact constitutes an offence referred to in article 640-bis, whoever, through the use or presentation of declarations or false documents or false certificates , or through the omission of information that should have been revealed, unjustly obtains, for himself or for others, contributions, subsidised mortgages or other allocations of the same type however named, allocated or granted by the State, other public bodies or by the European community is punished by imprisonment for a period of between six months and three years. When the sum unjustly obtained is equal to or less than €3,999.96, administrative sanctions are applied that require the payment of a sum of money of between €5,164.57 and €25,822.84. The sanctions cannot in any case amount to more than three times the sum obtained.

This offence refers to cases where a company, as a result of presenting false declarations or documents or of omitting to give information that should have been revealed, wrongfully obtains, either for itself or for others, contributions, grants, subsidised loans or similar from the State, from another public body or from the European Community.

Monetary sanctions: from €25,823 to €774,685. If, after the offence is committed, the company either obtains a sizable profit or suffers an important loss, the monetary sanctions imposed range from €51,646 to €929,622

Disqualification sanctions: from 3 to 24 months

Art. 317 of criminal code. - Extortion

A public official or public service employee who, by abusing their authority or role, forces or induces an individual to wrongfully give or promise to him or to a third party money or other goods, is punished with imprisonment for a period of between four and twelve years.

The offence refers to cases where a public official or a public service employee abuses their position or power to force or induce an individual to wrongfully give or promise, either to the individual or to a third party, money or other goods.

Monetary sanctions: from €77,469 to €1,239,496

Disqualification sanctions: from 12 to 24 months

Arts. 318-320 of criminal code. - Corruption regarding official actions

A public official who receives, either for himself or for a third party, money or other goods or the promise of such, that are not his due, for carrying out an action that is part of his duties is punished by imprisonment for a period of between six months and three years. If the public official receives a payment for having already done something that is part of his duties, the sanction is imprisonment for a period of up to one year.

The offence in question can be committed by either a public official or a public services employee if the latter "is a public employee" (art. 320 of criminal code).

The offence refers to cases where a public official or a public service employee receives, either for themselves or for a third party, unjustified money or other goods, or the promise of such benefits, for carrying out actions that are part of their duties.

Monetary sanctions: from €25,823 to €309,874

Art. 319 - Corruption regarding actions contrary to official duties

A public official who receives, either for himself or for a third party, money or other goods or the promise of such for omitting or delaying or for having omitted or delayed to carry out his official duties or for carrying out or having carried out actions that are contrary to his official duties, can be punished with imprisonment for a period of between two and five years.

The offence refers to cases where a public official or a public service employee (art. 320 of the criminal code), receives, either for themselves or for a third party, money or other goods or the promise of such benefits in return for not carrying out or delaying carrying out a part of their duties or for not having carried out or for having delayed carrying out a part of their duties. Aggravating circumstances (art. 319 bis of the criminal code) are deemed to apply if the offence refers to the allocation of public employment, salaries or pensions or to the stipulation of contracts involving local government.

Monetary sanctions: from €51,646 to €929,622

Disqualification sanctions: from 12 to 24 months

Art. 319 *ter* of criminal code - Corruption regarding legal transactions

If the facts indicated in articles 318 and 319 are committed in order to favour or damage a part of a civil, criminal or administrative trial, the sanction is imprisonment for a period of between three and eight years.

Monetary sanctions: from €51,646 to €929,622

Disqualification sanctions: from 12 to 24 months

If the fact results in the wrongful conviction of another individual to imprisonment for a period not exceeding five years, the sanction is imprisonment for a period of between four and twelve years, while if the conviction is for a period of imprisonment of more than five years the sanction is for imprisonment of a period of between six and twenty years.

Monetary sanctions: from €77,469 to €1,239,496

Disqualification sanctions: from 12 to 24 months

The aim of the law is to ensure that judicial activities are carried out impartially.

The offence refers to cases where the actions described in articles 318 and 319 (corruption regarding official actions or contrary to official duties) are carried out in order to favour or damage part of a civil, penal or administrative trial.

Art. 321 of criminal code - Sanctions for the corruptor

The sanction established in paragraph one of article 318, in article 319, in article 319 bis, in article 319 ter and in article 320 concerning the aforementioned provisions contained in articles 318 and 319, are also applied to individuals who give or promise to give money or other goods to public officials or to public services employees.

With reference to article 318

Monetary sanctions: from €51,646 to €929,622

with reference to articles 319 and 319 ter

Monetary sanctions: from €51,646 to €929,622

Disqualification sanctions: from 12 to 24 months

With reference to articles 317, 319 bis and 319 ter, paragraph 2

Monetary sanctions: from €77,469 to €1,239,496

Disqualification sanctions: from 12 to 24 months

Art. 322 of criminal code - Instigation to corruption

Whoever offers or promises money or other goods not due to a public official or a public services employee who is a public employee to induce them to perform an official duty, if the offer or promise is not accepted, the sanction established in the first paragraph of article 318 is reduced by a third.

If the offer or promise is made in order to induce the public official or public services employee to omit to carry out or delay his official duties and the offer or promise is not accepted, the sanction established in article 319 is reduced by a third.

The sanction referred to in paragraph one is applied to a public official or a public services employee who is a public employee who solicits a promise of money or money or other goods from a private individual for the reasons indicated in article 318.

The sanction referred to in the second paragraph is applied to a public official or a public services employee who solicits a promise of money or money or other goods from a private individual.

The offence refers to cases where unjustified money or other goods are offered to a public official or to a public service employee in order to induce them to carry out their duties or not to carry out their duties or to delay carrying out their duties or to carry out an action that is contrary to their duties, and the public official or public service employee refuses the wrongful offer or promise of money or other goods.

First and third paragraphs

Monetary sanctions: from €25,823 to €309,874

Second and fourth paragraphs

Monetary sanctions: from €51,646 to €929,622

Disqualification sanctions: from 12 to 24 months

Art. 322 bis of criminal code – Extortion, corruption and incitement to corruption of members of European Community bodies and officials of the European Community and of foreign countries.

The provisions contained in articles 314, 316, from 317 to 320 and 322, third and fourth paragraphs, are also applicable to:

1) members of the European Community Commission, the European Parliament, the European Court of Justice and the European Community Court of Auditors;

2) officials and agents employed on contracts as EU officials and agents of the EU;

3) individuals seconded by EU member states or by any public or private body at the European Community, whose duties correspond to those of officials or agents of the European Community;

4) members and employees of bodies constituted in accordance with the treaties establishing the European Community;

5) individuals who, on behalf of member states of the European Union, carry out duties or activities that correspond to those of public officials and public service employees.

The provisions of articles 321 and 322, first and second paragraphs, are applicable even if the money or other goods are given, offered or promised:

1) to individuals indicated in the first point of this article;

2) to individuals who carry out duties or activities that correspond to those of public officials and public service employees of other foreign countries or international public organisations, if the offence is committed in order to obtain either for the individual in question or for a third party an unjustified advantage in international economic operations or in order to obtain or maintain an economic/financial operation.

The individuals indicated in the first point are regarded as public officials if they carry out corresponding duties, and as public service employees in other cases.

The offence refers to cases where corruption and extortion also involve: members of the European Community commission, the European Parliament, the European court of justice and the European Community court of auditors; officials and agents employed on contracts equivalent to European Community officials or European Community agents; individuals seconded by EU member states or by any public or private body at the European Community, whose duties correspond to those of officials or agents of the European Community; members and employees of bodies constituted in accordance with the treaties establishing the European Community; individuals who, on behalf of member states of the European Union, carry out duties or activities that correspond to those of public officials and public service employees.

Monetary sanctions: from €25,823 to €309,874 (relating to offences referred to in articles 318, 321 and 322, paragraphs 1 and 3 of the criminal code).

Monetary sanctions: from €51,646 to €929,622 (relating to offences referred to in articles 319, 319 ter, paragraph 1, 321 and 322, paragraphs 2 and 4 of the criminal code)

Monetary sanctions: from €77,469 to €1,239,496 (relating to offences referred to in articles 317 and 319, aggravated as per article 319 bis, 319 ter, paragraph 2 and 321 of the criminal code)

Art. 640, paragraph 2, no. 1, of criminal code - Defrauding the State or other public bodies

Whoever, by using artefacts or deceptions, induces somebody to make an error and procures for himself or for others an unjust profit and causes damage can be punished with imprisonment for a period of between six months and three years and with a fine of from €51 to €1,032. *1.032.*

The sanction is imprisonment for a period of between 1 and 5 years and a fine of between €309 and €1,549:
1) if the offence is committed against the State or another public body or if it is committed in order to get an individual exonerated from military service;

This offence is traditional fraud (inducing somebody to make a mistake by offering a deformed version of the real situation and thereby obtaining an unjust benefit and causing damage) carried out to the detriment of the State or of another public body.

The offence refers to cases where, in order to make an unjust profit, causing damage to others, ploys or fraud are employed to produce errors or to cause damage to the State or to another public body (this offence could involve, for example, providing a public body or such like with incorrect

information contained in the documents or data necessary for participating in tenders in order to win the tender in question).

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 24 months

Art. 640 *bis* of criminal code - Aggravated fraud concerning public funds

Sanctions are fixed at imprisonment for a period of between one and six years and are automatic if the fact referred to in article 640 concerns contributions, finance, subsidised mortgages or other funds of the same type, however they are named, granted or allocated by the State, other public bodies or by the European Community.

The offence refers to cases where the type of fraud referred to in article 640 of the criminal code is carried out in order to obtain wrongful contributions, finance, subsidised loans or other similar forms of finance from the State or other public bodies or from the European Community. The offence is considered to have been committed at the time and in the place where the agent materially consigns the availability of the funds.

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 24 months

Art. 640 ter of criminal code - Computer fraud that damages the State or another public body

Whoever, by altering in any way whatsoever the correct functioning of computerised systems or by interfering in any way with data, information or the programmes contained in a computerised system or relevant to it, procures for himself or for others unjust profits that cause damage to others is punished with imprisonment for a period of between six months and three years and is fined a sum of between €51 and €1,032. Sanctions are set at imprisonment for a period of between one and five years and a fine of between €309 and €1,549 if one of the circumstances contained in number 1 of the second paragraph of article 640 occurs, that is if the fact is committed by abusing the role of system's operator. The offence is punishable after a lawsuit taken out by the offended individual, unless one of the circumstances referred to in the second paragraph or another aggravating circumstance occurs.

The offence refers to cases where, by altering in any way whatsoever a computerised or telecommunications system or by altering in any way, without the necessary authorisation, the data, information or programmes contained in the system or which are linked to it, an individual procures for himself or for others an unjustified profit and causes damage to others (the offence also includes cases where once finance has been obtained, a computerised system is violated in order to change the amount of the finance obtained to a higher amount)

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 24 months

AREAS OF BUSINESS ACTIVITIES AT RISK

Request for and management of public finance and subsidised contributions **(*contributions for cinema film production/tax credits, contributions for training and services for employees*) (art. 316 bis criminal code, art. 316 ter criminal code, art. 318 criminal code, art. 319 criminal code, art. 320 criminal code, art. 322 criminal code, art. 322 bis criminal code and art. 640 bis criminal code**)

Managing the obligations necessary for obtaining and/or renewing authorisations/licences and/or concessions issued by public bodies *(example, permission necessary for the production and censorship certificate for film distribution)* (**art. 318 criminal code, art. 319 criminal code, art.**

320 criminal code, art. 322 criminal code, art. 322 bis and art. 640, paragraph 2, no. 1 of criminal code)

Fulfilling obligations relating to public bodies or public supervisory authorities and handling relations with these bodies when control and supervisory checks are carried out (example, Tax Authorities, financial police, local government authorities where programmes and films are made) (**art. 318 criminal code, art. 319 criminal code, art. 320 criminal code, art. 322 criminal code, art. 322 bis criminal code and art. 640, paragraph 2, no. 1 criminal code**)

Managing judicial, extra-judicial and arbitration procedures (**art. 319 ter criminal code**)

Purchasing and managing of rights and brands *(for example, subjects, formats, scripts, books, music)* (**art. 318 criminal code, art. 319 criminal code, art. 319 ter criminal code, art. 320 criminal code, art. 322 criminal code and art. 322 bis criminal code)**

Managing financial resources (**art. 318 criminal code, art. 319 criminal code, art. 319 ter criminal code, art. 320 criminal code, art. 322 criminal code and art. 322 bis criminal code**)

Planning and producing television programmes and cinema films (*including managing temporary employees taken on for specific productions)* (**art. 316 bis criminal code, art. 316 ter criminal code, art. 318 criminal code, art. 319 criminal code, art. 319 ter criminal code, art. 320 criminal code, art. 322 criminal code, art. 322 bis criminal code and art. 640 bis criminal code)**

Direct sales and product placement **(art. 318 criminal code, art. 319 criminal code, art. 319 ter criminal code, art. 320 criminal code, art. 322 criminal code and art. 322 bis criminal code)**

Managing expenses for gifts, sponsorship, agency fees and such like to third parties (**art. 318 criminal code, art. 319 criminal code, art. 319 ter criminal code, art. 320 criminal code, art. 322 criminal code and art. 322 bis criminal code**)

Managing the purchase of goods and services (*apart from rights, for example professional appointments, artistic collaboration, other goods and services for programme and film production*) (**art. 318 criminal code, art. 319 criminal code, art. 319 ter criminal code, art. 320 criminal code, art. 322 criminal code and art. 322 bis criminal code)**

Selection and hiring of personnel (*at the company's headquarters and at production sites*) (**art. 318 criminal code, art. 319 criminal code, art. 319 ter criminal code, art. 320 criminal code, art. 322 criminal code and art. 322 bis criminal code**)

2) CORPORATE OFFENCES

ART. 25 TER OF LEGISLATIVE DECREE 231/01

Art. 2621 of civil code - False company information.

With the exception of the provisions contained in article 2622, directors, general managers, managers responsible for preparing company financial statements, statutory auditors and liquidators who intend to deceive the shareholders or the pubic in order to obtain either for themselves or for other individuals unjustified profits by inserting material facts that do not correspond to the truth in the financial statements, company reports or in other company information published in accordance with the law for the information of shareholders and the public, even though they are subject to evaluation, or omit information which is required by law about the economic, asset or financial situation of the company or about the group it belongs to, in such a way as to induce the individuals who are the recipients of that information to make errors, are liable to imprisonment for a period of up to two years.

This sanctions also extends to cases where the information pertains to assets owned or administered by the company on behalf of third parties. The liability is cancelled if the falsity or omissions do not alter in any significant way the representation of the economic, asset or financial situation of the company or group in question. This liability is also cancelled if the falsity or omissions result in a variation in the economic result for the year, gross of taxes, that does not exceed 5% or in a variation in shareholders' equity that does not exceed 1%. In any case, the fact is not punishable if the result of the estimated evaluations, individually considered, does not exceed 10% of the correct evaluation.

In the cases referred to in the third and fourth paragraphs, the subjects referred to in the first paragraph are liable to administrative sanctions of between ten and one-hundred shares and disqualification from managerial office for legal persons and companies for a period of between six months and three years, disqualification from managerial office, statutory auditors, liquidators, general manager and managers with responsibility for preparing company financial reports as well as from any other office that entails the power of representation of legal persons or companies.

The offence refers to cases where directors, general managers, managers responsible for preparing company accounting documents, statutory auditors and liquidators include in financial statements, company reports or company communications required by law, for the benefit of shareholders or the general public, material facts that do not reflect the true position even though they are the object of evaluations or fail to include information which is required by law on the economic, asset or financial situation of the company or group which the company belongs to, in such a way as to give the individuals who receive the information an erroneous picture of the aforementioned situation. The false or omitted information must be significant enough to alter to a notable extent the representation of the economic, asset or financial situation of the company or group which it is part of. The material object of the offence is financial statements and company information that by law must be communicated to shareholders and the public. It does not include inter-body communications (between different company bodies) and communications addressed to one subject, either public or private.

Monetary sanctions: from €25,823 to €774,685

Art. 2622 of civil code, paragraphs 1 and 3 - False company information damaging shareholders and creditors

The directors, general managers, managers responsible for preparing company financial statements, statutory auditors and liquidators who intend to deceive shareholders or the pubic in order to obtain either for themselves or for other individuals unjustified profits by inserting material facts that do not correspond to the truth in the financial statements, company reports or in other company information published in accordance with the law for the information of shareholders and the public, even though they are subject to evaluation, or omit information which is required by law about the economic, asset or financial situation of the company or about the group it belongs to, in such a way as to induce the individuals who are the recipients of that information to make errors, causing economic damage to the company, shareholders or creditors, are punished, after a lawsuit by the offended party, with imprisonment for a period of between six months and three years. A lawsuit is initiated also if the fact is linked to another offence, even if it is aggravated by damage to the assets of subjects other than shareholders or creditors, unless it refers to damage to the State, other public bodies or the European Community.

Monetary sanctions: from €77,469 to €1,022,584

In the case of companies referred to in the provisions contained in part IV, section III, paragraph II of Legislative decree 58 of 24 February 1988, the sanction for the facts referred to in the first paragraph is imprisonment for a period of between one and four years and the offence is automatically prosecuted.

Monetary sanctions: from €103,292 to €1,239,496

The difference between this offence and the previous one is in the fact that the false company information causes damage to the assets of the company, shareholders or creditors.

The offence refers to cases where the directors, general managers, managers responsible for preparing company financial statements, statutory auditors and liquidators in order to obtain either for themselves or for other individuals unjustified profits by inserting material facts that do not correspond to the truth in the financial statements, company reports or in other company information published in accordance with the law for the information of shareholders and the public, even though they are subject to evaluation, or omit information which is required by law about the economic, asset or financial situation of the company or about the group it belongs to, in such a way as to induce the individuals who are the recipients of that information to make errors, causing economic damage to the company, shareholders or creditors

Art. 173 bis of Legislative Decree 58 of 24 February 1998 ("TUF/Italian consolidated finance law") – False information in documents

Any individual, in order to obtain for themselves or for others unjustified profits, who declares false information or conceals data or information in the documents required when offering financial products to the public or for issuing shares on regulated stock markets, or in documents published as part of public share purchase or exchange offers, with the intention to deceive the subjects the information is aimed at in such a way as to induce the subjects who receive the information to make an error, are punished with imprisonment for a period of between one and five years.

