



## **COMPANY'S BY-LAWS**

*June 21, 2017*



## CHAPTER I

### Incorporation and Corporate Purpose

#### ARTICLE 1 – Name

A Stock Company is set up under the name of ‘Unipol Gruppo Finanziario S.p.A.’, or in abbreviated form ‘Unipol S.p.A.’ or ‘UGF S.p.A.’

The name of the Company may be expressed in languages other than Italian by a literal translation or in the versions usually used in the foreign countries in which the Company may carry out its business.

#### ARTICLE 2 - Registered Office

The Company has its registered office in Bologna. The Board of Directors is granted the power to establish and close secondary offices, branches, agencies and representative offices, as well as to transfer the registered office, in accordance with Article 2365, second paragraph, of the *Codice Civile* [Italian Civil Code].

#### ARTICLE 3 – Duration

The duration of the Company is until 30 June 2100, unless it is extended or dissolved in advance.

Shareholders who have not taken part in approving resolutions regarding the extension of the duration of the Company will have no right of withdrawal.

#### ARTICLE 4 – Purpose

1. The purpose of the Company is to acquire, privately, holdings in undertakings operating in the insurance, credit and financial sectors. In this context and likewise privately, the Company may also (i) coordinate the technical, administrative and financial work of the participating interests, (ii) grant corporate financing, (iii) act as an exchange rate broker and agent and (iv) receive, pay and transfer funds and debit and credit the relative charges and interest.
2. The Company may also provide services of an administrative, logistical, financial and actuarial nature and provide administrative technical support to the participating interests.
3. Expressly excluded from statutory activity are (i) providing surety in favour of third parties, on behalf of the Company itself or of participating interests, unless this activity is residual and is strictly instrumental in achieving the Company's aims and objectives (ii) carrying out the



activities referred to in Article 106 of Legislative Decree 385 of 1 September 1993 vis-à-vis the public.

4. Also expressly excluded from the Company's activity are receiving savings income from the public and the provision of investment services in accordance with Legislative Decree 385 of 1 September 1993 and Legislative Decree 58 of 24 February 1998.
5. Subject to the limits referred to in paragraph 3 of this Article, in order to achieve its purpose the Company may also carry out any operations in securities and property and any other activity deemed necessary or useful, contract loans and enter into any other type of debt and/or financial lease and grant liens on property, personal security, pledges, special liens and retentions of title, including free of charge both on its own behalf and in favour of third parties, including non-shareholders.
6. The Company is Parent of the 'Gruppo Assicurativo Unipol'. This Company, in its capacity as Parent of the Gruppo Assicurativo Unipol, in carrying out management and coordination activities, under Article 87, third paragraph of the Private Insurance Code, adopts, in respect of the member companies, measures for implementing provisions given by the Supervisory Authority for Private Insurance in the interests of stable and effective management of the insurance group. The Company is subject to supervisory checks in accordance with the provisions of the Private Insurance Code and the By-Laws are subject to checks by the Supervisory Authority for Private Insurance.
7. The Company is also Parent of 'Unipol Gruppo Bancario'. The same Company, in its capacity as Parent of Unipol Gruppo Bancario, in carrying out management and coordination activities pursuant to Article 61, fourth paragraph of the Consolidated Law on Banking, issues directives to the members of the banking group for the implementation of instructions issued by the Bank of Italy in the interests of the stability of the banking group itself. The Company is subject to supervisory controls in accordance with the provisions of the Consolidated Law on Banking and the By-Laws are subject to inspection by the Bank of Italy.

## **CHAPTER II**

### **Capital - Shares – Shareholders' Meetings**

#### **ARTICLE 5 - Capital**

The share capital is €3,365,292,408.03 (three billion, three hundred and sixty-five million, two hundred and ninety-two thousand, four hundred and eight point three) divided into 717,473,508 registered common shares, without nominal value.



The law provisions referring to the nominal value of shares are applied in relation to the ratio between the number of shares and the total issued shares.

By means of a subsequent amendment to the By-Laws, categories of shares associated with different rights may be created.

If the capital is increased by means of an increase in the number of shares, the newly-issued shares shall be subject to the pre-emption right of the shareholders of the Company.

