



Company's bodies

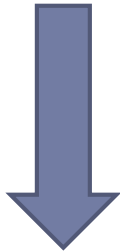


**Alternative models**

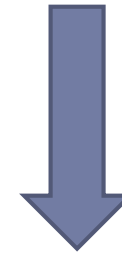
# TRADITIONAL MODEL

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SHAREHOLDERS' MEETING



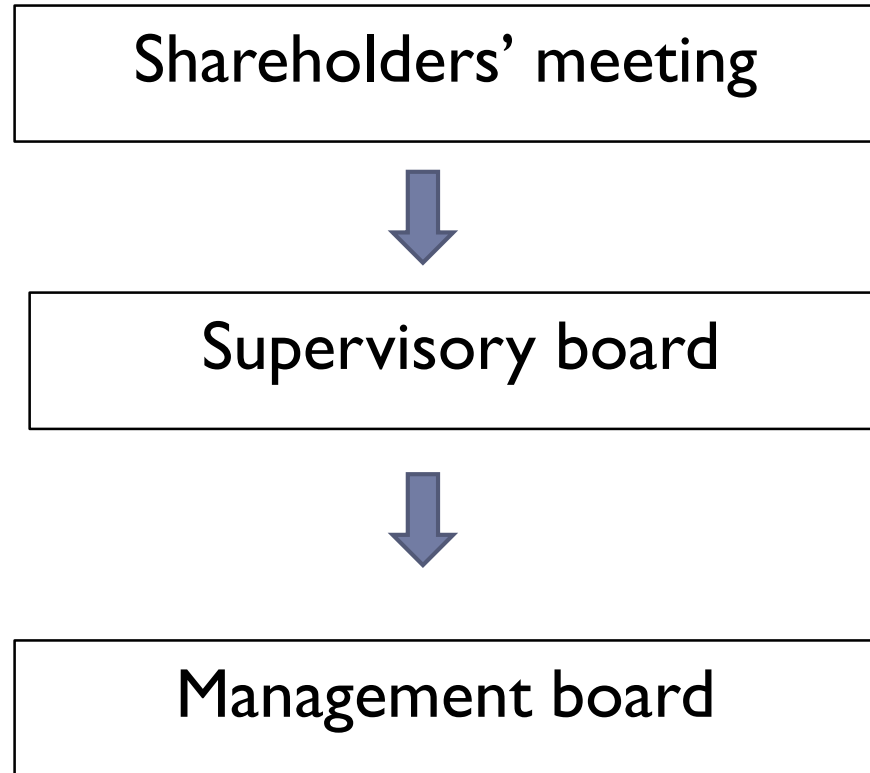
BOARD OF  
DIRECTORS



BOARD OF  
STATUTORY  
AUDITORS

# Two-tier system (2409octies – 2409quinquiesdecies)

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# Two-tier system – Main differences

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## ▶ Shareholders' meeting

- ▶ Doesn't appoint the “management body”
- ▶ Doesn't approve the financial statements

# Two-tier system

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- ▶ Shareholders' meeting (2364bis c.c.)
  - ▶ Appointment/removal members Supervisory Board
  - ▶ Remuneration
  - ▶ Liability of members of Supervisory Board
  - ▶ Distribution of profits
  - ▶ Auditor

# Two-tier system

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## ▶ **Supervisory board**

### ▶ Powers:

- ▶ Appoints and removes the members of the management board
- ▶ Approves the financial statements
- ▶ Functions of the board of statutory auditors stated in art. 2403
- ▶ Promotes the action for liability
- ▶ 2409
- ▶ Report to the shareholders' meeting
- ▶ **If provided by the by-laws, resolves with respect to the strategic transactions and to the industrial and financial plans of the company, as drafted by the management board, without prejudice to the liability of the management board for its own acts**

# Two-tier system

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## ▶ **Supervisory board**

▶ Number:  

▶ Shareholders or not

▶ No substitutes

▶ Term of appointment

▶ Dismissal

▶ Vacancy: the shareholders' meeting shall provide without delay for their replacement

# Two-tier system

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- ▶ **Supervisory board**

- ▶ Requirements

- ▶ Inelegibility:

- ▶ Connection to the company or to the companies controlled by it

- ▶ Attend the meetings

- ▶ Inspection and control



# Two-tier system

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## ► **Management board**

### **Differences:**

1. **At least 2 members (NO SOLE DIRECTOR!)**
2. **Appointed by the Supervisory Board**
3. **No co-optation**
4. **Action for liability brought also by the Supervisory Board**

# Two-tier system

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## ▶ AUDITING

- ▶ Always external

## ▶ LIABILITY

- ▶ 2409decies
- ▶ 223-SEPTIES DISP. ATT. C.C.