The offence refers to cases where individuals, in order to obtain for themselves or for others unjustified profits, declare false information or conceal data or information in the documents required when offering financial products to the public or for issuing shares on regulated stock markets, or in documents published as part of public share purchase or exchange offers, with the intention to deceive the subjects the information is aimed at in such a way as to induce the subjects who receive the information to make an error.

Monetary sanctions: from €103,292 to €1,022,584

Art. 2625 of civil code, second paragraph - Obstruction of controls

Directors who conceal documents or with other subterfuges obstruct or in some way block the carrying out of control activities or audits that are legally attributable to shareholders, other company bodies or external auditors, are liable to monetary sanctions up to a value of €10,329(*).

If the conduct causes damage to the shareholders, they are liable to imprisonment for a period of up to one year and the individual offended can start a lawsuit.

The sanction is doubled if the company's shares are quoted on the Italian stock exchange or on markets in other member states of the European Community or if a substantial number of shares are held by the public in accordance with article 116 of the single text referred to in Legislative Decree 58 of 24 February 1998.

(*) Paragraph modified by article 37, paragraph 35, of Legislative Decree 39 of 27 January 2010. The previous text stated: "Directors who, by withholding documents or by other suitable means, impede or in any way obstruct the carrying out of controls and audits legally attributed to shareholders or other company bodies or outside auditors, are punished with monetary sanctions of up to €10,329".

The offence refers to cases where directors impede or obstruct the carrying out of controls legally attributed to shareholders and other company bodies.

Monetary sanctions: from €51,646 to €557,773

Art. 2626 of civil code - Wrongful repayment of contributions.

Directors who, apart from cases of the legitimate reduction of a company's share capital, repay, also simultaneously, the contributions to shareholders or free them from the obligation to make them, are punished by imprisonment for a period of up to one year.

The offence refers to cases where directors repay contributions made by shareholders, also simultaneously, or free them from the obligation to make them, except in the case of the legitimate reduction of a company's share capital.

This is a general offence aimed at safeguarding the integrity and reality of a company's share capital.

Monetary sanctions: from €51,646 to €557,773

Art. 2627 of civil code - Illegal distribution of profits and reserves

With the proviso that the fact is no longer considered a serious offence, directors who distribute profits or advances on profits not effectively made or destined by law to reserves, or who distribute reserves including those not made up of profits but by law cannot be distributed, are liable to imprisonment for up to one year. If the profits are restored or if the reserve is reconstructed before the terms established for the approval of the financial statements, the offence is cancelled.

The offence, which is designed to safeguard the integrity of the a company's share capital and reserves, refers to cases where directors distribute profits or advances on profits not effectively made or destined by law to reserves, or who distribute reserves including those not made up of profits but by law cannot be distributed The offence is cancelled if the profits are restored or if the reserves are reconstructed before the terms established for the approval of the financial statements.

Monetary sanctions: from €51,646 to €402,836

Art. 2628 of civil code - Illegal operations in shares or capital share or in parent companies

Directors who, apart from those cases allowed by law, purchase or underwrite shares or capital share, causing damage to the integrity of the share capital or reserves that by law cannot be distributed, are punished with imprisonment for up to one year. The same sanction is applied to directors who, apart from those cases allowed by law, purchase or underwrite shares or shares issued by the parent company, causing damage to the company's share capital or reserves that by law cannot be distributed. If the share capital or reserves are reconstructed before the terms established for the approval of the financial statements for the year in which the offence was committed, the offence is cancelled.

The offence refers to cases where the purchase or underwriting of shares or share capital or of the parent company by directors, apart from those cases allowed by law, causes damage to the integrity of the company's share capital and to the reserve that by law cannot be distributed.

Monetary sanctions: from €51,646 to €557,773

Art. 2629 of civil code - Operations prejudicial to creditors

Directors who, in violation of the law protecting creditors, reduce the share capital or merge with other companies or separate from other companies, causing damage to creditors, are liable to imprisonment, following a lawsuit brought by the offended parties, for a period of between six months and three years. If compensation for damages is paid to the creditors before the court case the offence is cancelled.

The offence, which is only prosecuted following a lawsuit brought by the offended parties, refers to cases where directors, in violation of the law protecting creditors, reduce the share capital or merge with other companies or carry out a spin off and cause damage to creditors.

Monetary sanctions: from €77,469 to €1,022,584

Art. 2629-bis of civil code - Failure to report a conflict of interest.

Directors or the members of a board of directors of a company quoted on the Italian stock exchange or on markets in another member states of the European Community, or if a substantial number of shares are held by the public in accordance with article 116 of the single text referred to in Legislative Decree 58 of 24 February 1998, and subsequent modifications , or if a subject under supervision in accordance with the Single Text referred to in Legislative decree 385 of 1 September 1993, the Single Text of Legislative Decree 58 of 1998, Law 576 of 12 August 1982 or Legislative Decree 124 of 21 April 1993, who violate the obligations contained in article 2391, first paragraph,

are punished by imprisonment for a period of between one and three years if damage is caused to the company or to third parties by the aforementioned violation.

The offence refers to cases where directors or *the members of a board of directors of a company quoted on the Italian stock exchange or on markets in another member states of the European Community, or if a substantial number of shares are held by the public in accordance with article 116 of the TUF (Italian consolidated finance law) violate the obligations contained in article 2391 of the Civil code (e.g. fail to communicate correctly their interests in a specific company operations and – if the individual concerned holds the position of Chief Executive – does not withdraw from the operation).*

Monetary sanctions: from €103,292 to €1,549,370

Art. 2632 of civil code - Fictitious creation of capital

Directors and contributing shareholders who, either in part or in total, fictitiously create or increase a company's share capital by attributing shares or capital shares for a sum lower than their par value, reciprocally underwrite shares or stocks or over-value to a large degree in conferring goods in kind or credit or company assets in the case of company transformations, are liable to imprisonment of up to one year.

The offence, which is automatically prosecuted, refers to cases where directors and contributing shareholders, either in part or in total, fictitiously create or increase the share capital by allocating shares or capital shares for an amount lower than their par value, reciprocally underwrite stocks/shares or over-value to a large extent goods in kind or credit or company assets when transforming the company.

Monetary sanctions: from €51,646 to €557,773

Art. 2633 of civil code - Wrongful distribution of company assets by liquidators

Liquidators who, when distributing company assets to the shareholders before paying the company creditors or allocating the sum necessary to satisfy them, cause damage to the creditors are punished, following a lawsuit by the offended party, with imprisonment for a period of between six months and three years. If compensation for damages is paid before the court case the offence is cancelled.

The regulation is designed to protect creditors when a company is liquidated. The offence refers to cases where the liquidators of a company distribute company assets among shareholders before company creditors have been paid or before allocating the amount necessary to satisfy them.

Monetary sanctions: from €77,469 to €1,022,584

Art. 2636 of civil code - Illegal influence over shareholders' meetings

Whoever, by employing fake or fraudulent actions, forms a majority in a shareholders' meeting in order to procure for themselves or for others unjustified profits, is punished by imprisonment for a period of between six months and three years.

The offence refers to cases where any individual irregularly forms a majority that otherwise would not have existed by carrying out fake or fraudulent actions.

Monetary sanctions: from €77,469 to €1,022,584

Art. 2637 of civil code - Rigging the market

Whoever spreads false information or carries out fake operations or other subterfuges for the purposes of provoking a consistent alteration in the price of non-quoted financial instruments or for which no request for admission to a regulated market has been made, or significantly influences the trust the public has in the financial stability of a bank or group of banks, is punished by imprisonment for a period of between one and five years.

The offence refers to cases where false information is spread (by any individual) or where fake operations or other subterfuges are carried out for the purposes of provoking a consistent alteration in the price of quoted or non-quoted financial instruments or for which no request for admission to a regulated market has been made. The offence is classified as a tangible danger, since it is necessary that the false information or the fake operations or the other subterfuges employed really can provoke effective damage or can have a significant effect on the trust the public has in the stability in the assets of a bank or bank group.

Monetary sanctions: from €103,292 to €1,549,370

Art. 2638, first and second paragraphs of civil code - Obstructing the duties of public supervisory authorities

Directors, general managers, managers responsible for preparing company financial statements, statutory auditors and liquidators of companies or bodies and other individuals who by law come under the jurisdiction of public supervisory authorities, or are obliged to conform with them, who, when reporting to the aforementioned authorities as required by law, in order to obstruct the work of the supervisory authorities, include material facts that do not correspond to the truth, even though they are the object of the evaluations, about the economic, asset or financial situation of the entity being supervised, or for the same reasons obstruct with other fraudulent means, either in part or totally, facts that they should report concerning the aforementioned situation, are liable to imprisonment for a period of between one and four years. The sanction is extended to include information regarding goods owned or administered by the company on behalf of third parties.
The same sanction is reserved for directors, general managers, managers responsible for preparing company financial statements, statutory auditors and liquidators of companies or bodies and other individuals who by law come under the jurisdiction of public supervisory authorities, or are obliged to conform with them, who, in any form whatsoever, including by omitting to provide the aforementioned authorities with the required information, knowingly obstruct those authorities from carrying out their duties.
The offence refers to cases where directors, general managers, managers responsible for preparing company financial statements, statutory auditors and liquidators of companies or bodies and other individuals who by law come under the jurisdiction of public supervisory authorities, or are obliged to conform with them, who, when reporting to the aforementioned authorities as required by law, in order to obstruct the work of the supervisory authorities, include material facts that do not correspond to the truth, even though they are the object of the evaluations, or, for the same reasons, obstruct with other fraudulent means, either in part or totally, facts that they should report concerning the aforementioned situation. The article deals with criminal offences that differ in the way they are carried out. The first of these concentrates on deceit that is designed to obstruct supervisory duties, while the second concentrates on intentionally carrying out the obstruction by any type of conduct both active and omissive.
Monetary sanctions: from €103,292 to €1,239,496

AREAS OF BUSINESS ACTIVITIES AT RISK

Preparing financial statements, interim financial statements, management reports and general company information (**art. 2621 criminal code, art. 2622, paragraph 1 and paragraph 3 criminal code and art. 2627 criminal code**)

Fulfilling obligations relating to public bodies or public supervisory authorities and handling relations with these bodies when control and supervisory checks are carried out (*Tax authorities, financial police, local government authorities where programmes and films are made)* (**art. 2638, first and second paragraphs, criminal code**)

Handling relations with external auditors, the board of statutory auditors and shareholders (**art. 2625, second paragraph, criminal code**)

Managing and communicating privileged information (**art. 2637 criminal code**)

Managing company computerised systems (**art. 2621 criminal code and art. 2622, paragraphs 1 and 3, criminal code**)

3) FORGING MONEY, PUBLIC CREDIT NOTE, REVENUE STAMPS AND INSTRUMENTS OR IDENTITY MARKS

Art. 25 bis of Legislative Decree 231/01

Art. 453 criminal code – Forging money, spending and introducing false money into the State, without agreement

Punishment of imprisonment for a period of between three and twelve years and a fine of between €516 and €3,098 is given to:

1) anyone who forges either Italian or foreign money that is legally valid either inside or outside the State;
2) anyone who alters in any way whatsoever genuine money in order to give it the appearance of a higher value;

3) anyone who, while not being involved in the forging or alteration is in agreement with either the individual who carried it out or an intermediary, introduces into the State or keeps or spends or puts into circulation forged or altered money;

4) anyone who, in order to put into circulation forged or altered money or purchases or receives it either from the individual who forged it or from an intermediary.

The offence refers to:

a) the forging of Italian or foreign money that is legally valid either inside or outside the State,

b) the alteration in any way whatsoever of genuine money to give it the appearance of a higher value,

c) the introduction into the State of forged or altered money or keeping, spending or putting into circulation forged or altered money,

d) the purchase or receiving of forged or altered money from the individual who forged or altered it or from an intermediary, in order to put it into circulation.

Monetary sanctions: from €77,469 to €1,239,496

Disqualification sanctions: from 3 to 12 months

Art.454 criminal code – Altering money

Anyone who alters money in the way indicated in the previous article, changing its value in any way, or, with money altered in such a way, commits any of the offences indicated in nos. 3 or 4 of the previous article, is liable to imprisonment for a period of between one and five years and a fine of between €103 and €516.

The offence refers to cases where Italian or foreign money that is legally valid either inside or outside the State is altered to change its value in any way or, with money altered in such a way, to the introduction into the State of such money or to keeping, spending or putting into circulation such money including through the purchase or receiving of third parties.

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 12 months

Art. 455 criminal code – Spending and introducing into the State, without agreement, forged money.

Anyone who, outside of the cases referred to in the two previous articles, introduces into the State, purchases or keeps forged or altered money in order to put it into circulation or to spend, or puts it into circulation in any other way is liable to the punishment referred to in the previous articles reduced by between a third and a half.

The offence refers to the introduction into the State, the purchase or keeping or spending or putting into circulation forged or altered money in order to put it into circulation in cases not covered by the two previous articles.

Monetary sanctions: from €129,115 to €774,685

Disqualification sanctions: from 3 to 12 months

Art. 457 criminal code – Spending of forged money received in good faith

Anyone who spends or puts into circulation in any other way forged or altered money received in good faith is liable either to imprisonment for up to six months or to a fine of up to €1,032.

The offence refers to cases where an individual spends or puts into circulation forged or altered money received in good faith.

Monetary sanctions: from €25,823 to €309,874

Art. 459 criminal code – Forging of revenue stamps, introduction into the State, keeping or putting into circulation forged revenue stamps

The provisions of articles 453, 455 and 457 are also applicable to cases of forging or altering of revenue stamps and to the introduction into the State or the purchase, keeping or putting into circulation of forged revenue stamps, but with a reduction in the punishment of a third. For the purposes of the law, revenue stamps refer to official stamped paper, government stamps, postage stamps and other equivalent revenue instruments issued by special laws.

The offence refers to cases of forging or altering revenue stamps and to the introduction into the State or the purchase, keeping or putting into circulation of forged revenues stamps.

Monetary sanctions: from €25,823 to €516,451

Disqualification sanctions: from 3 to 12 months

Art. 460 criminal code – Forging of watermarked paper use for making public credit notes or revenue stamps

The offence refers to cases of forging watermarked paper used for making public credit notes or revenue stamps and to the purchase, keeping or disposal of such forged paper.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 12 months

Art. 461 criminal code – Fabrication or detention of watermarks or instruments used for making money, revenue stamps or watermarked paper

Anyone who fabricates, purchases, keeps or disposes of watermarks, computer programmes or instruments used exclusively for forging or altering money, revenue stamps or watermarked paper is liable, if the offence in question does not constitute a more serious offence, to imprisonment for a period of between one and five years and a fine of between €103 and €516. The same punishment is applied if the conduct described in the first paragraph refers to holograms or other components of money used to ensure protection against forgery and alterations.

The offence refers to cases of fabricating, purchasing, keeping or disposal of watermarks or instruments used exclusively for forging or altering money, revenue stamps or watermarked paper.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 12 months

Art. 464 criminal code – Use of forged or altered revenue stamps

Anyone who while not being involved in the forging or alteration of revenue stamps uses them is liable to imprisonment for a period of up to three years and a fine of up to €516.

If the revenue stamps were received in good faith, the penalty contained in article 457 but reduced by a third is imposed.

The offence refers to cases where an individual uses forged or altered revenue stamps even though they were not involved in forging or altering them.

Monetary sanctions: from €25,823 to €464,811. For offences referred to in the second paragraph, the fine is for between €25,823 and €309,946

Art. 473 criminal code – Forging, altering or using distinguishing brands or signs or patents, models and designs

Anyone, in a position to know of the existence of the industrial ownership title, forges or alters the distinguishing brands or signs, both Italian and foreign, of industrial products, or anyone who, while not involved in the forging or alteration of such, uses such forged or altered brands or signs, is liable to a period of imprisonment of between six months and three years and a fine of between €2,500 and €25,000. Anyone who forges or alters industrial patents, designs or models, whether Italian or foreign, or anyone who, while not involved in the forging or alteration of such, uses forged or altered patents, designs or models is liable to period of imprisonment of between one and four years and a fine of between €3,500 and €35,000. The offences referred to in the first and second instance are punishable on condition that the Italian laws, EU regulations and international conventions concerning the protection of intellectual or industrial ownership have been observed.

The assets safeguarded by the two examples of offences are commonly identified in public trust and, more precisely, in the interests of consumers in distinguishing the source of products available on the market. The public trust safeguarded by article 473 of the criminal code can only be jeopardized by the manufacture of signs that are difficult to distinguish from the original due to the presence of "*similar characters of notable importance*", so that the parameters for recognising the presence of a punishable imitation is represented by an accurate examination on the part of consumers.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 12 months

Art. 474 criminal code – Introduction into the State of products with false brands or signs

Apart from cases of complicity in the offences referred to in article 473, anyone who introduces into the State, in order to make a profit for themselves, industrial products with forged or altered brands or other distinguishing signs, both Italian and foreign, is liable to a period of imprisonment of between one and four years and a fine of between €3,500 and €35,000. Apart from cases of complicity in forging, altering or introducing into the State, anyone who keeps for sale, puts on sale or puts in circulation by any other means, in order to make a profit for themselves, any of the products referred to in the first instance is liable to a period of imprisonment of up to two years and a fine of up to €20,000. The offences referred to in the first and second instance are punishable on condition that the Italian laws, EU regulations and international conventions concerning the protection of intellectual ownership have been observed.

The offence referred to in article 474 of the criminal code is based on the example contained in article 473 of the criminal code and, in the interests of safeguarding public trust, represents its natural development. The falsification of distinguishing signs is characterised by two phases: the moment a false brand is applied to the product (the more serious offence as per article 473 of the criminal code) and the moment the product bearing a false sign or brand is put on sale (a less serious offence as per article 474 of the criminal code).

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 12 months

AREAS OF BUSINESS ACTIVITIES AT RISK

Purchasing and managing rights and brands *(for example, subjects, formats, scripts, books, music)* (**art. 473 criminal code and art. 474 criminal code)**

Planning and producing television programmes and cinema films (*including managing temporary employees taken on for specific productions)* (**art.473 criminal code and art. 474 criminal code)**

Direct sales and product placement (**art. 473 criminal code**)

4) MARKET ABUSE

ART. 25 SEXIES OF LEGISLATIVE DECREE 231/01

Art. 184 of Legislative Decree 58 of 24 February 1998 ("TUF" or Italian consolidated finance law) - Abuse of inside information.