The capital may also be increased by granting benefits in kind or receivables.

The option right does not apply to the newly-issued shares which, in accordance with the resolution to make the increase, must be paid up in full or in part by granting benefits in kind.

The option right may not be granted on newly-issued shares, subject to a limit of ten percent of the pre-existing share capital, provided that the issue price corresponds to the market value of the shares and that this is confirmed in an appropriate report from the company of auditors.

The Extraordinary Shareholders' Meeting may also, in accordance with current legislation, resolve to increase share capital reserved for the Company's employees or even for the employees of parents and subsidiaries.

#### **ARTICLE 6 - Shares and Joint Representative**

The shares are registered. Where the law allows, if they are fully paid-up they may be converted into bearer shares by and at the expense of the Shareholder. In the event of joint ownership the regulations established by Article 2347 of the Civil Code shall apply.

#### **ARTICLE 7 - Transferring Shares**

Shares and the corresponding option rights may be freely transferred in accordance with the law.

#### **ARTICLE 8 - Convening Shareholders' Meetings**

Shareholders' Meetings are convened in accordance with the formalities provided for by law, in a single call by applying the majorities required by law, and are held at the registered office or anywhere else in Italy indicated in the notice of meeting.

By law the notice of meeting containing the information required by current legislation must be published on the Company's website and in the other ways required by current legislation or regulations.

The notice of meeting may also fix the dates of the second, third and any subsequent meetings to be



held if the quorum required by the law for each of the previous meetings is not reached.

Ordinary Shareholders' Meetings shall be convened at least once a year, in order to approve the annual financial statements, within 120 (one hundred and twenty) days or, if permitted by the law, within 180 days (one hundred and eighty) of closure of the financial year.

The Shareholders' Meeting may also be convened, subject to prior notification being sent to the Chairman of the Board of Directors, by the Board of Statutory Auditors or by at least two of its members.

The Board of Directors shall convene an ordinary or extraordinary Shareholders' Meeting without delay if requested to do so by Shareholders representing at least one twentieth of the share capital, provided that the request indicates the matters to be dealt with. In such case the report on the matters to be discussed shall be prepared by the Shareholders that have requested the Meeting to be called. Convocation by request is not permitted on matters which, under the terms of the law, must be discussed by the Shareholders' Meeting on a proposal from the Board of Directors or on the basis of a draft or report submitted by the latter.

Moreover, Shareholders who, alone or jointly with others, represent at least one fortieth of the share capital may, in the manner and within the terms prescribed by the regulations currently in force, request to make additions to the list of matters to be discussed at the meeting, indicating in the request the further matters proposed by them or may submit proposals for resolutions on matters already on the agenda. Anyone entitled to the right to vote may submit individual proposals for resolution in the Meeting.

#### **ARTICLE 9 - Procedures for Shareholders' Meetings**

The proper constitution of Shareholders' Meetings and the validity of resolutions passed by them are governed by law. Resolutions relating to the appointment of the Board of Statutory Auditors are governed by the provisions of Article 17.

Resolutions of the Shareholders' Meeting relating to the carrying out of transactions with related parties of major relevance, to be carried out despite the disapproval of the Committee for Transactions with Related Parties or without taking account of its comments, are passed in accordance with the provisions of the Procedure for Transactions with Related Parties adopted by the Company.

Proxies are entitled to attend and vote at the Shareholders' Meeting provided the Company has received the proxy forms, completed in accordance with current legislation.

Each person entitled to vote may be represented at the Shareholders' Meeting by a proxy appointed in writing or with an electronic document signed electronically in accordance with current legislation. A proxy may be appointed electronically by certified e-mail, in accordance with the



procedures indicated in the notice of the meeting.

For each Shareholders' Meeting the Company may designate one or more people whom those entitled to vote may appoint as their proxy and provide with voting instructions for some or all of the motions on the agenda. The parties designated and the procedures and deadlines for appointing proxies are indicated in the notice of the meeting.

The Board of Directors may, for individual Shareholders' Meetings and in accordance with current legislation, allow members to participate and vote remotely, including electronically, provided that it is possible to identify the parties entitled to do so and ensure that communication is secure. The notice of the meeting must in this case specify the procedures for participating in the business of the shareholders' meeting, including by reference to the Company's website.