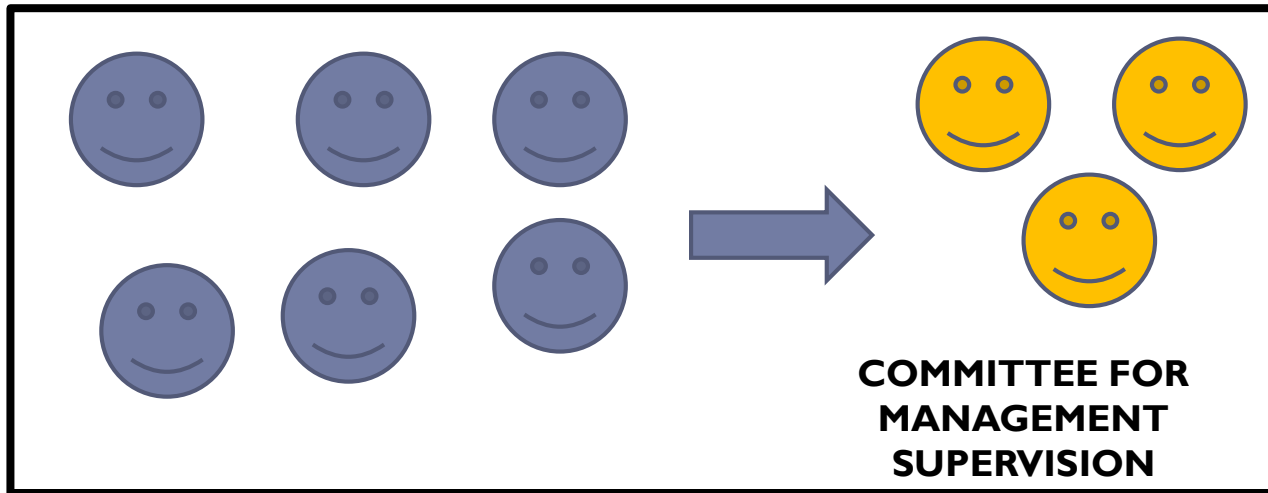
# One-tier system (2409sexiesdecies – 2409noviesdecies)

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**Shareholders' meeting**



**BOARD OF  
DIRECTORS**



**COMMITTEE FOR  
MANAGEMENT  
SUPERVISION**

# One-tier system

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## ▶ BOARD OF DIRECTORS

### ▶ Differences

1. 1/3 must fulfill the requirements of independence set forth for the statutory auditors
2. NO sole director
3. Disclosure of the offices in other companies
4. Appoints the “supervisory body”, the management control committee among its members

# One-tier system

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- ▶ **COMMITTEE FOR MANAGEMENT SUPERVISION**
  - ▶ Formed by **directors**
  - ▶ who fulfill the requirements of
    - ▶ Integrity
    - ▶ Professionalism
    - ▶ Independence
  - ▶ and who
    - ▶ Are not members of executive committee
    - ▶ Are not delegated
    - ▶ Not perform even de facto functions relating to the management

# One-tier system

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## ▶ COMMITTEE FOR MANAGEMENT SUPERVISION

- ▶ Death/revoke/resignation/forfeiture...the board of directors provides, without delay, to the replacement
- ▶ cooptation

# One-tier system

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- ▶ **COMMITTEE FOR MANAGEMENT SUPERVISION**
- ▶ What does it do?
  - ▶ Elects its chairman
  - ▶ Monitors the adequacy of.. (see Art. 2409octiesdecies c.c.)
  - ▶ Performs the additional functions assigned to it by the board of directors with specific reference to the relationship with the persons entrusted with the statutory accounting audit

# One-tier system

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- ▶ **AUDITING**

- ▶ Always external

- ▶ **223-SEPTIES DISP. ATT. C.C.**