Whoever is in possession of privileged or inside information as a result of their position as a member of a directors, managerial or control body of the company issuing the information, or of them having shares in the issuing company, or of their position, profession or role, including public office is liable to imprisonment for a period of between one and six years and to a fine of between €20,000 and €3,000,000 if they:
a) buy, sell or carry out any other operations, either directly or indirectly, on their own behalf or on behalf of third parties, concerning financial instruments making use of the aforementioned information;
b) communicate that information to other individuals, outside of the normal duties of their work, profession, role or office;
c) recommend or induce other individuals, on the basis of this, to carry out any of the operations listed in point a).
The same sanctions as those contained in paragraph 1 are applied to whoever finds themselves in possession of privileged or inside information in order to prepare or carry out criminal activities and carries out any of the actions referred to in paragraph 1. The judge may increase the fine up to a maximum of three times the original or, if greater, up to ten times the value of the product or the profit obtained from the offence when, due to the offensive nature of the act, the personal quality of the guilty party or to the amount of the product or profit obtained by the offence, the original fine appears inadequate even if the maximum is applied. For the purposes of the present article, financial instruments also include those financial instruments referred to in article 1, paragraph 2, the value of which depends on a financial instrument referred to in article 180, paragraph 1, letter a).
The offence refers to cases where individuals who, as a result of their position, purchase or dispose of financial instruments when they reasonably know that the information they have is of a privileged nature (individuals who obtain occasional information or obtain it by chance are excluded). The offence is an instantaneous offence that, leaving aside – in the cases referred to in letters b) and c) – the acceptance of suggestions and carrying out operations and their tangible possibility of violating the interests protected by the transparency and the correct functioning of financial markets, must be evaluated by taking into account only the individual circumstances at the time the operation is carried out.
Monetary sanctions: from €103,292 to €1,549,370

Art. 185 of Legislative Decree 58 ("TUF") of 24 February 1998 - Market manipulation

Whoever circulates false information or carries out fake operations or other subterfuges that are suitable for provoking a consistent alteration in the price of financial instruments, is punished by imprisonment for a period of between one and six years and a fine of between €20,000 and €5,000,000. The judge may increase the fine up to a maximum of three times the original or, if greater, up to ten times the value of the product or the profit obtained from the offence when, due to the offensive nature of the act, the personal quality of the guilty party or to the amount of the product or profit obtained by the offence, the original fine appears inadequate even if the maximum is applied. In cases concerning financial instruments referred to in article 180, paragraph 1, letter a), number 2), the fine ranges from €103,000 to €291,000 and imprisonment for a period of up to 3 years.
The offence is classified as a common crime (it can be committed by *"anyone"*) which when committed, independently of the characteristics of the individual who commits it, becomes a criminal offence. Acknowledgement is made of eventual intent which refers to the responsibility of whoever divulges information even though there is the possibility that it is false and without carrying out any possible checks, thus representing a result that is potentially unjust, which is accepted.
Monetary sanctions: from €103,292 to €1,549,370

AREAS OF BUSINESS ACTIVITIES AT RISK

Managing and communicating privileged information (**arts. 184 and 185 of Legislative Decree 58 of 24 February 1998**)

5) OFFENCES CONNECTED TO TERRORISM OR SUBVERSION OF DEMOCRACY ART. 25 QUATER OF LEGISLATIVE DECREE 231/01

Article 25 quater of Legislative Decree 231/01 does not specifically list the offences connected to terrorism or the subversion of democracy that refer to companies, instead limiting itself to indicating, in paragraph 1, the offences provided for by the Criminal Code and special laws and, in paragraph 3, offences that differ from those referred to in the first paragraph but carried out in violation of the contents of the International Convention for the Suppression of the Financing of Terrorism singed in New York on 9 December 1999.

These offences involve monetary sanctions of between €51,646 and €1,084,811 if the offence carries a penalty of imprisonment for a period of more than 10 years, while for those offences that carry a penalty of imprisonment of 10 years or less the monetary sanctions range from between €103,292 and €1,549,730. Disqualification sanctions of up to 12 months are also applied.

Art. 270 of criminal code – Subversive association

Whoever in the territory that constitutes the State promotes, sets up, organises or leads associations aimed at and suitable for violently subverting the economic or social order that exists in the State or violently suppressing the political and juridical order of the State, is liable to imprisonment for a period of between five and ten years. Whoever is part of the associations referred to in the first paragraph is liable to imprisonment for a period of between one and three years. The penalty is increased for individuals who re-constitute, including under a false name or false form, the associations referred to in the first paragraph that have been ordered to be closed down.

Art. 270 bis of criminal code – Associations connected with terrorism and the subversion of democracy

Whoever promotes, sets up, organises, leads or finances associations that propose acts of violence for terrorist aims or to subvert democracy is liable to imprisonment for a period of between seven and fifteen years. Whoever is part of these associations is liable to imprisonment for a period of between five and ten years. As far as criminal law is concerned, terrorist acts also include violent acts carried out against foreign States and international bodies or institutions. When dealing with individuals convicted of terrorist acts the law is obliged to confiscate any object that serves or was destined to commit the offence and any product or profit that results from it.

Art. 270 ter of criminal code – Assistance to association members

Whoever, apart from cases of complicity in or aiding and abetting a crime, provides refuge or provides food, hospitality, means of transport or communication instruments to any individual who is part of the associations referred to in articles 270 and 270-bis is liable to imprisonment for a period of up to four years. The penalty is increased if the assistance is provided over a period of time. Individuals who commit the fact in favour of a close relation are not liable to punishment.

Art. 280 of criminal code – Attacks connected to terrorism or subversion

Whoever for reasons connected to terrorism or subversion of the democratic order attacks the life or the safety of an individual is liable, in the first case, to imprisonment for period of not less than twenty years and, in the second case, to imprisonment for a period of not less than six years.
If an attack on the safety of an individual results in very serious injury, the period of imprisonment is increased to not less than eighteen years while if such an attack results in serious injury, the period of imprisonment increases to not less than twelve years.
If the acts referred to in the previous paragraphs are carried out against individuals who occupy the position of judicial or prison officials or who carry out public security duties as part of their duties or because of their duties, the penalty is increased by one third.

If the acts referred to in the previous paragraphs result in the death of an individual, the penalty, in the case of attacks on the life of an individual, is life imprisonment and, in the case of attacks against an individual's safety, imprisonment for thirty years.
Extenuating circumstances, differently from the provisions of articles 98 and 114, together with the aggravating circumstances referred to in the second and fourth paragraphs, cannot be considered equivalent or prevalent in relation to these acts and any reduction in punishment is based on the quantity of the penalty resulting from the increase linked to the aggravating circumstances.

Art. 289 bis of criminal code – Kidnapping concerned with terrorism or subversion

Whoever, for reasons of terrorism or subversion of the democratic order, kidnaps an individual is liable to imprisonment for a period of between twenty-five and thirty years.
If the kidnapping results in the death of the victim, as an unwanted consequence of the crime, the guilty party is liable to imprisonment for a period of thirty years.
If the guilty party causes the death of the victim, the penalty is life imprisonment. If an accomplice who, dissociating themselves from the others, cooperates in obtaining the release of the victim, the penalty is reduced to a period of imprisonment of between two and eight years. If the victim dies after the release but as a consequence of the kidnapping, the penalty is imprisonment for a period of between eight and eighteen years.
When there are attenuating circumstances, the penalty contained in the second paragraph is replaced by imprisonment for a period of between twenty and twenty-four years, while the penalty contained in the third paragraph is replaced by imprisonment for a period of between twenty-four and thirty years. If there are a number of extenuating circumstances, the penalty in light of the decrease cannot be for less than ten years imprisonment, for the cases referred to in the second paragraph, and fifteen years for the cases referred to in the third paragraph.

Art. 302 of criminal code – Instigation to committing some of the crimes contained in the first and second items

Whoever instigates an individual to commit one of the , non-culpable crimes referred to in the first and second items of this article, for which the law has established either a life or custodial sentence, is punished, if the instigation is not accepted or if the instigation is accepted but the crime is not committed, with imprisonment for a period of between one and eight years.
However, the penalty is always less than half the penalty inflicted for the crime in question.

Art. 304 of criminal code – Political conspiracy through agreement

When a number of individuals come to an agreement in order to commit one of the crimes indicated in article 302, the individuals who participate in the agreement are liable, if the crime is not committed, to imprisonment for a period of between one and six years. The penalty is increased for the promoters.
However, the penalty is always less than half the penalty inflicted for the crime in question.

Art. 305 of criminal code – Political conspiracy through association

When three or more individuals associate in order to commit one of the crimes indicated in article 320, the individuals who promote, set up and organise the association are liable, to imprisonment for a period of between five and twelve years.
The penalty for merely participating in the association is imprisonment for a period of between two and eight years. The individuals in charge of the association are subject to the same penalty as that established for the promoters. The penalty is increased if the aim of the association is to commit two or more of the crimes indicated above.

Art. 306 of criminal code – Armed bands: formation and participation

When, in order to commit one of the crimes indicated in article 302, an armed band is formed, individuals who promote or join or organise it are liable to imprisonment for a period of between five and fifteen years.
The penalty for merely participating in an armed band is imprisonment for a period of between three and nine years. The individuals in charge of the association are subject to the same penalty as that established for the promoters.

Art. 307 of criminal code – Assistance to participants in conspiracy or armed bands

Whoever, apart from cases of complicity in or aiding or abetting a crime, provides refuge or provides food, hospitality, means of transport or communication instruments to any individual who is part of the associations or armed bands indicated in the two previous articles, is liable to imprisonment for a period up to two years. The penalty is increased if the assistance is provided over a period of time.
Individuals who commit the fact in favour of a close relation are not liable to punishment. As far as criminal law is concerned, the term close relations refers to ancestors, descendants, spouse or consort, brothers, sisters, relatives by marriage, aunts and uncles and nieces and nephews, while the term does not refer to relatives by marriage if the spouse or consort is dead and there are no children.

6) **OFFENCES AGAINST INDIVIDUALS**
ART. 25 QUINQUIES OF LEGISLATIVE DECREE 231/01

Art. 600 of the criminal code – Reducing and maintaining individuals to slavery or servitude

Whoever exercises powers over an individual that correspond to those of ownership or whoever reduces or maintains an individual in a state of continual subjection, forcing them to work or provide sexual favours or to beg or in any case to work that involves their exploitation, is liable to imprisonment for a period of between eight and twenty years. Reducing an individual to a state of subjection or maintaining an individual in a state of subjection occurs when the conduct is carried out with the use of violence, threats, deception or abuse of authority, or through the exploitation of a situation of physical or mental inferiority or of a situation of necessity, or through the promise of money or other advantages given by the individual in the position of authority. The penalty is increased by from a third to a half if the facts referred to in the first paragraph are committed to the detriment of a minor of less than eighteen years or if they are directed to the exploitation of prostitution or in order to take the organs form the offended individual.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Art. 600-bis of the criminal code – Prostitution of minors

Whoever induces an individual of less than eighteen years to prostitution or favours or exploits prostitution is liable to imprisonment for a period of between six and twelve years and a fine of between €15,493 and €154,937.

Monetary sanctions: from €77,469 to €1,239,496

Disqualification sanctions: from 12 to 24 months

Unless the offence in question constitutes a more serious offence, whoever has sexual relations with a minor of between fourteen and eighteen years in exchange for money or other economic assets, is liable to imprisonment for a period of between six months and three years and a fine of not less than €5,164.

Monetary sanctions: from €51,646 to €1,084,559

Art. 600-ter of the criminal code – Pornography involving minors

Whoever, utilising minors of less than eighteen years, puts on pornographic shows or produces pornographic material or induces minors of less than eighteen to participate in pornographic shows is liable to imprisonment for a period of between six and twelve years and a fine of between €25,822 and €258,228.

The same penalty is reserved for individuals who trade in pornographic material of the type described in the first paragraph.

Monetary sanctions: from €77,469 to €1,239,496

Disqualification sanctions: from 12 to 24 months

Whoever, apart from the cases referred to in the first and second paragraphs, using any means whatsoever, including computerised means, distributes, divulges, circulates or publishes the type of

pornographic material referred to in the first paragraph, or distributes or divulges news or information aimed at the enticement or sexual exploitation of minors under eighteen, is liable to imprisonment for a period of between one and five years and a fine of between €2,582 and €51,645.

Whoever, apart from the cases referred to in the first, second and third paragraphs, offers or disposes to others, even without payment, the type of pornographic material referred to in the first paragraph, is liable to imprisonment for a period of up to three years and a fine of between €1,549 and €5,164.

Monetary sanctions: from €51,646 to €1,084,559

Art. 600-quater of the criminal code – Possession of pornographic material

Whoever, apart from the cases referred to in article 600-ter,knowingly procures or possesses pornographic material that has been made using minors under eighteen, is liable to imprisonment for up to three years and a fine of not less than €1,549. The penalty is increased by not more than two-thirds if a substantial amount of material is involved.

Monetary sanctions: from €51,646 to €1,084,559

Art. 600-quater.1 of the criminal code – Virtual pornography

The provisions referred to in articles 600-ter and 600-quater are also applied when the pornographic material features virtual images using images of minors under eighteen or parts of them, although the penalty is reduced by one third. Virtual images are images made using image elaboration techniques not associated or only partly associated with real situations, the quality of which make unreal situations appear to be real.

Art. 600-quinquies of the criminal code – Tourism aimed at the exploitation of the prostitution of minors

Whoever organises or advertises holidays with the aim of making use of prostitution of minors or in any case that include these activities is liable to imprisonment for a period of between six and twelve years and a fine of between 15,493 and €154,937.

Monetary sanctions: from €77,469 to €1,239,496

Disqualification sanctions: from 12 to 24 months

Art. 601 of the criminal code – Trade in people

Whoever is involved in the trade of people as described in article 660 or, in order to commit the Offences referred to in the first paragraph of the same article, or induces them, by means of deception or force them by the use of violence, threats, abuse of authority, or through the exploitation of a situation of physical or mental inferiority or of a situation of necessity, or through the promise of money or other advantages given by the individual in the position of authority, to enter or stay or leave any part of the territory of the Stat or to move inside it, is liable to imprisonment for a period of between eight and twenty years. The penalty is increased by from a third to a half if the Offences referred to in the present article are committed to the detriment of a minor of less than eighteen years

or if they are directed to the exploitation of prostitution or in order to take organs form the offended individual.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Art. 602 of the criminal code – Purchase and alienation of slaves

Whoever, apart from the cases indicated in article 601, purchases or alienates or disposes of an individual who is in one of the conditions described in article 600, is liable to imprisonment for a period of between eight and twenty years. The penalty is increased by between a third and a half if the offended individual is a minor of less than eighteen or if the facts referred to in the first paragraph are directed at the exploitation of prostitution or in order to take organs form the offended individual.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Article 25- quinquies of Legislative decree 231/01 was subsequently integrated by article 10, Law 38 of 6 February 2006, which contains "*Provisions concerning the battle against the sexual exploitation of children and pedo-pornography including through the use of the Internet*", which modifies the application area of pornography offences involving minors and the possession of pornographic material (articles 600-ter and 600-quater), including cases in which those offences are committed using pornographic material that shows virtual images of minors of less than eighteen or parts of them ("virtual pedo-pornography", as per the new article 600-quater. 1, criminal code).

AREAS OF BUSINESS ACTIVITIES AT RISK

Planning and producing television programmes and cinema films (including managing temporary employees taken on for specific production **(art. 600 ter criminal code, art. 600 quarter criminal code and art. 600 quarter. 1 criminal code)**

7) TRANSNATIONAL OFFENCES

ART. 10 LAW 146 OF 16 MARCH 2006

Art. 3 of law no. 146/2006 - Definitions of transnational crimes.

The present law considers as transnational crimes any crime punishable with imprisonment of not less than a maximum of four years, if an organised criminal group is involved, and if it :

a) is committed in more than one State;

b) or if it is committed in one State but a substantial part of its preparation, planning, running or control take place in another State;

c) or if it is committed in one State but involves a group of organised criminals involved in criminal activities in more than one State;

d) or if it is committed in one State but it has substantial effects in another State.

Art. 416 of criminal code – Criminal association.

When three or more individuals associate in order to commit crimes, individuals who promote or are part of organising the association are liable to imprisonment for a period of between three and seven years.

For merely participating in the association, the penalty is for a period of between one and five years.

Those in charge of the association are liable to the same penalty as the promoters. If the association travels the countryside or is seen in public armed, the penalty is imprisonment for a period of between five and fifteen years. The penalty is increased if there are ten or more members of the association. If the association aims to commit one of the offences referred to in articles 600, 601 and 602, the penalty is imprisonment for a period of between five and fifteen years in the cases referred to in the first paragraph and for between four and nine years for cases referred to in the second paragraph.

The offence refers to cases where even the smallest organisation of a stable character exists, which is suitable for carrying out criminal plans even if it does not have a hierarchical command structure. The law is designed to protect public order, which is also put in danger by the simple existence of any stable organisation dedicated to implementing criminal programmes.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 3 to 24 months

Art. 416-bis of criminal code – Mafia-style associations

Whoever is part of a mafia-style association made up of three or more individuals, is liable to a period of imprisonment for a period of between seven and twelve years. Individuals who promote, run or organise such an association are liable to a period of imprisonment of between nine and fourteen years. An association is classified as being of a mafia style when it requires the individuals who are part of it to employ intimidatory force connected with membership of the association, subjugation and the code of silence, which are used when committing offences for acquiring either directly or indirectly the management or control of economic activities, concessions, authorisations, contracts and public services or for making profits or gaining unjust advantages for themselves or for others, or in order to impede or obstruct the free choice of voting or to buy votes for themselves or for others on the occasion of electoral polls. If the association is armed, the penalty is for a period of

imprisonment of between nine and fifteen years in those cases referred to in the first paragraph, and for a period of between twelve and twenty-four years for those cases referred to in the second paragraph.