Each share gives the right to one vote.

Shareholders' Meetings are chaired by the Chairman of the Board of Directors, or, in his absence, by the Vice Chairman, or, if he too is absent, by a Director, or, failing that, by someone elected by the majority of the capital represented.

Unless the minutes are drawn up by a Notary, the Chairman of the Shareholders' Meeting is assisted by a Secretary proposed by the Chairman and appointed by those attending, assisted if necessary by two scrutineers, one appointed by the Chairman and one by those attending. It is the Chairman's task to ensure that the Shareholders' Meeting is properly constituted, to verify the identity and legitimacy of those attending, to conduct and regulate the work of the Shareholders' Meeting, to select the system of voting and to verify the results of the voting. The results of these verifications must be recorded in the minutes.

The Rules of Procedure for Shareholders' Meetings govern how they shall be conducted, except where the Shareholders' Meeting adopts different procedures on a case by case basis.

## **CHAPTER III**

### **Management**

#### **ARTICLE 10 - Administrative Body**

Management of the Company is entrusted to a Board of Directors made up of no fewer than 15 and no more than 25 members, appointed by the Shareholders' Meeting – which also decides how many of them there should be – in accordance with the procedures mentioned below.

Care must be taken to ensure that there is a balance between the sexes on the Board of Directors in accordance with current legislation and regulations. In particular, the first time the Board of Directors is reelected following the date on which the provisions of Law 120 of 12 July 2011 come into effect, at least one fifth of the members of the Board of Directors must be of the sex that is in



the minority, whilst during the two subsequent terms of office at least one third of the members of the Board of Directors must be of the sex that is in the minority, rounded up in the event of a fraction.

In order to be allowed to take office Directors must comply with current legal and regulatory requirements.

Directors are appointed for three years or for a shorter period fixed by the Shareholders' Meeting when making the appointment and are eligible for re-election.

Members of the Board of Directors are elected on the basis of lists submitted by those shareholders who at the time they are submitted are entitled to vote at the relevant Shareholders' Meeting. The candidates on each list must be listed by means of a serial number.

In order to be valid each list must include at least two candidates who comply with current legal and regulatory requirements relating to independence; they must be indicated separately and one of them must appear first on the list.

In addition, in order to be valid each list containing three or more candidates must include both sexes in such a way that the candidates of the sex that is in the minority constitute at least one fifth of the total for the first term of office following the date on which the provisions of Law 120 of 12 July 2011 come into effect and at least one third of the total for the two subsequent terms of office, rounded up in the event of a fraction.

As indicated in the notice of the Shareholders' Meeting the lists must reach the Company by the twenty-fifth day preceding the date of the Shareholders' Meeting and be made available to the public at the registered office, on the Company's website and in any other ways required by current legislation and regulations at least twenty-one days before the date fixed for the Meeting.

Each shareholder, shareholders belonging to a relevant shareholders' agreement under Article 122 of Legislative Decree 58 of 24 February 1998, the parent, subsidiaries and joint ventures in accordance with Article 93 of Legislative Decree 58 of 24 February 1998 may not submit or participate in submitting more than one list, even through an intermediary or trust company, nor may they vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company, and in order to be eligible each candidate may appear on only one list. Shareholders' support and votes cast in violation of this ban will not be allocated to any list.

Shareholders who, alone or in combination with others shareholders, hold the total number of shares laid down in accordance with current legislation and regulations and that will be mentioned on a case by case basis in the notice of the Shareholders' Meeting will be entitled to submit lists.

Ownership of the shareholding required for submitting lists is based on the shares registered to the member(s)/proxy(ies) on the day on which the lists are deposited with the Company.



The following must be deposited along with each list (i) declarations in which the individual candidates accept nomination for office and affirm that they are eligible and compatible and fulfil the requirements for taking on the various roles; (ii) the curriculum vitae of each candidate covering his/her personal and professional profile and, if relevant, a statement of suitability to be deemed to be independent and (iii) the additional information required by legislation and regulations, which will be included in the notice of the Shareholders' Meeting.