An association is considered to be armed when the participants have the possibility, when carrying out the aims of the association, to use arms or explosive materials, even when concealed or kept in storage areas. If the economic activities the association intends to start or take control of are financed either completely or in part with the price, product, or profit from offences, the penalty established in the previous paragraphs is increased by between a third and a half. For individuals convicted of these offences there is always the obligation to confiscate the aforementioned objects that serve or were destined to commit the offence and the objects that constitute the price, the product, the profit or are involved in carrying them out.

Any association can be defined as being mafia-style if it characterised by "mafia methods", which involve employing intimidatory force connected with membership of the association, together with subjugation and the code of silence in relation to the association as a result of intimidation from the association itself.

Intimidatory force consists in the ability to provoke so much terror in the other member that the passive subject is in a state of psychological subjection.

It is not necessary, in order for the offence to be committed, that the criminal objective is achieved, since it is sufficient that the pacts created by the association between at least three individuals are made with the intention of carrying out a number of offences.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 3 to 24 months

Art. 291 quater Presidential Decree 43 of 23 January 1973 – Criminal association involving the contraband of tobacco imported from abroad

1. *When three or more individuals associate in order to commit a number of the offences referred to in article 291 bis, any individual who promotes, sets up, manages, organises or finances the association is liable to a period of imprisonment for a period of between three and eight years.*

2. *Whoever participates in the association is liable to imprisonment for a period of between one and six years.*

3. *The penalty is increased if there are ten or more associates.*

4. *If the association is armed or if the circumstances provided for in letters d) or e) of paragraph 2 of article 291-ter apply, the penalty is imprisonment for a period of between five and fifteen years for the cases referred to in paragraph 1, and of between four and ten years for the cases referred to in paragraph 2. The association is considered to be armed if the participants have access to arms or explosive materials, even if they are concealed or kept in storage areas.*

5. *The penalties provided for in articles 291 bis, 291 ter and the present article are decreased by between one third and one half for those accused who, dissociating themselves from the others, act in such a way as to ensure that the offence does not lead to other consequences and offer tangible assistance to the police or judicial authorities in collecting elements that are decisive for the reconstruction of the facts and for identifying or capturing the authors of the offence or for identifying the resources used for committing the offences.*

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 3 to 24 months

Art. 74 Presidential Decree 309 of 9 October 1990 – Association aimed at the illegal trafficking of narcotic or psychotropic substances

1. *When three or more individuals associate in order to commit a number of the offences referred to in article 73, whoever promotes, sets up, manages, organises or finances the association is liable to a period of imprisonment of not less than twenty years.*

2. *Whoever participates in the association is liable to a period of imprisonment of not less than ten years.*

3. *The penalty is increased if there are ten or more associates or if the participants are individuals dedicated to the use of narcotic or psychotropic substances.*

4. *If the association is armed, the penalty for the cases indicated in paragraphs 1 and 3 cannot be less than twenty-four years of imprisonment and, in the case provided for in paragraph 2, twelve years of imprisonment. The association is considered to be armed if the participants have access to arms or explosive materials, even if they are concealed or kept in storage areas.*

5. *The penalty is increased if the circumstances referred to in letter e), paragraph 1 of article 80 applies.*

6. *If the association is constituted in order to commit the facts described in paragraph 5 of article 73, the first and second paragraphs of article 416 of criminal code are applied.*

7. *The penalties provided for in paragraphs 1 and 6 are decreased by between a half and two-thirds for whoever successfully provides proof of the offence or takes away resources decisive for committing the offence from the association.*

8. *When laws or decrees cite the offence provided for in article 75 of law 685 of 22 December 1975, abrogated by article 38, paragraph 1 of law 162 of 26 June 1990, the citation refers to the present article.*

The article in question defines the offence of association in relation to the production and trade in narcotics. Compared with the previous law (article 75, Law 685/75, now abrogated), the new law increases the penalties, identifies the figure of individuals who manage associations, includes "extenuating" association, which refers to the trafficking of small quantities of illegal substances, identifies the new aggravating circumstance when the illegal activity concerns trade in substances that are adulterated or cut in a dangerous way and introduces decreased penalties for active collaboration.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 3 to 24 months

Art. 12, paragraph. 3, 3 bis, 3 ter and 5 of Presidential Decree 289 of 25 July 1998 – Trafficking in immigrants

Unless the offence in question constitutes a more serious offence, whoever, in order to gain profits either directly or indirectly, carries out acts aimed at obtaining the entry of individuals into the territory of the State in violation of the provisions of the Single Text, or obtaining the illegal entry into other States where the individuals are not citizens or do not have the necessary residence permits, is liable to imprisonment for a period of between four and fifteen years and a fine of €15,000 per every individual. The penalty referred to in paragraphs 1 and 3 are increased if:

a. the fact concerns the entry or illegal permanence in the territory of the State of five or more individuals;

b. in order to obtain entry or illegal permanence the individual's life or safety is put in danger;

c. in order to obtain entry or illegal permanence the individual is subject to inhuman or degrading treatment; c bis. The fact is committed by three or more individuals cooperating together or using international transport services or counterfeited or altered documents or documents otherwise illegal obtained.

If the facts referred to in paragraph 3 are carried out in order to recruit individuals destined for prostitution or in any case for purposes of sexual exploitation, or if they concern the entry of minors to be used in illegal activities in order to favour their exploitation, the period of imprisonment is increased by between one-third and a half and the fine is increased to €25,000 for every individual. Apart from the cases provided for in the previous paragraphs and unless the offence in question constitutes a more serious offence, whoever, in order to obtain unjust profits from the illegal condition of the foreigner or with regard to the activities punishable in accordance with the provisions of the present article, favours the permanence of these individuals in the territory of the State in violation of the provisions of the present Single Text, is liable to imprisonment for a period of up to four years and a fine up to 30,000,000 lire.

This is a common offence, of the free type, with provisions aimed at protecting the laws on immigration and fighting the problem of illegal immigration. The basic offence concerns any act that, for the purposes of obtaining profit (either directly or indirectly) for the agent of the offence, is designed to obtain the illegal entry of an individual into the Italian State or into a foreign State where they do not hold citizenship or (permanent) residency. Provisions are made for aggravating circumstances linked to the number of individuals involved, the method of conduct and the subsequent exploitation of the individuals smuggled into the State (prostitution and exploitation of minors).

Monetary sanctions: from €51,646 to €1,549,370

Disqualification sanctions: from 3 to 24 months

8) **OFFENCES CONNECTED TO HEALTH AND SAFETY AT WORK ART. 25 SEPTIES OF LEGISLATIVE DECREE 231/01**

Art. 589 of criminal code – Manslaughter

Whoever causes the death of an individual is liable to imprisonment for a period of between six months and five years.

If the fact is committed in violation of the of the laws governing driving on the public highway or the protection of health and safety at work, the penalty is for imprisonment for a period of between two and seven years.

The penalty is for imprisonment for a period of between three and ten years if the fact is committed in violation of the laws governing driving on the public highway by:

1) individuals who are under the influence of alcohol as per article 186, paragraph 2, letter c) of Legislative Decree 285 of 30 April 1992 and subsequent modifications;

2) individuals who are under the effects of narcotics or psychotropics.

In cases of the death of more than one individual or of the death of one or two individuals and injuries to one or two individuals, the penalty is the same as the most severe that can be applied for the violations in question increased by up to a third, although the penalty must not exceed 15 years.

The offence refers to cases where an individual causes the death of a person as a result of not respecting the regulations for the prevention of injury in the workplace. In general, manslaughter refers to those cases where the agent, when conducting themselves in a legal manner, commits an act that results in the death of another individual due to negligence, imprudence, incompetence or violation of laws or regulations. Employers are deemed to be responsible with regard to health and safety matters when specific regulations concerning the prevention of injury in the workplace (specific negligence) are violated or when cases where there is a failure to adopt measures or strategies for efficiently safeguarding the physical wellbeing of employees, in violation of article 2087 of the civil code.

Monetary sanctions: from €64,557 to €774,685. In cases of violation of article 55, paragraph 2 of the TUF (Italian consolidated finance law) regarding health and safety in the workplace, monetary sanctions are fixed at €1,549,370

Disqualification sanctions: from 3 to 12 months

Art. 590, paragraph 3 of criminal code – Culpable personal injury

Whoever culpably causes personal injuries to others is liable to imprisonment for up to three months or a fine of €309. If the injuries are serious, the penalty is imprisonment for a period of between one and six months or a fine of between €123 and €619, and if they are very serious the penalty is imprisonment for a period of between three months and two years and a fine of between €309 and €1,239. If the cases referred to in the second paragraph are committed in violation of the laws governing driving on the public highway or the protection of injuries at work, the penalty for serious injuries is for imprisonment for a period of between three months and one year or a fine of between €500 and €2,000, while the penalty for very serious injuries is imprisonment for a period of between one and three years.

In cases concerning driving on the public highway, if the fact is committed by an individual under the influence of alcohol as per article 186, paragraph 2, letter c), of Legislative Decree 285 of 30 April 1992 and subsequent modifications, or by individuals under the effects of narcotics or psychotropics, the penalty for serious injuries is imprisonment for a period of between six months and two years and the penalty for causing very serious injuries is imprisonment for a period of between one and a half years and four years. In cases of injuries to more than one individual, the penalty is the same as the most severe that can be applied for the violations in question increased by up to a third, although the penalty must not exceed 5 years. The offence is punishable after a lawsuit taken out by

the offended individual, except for those cases referred to in the first and second paragraphs, limited to facts committed in violation of the laws concerning the prevention of injuries at work or concerning hygiene in the workplace or that have caused a professional illness.

The offence refers to cases where an individual causes either **serious** or **very serious** personal injury as a result of violating the regulations for the prevention of injury in the workplace. The injuries can be:

- serious: if the injuries put the life of the injured party at risk, or if the injuries result in an illness or incapacity that leads to the injured party being absent from work for a period of more than forty days, or if the injury produces the permanent weakening of a sense or organ or, in addition, if the injured party is a pregnant woman and the injury leads to an acceleration of the birth;

- very serious: if the injuries produce an illness that is definitely or probably incurable, the loss of a sense, the loss of a limb or mutilation of a limb that makes it useless, or the loss of use of an organ or the ability to procreate, or permanent and serious difficulty in the power of speech.

Monetary sanctions: from €25,823 to €387,342

Disqualification sanctions: from 3 to 6 months

AREAS OF BUSINESS ACTIVITIES AT RISK

Responsibility for the prevention of injury in the workplace and, in general, risks to the health and safety of employees (including contract work) (**art. 589 criminal code and art. 590 criminal code**)

9) RECEIVING, LAUNDERING AND USING MONEY, GOODS OR PROFITS FROM ILLEGAL ACTIVITIES

ART. 25 OCTIES OF LEGISLATIVE DECREE 231/01

Art. 648 criminal code – Receiving

1. Apart from cases of complicity in offences, whoever, in order to obtain for themselves or for others a profit, acquires, receives or conceals money or goods from any type of offence,, or is involved after the offence in acquiring, receiving or concealing them, is liable to imprisonment for a period of between two and eight years and a fine of between €516 and €10,329.

2. The penalty is reduced to imprisonment for a period of up to six years and a fine of up to €516 if the fact is particularly insubstantial.

3. The provisions of this article are applied even when the author of the offence from which the money or goods originated cannot be charged or cannot be punished or when the case referring to that offence cannot be continued with.

The offence in question exists if another offence was committed before it (c.d. assumed crime, which must refer to a crime and not a simple violation), and in which the individual who receives the goods has not been involved in any way.

The subjective element of the offence refers to the specific intent, that is the agent's desire to carry out the material fact, accompanied by their knowledge that the objects come from a crime and their intention to obtain profit for themselves or for others. The material fact consists in acquiring, receiving or concealing money or goods obtained from any type of offence, or for third parties to become involved in acquiring, receiving or concealing them after the original offence.

Article 648 of the criminal code does not require that the profit is unjustified, in fact it can also be justified, but it is necessary that it does not produce an advantage for the author of the previous offence otherwise it is no longer receiving but aiding and abetting.
The question of the punishability for receiving is highly problematic, also in relation to eventual intent.

Monetary sanctions: from €51,646 to €1,239,496. In cases where the money, goods or other objects from a crime carry the penalty of imprisonment for a maximum period of more than five years, the monetary sanctions are for between €103,292 and €1,549,370.

Disqualification sanctions: from 3 to 24 months

Art. 648-bis criminal code – Money laundering

Apart from cases of complicity in crimes, whoever substitutes or transfers money, goods or other profits obtained from a non-culpable offence, or who carries out in relation to these other operations in such a way as to obstruct the identification of their criminal origins, is liable to imprisonment for a period of between four and twelve years and a fine of between €1,032 and €15,493. The penalty is increased when the fact is committed as part of professional duties., while the penalty is decreased if the money, goods or other profits come from an offence where the penalty is for a period of imprisonment of less than a maximum of five years. The last paragraph of article 648 is applied in these cases.

This is classified as a multi-offence since it involves the administration of justice, public order and financial order.

The typical conduct of these cases is represented by the substitution (of money, goods or other profits from crimes), transfer or completion of any operations (apart from the previous types of conduct) aimed at obstructing the identification of the origins of such goods.

The subjective element of the offence is general intent, such as the knowledge that the goods come from a crime and that a crime has been committed. Any individual can commit the offence in question, with the exception of those who actually take part in the crime itself (such as accomplices).

Special aggravating circumstances are applied to individuals who commit the offence as part of their professional activities, while the penalty is decreased if the money, goods or other profits are obtained from an offence that is punishable with imprisonment for a maximum period of less than five years.

Monetary sanctions: from €51,646 to €1,239,496. In cases where the money, goods or other objects from a crime carry the penalty of imprisonment for a maximum period of more than five years, the monetary sanctions are for between €103,292 and €1,549,370.

Disqualification sanctions: from 3 to 24 months

Art. 648 ter criminal code – Use of money, goods or profits from illegal activities

Whoever, apart from cases of complicity in crimes and the cases provided for in articles 648 and 648 bis of the criminal code., uses money, goods or profits from illegal activities in economic or financial operations, is liable to imprisonment for a period of between four and twelve years and a fine of between €1,032 and €15,493. The penalty is increased when the fact is committed as part of an individual's professional activities. The penalty is reduced if the circumstances referred to in the second paragraph of article 648exist. The last paragraph of article 648 is applied.

The word "use" has a broad definition, including any form of utilisation of illegal capital, independently of any profit made.

The conduct refers to any sector that is suitable for making profits (economic or financial operations), such as, for example, brokering or operations connected with trading money or shares.

As with money laundering, the subjective element is generic intent. The same aggravating circumstances are applied if the offence is committed by an individual as part of their professional activities.

Monetary sanctions: from €51,646 to €1,239,496. In cases where the money, goods or other benefits originate from an offence for which a penalty is imposed of imprisonment of more than a maximum of five years, the monetary sanctions are for between €103,292 and €1,549,370.

Disqualification sanctions: from 3 to 24 months

AREAS OF BUSINESS ACTIVITIES AT RISK

Purchasing and managing of rights and brands *(for example, subjects, formats, scripts, books, music)* (**art.648 bis criminal code and art. 648 ter criminal code**)

Managing financial resources (**art. 648 criminal code and art. 648 ter criminal code**)

Direct sales and product placement (**art. 648 criminal code**)

Managing the purchase of goods and services (*apart from rights, for example professional appointments, artistic collaboration, other goods and services for offices and programme and film production*) (**art. 648 criminal code and 648 ter criminal code**)

10) COMPUTER CRIMES AND ILLEGAL PROCESSING OF DATA ART. 24 BIS OF LEGISLATIVE DECREE 231/01

Art. 615 ter criminal code – Illegal access to computerised systems

Whoever illegally gains access to a computerised system that is protected by security measures or continues to access that system against the express or tacit desire of the individual who has the right to exclude them, is liable to imprisonment for a period of up to three years. The penalty is imprisonment for a period of between one and five years:

1) if the fact is committed by a public official or by an employee of a public service, with abuse of their power or violation of the duties inherent in their position or service, or by any individual who by profession or abusively is a private investigator, or by an individual who abuses their position as a systems operator;

2) if the guilty party uses violence against either an object or an individual in order to commit the fact, or if they are obviously armed;

3) if the fact results in the destruction of or damage to the system, or to the total or partial interruption of its functioning, or to the destruction of or damage to the data, information or programmes contained in it.

If the facts referred to in the first and second paragraphs concern computerised systems linked to military matters or to public order or to public or health security or to civil protection or in any case to the public interest, the penalty is, respectively, imprisonment for a period of between one and five years and three and eight years. In the case referred to in the first paragraph, the offence is punishable following a lawsuit taken out by the offended party while in the other cases it is automatically prosecuted.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 24 months

Art. 615 quater criminal code – Illegal possession and circulation of access codes for computerised systems

Whoever, in order to procure for themselves or others a profit or to cause damage to others, illegally procures, reproduces, circulates, communicates or consigns codes, passwords or other means of gaining access to a computerised system protected by security measures, or in any case provides indications or instructions suitable for this aim, is liable to imprisonment for a period of up to one year and a fine of up to €5,164. The penalty if for imprisonment for a period of between one and two years and a fine of between €5,164 and €10,329 if any of the circumstances referred to in points 1) or 2) of paragraph 4 of article 617 quater are applicable.

Monetary sanctions: from €25,823 to €464,919

Disqualification sanctions: from 3 to 24 months

Art. 615 quinquies criminal code – Circulation of equipment, devices or computer programmes aimed at damaging or interrupting computer systems.

Whoever, in order to illegally damage a computer system, or the information, data or programmes it contains or linked to it, or in order to favour the total or partial interruption or alteration of its functioning, procures, produces, reproduces, imports, circulates, communicates, consigns or, in any

case, provides others with equipment, devices or computer programmes, is liable to imprisonment for up to two years and a fine of up to €10,329.

Monetary sanctions: from €25,823 to €464,919

Disqualification sanctions: from 3 to 24 months

Art. 617 quater criminal code – Illegal interception, impediment or interruption of computer communications.

Whoever fraudulently intercepts communications related to a computer system or between a number of interconnected computer systems, or impedes or interrupts or them is liable to imprisonment for a period of between six months and four years. Unless the offence in question constitutes a more serious offence, the same penalty is applied to whoever reveals, either totally or partially, by using any form of public information system, the contents of the communications referred to in the first paragraph. The offences referred to in the first and second paragraphs are punishable following a lawsuit by the offended party. However, the offence is automatically prosecuted and the period of imprisonment is increased to a period of between one and five years if the offence committed:

1) damages a computer system used by the State or by another public body or by a company that carries out public services or services of public necessity;

2) by a public official or by an employee of a public service, with abuse of power or violation of duties pertaining to the specific functions or service, or in cases of abuse carried out by an operator of the computer system in question;

3) by an individual who by profession or abusively is a private investigator.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 24 months

Art. 617 quinquies criminal code – Installation of equipment designed to intercept, impede or interrupt computer communications.

Whoever, apart from those cases allowed by law, installs equipment designed to intercept, impede or interrupt communications relating to a computer system or to interconnected computer systems, is liable to imprisonment for a period of between one and four years. The penalty is increased to imprisonment for a period of between one and five years for those cases referred to in article 617 quater.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 24 months

Art. 635 bis criminal code – Damaging computer information, data or programmes.

Unless the fact constitutes a more serious offence, whoever destroys, deteriorates, cancels, alters or suppresses computer information, data or programmes belonging to others is liable, following a lawsuit by the offended party, to imprisonment for a period of between six months and three years. If the circumstances referred to in number 1) of the second paragraph of article 650 apply, or if the fact is committed by an operator of the computer system in question, the penalty is imprisonment for a period of between one and four years and it is automatically prosecuted.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 24 months

Art. 635 ter criminal code – Damaging computer information, data or programmes used by the State or by another public body or in any case of public utility.

Unless the offence in question constitutes a more serious offence, whoever commits an offence designed to destroy, deteriorate, cancel, alter or suppress computer information, data or programmes used by the State or by another public body or pertinent to them, or in any case of public utility, is liable to imprisonment for a period of between one and four years. If the fact results in the destruction, deterioration, cancellation, alteration or suppression of computer information, data or programmes, the penalty is for imprisonment for a period of between three and eight years.

If the circumstances referred to in number 1) of the second paragraph of article 635 apply, or if the fact is committed by an operator of the computer system in question, the penalty is increased.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 24 months

Art. 635 quater criminal code – Damaging computer systems.

Unless the offence in question constitutes a more serious offence, whoever, by adopting the conduct referred to in article 635 bis or by introducing or transmitting data, information or programmes, destroys damages or makes it impossible, either completely or partially, to use a computer system belonging to others or seriously obstructs its functioning, is liable to imprisonment for a period of between one and five years. If the circumstances referred to in number 1) of the second paragraph of article 635 apply, or if the fact is committed by an operator of the computer system in question, the penalty is increased.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 24 months

Art. 635 quinquies criminal code – Damaging computer systems of public utility.

If the fact referred to in article 635 quater is designed to destroy, damage or to make impossible, either completely or partially, to use a computer system of public utility or to seriously obstruct its functioning, the penalty is imprisonment for a period of between one and four years.
If the fact results in the destruction or damaging or a computer system of public utility or if it makes the system, either completely or partially, impossible to use, the penalty is imprisonment for a period of between three or eight years. If the circumstances referred to in number 1) of the second paragraph of article 635 apply, or if the fact is committed by an operator of the computer system in question, the penalty is increased.

Monetary sanctions: from €25,823 to €774,865

Disqualification sanctions: from 3 to 24 months

Art. 640 quinquies criminal code – Computer fraud by an individual who is responsible for certifying computer signatures.

Individuals who are responsible for certifying computer signatures and who, in order to gain an unjust profit either for themselves or for others or to cause damage to others, violating the obligations provided for by the law concerning the issuing of authorised certificates, is liable to imprisonment for a period of up to three years and a fine of between €51 and €1,032.

Monetary sanctions: from €25,823 to €619,892

Disqualification sanctions: from 3 to 24 months

Art. 491 bis criminal code – Computerised documents

If any of the offences referred to in the present article concern public or private computerised documents, the provisions of the article itself concerning public acts and private contracts are applied.

Monetary sanctions: from €25,823 to €619,892

Disqualification sanctions: from 3 to 24 months

AREAS OF BUSINESS ACTIVITIES AT RISK

Managing of company computerised systems (**art. 495 bis criminal code, art. 615 ter criminal code, art. 615 quater criminal code, art. 615 quinquies criminal code, art. 617 quater criminal code, art. 617 quinquies criminal code, art. 635 bis criminal code, art. 635 ter criminal code, art. 635 quater criminal code, art. 635 quinquies criminal code and art. 640 quinquies criminal code**)

11) OFFENCES CONNECTED WITH INDUSTRY AND TRADE

Art. 25 bis 1 of Legislative Decree 231/01

Art. 513 criminal code – Interference with liberty of industry and trade

Anyone who employs violence or fraudulent means to obstruct or interfere with industry or trade is liable to punishment, following a lawsuit taken out by the offended individual, if the offence in question does not constitute a more serious offence, to a period of imprisonment for a period of up to 2 years and a fine of between €103 and 1,032.

Article 513 of the criminal code is considered to be the basic law among those designed to repress aggression to the liberty to carry out economic initiatives, while the ancillary clause it contains states that it is applied only when a more serious offence has not been committed. The article refers to two distinct types of behaviour, one of which involves the use of violence and the other the use of fraudulent means. The behaviour must be aimed at obstructing or interfering with an industry or trade and it is not necessary that the offence is wholly completed.

Monetary sanctions: from €25,823 to €774,685

Art. 513 bis criminal code – Unfair competition with threats or violence

Anyone who when carrying out commercial, industrial or production business activities employs violence or threats as part of unfair competition is liable to imprisonment for a period of between 2 and 6 years. The sanctions are increased if the competition activities refer either fully or in part to a financial activity and in any way to the State or other public body.

The offence is often invoked in cases of the fraudulent winning of tenders where a criminal organisation uses intimidatory means to influence the decision of the company chosen for the contract. Aggravating circumstances are invoked when a tender involves financial activities that refer either fully or in part in any way to the State or to another public body.

Monetary sanctions: from €25,823 to €1,239,496

Disqualification sanctions: from 3 to 24 months

Art. 514 criminal code – Fraud against national industries

Anyone who sells or puts into circulation by any other means, on either the Italian market or foreign markets, industrial products with forged or altered names, brands or distinguishing signs, thereby causing damage to a national industry, is liable to imprisonment for a period of between one and five years and to a fine of not less than €516. If Italian law or international conventions regarding the safeguarding of industrial ownership are observed for the brands or distinguishing signs, the penalty is increased and the provisions contained in articles 473 and 474 are not applied.

The offence in question is aimed at safeguarding the economic system and, in particular, national production. Typical conduct consists in selling or putting into circulation industrial products with forged or altered names, brands or distinguishing signs.

Damage to a national industry can consist in any form whatsoever of detriment either in the form of loss of profit or consequential damage. The law is designed to protect the economic system by ensuring that economic activities can be freely carried out, although some believe that it should safeguard an individual's personal liberty to freely make economic choices.

Monetary sanctions: from €25,823 to €1,239,496

Disqualification sanctions: from 3 to 24 months

Art. 515 criminal code – Fraudulent interference in trade activities

Anyone who when carrying out a commercial activity or running a sales outlet open to the public consigns to the purchaser a movable object for another individual, or a movable object which in origin, provenance, quality or quantity differs from that declared or agreed on is liable to imprisonment for a period of up to two years and a fine up to €2,065, if the offence in question does not constitute a more serious offence. If the offence involves valuable objects, the period of imprisonment is increased up to a maximum of three years and the fine of not less than €103.

The provision refers to a series of offences concerning damaging consumers' trust, thereby causing mistrust in the safety and transparency of the market. Typical behaviour of this type of offence consists in consigning goods that in origin, provenance, quality or quantity differ from that agreed on.

Monetary sanctions: from €25,823 to €774,685

Art. 516 criminal code – Selling non-genuine food items as genuine

Anyone who sells or trades in any other way non-genuine food items and passes them off as genuine is liable to a period of imprisonment of up to 6 months or to a fine of up to €1,032.

The provision, even though it is aimed at behaviour that could also be damaging for people's health, is considered an economic offence since the fact that food is not genuine does not mean that it is dangerous. The safeguarded interests are therefore the good faith of commercial operations, that is the honest carrying out of company activities. The material object of the offence is non-genuine substances. The offence is classified as anticipated perpetration since it is not necessary for the goods in question to be sold but merely to be put on for sale.

Monetary sanctions: from €25,823 to €774,685

Art. 517 criminal code – Selling industrial products with false signs

Anyone who sells or puts into circulation in any other way original work or industrial products with Italian or foreign names, brands or distinguishing signs designed to fool the buyer about the origin. provenance or quality of the work or products is liable, if the offence is not covered by any other legal provisions, to a period of imprisonment of up to two years and a fine of up to €20,000.

The law is part of the laws designed to protect brands, but unlike articles 473 and 474 of the criminal code this article punishes conduct typical of "fraudulent misrepresentation", that is brands that even though they do not imitate registered brands are designed to trick consumers into making errors. Typical conduct consists in putting on sale or in circulation original work or products in such a way as to create potential traps for consumers.

Monetary sanctions: from €25,823 to €774,685

Art. 517 ter criminal code – Fabricating and trading in goods made by appropriating industrial ownership titles

Apart from the application of articles 473 and 474, anyone who is in a position to know of the existence of an industrial ownership title and makes, or produces industrially objects or other goods made by appropriating an industrial ownership title or in violation of such a title is liable, after a lawsuit by the offended individual, to a period of imprisonment of up to two years and a fine of up to €20,000.

The law punishes individuals who, being in a position to know of the existence of an industrial ownership title, makes or produces industrially objects or other goods made by appropriating an industrial ownership title or in violation of such a title.

The offence is liable to a period of imprisonment of up to two years and a fine of up to €20,000. The same sanctions are applied for the introduction – for purposes of making a profit – into the State of such goods and for holding such goods for sale, offering them for sale directly to consumers or putting them into circulation.

The offences are punishable on condition that the Italian laws, EU regulations and international conventions concerning the protection of intellectual or industrial ownership have been observed.

Monetary sanctions: from €25,823 to €774,685

Art. 517 quater criminal code – Forging geographic origin indications or names of the origin of food products

Anyone who forges or alters the geographic origin or names of the origin of food products is liable to a period of imprisonment of up to two years and a fine of up to €20,000. The same sanctions are applied to anyone who, in order to make profit, introduces into the State, holds for sale, puts on sale directly to consumers or puts into circulation the same products with forged geographic origins or names. The provisions contained in article 474-bis, paragraph two of 474-ter and paragraph two of 517-bis are applied. The offences contained in the first and second instance are punishable on condition that the Italian laws, EU regulations and international conventions concerning the protection of geographic origin indications and the names of the origin of food products have been observed.

This new offence punishes forging and altering the geographic indications of origin and names of origin of food products with imprisonment for a period of up to 2 years and a fine of €20,000.

The same sanctions are applied to individuals who, in order to make a profit, introduce into the State, hold for sale, put on sale directly to consumers or put into circulation the same products with forged geographic origin indications or names.

The offences are punishable on condition that the Italian laws, EU regulations and international conventions concerning the protection of geographic origin indications and the names of the origin of food products.

Monetary sanctions: from €25,823 to €774,685

AREAS OF BUSINESS ACTIVITIES AT RISK

Direct sales and product placement (**art. 513 bis criminal code, art. 515 criminal code and art. 517 criminal code**)

12) OFFENCES CONNECTED WITH COPYRIGHT INFRINGEMENT

Art. 25 novies of Legislative Decree 231/01

Art. 171, paragraph 1, letter a bis) Law 633/41

With the exception of the provisions of article 171 bis and article 171 ter, any individual who without having the right, for any reason whatsoever and in any form, is liable to a fine of between €51 and €2,065;

a-bis) provides access to the public of protected intellectual rights or part of them by putting said rights on a telecommunications network system using any form of connection.

This applies to anyone who provides access to the public of protected intellectual rights or part of them by putting said rights on a telecommunications network system using any form of connection.

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 12 months

Art. 171, paragraph 3 of Law 633/41

If the offences referred to above involve another individual's intellectual rights not destined for publication, or involve appropriating the ownership of work or deforming, mutilating or making other modifications to the work in question, the offender is liable to a period of imprisonment of up to 1 year or a fine of not less than €516 if the honour and reputation of the author is offended.

The offences referred to above involve using another individual's intellectual rights not destined for publication, or involve appropriating the ownership of work or deforming, mutilating or making other modifications to the work in question, if the honour and reputation of the author is offended.

This applies to anyone who illegally duplicates, for the purposes of making a profit, programmes to develop or, for the same reasons, imports, distributes, sells, keeps for commercial or entrepreneurial purposes or rents programmes contained in formats that do not have the stamp of the Italian authority of authors and publishers (S.I.A.E). The same sanctions are applied if the offence concerns any means that is used solely for the purposes of allowing or facilitating the removal or evasion of devices applied for protecting programmes.

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 12 months

Art. 171 bis Law 633/41

Anyone who illegally duplicates , for the purposes of making a profit, programmes to develop or, for the same reasons, imports, distributes, sells, keeps for commercial or entrepreneurial purposes or rents programmes contained in formats that do not have the stamp of the Italian authority of authors and publishers (S.I.A.E) is liable to a period of imprisonment of between 6 months and 3 years and a fine of between €2,582 and €15,493.

The same sanctions are applied if the offence concerns any means that is used solely for the purposes of allowing or facilitating the removal or evasion of devices applied for protecting programmes. The sanctions applied are for a minimum period of imprisonment of 2 years and a minimum fine of €15,493 if the offence is of a serious nature.

Anyone who, for the purposes of making a profit, uses a format that does not have the stamp of the S.I.A.E., reproduces, transfers to another type of format, distributes, communicates, presents or demonstrates in public the contents of a databank in violation of the provisions contained in articles 64-quinquies and 64-sexes, or extracts information or re-uses data from a databank in violation of

the provisions of articles 102-bis and 102-ter, or anyone who distributes, sells or rents a databank is liable to a period of imprisonment of between 6 months and 3 years and a fine of between €2,582 and €15,493. The sanctions applied are for a minimum period of imprisonment of 2 years and a minimum fine of €15,493 if the offence is of a serious nature.

This applies to anyone who, for the purposes of making a profit, uses a format that does not have the stamp of the S.I.A.E., reproduces, transfers to another type of format, distributes, communicates, presents or demonstrates in public the contents of a databank in violation of the provisions contained in articles 64-quinquies and 64-sexes, or extracts information or re-uses data from a databank in violation of the provisions of articles 102-bis and 102-ter, or anyone who distributes, sells or rents a data

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 12 months

Art. 171 ter of Law 633/41

Sanctions of a period of imprisonment of between six months and three years and a fine of between €2,582 and €15,493 are applied to anyone who, for the purposes of making a profit and if not for personal use:

a) illegally duplicates, reproduces, transmits or circulates in public with any type of procedure whatsoever, either completely or in part, intellectual property destined for television, cinema, sale or rent, discs, videotapes or similar formats or any other type of format containing photos or video images of musical, cinema, or audiovisual works assimilated or sequences of moving images;

b) illegally reproduces, transmits or circulates in public, with any type of procedure whatsoever, literary, dramatic, scientific, didactic, musical or dramatic-musical material or multimedia, even if inserted in collective works or composites or databanks;

c) even though not involved in the duplication or reproduction, introduces into the State, holds for sale or distribution, distributes, markets, rents or disposes of in any form, projects in public, transmits in television with any procedure whatsoever, transmits on the radio or plays in public the illegal duplications or reproductions referred to in letters a) and b);

d) holds for sale or distribution, markets, sells, rents, disposes of in any form, projects in public, transmits on the radio or in television with any procedure videocassettes, music cassettes, any other type of formats containing photos or videos of musical, cinema or audiovisual works or sequences of moving images or other formats for which in accordance with the current law it is necessary to apply the specific stamp of the Italian authority for authors and publishers (S.I.A.E.), without this stamp or with a forged or altered stamp;

e) in the absence of an agreement with the legitimate distributor, re-transmits or circulates with any means whatsoever an encrypted programme received from equipment or part of equipment for decoding protected transmissions;

f) introduces into the State, holds for sale or distribution, distributes, sells, rents, disposes of in any form, commercially promotes or installs special decoding equipment that provides access to an encrypted programme without the payment of the specific fee;

f-bis) makes, imports, distributes, sells, rents, disposes of in any form, publishes for sale or rent or keeps for commercial purposes equipment, products or components or offers services that are mainly aimed at or for the commercial use of evading the effective technological measures referred to in article 102-quater or are mainly planned, produced or adapted or made in order to make it possible to evade or facilitate the evasion of the aforementioned measures. The technological measures include those applied, or that remain following the removal of the measures themselves as a result of the voluntary initiative of the owner of the rights or as a result of an agreement with the owner and the individuals who benefit from the exception, or as a result of the execution of measures introduced by administrative or judicial authorities;

h) illegally removes or alters the electronic information referred to in article 102-quinquies, or distributes, imports in order to distribute, broadcasts on the radio or television, communicates or makes available to the public works or other protected material where the electronic information

itself has been removed or altered. Sanctions of a period of imprisonment of between one and four years and a fine of between €2,582 and €15,493 are applied to anyone who:

a) reproduces, duplicates, transmits or illegally circulates, sells or otherwise puts into circulation, disposes of by any means or illegally imports more than fifty copies or examples of work that is covered by copyright and connected rights;

a-bis) in violation of article 16, for the purposes of making a profit, communicates to the public by inserting in a telecommunications network by means of any form of connection, a work protected by copyright or part of such;

b) carries out on a business scale operations connected to the reproduction, distribution, sale or marketing or importation of work protected by copyright and connected rights, is guilty of the offences referred to in paragraph 1;

c) promotes or organises the illegal activities described in paragraph 1.

The sanctions are reduced if the offence is not very serious. The penalty for committing one of the offences referred to in paragraph 1 is:

a) the application of the accessory sanctions referred to in articles 30 and 32-bis of the criminal code;

b) the publication of the sentence in one or more daily newspapers, at least one of which must be a national newspaper, and in one or more specialist magazines;

c) the suspension for a period of one year of the radio-television broadcasting concession or authorisation for production or commercial activities.

5. The amounts deriving from the application of the monetary sanctions contained in the previous paragraphs are paid to the national body for providing pensions and assistance for artists, sculptors, musicians, writers and playwrights.

The provisions are applied to anyone who in order to make profit for themselves:

• illegally duplicates, reproduces, transmits or circulates in public with any procedure whatsoever, either completely or in part, an original work destined for the television or cinema circuit, sale or rent of discs, tapes or similar formats or any other type of format containing photos or videos of musical, cinema or audiovisual work or sequences of moving images

• illegally reproduces, transmits or circulates in public, with any procedure whatsoever, literary, dramatic, scientific, didactic, musical or dramatic-musical work or parts of such work or multimedia work even when inserted in collective work or composites or databanks;

• even though not involved in the duplication or reproduction, introduces into the State, holds for sale or distribution, distributes, markets, rents or disposes of in any form, projects in public, transmits in television with any procedure whatsoever, transmits on the radio or plays in public the illegal duplications or reproductions referred to in letters a) and b);

• holds for sale or distribution, markets, sells, rents, disposes of in any form, projects in public, transmits on the radio or in television with any procedure videocassettes, music cassettes, any other type of formats containing photos or videos of musical, cinema or audiovisual works or sequences of moving images or other formats for which in accordance with the current law it is necessary to apply the specific stamp of the Italian authority for authors and publishers (S.I.A.E.), without this stamp or with a forged or altered stamp;

• in the absence of an agreement with the legitimate distributor, re-transmits or circulates with any means whatsoever an encrypted programme received from equipment or part of equipment for decoding protected transmissions;

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 12 months

Art. 171 septies of Law 633/41

The sanctions referred to in article 171-ter, paragraph 1, are also applied:

a) to producers or importers of formats that are not subject to the stamp referred to in article 181-bis who do not inform the SIAE within thirty days of the date such products are either put on sale in Italy or imported into the country of the data necessary for the clear identification of the formats in question;

b) if the offence does not constitute a more serious offence, anyone who falsely declares to have carried out the obligations referred to in article 181-bis, paragraph 2 of the present law.

This applies to producers and importers of formats that are not subject to the stamp referred to in article 181-bis who do not inform the SIAE within thirty days of the date such products are either put on sale in Italy or imported into the country of the data necessary for the clear identification of the formats in question.

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 12 months

Art. 171 octies of Law 633/41

If the offence in question does not constitute a more serious offence, anyone who fraudulently produces, puts on sale, imports, promotes, installs, modifies, utilises for public and private use equipment or parts of equipment for de-cyphering audiovisual transmissions with restricted access broadcast via the airwaves, via satellite, via cable or in analogic or digital form is liable to a period of imprisonment of between six months and three years and a fine of between €2,582 and €25,822. . Restricted access is taken to mean all audiovisual signals transmitted by Italian or foreign broadcasters in such a form as to make them only visible to closed groups of viewers chosen by the subjects that broadcast the programmes, independently of the fact that there may be a subscription fee involved for using that service. The sanctions imposed are for imprisonment for a period of not less than two years and a fine of €15,493 if the offence is particularly serious.

This applies to anyone who fraudulently produces, puts on sale, imports, promotes, installs, modifies, utilises for public and private use equipment or parts of equipment for de-cyphering audiovisual transmissions with restricted access broadcast via the airwaves, via satellite, via cable or in analogic or digital form.

Monetary sanctions: from €25,823 to €774,685

Disqualification sanctions: from 3 to 12 months

AREAS OF BUSINESS ACTIVITIES AT RISK

Purchasing and managing of rights and brands *(for example, subjects, formats, scripts, books, music)* (**articles 171, 171 bis, 171 ter, 171 septies and 171 octies of Law 633/41**)

Planning and producing television programmes and cinema films (*including managing temporary employees taken on for specific productions)* (**articles 171, 171 bis, 171 ter, 171 septies and 171 octies of Law 633/41**)

Managing the purchase of goods and services (*apart from rights, for example professional appointments, artistic collaboration, other goods and services for offices and programme and film production*) (**articles 171, 171 bis, 171 ter, 171 septies and 171 octies of Law 633/41**)

Managing company computer systems (**articles 171, 171 bis, 171 ter, 171 septies and 171 octies of Law 633/41**)

13) OFFENCES CONNECTED WITH ORGANISED CRIME

Art. 24 ter of legislative Decree 231/01

Art. 416 criminal code – Criminal association

When three or more individuals associate in order to commit crimes, individuals who promote or are part of organising the association are liable to imprisonment for a period of between three and seven years.

For merely participating in the association, the penalty is for a period of between one and five years.

Those in charge of the association are liable to the same penalty as the promoters.

If the association travels the countryside or is seen in public armed, the penalty is imprisonment for a period of between five and fifteen years.

The penalty is increased if there are ten or more members of the association.

If the association aims to commit one of the offences referred to in articles 600, 601 and 602, the penalty is imprisonment for a period of between five and fifteen years in the cases referred to in the first paragraph and for between four and nine years for cases referred to in the second paragraph.

Monetary sanctions: from €77,469 to €1,239,496. For the offence referred to in paragraph six: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Art. 416 bis of criminal code – Mafia-style associations

Whoever is part of a mafia-style association made up of three or more individuals, is liable to a period of imprisonment for a period of between seven and twelve years. Individuals who promote, run or organise such an association are liable to a period of imprisonment of between nine and fourteen years.

An association is classified as being of a mafia style when it requires the individuals who are part of it to employ intimidatory force connected with membership of the association, subjugation and the code of silence, which are used when committing offences for acquiring either directly or indirectly the management or control of economic activities, concessions, authorisations, contracts and public services or for making profits or gaining unjust advantages for themselves or for others, or in order to impede or obstruct the free choice of voting or to buy votes for themselves or for others on the occasion of electoral polls.

If the association is armed, the penalty is for a period of imprisonment of between nine and fifteen years in those cases referred to in the first paragraph, and for a period of between twelve and twenty-four years for those cases referred to in the second paragraph.

An association is considered to be armed when the participants have the possibility, when carrying out the aims of the association, to use arms or explosive materials, even when concealed or kept in storage areas. If the economic activities the association intends to start or take control of are financed either completely or in part with the price, product, or profit from offences, the penalty established in the previous paragraphs is increased by between a third and a half.

For individuals convicted of these offences there is always the obligation to confiscate the aforementioned objects that serve or were destined to commit the offence and the objects that constitute the price, the product, the profit or are involved in carrying them out.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Art. 416 ter of criminal code – Political-mafia electoral collusion.

The penalty established in the first paragraph of article 416-bis is also applied to anyone who obtains a promise of votes, as referred to in paragraph three of article 416-bis, in exchange for money.

Article 416 of the criminal code has the following characteristics:

(i) the existence of a membership tie that that continues over time even after the commission of the planned offences;

(ii) the existence of a criminal plan aimed at the commission of an indeterminate number of offences;

(iii) the existence of an organisational structure, even a minimum structure, but sufficient to carry out the prefixed objectives.

Since this is a dangerous offence, it is not necessary for the offence to be carried out for there to be association and it is only necessary for an agreement to be made to carry out a criminal plan in the relatively near future. The offence can take place both inside and outside the company.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Art. 630 criminal code – Restraint of an individual in order to kidnap them or for extortion.

Anyone who kidnaps a person for the purpose of obtaining, either for themselves or for others, an illegal profit in return for their liberation is liable to a period of imprisonment of between twenty-five and thirty years.

If the kidnapping results in the death of the victim as an unwanted consequence of the crime, the guilty person is liable to a period of imprisonment of thirty years. If the guilty party causes the death of the victim, the penalty is life imprisonment. If an accomplice who, dissociating themselves from the others, cooperates in obtaining the release of the victim, without that result being due to the price of the liberation, the penalty provided for in article 605 is applied. If the victim dies, as a consequence of the kidnapping, after the liberation, the period of imprisonment is fixed at between six and fifteen years.

When there are attenuating circumstances, the penalty contained in the second paragraph is replaced by imprisonment for a period of between twenty and twenty-four years, while the penalty contained in the third paragraph is replaced by imprisonment for a period of between twenty-four and thirty years. If there are a number of extenuating circumstances, the penalty in light of the decrease cannot be for less than ten years imprisonment, for the cases referred to in the second paragraph, and fifteen years for the cases referred to in the third paragraph.

The limits of the penalty referred to in the previous paragraph can be increased if the extenuating circumstances referred to in the fifth paragraph of the present article exist.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Art. 74 Presidential Decree 309 of 9 October 1990 – Association aimed at the illegal trafficking of narcotic or psychotropic substances

When three or more individuals associate in order to commit a number of the offences referred to in article 73, whoever promotes, sets up, manages, organises or finances the association is liable to a period of imprisonment of not less than twenty years. Whoever participates in the association is liable to a period of imprisonment of not less than ten years. The penalty is increased if there are ten or more associates or if the participants are individuals dedicated to the use of narcotic or psychotropic substances. If the association is armed, the penalty for the cases indicated in paragraphs 1 and 3 cannot be less than twenty-four years of imprisonment and, in the case provided for in paragraph 2, twelve years of imprisonment. The association is considered to be armed if the participants have access to arms or explosive materials, even if they are concealed or kept in storage areas. The penalty is increased if the circumstances referred to in letter e), paragraph 1 of article 80 applies. If the association is constituted in order to commit the facts described in paragraph 5 of article 73, the first and second paragraphs of article 416 of criminal code are applied. The penalties provided for in paragraphs 1 and 6 are decreased by between a half and two-thirds for whoever successfully provides proof of the offence or takes away resources decisive for committing the offence from the association. When laws or decrees cite the offence provided for in article 75 of law 685 of 22 December 1975, abrogated by article 38, paragraph 1 of law 162 of 26 June 1990, the citation refers to the present article.

Monetary sanctions: from €103,292 to €1,549,370

Disqualification sanctions: from 12 to 24 months

Art. 407, paragraph 2, letter a9 of criminal code – Maximum duration of preliminary investigations

Offences connected with the fabrication, introduction into the State, putting on sale, disposal, detention and carrying in a public place or a place open to the public of combat arms or similar or part of such weapons, explosives, clandestine arms or common arms that are not included in the provisions of article 2, paragraph three, of Law 110 of 18 April 1975;

Monetary sanctions: from €77,469 to € 1,239,496

Disqualification sanctions: from 12 to 24 months

The introduction of article 24-ter of Legislative Decree 231/01 would appear to increase the responsibility of companies to include any type of offence if carried out as part of a group or association.

The subject is particularly delicate for at least two reasons: the first is the difficulty of mapping activities that are potentially susceptible to the risk of "*association or group offences"* without having first of all highlighted the possible offences-aims (many of which are not even included in the list of offences referred to in Legislative Decree 231/2001).

The second is the so-called "physiological risk represented by the company organisation itself. The more a company is structured and organised, with a rigid division of tasks and responsibilities, the more it can theoretically be exposed to the risk of a number of individuals joining together to commit an offence being automatically classified in terms of criminal association (since in accordance with article 416 of the criminal code it is only necessary to have three people working together to form an "association").

14) INDUCING INDIVIDUALS INTO NOT MAKING STATEMENTS OR INTO MAKING FALSE STATEMENTS TO JUDICIAL AUTHORITIES

ART. 25 novies of Legislative Decree 231/01

Art. 377 bis of criminal code – Inducing individuals into mot making statements or into making false statements to judicial authorities

Unless the fact constitutes a more serious offence, whoever, with violence or threats or with the offer or promise of money or other assets, induces an individual, called to testify in front of judicial authorities by making a statement that can be used in criminal proceedings, when the individual has the faculty to remain silent, to not make statements or to make false statements is liable to imprisonment for a period of between two and six years.

The offence refers to conduct that consists in using violence or the threat of violence or promising money or other goods for the aims described in the provisions in question. Inducing individuals into not making statements or into making false statements must be accompanied by violence (physical or moral coercion), threats, offers of money or other goods or promises of money or other goods.

For the criminal offence referred to in article 377-bis of the criminal code to be committed it is necessary that the statements of any witnesses must be made to judicial authorities during the course of a trial.

Monetary sanctions: from €25,823 to €774,865

AREAS OF BUSINESS ACTIVITIES AT RISK

Managing judicial, extra-judicial and arbitration procedures (**art. 377 criminal code**)

Managing financial resources (**art. 377 bis criminal code**)

Planning and producing television programmes and cinema films (*including managing temporary employees taken on for specific productions)* (**art. 377 bis criminal code**)

Direct selling and product placement (**art. 377 bis criminal code**)

Managing expenses for gifts, sponsorship, agency fees and such like to third parties (**art. 377 bis criminal code**)

Managing the purchase of goods and services (*apart from rights, for example professional appointments, artistic collaboration, other goods and services for offices and programme and film production*) (**art. 377 bis criminal code**)

Selection and hiring of personnel (*at the company's headquarters and at production sites*) (**art. 377 bis criminal code**)

15) ENVIRONMENTAL OFFENCES

ART. 25 undecies of Legislative Decree 231/01

Art. 727 bis criminal code – Killing, destroying, capturing, taking or detaining examples of protected wild animal and vegetation species

1. Unless the actions constitute a more serious offence, whoever, apart from the specific cases allowed, kills, captures or holds examples of a protected wild animal species is liable to either imprisonment for a period of between one and six months or a fine of up to €4,000, unless the actions concern a negligible quantity of the examples in question and have a negligible impact on the conservation of the species.

2. Whoever, apart from the specific cases allowed, destroys, takes or detains examples belonging to a protected wild vegetation species is liable to a fine of up to €4,000, unless the actions concern a negligible quantity of the examples in question and have a negligible impact on the conservation of the species.

3. The new art. 727-bis of the criminal code punishes various types of illegitimate conduct with regard to protected wild animal and vegetation species so that: a) the conduct of an individual who, apart from the specific cases allowed, kills, captures or holds examples of a protected wild animal species is liable to a sanction of either a terms of imprisonment of between 1 and 6 months or a fine of up to €4,000 (paragraph 1); b) the conduct of an individual who, apart from the specific cases allowed, destroys, takes or detains examples belonging to a protected wild vegetation species is liable to a sanction of a fine of up to €4,000 (paragraph 2).

Monetary sanctions: up to two hundred and fifty shares.

Art. 733 bis criminal code – Destruction or deterioration of habitat inside a protected site

1. Whoever, apart from the specific cases allowed, either destroys a habitat inside a protected area or in any case causes it to deteriorate and thereby compromises its conservation, is liable to a term of imprisonment of up to eighteen months and a fine of not less than €3,000.

2. The application of article 727-bis of the criminal code relating to protected wild animal or vegetation species refers to the provisions contained in attachment IV of European Council directive 92/43/EC and attachment I of European Council directive 2009/147/EC.

3. Article 733-bis of the criminal code for habitats inside a protected site is applied to any habitat of species where the area is classified as a special conservation area as per article 4, paragraphs 1 or 2 of European Council directive 2009/147/EC, or any natural habitat or habitat of species where the area is designated as a special area for conservation as per article 4, paragraph 4 of European Council directive 92/43/EC.

4. Article 733-bis of the criminal code, however, punishes the "destruction or deterioration of habitat inside a protected site". "Whoever, apart from the specific cases allowed, either destroys a habitat inside a protected area or in any case causes it to deteriorate and thereby compromises its conservation " is liable to a term of imprisonment of up to 18 months and a fine of not less than €3,000. Paragraph 3 of the provisions in question adds that "Article 733-bis of the criminal code for habitats inside a protected site is applied to any habitat of species where the area is classified as a special conservation area as per article 4, paragraphs 1 or 2 of European Council directive 2009/147/EC, or any natural habitat or habitat of species where the area is designated as a special area for conservation as per article 4, paragraph 4 of European Council directive 92/43/EC.

Monetary sanctions: from one hundred and fifty to two hundred and fifty shares.

Art. 137 of Legislative Decree 152/2006 – Penal sanctions

1. Whoever opens a new industrial waste drainage system or in any case discharges new industrial waste without authorisation, or continues to carry out or keeps such a system after the authorisation has been either suspended or revoked, is liable to either a term of imprisonment of between two months and two years or a fine of between one thousand five hundred euros and ten thousand euros.

2. When the conduct described in point 1 refers to the discharge of industrial waste containing dangerous substances included in the families or groups of substances indicated in tables 5 and 3/A of Attachment 5 of the third part of the present decree, the penalty is imprisonment for a period of between three months and three years.

3. Whoever, apart from the cases referred to in paragraph 5, is responsible for discharging industrial waste containing dangerous substances included in the families or groups of substances indicated in tables 5 and 3/A of Attachment 5 of the third part of the present decree without observing the authorisation regulations or other regulations drawn up by the competent authorities in accordance with article 107, paragraph 1, and article 108, paragraph 4, is liable to a term of imprisonment of up to two years.

4. Whoever infringes the regulations concerning the installation and management of automatic checks or the obligation to conserve the results of those checks referred to in article 131 is liable to the same penalty referred to in point 3 above.

5. Whoever, in relation to the substances referred to in table 5 of Attachment 5 in part III of the present decree, when discharging industrial waste exceeds the limits established in table 3 or, in the case of discharging waste on land, in table 4 of Attachment 5 in part III of the present decree, or exceeds the more restrictive limits established by regional authorities or the authorities of independent provinces or competent authorities, as per article 107, paragraph 1, is liable to a term of imprisonment up to 2 years and a fine of between €3,000 and €30,000. ([1]) If the limits established for substances contained in table 3/A of Attachment 5 are exceeded, the term of imprisonment is for a period of between six months and three years and a fine of between €6,000 and €120,000.

6. The sanctions referred to in point 5 are also applied to the manager of the urban waste treatment plant where the discharge that exceeds the limits referred to in point 5 takes place.

7. Any manager of an integrated water services system that does not comply with the communication obligation referred to in article 110, paragraph 3, or does not observe the regulations or the bans referred to in article 110, paragraph 5, is liable to either a term of imprisonment of between three months and one year or a fine of between three thousand euros and thirty thousand euros if the waste is not dangerous and to a term of imprisonment of between six months and two years and a fine of between three thousand euros and thirty thousand euros if the waste is dangerous.

8. The owner of a waste drainage plant who denies access to the plant to any individual responsible for carrying out checks and controls as per article 101, paragraphs 3 and 4, is liable to a term of imprisonment of up to two years, unless the actions constitute a more serious offence. This in no way affects the authority-responsibility for individuals who are responsible for carrying out checks and controls as per article 13 of Law 89 of 1981 and articles 55 and 354 of the criminal code.

9. Whoever does not comply with the regulations established in article 113, paragraph 3, is liable to the sanctions referred to in article 137, paragraph 1.

10. Whoever does not comply with the measures adopted by the competent authorities as per article 84, paragraph 4, or article 85, paragraph 2, is liable to a fine of between one thousand five hundred euros and fifteen thousand euros.

11. Whoever does not observe the ban on discharging waste referred to in articles 103 and 104 is liable to a term of imprisonment of up to three years.

12. Whoever does not observe the regional regulations drawn up as per article 88, paragraphs 1 and 2, aimed at guaranteeing the establishment or restoration of the quality of water as referred to in article 87, or does not comply with the measures adopted by the competent authorities as per article 87, paragraph 3, is liable to either a term of imprisonment of up to two years or a fine of between four thousand euros and forty thousand euros.

13. A term of imprisonment of between two months and two years is always applied if any ship or plane discharges into the sea any waste that contains substances or materials for which there exists an absolute discharge ban as per the laws contained in current international conventions regarding this area and ratified by Italy, unless such waste is of a quantity that can be rapidly made innocuous by the physicals, chemical or biological processes that occur naturally in the sea and provided that authorisation has been obtained from the competent authorities beforehand.

14. Whoever utilises effluent from animal breeding, water, vegetation or oil for agronomic purposes, or waste water from agricultural establishments and small agricultural and food companies, as referred to in article 112, apart from the cases and procedures referred to in the article, or does not comply with the ban or suspension of activities contained in the article, is liable to either a fine of one thousand five hundred euros or a term of imprisonment of up to one year. The same sanctions are applied to whoever utilises the above for agronomic purposes apart from the cases and the procedures referred to in current laws.

Monetary sanctions: infringement of paragraphs 3, 5, first part, and 13, from five hundred to two hundred and fifty shares;

Monetary sanctions: infringement of paragraphs 2, 5, second part, and 11, from two hundred to three hundred shares;

Disqualification sanctions: infringement of paragraphs 2, 5, second part, and 11 from two hundred to three hundred shares for a maximum of six months.

Art. 256 of Legislative Decree 152/2006 – Managing non-authorised waste activities

1. Whoever is involved in collecting, transporting, recovering, disposing, trading and brokering waste without the necessary authorisation, registration or communication referred to in articles 208, 209, 210, 211, 212, 214, 215 and 21 is liable to:

a). either a term of imprisonment of between three months and one year or a fine of between two thousand six hundred euros and twenty-six thousand euros if the waste is not dangerous;

b) a term of imprisonment of between six months and two years and a fine of between two thousand six hundred euros and twenty-six thousand euros if the waste is dangerous.

2. The sanctions referred to in point 1 are applied to the owners of companies and managers in charge of organisations that abandon or deposit refuse where they should not or where they introduce it into either surface or underground water in violation of the ban referred to in article 192, paragraphs 1 and 2.

3. Whoever sets up or manages an unauthorised waste dump is liable to a term of imprisonment of between six months and two years and a fine of between two thousand six hundred euros and twenty-six thousand euros. The term of imprisonment is increased to between one and three years and the fine to between five thousand two hundred euros and fifty-two thousand euros if the waste dump is used, even partly, for the disposal of dangerous waste. If an individual is found guilty or if a sentence of guilt is passed as per article 444 of the criminal code, the area where the dump is located is confiscated if it belongs to the author of or partner involved in the offence, without prejudice to the obligation to decontaminate or restore the area to its original state.

4. The sanctions referred to in points 1, 2 and 3 above are reduced by one half if the individual involved fails to observe the regulations contained or referred to in the authorisation, or if the individual lacks the requisites and conditions required for registration or communications.

5. Whoever, in violation of the ban referred to in article 187, carries out activities connected with mixing waste, they are liable to the sanctions referred to in point 1, letter b).

6. Whoever temporarily deposits dangerous healthcare waste in production areas, in violation of the measures referred to in article 227, paragraph 1, letter b), is liable to either a term of imprisonment of between three months and one year or a fine of two thousand six hundred euros and twenty-six thousand euros. If the quantity of waster does not exceed two hundred litres or an equivalent volume, the monetary sanctions range from between two thousand six hundred euros to fifteen thousand five hundred euros.

7. Whoever does not comply with the obligations contained in articles 231, paragraphs 7, 8 and 9, 233, paragraphs 12 and 13, and 234, paragraph 14, is liable to monetary sanctions of between two hundred and sixty euros and one thousand five hundred and fifty euros.

8. Those individuals referred to in articles 233, 234, 235 and 23 who do not comply with the payment obligations contained therein are liable to monetary sanctions of between eight thousand euros and forty-five thousand euros, without prejudice to their obligation to pay the past contributions due. Until the decree referred to in article 234, paragraph 2 is adopted, the sanctions contained in the present paragraph are not applicable to the individuals referred to in article 234.

9. The sanctions referred to in paragraph 8 are reduced by one half if the individual concerned agrees to make payment within sixty days after the expiry date for compiling with the obligation to make payments contained in articles 233, 234, 235 and 23.

Monetary sanctions: infringement of paragraphs 1, letter a), and 6, first part, up to two hundred and fifty shares.

Monetary sanctions: infringement of paragraphs 1, letter b), 3, first part, and 5 from one hundred and fifty to two hundred and fifty shares.

Monetary sanctions: infringement of paragraph 3, second part, from two hundred to three hundred shares.

N.B. *The monetary sanctions indicated are reduced by one half for those cases referred to in paragraph 4.*

Disqualification sanctions: infringement of paragraph 3, second part, for a maximum of six months.

Art. 257 of Legislative Decree 152/2006 – Decontamination of sites

1. Whoever causes the pollution of land, sub-soil, surface water or underground water by exceeding the risk levels of concentration is liable to either a term of imprisonment of between six months and one year or a fine of between two hundred and six thousand euros and twenty-six thousand euros, if they do not arrange for the land in question to be decontaminated in accordance with a project approved by the competent authorities as part of the procedure referred to in article 242 and subsequent articles. Should the transgressor fail to provide the necessary communication referred to in article 242, they will be liable to either a term of imprisonment of between three months and one year or a fine of between one thousand euros and twenty-six thousand euros.

2. If the pollution is caused by dangerous substances, the transgressor is liable to a term of imprisonment of between one year and two years and a fine of between five thousand two hundred euros and fifty-two thousand euros.

[omissis]

Monetary sanctions: infringement of paragraph 1, up to two hundred and fifty shares;

Monetary sanctions: infringement of paragraph 2, from between one hundred and fifty and two hundred and fifty shares.

Art.258, paragraph 4, of Legislative Decree 152/2006 – Failure to comply with the obligation to supply communications, keep obligatory registers and submit forms.

4. Companies that collect and transport their non-dangerous waste as per article 212, paragraph 8, that do not adhere, on a voluntary basis, to the waste traceability control system (SISTRI) referred to in article 188-bis, paragraph 2, letter a), and transport waste without the forms referred to in article 192, or indicate incomplete or inaccurate data on the forms are liable to monetary sanctions of between one thousand six hundred euros and nine thousand three hundred euros. The penalty referred to in article 483 of the criminal code is applied to any individual who provides false information on the nature, composition and chemical-physical characteristics of the waste when compiling a waste analysis certificate and to any individual who use a false certificate when transporting waste materials.

Monetary sanctions: infringement of the second part, between one hundred and fifty and two hundred and fifty shares.

Art. 259, paragraph 1, of Legislative Decree 152/2006 – Illegal waste trafficking

Whoever transports waste that constitutes illegal trafficking as per article 2 of EEC regulation 259 of 1 February 1993, or transports waste materials that are listed in Attachment II of the same regulations in violation of article 1, paragraph 3, letters a), b), e) and d) of the same regulations, is liable to a fine of between one thousand five hundred and fifty euros and twenty-six thousand euros and a term of imprisonment up to two years. The penalty is increased in the case of transporting dangerous substances.

Monetary sanctions: from one hundred and fifty to two hundred and fifty shares.

Art. 260 of Legislative Decree 152/2006 – Organised operations for the illegal trafficking of waste

1. Whoever, in order to obtain an unjustified profit, employs a series of operations and continuously uses vehicles and organised activities to dispose of, receive, transport, export, import or in any way manage abusively large quantities of waste is liable to a term of imprisonment of between one and six years

2. In the case of highly radioactive waste, the term of imprisonment increases to between three and eight years.

3. The above penalty also carries the accessory penalty referred to in articles 28, 30, 32-bis and 32-ter of the criminal code, with the application of the limitation referred to in article 33 of the criminal code.

4. When an individual is found guilty of the above or when sentence is passed as per article 444 of the criminal code, the judge will order the environment to be restored to its original state and can also ensure that any conditional suspension of the penalty is subordinate to the elimination of the damage or of the danger to the environment.

Monetary sanctions: paragraph 1, from three hundred to five hundred shares;

Monetary sanctions: paragraph 2, from four hundred to eight hundred shares;

Disqualification sanctions: infringement of paragraphs 1 and 2, up to a maximum of six months.

A penalty of definitive disqualification from carrying out the business activities in question is applied if the company or one of its departments is regularly used with the sole or main aim of consenting or facilitating the commissioning of any offences referred to in the present article.

Art. 260-bis of Legislative Decree 152/2006 – Waste traceability computerised control system.

1. Individuals who are obliged and fail to register on the waste traceability computerised control system (SISTRI), as referred to in article 188-bis, paragraph 2, letter a), within the established terms, are liable to monetary sanctions of between two thousand six hundred euros and fifteen thousand five hundred euros. In the case of dangerous waste, the monetary sanctions are increased to between fifteen thousand five hundred euros and ninety-three thousand euros.

2. Individuals who are obliged and fail, within the established terms, to pay the registration fee for the waste traceability control system (SISTRI) referred to in article 188-bis, paragraph 2, letter a), are liable to monetary sanctions of between two thousand six hundred euros and fifteen thousand five hundred euros. In the case of dangerous waste, the monetary sanctions are increased to between fifteen thousand five hundred euros and ninety-three thousand euros. When failure to make the required payment is verified, the services provided by the traceability control system referred to above is suspended for the transgressor. Any previous failure to make the registration payment referred to in this paragraph is taken into consideration when the annual registration fee to the traceability system is calculated in subsequent years.

3. Whoever fails to fill in the chronological register or the SISTRI – MOVEMENT AREA form in accordance with the time limits, procedure and methodology established by the computerised control system referred to in paragraph 1, or who provides incomplete or inexact information to the system or fraudulently alters any of the accessory technological devices of the computerised control system, or in any way obstructs its correct functioning, is liable to monetary sanctions of between two thousand six hundred euros and fifteen thousand five hundred euros. In the case of companies with less than fifteen employees, the monetary sanctions applied are for an amount between one thousand and forty euros and six thousand two hundred euros. The number of employees is calculated on the basis of the average number of full-time employees during a year, while part-time and seasonal employees are calculated on an annual fractional basis. These calculations are based on the last approved financial year before the infringement was discovered. If the incomplete or inexact information provided does not prejudice the traceability of the waste, the monetary sanctions amount to a sum of between two hundred and sixty euros and one thousand five hundred and fifty euros.

4. If the conduct referred to in point 3 above refers to dangerous waste, the monetary sanctions amount to between fifteen thousand five hundred euros and ninety-three thousand euros, plus an accessory administrative sanction of suspension for a period of between one month and one year from the position held by the individual responsible for the offence, including the suspension from the position of director if applicable. In the case of companies with less than fifteen employees, the minimum and maximum limits of the fine referred to above are reduced to between two thousand and seventy euros and twelve thousand four hundred euros for dangerous waste. The method of calculating the number of employees is the same as the method referred to in point 3. If the incomplete or inexact information provided does not prejudice the traceability of waste, the monetary sanctions amount to a sum of between five hundred and twenty euros and three thousand one hundred euros.

5. In addition to the provisions contained in points 1 and 4, whoever does not comply with any additional obligations in accordance with the abovementioned waste traceability control system

(SISTRI) is liable, for each infringement, to monetary sanctions of between two thousand six hundred euros and fifteen thousand five hundred euros. In the case of dangerous waste, the monetary sanctions are increased to between fifteen thousand five hundred euros and ninety-three thousand euros.

6. The penalty referred to in article 483 of the criminal code is applied to any individual who provides false information on the nature, composition and chemical-physical characteristics of the waste when compiling a waste analysis certificate used as part of the waste traceability control system, and to any individual who uses a false certificate when providing data for waste traceability purposes.

7. Any transporter who fails to have a written copy of the SISTRI – MOVEMENT AREA form when transporting waste and, where necessary in accordance with current laws, a copy of the analytical certificate that identifies the characteristics of the waste, is liable to monetary sanctions of between one thousand six hundred euros and nine thousand three hundred euros. In the case of the transportation of dangerous waste, the penalty referred to in article 483 of the criminal code is applied. This penalty is also applied to individuals who when transporting waste use a waste analysis certificate that contains false declarations about the nature, composition and chemical-physical characteristics of the waste being transported.

8. Any transporter who when transporting waste has a written copy of the SISTRI – MOVEMENT AREA form that has been fraudulently altered is liable to the penalty referred to in the provisions contained in articles 477 and 482 of the criminal code. The penalty is increased by up to a third if the waste is dangerous.

9. If the conduct referred to in point 7 does not prejudice the traceability of the waste, the monetary sanctions amount to a sum of between two hundred and sixty euros and one thousand five hundred and fifty euros.

9-bis. Whoever infringes a number of the provisions contained in the present article or commits more than one infringement of one of the provisions is liable to the same monetary sanctions that are applied to a more serious offence, increased by up to double. The same sanction is applied to whoever commits a number of infringements, as part of the same plan and also at different times, of either the same provision or of various dispositions referred to in the present article.

9-ter. Whoever commits an infringement of the obligations contained in the regulations concerning the computerised control system referred to in point 1 but subsequently complies with these obligations within thirty days of the infringement is not liable to the relevant sanctions. Within sixty days of the immediate objection or notification of the infringement, the transgressor can resolve the dispute, subject to their complying with the obligations referred to above, by paying a quarter of the established sanctions, and in this case no accessory sanctions will be imposed.

Monetary sanctions: paragraphs 6, 7, second and third parts, and 8, first part, from one hundred and fifty to two hundred and fifty shares.

Monetary sanctions: paragraph 8, second part, from two hundred to three hundred shares.

Art. 279, paragraph 5, of Legislative Decree 152/2006 – Sanctions.

1. Whoever begins to install or operate a plant without having the relevant authorisation, or continues to operate when the authorisation has expired, run out, been suspended or revoked is liable to either a term of imprisonment between two months and two years or a fine of between two hundred and fifty-eight euros and one thousand and thirty-two euros. The same penalty is applied to whoever makes substantial modifications to a plant without the authorisation referred to in article 269, paragraph 8. Whoever makes non-substantial modifications to a plant without communicating the fact in accordance with article 269, paragraph 8, is liable to monetary sanctions of one thousand euros, which will be applied by the relevant authorities.

2. Whoever, when operating a plant, exceeds the emission limits of the provisions established by the authorisation, by Attachments I, II, III or V in the fifth part of this decree, by the plans, programmes or regulations of article 271 or the measures imposed by the competent authorities in accordance with the present point, is liable to either a term of imprisonment of up to one year or a fine of up to one thousand and thirty-two euros. If the limits or the infringed regulations are contained in the integrated environmental authorisation, the sanctions referred to in the regulations that cover that authorisation are applied.

3. Whoever begins operating a plant or sets up a business activity without previously communicating the fact as per article 269, paragraph 6, or in accordance with article 272, paragraph 1, is liable to either a term of imprisonment up to one year or a fine of up to one thousand and thirty-two euros.

4. Whoever does not communicate to the competent authorities the necessary emissions data as per article 269, paragraph 6, is liable to either a term of imprisonment up to six months or a fine of up to one thousand and thirty-two euros.

5. In the cases referred to in paragraph 2, the penalty of a term of imprisonment of up to one year is always applied if by exceeding the emission limits the air quality limits referred to in current regulations are also exceeded.

[omissis]

Monetary sanctions: paragraph 5, up to two hundred and fifty shares.

Art. 1 – Law 150 of 7 February 1992.

1. *Unless the action constitutes a more serious offence, whoever infringes European Council Regulation (EC) 338/97 and subsequent implementations and modifications, for those species cited in the list contained in Attachment A of the Regulation in question and subsequent modifications, is liable to either a term of imprisonment of between three months and one year and a fine of between fifteen million lire and one hundred and fifty million lire for the following:*

a) importing, exporting or re-exporting species, under any form whatsoever of customs regime, without the necessary certificate or licence, or with a certificate or licence that is invalid as per article 11, paragraph 2a of European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications;

b) omitting to observe the laws aimed at protecting the species outlined in a licence or certificate issued in conformity with European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications, and European Council Regulation 939/97 of 26 May 1997, and subsequent modifications;

c) utilising the abovementioned species in any way that diverges from the provisions contained in the authorising or certifying regulations issued together with the importation licence or subsequent certificates;

d) transporting or moving species, including on behalf of third parties, without the relevant licence or certificate issued in conformity with European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications, and European Council Regulation 939/97 of 26 May 1997, and subsequent modifications, and in the case of exportation or re-exportation from a third-party country adhering to the Washington Convention, issued in conformity with the Convention, or without sufficient proof of the existence of such a licence or certificate;

e) marketing artificially reproduced plants in conflict with the provisions established on the basis of article 7, paragraph 1, letter b) of European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications, and European Council Regulation 939/97 of 26 May 1997, and subsequent modifications;

f) detaining, using for profit, buying, selling, exhibiting or keeping for sale or commercial purposes, offering for sale or in any way disposing of species without the necessary documentation;

2. In the case of re-offending, the individual is liable to a term of imprisonment between three months and two years and a fine of between twenty million lire and two hundred million lire. If the offence is committed as part of company operations, the company's licence is suspended for a minimum of six months and a maximum of eighteen months.

3. The importation, exportation or re-exportation of personal or domestic objects derived from examples of the species referred to in paragraph 1, in violation of the measures contained in European Council Regulation 939/97 of 26 May 1997, and subsequent modifications, is punishable with monetary sanctions of between three million lire and eighteen million lire.

Monetary sanctions: paragraph 1, up to two hundred and fifty shares;

Monetary sanctions: paragraph 2, from one hundred and fifty to two hundred and fifty shares.

Art. 2 – Law 150 of 7 February 1992.

1. *Unless the action constitutes a more serious offence, whoever infringes European Council Regulations (EC) 338/97 of 9 December 1996, and subsequent implementations and modifications, for those species cited in the lists contained in attachments B and C of the Regulation itself, and subsequent modifications, is liable to either a fine of between twenty million lire and two hundred million lire or a term of imprisonment between three months and one year, for the following:*

a) importing, exporting or re-exporting species, under any form whatsoever of customs regime, without the necessary certificate or licence, or with a certificate or licence that is invalid as per article 11, paragraph 2a of European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications;

b) omitting to observe the laws aimed at protecting the species outlined in a licence or certificate issued in conformity with European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications, and European Council Regulation 939/97 of 26 May 1997, and subsequent modifications;

c) utilising the abovementioned species in any way that diverges from the provisions contained in the authorising or certifying regulations issued together with the importation licence or subsequent certificates;

d) transporting or moving species, including on behalf of third parties, without the relevant licence or certificate issued in conformity with European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications, and European Council Regulation 939/97 of 26 May 1997, and subsequent modifications, and in the case of exportation or re-exportation from a third-party country adhering to the Washington Convention, issued in conformity with the Convention, or without sufficient proof of the existence of such a licence or certificate;

e) marketing artificially reproduced plants in conflict with the provisions established on the basis of article 7, paragraph 1, letter b) of European Council Regulation 338/97 of 9 December 1996, and subsequent implementations and modifications, and European Council Regulation 939/97 of 26 May 1997, and subsequent modifications;

f) detaining, using for profit, buying, selling, exhibiting or keeping for sale or commercial purposes, offering for sale or in any way disposing of species without the necessary documentation, but only with regard to those species referred to in Attachment B of the Regulation;

2. In the case of re-offending, the individual is liable to a term of imprisonment between three months and two years and a fine of between twenty million lire and two hundred million lire. If the offence is

committed as part of company operations, the company's licence is suspended for a minimum of six months and a maximum of eighteen months.

[omissis]

Monetary sanctions: paragraphs 1 and 2, up to two hundred and fifty shares.

Art. 6 – Law 150 of 7 February 1992.

1. Without prejudice to Law 157 of 11 February 1992, it is forbidden for any individual to keep live examples of mammals and reptiles belonging to a wild species and live examples of mammals and reptiles that have been bred in captivity that constitute a danger to the health and safety of the public.

2. The Ministry of the Environment , together with the Ministry of the Interior, the Ministry of Health and the Ministry of Agriculture and Forestry established by decree the criteria to be applied in identifying the species referred to in point 1, and consequently they have drawn up a list of those examples and ensured that this list is widely circulated, partly with the help of associations dealing with the protection of animal species.

3. Taking into account the provisions of paragraph 1 of article 5, from the date of the publication in the Gazzette Ufficiale of the decree referred to in point 2, whoever has live examples of mammals or reptiles belonging to a wild species and live examples of mammals or reptiles that have been bred in captivity that are included in the list, are required to report this to the competent authorities within ninety days of the decree referred to in point 2 coming into force. The competent authorities, in collaboration with the relevant healthcare authorities, can authorise the individuals concerned to keep the examples in question if the relative structures where they are kept are deemed suitable for ensuring that the examples can survive and on condition that they do not represent any danger to the health and safety of the public.

4. Whoever contravenes the regulations referred to in point 1 is liable to either a term of imprisonment up to three months or a fine of between fifteen million lire and two hundred million lire.

[omissis]

Monetary sanctions: paragraph 4, up to two hundred and fifty shares.

Art. 3 bis – Law 150 of 7 February 1992.

1. The penalties contained in Book II, Title VII, Chapter III of the Criminal Code is applied in those cases referred to in article 16, paragraph 1, letters a), c), d), e) and l) of European Council Regulations (EC) 338/97 of 9 December 1996, and subsequent modifications, with regard to the falsifying or alteration of certificates, licences, import certificates, declarations, informative communications regarding the acquisition of licences or certificates and the use of false or altered certificates or licences.

[the above mentioned section of the criminal code is reproduced below in order to facilitate the understanding of the precept]

Chapter III, Title VII, Book II Criminal code

Art. 476

Forgery committed by a public official of public deeds

[I]. A public official who when carrying out his duties draws up, either completely or in part, a false deed or alters a real deed, is liable to a term of imprisonment of between one and six years.

[II]. If the forgery concerns a deed or part of a deed, which is held to be genuine until a complaint is made to the contrary, the term of imprisonment is increased to between three and ten years.

Art. 477

Forgery committed by a public official of certificates or administrative authorisations

[I]. A public official who, when carrying out his duties, falsifies or alters certificates or administrative authorisations, or, by means of falsifying or altering, makes them appear to fulfil the conditions required for their validity, is liable to a term of imprisonment of between six months and three years.

Art. 478

Forgery committed by a public official of authenticated copies of public or private deeds and of declarations of the authenticity of the contents of deeds

[I]. A public official who, when carrying out his duties, supposes a public or private deed exists and draws up a copy of it and issues it in a legal form, or issues a copy of a public or private deed that differs from the original, is liable to a term of imprisonment of between one and four years.

[II]. If the forgery concerns a deed or part of a deed, which is held to be genuine until a complaint is made to the contrary, the term of imprisonment is increased to between three and eight years.

[III]. If the forgery is committed by a public official in a declaration of the authenticity of the contents of a private or public deed, the term of imprisonment if between one and three years.

Art. 479

False declarations committed by a public official in public deeds

[I]. A public official who, when receiving or drawing up a deed as part of his duties, falsely certifies that he has carried out some action or that it has been carried out in his presence, or certifies to have received declarations that were never made, or omits or alters declarations he has received, or in any case falsely certifies facts that a deed is designed to verify, is liable to the penalty referred to in article 476.

Art. 480

False declarations committed by public officials in certificates or administrative authorisations

[I]. A public official who , when carrying out his duties, falsely declares, in certificates or administrative authorisations, facts that a deed is designed to verify, is liable to a term of imprisonment of between three months and two years.

Art. 481

False declarations in certificates committed by individuals carrying out a public necessity service

[I]. Whoever, when carrying out a healthcare or forensic profession, or another public necessity service, falsely declares, in a certificate, facts that that a deed is designed to verify, is liable to either a term of imprisonment of up to one year or a fine of between €51 and €516.

[II]. These penalties are applied con-jointly if the offence is committed for profit.

Art. 482

Forgery committed by a private individual

[I]. If any of the offences referred to in articles 476, 477 and 478 are committed by a private individual, or by a public official but not when carrying out his duties, the penalties referred to in the respective articles is reduced by a third.

Art. 483

False declarations committed by a private individual in public deeds

[I] Whoever falsely declares to a public official, in a public deed, facts that a deed is designed to verify, is liable to a term of imprisonment of up to two years.

[II]. If the offence refers to false declarations in civil deeds, the term of imprisonment cannot be for less than months.

Art. 484

Forgery of registers and notifications

[I]. Whoever, if obliged by law to make registrations that are subject to inspections by public safety authorities or to provide notifications to those authorities of their industrial, commercial or professional activities, writes or allows others to write false indications, is liable to either a term of imprisonment of up to six months or a fine of up to €309.

Art. 485

Forgery of private deeds

[I]. Whoever, in order to procure for themselves or for others an advantage or to cause damage to others, draws up, either completely or in part, a false private contract, or alters a genuine private contract, whether for their use or for the use of others, is liable to a term of imprisonment of between six months and three years.

[II]. Falsely adding anything to a genuine private contract after the contract has been definitively drawn up is also classified as altering the contract.

Art. 486

Forgery of a signed blank piece of paper. Private deeds.

[I]. Whoever, in order to procure for themselves or for others an advantage or to cause damage to others, abusively uses a signed blank piece of paper which they have been entrusted with completing or are obliged to complete, writes or allows others to write a private contract that produces legal effects that differ from those contained in their obligation or authorisation, whether for their use or for the use of others, is liable to a term of imprisonment of between six months and three years.

[II]. A piece of paper is considered to be a signed blank piece of paper when the individual who has signed it has left any space blank that must be filled in.

Art. 487

Forgery of a signed blank piece of paper. Public deeds.

[I]. A public official who abusively uses a signed blank piece of paper which they have been entrusted with completing or are obliged to complete, writes or allows others to write a public deed that differs from the one they are authorised or obliged to complete, is liable to the penalty established in articles 479 and 480.

Art. 488

Other forgery of a signed blank piece of paper. Applicability of the regulations regarding forgery.

[I]. In **c**ases of forgery of a signed blank piece of paper that differ from those referred to in the previous two articles, the provisions regarding forgery of public deeds or private contracts are applied.

Art. 489

Use of false deeds.

[I]. Whoever uses a false deed, without being involved in the forgery, is liable to the penalties referred to in the previous articles but reduced by a third.

[II]. If the offence involves a private contract, whoever commits the offence is only punishable if they have acted in order to obtain for themselves or others an advantage or to cause damage to others.

Art. 490

Deletion, destruction and concealment of genuine deeds.

[I]. Whoever, either totally or partly, destroys, conceals or deletes a public deed or private contract is liable to the penalties referred to in articles 476, 477, 482 and 485, according to the distinctions contained in the articles.

[II]. The provisions contained in the first part of the previous article are applied.

Art. 491

Documents equivalent to public deeds, effects of penalties.

[I]. If any of the forgeries contained in the previous articles concern a holographic will or a bill of exchange or another credit instrument that can be either endorsed or paid on demand, instead of the penalty established for forgery of a private contract in article 485, the penalties established in the first art of article 476 and article 482 are applied.

[II]. In the case of forgery or alteration of any of the abovementioned deeds, whoever makes use of such deeds but is not involved in the forgery is liable to the penalty established in article 489 for the use of false public deeds.

Art. 491 bis

Computerised documents.

[I]. If any of the acts of forgery contained in the present chapter refer to either public or private computerised documents which have probative relevance, the provisions contained in the articles referring to public deeds and private contracts are applied.

Art. 492

Authenticated copies replacing missing originals.

[I]. With reference to the previous provisions outlined above, when dealing with *public deeds* and *private contracts* these refer to both original documents and authenticated copies of the originals when in accordance with the law these copies replace the missing originals.

Art. 493

Forgery committed by public employees providing public services.

[I]. The provisions contained in the previous articles concerning forgery committed by public officials also apply to employees of the State or other public offices who provide public services regarding the drawing up of deeds or documents as part of their responsibilities.

Art. 493 bis

Cases of prosecution following a complaint.

[I]. The offences referred to in articles 485 and 486 and those referred to in articles 488, 489 and 490, when concerning a private contract, are punishable following a complaint by the offended party.

[II]. The offence is indictable if the actions referred to in the articles cited in the previous paragraph involve a holographic will.

Monetary sanctions: up to two hundred and fifty shares, in the case of offences where the penalty does not exceed a maximum of one year imprisonment;

Monetary sanctions: from one hundred and fifty to two hundred and fifty shares, in the cases of offences where the penalty does not exceed a maximum of two years imprisonment;

Article 3, paragraph 6, of Law 549 of 28 December 1993

1. The production, consumption, importation, exportation, detention and marketing of damaging substances referred to in Table A, attached to the present law, are regulated by the provisions referred to in European Council Regulation (EC) 3093/94.

2. With effect from the date the present law came into force, it is forbidden to grant authorisation to plants that utilise the substances referred to in Table A, attached to the present law, without prejudice to European Council Regulation (EC) 3093/94.

3. The decree issued by the Ministry of the Environment, in cooperation with the Ministry of Industry and Commerce, established, in conformity with the provisions and the time scale for the progressive elimination programme referred to in European Council Regulation (EC) 3093/94, the date up to which it is possible to utilise the substances referred to in Table A, attached to the present law, for the maintenance and re-charging of equipment and plant already sold and installed at the date the present law came into force, and the time scale and modality for ceasing to utilise the substances referred to in Table B, attached to the present law, while those essential uses of the substances referred to in Table B are highlighted so that an exception can be made with regard to the provisions contained in the present paragraph. The production, utilisation, marketing, importation and exportation of substances referred to in Table A and Table B, attached to the present law, ceased on 31 December 2008, with the exception of the substances, processing and production not included in the field of application of European Council Regulation (EC) 3093/94, as per the definitions provided

therein. (With effect from 31 December 2008, in order to reduce the emission of gas with a potential high greenhouse effect, the limits placed on the utilisation of hydrochlorofluorocarbons (HCFC) in the fire-prevention sector are also applied to the utilisation of perfluorcarbons (PFC) and hydrochlorofluorocarbons (HCFC)).

4. The adoption of terms that differ from those referred to in paragraph 3, derived from the revision of European Council Regulation (EC) 3093/94, requires the substitution of the terms indicated in the present law and the necessary adjustments to include new terms.

5. Companies that intend to cease production and utilisation of substances referred to in Table B, attached to the present law, before the established date can make specific programme agreements with the Ministry of Industry and Commerce and the Ministry of the Environment, in order to have access to the incentives referred to in article 10, concerning early cessation, in accordance with the modality that will be established by decree by the Ministry of Industry and Commerce, in cooperation with the Ministry of the Environment.

6. Whoever infringes the provisions contained in the present article is liable to a term of imprisonment of up to two years and a fine of up to three times the value of the substances utilised for production, importation or marketing purposes. In more serious cases, the authorisation or licence to carry out the business activities where the offence was committed will be revoked.

Monetary sanctions: from one hundred and fifty to two hundred and fifty shares.

Art. 8 of Legislative Decree 202 of 6 November 2007 - Implementation of Directive 2005/35/EC regarding pollution caused by ships, and consequent sanctions.

1. Unless the action constitutes a more serious offence, the commander of a ship, sailing under any flag whatsoever, together with the crew members, the owner of the ship and the shipping company, in cases where the infringement occurs with their complicity, that wilfully violates the provisions contained in article 4 are liable to a term of imprisonment of between six months and two years and a fine of between €10,000 and €50,000.

2. If the infringement referred to in point 1 above causes permanent damage or, in any case, damage of a particular gravity to the quality of the water, to animal or vegetation species or to parts of these, a penalty of a term of imprisonment of between one and three years and a fine of between €10,000 and €80,00 is applied.

3. The damage is considered to be of particular gravity when it requires particularly complex technical operations or particularly onerous operations to rectify its consequences, or if these operations can only be carried out with the aid of exceptional measures.

Monetary sanctions: paragraph 1, from hundred and fifty to two hundred and fifty shares;

Monetary sanctions: paragraph 2, from two hundred to three hundred shares; Disqualification sanctions: infringement of paragraphs 1 and 2, up to a maximum of six months.

A penalty of definitive disqualification from carrying out the business activities in question is applied if the company or one of its departments is regularly used with the sole or main aim of consenting or facilitating the commissioning of any offences referred to in the present article.

Art. 9 of Legislative Decree 202 of 6 November 2007 – Implementation of Directive 2005/35/EC

regarding pollution caused by ships, and consequent sanctions.

1. Unless the action constitutes a more serious offence, the commander of a ship, sailing under any flag whatsoever, together with the crew members, the owner of the ship and the shipping company, in cases where the infringement occurs with their cooperation, that violates due to negligence the provisions contained in article 4 are liable to a fine of between €10,000 and €30,000.

2. If the infringement referred to in point 1 above causes permanent damage or, in any case, damage of a particular gravity to the quality of the water, to animal or vegetation species or to parts of these, a penalty of a term of imprisonment of between six months and two years and a fine of between €10,000 and €30,000.

3. The damage is considered to be of particular gravity when it requires particularly complex technical operations or particularly onerous operations to rectify its consequences, or if these operations can only be carried out with the aid of exceptional measures.

Monetary sanctions: Paragraph 1, up to two hundred and fifty shares;

Monetary sanctions: paragraph 2, between one hundred and fifty and two hundred and fifty shares;

Disqualification sanctions: infringement of paragraph 2, up to a maximum of six months.

16) EMPLOYMENT OF SUBJECTS FROM OTHER COUNTRIES WHO ARE ILLEGAL IMMIGRANTS

ART. 25 duodecies of Legislative Decree 231/01

Art. 22, paragraph 12 bis of Legislative Decree 286 of 25 July 1998 ("Single text of the provisions concerning the regulations pertaining to immigration and regualtions on the condition of foreigners")

12. An employer who takes on foreign workers without a residence permit referred to in the present article, or whose residence permit has expired and no request has been made in accordance with the terms of the law for a renewal, or whose permit has been cancelled, is liable to a term of imprisonment of between six months and three years and a fine of €5,000 for every worker employed.

12 bis. The penalties referred to in paragraph 12 are increased by between one third and one half:

a) if there are more than three workers involved;

b) if the workers involved are below the legal employment age;

c) if the workers are subject to any of the other exploitative working conditions referred to in article 603 of the criminal code.

12 ter. Once the guilt of a defendant has been proven, the judge applies accessory administrative sanctions of payment of the average cost for repatriating the foreign workers illegally employed.

Legislative Decree 109 of 16 July 2012 ("**Implementation of Directive 2009/52/EC that introduces minimum regulations concerning the sanctions and measures to be applied to employers who take on citizens from third-party countries who are illegal immigrants"**), published in the Gazzetta Ufficiale no. 172 of 25 July 2012, introduced with article 1 a series of modifications to Legislative Decree 286 of 25 July 1998, the single text for immigration. The decree, and in particular paragraphs 12 bis and 12 ter, ratifies the increase in the penalties by adding paragraphs 12 bis and 13 ter (reported above) to article 22.

Article 2 (*Sanction provisions"*) of Legislative Decree 109/2012 introduces in Legislative Decree 231/01, article 25 duodecies (*"Employment of subjects from other countries who are illegal immigrants"*), which rules that employers who take on illegal immigrants will be punished in accordance with penal regulations, while entities will be independently subject (in the instances referred to in paragraph 12 bis) to monetary sanctions of between 100 and 200 shares, with a maximum amount of €150,000.

Monetary sanctions: from 100 to 200 shares, within the maximum limit of €150,000.