The certificate issued by an authorised intermediary proving ownership of the number of shares required for the submission of the list may be produced when the list is deposited, or even subsequently provided that it is within the deadline laid down in current legislation for the Company to publish the list.

Lists that are submitted without these provisions being observed are considered as not having been submitted.

Each person entitled to vote may vote for only one list.

The procedure for electing the Board of Directors is as follows:

- a) from the list that has obtained the highest number of votes cast by the shareholders (the 'Majority List') nine tenths of the number of Directors to be elected are drawn, based on the order in which they appear on the list, rounded up in the event of a fraction. In the event that the shareholders cast the same number of votes, the Shareholders' Meeting will vote again and the Majority List that obtains the highest number of votes is elected;
- b) the remaining Directors will be taken from the other lists (hereinafter referred to as the 'Minority List(s)'). For this purpose the votes obtained by these Minority Lists will be subsequently divided by one, two or three, in accordance with the serial number of the Directors to be elected.

The quotients obtained in this way will be allocated one by one to the candidates on each Minority List, in the order provided.

The quotients allocated in this way to the candidates on the Minority Lists will be arranged on a single descending scale. Those who have obtained the highest quotients will be elected, up to the number of Directors to be elected.

In the event that several candidates obtain the same quotient, the candidate who is elected will be taken from the Minority List from which no Director has yet been elected or from which the lowest number of Directors has been elected. In the event that none of these lists has yet elected a Director or all have elected the same number of Directors, the candidate who is elected will be the one on these lists who has obtained the highest number of votes. In the event that there are the same number of list votes and the quotients are the same, the Shareholders' Meeting will vote again and the candidate who obtains the highest number of votes will be elected.

If on completion of the voting the composition of the Board of Directors does not result in this





balance between the sexes, those of the sex that is in the majority who, taking account of the order in which they are listed, were the last on the majority list to be elected are eliminated from the number needed to ensure that the requirement is fulfilled and are replaced by the first unelected candidates on the same list of the sex that is in the minority. If the majority list does not contain sufficient candidates of the sex that is in the minority to act as replacements, the Shareholders' Meeting appoints additional members of the Board of Directors according to the majorities laid down in law, ensuring that the requirement is fulfilled.

In the event that only one list is submitted or no list is submitted, the above procedure will not be observed and the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law, but the proportion of the sexes provided for in current legislation and regulations must be observed.

In accordance with Article 2386 of the Civil Code, if one or more Directors cease to hold office during the year, provided the majority are Directors appointed by the Shareholders' Meeting the following procedure will be followed:

- i) the Board of Directors appoints candidates on the same list as the Directors who have ceased to hold office, starting with the first unsuccessful candidate, provided that, if the candidate appointed is required to be independent and/or of the sex that is in the minority, the first unsuccessful independent candidate on the list will be appointed and/or the first unsuccessful candidate of the sex that is in the minority on the same list;
- ii) if there are no candidates left on this list who have not already been elected, the Board of Directors replaces the Directors who have ceased to hold office without observing the procedure outlined in point i), but the ratio between the sexes provided for in current legislation and regulations must be observed.

Should the majority of the Directors appointed by the Shareholders' Meeting cease to hold office, the entire Board is deemed to have resigned and a Shareholders' Meeting must be called without delay by the Directors remaining in office in order to reconstitute the Board in accordance with the above procedures.

If it has been decided that the number of Directors shall be below the maximum provided for in this Article, during the Board's period of office the Shareholders' Meeting may increase the number up to this maximum. When appointing additional Board Members and when voting to replace Directors in accordance with Article 2386 of the Civil Code, the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law without any restrictions imposed by lists, but care must be taken to ensure that the Board of Directors has at least two members who comply with current legal and regulatory requirements relating to independence and that the ratio between the sexes provided for in current legislation and regulations is observed.



#### **ARTICLE 11 - Principal Officials**

The Board of Directors elects from among its members a Chairman, a Vice Chairman and a Secretary, the latter not necessarily being a member of the Board.

#### **ARTICLE 12 - Meetings and Resolutions of the Board of Directors**

The Board of Directors meets at least once a quarter, also for the purpose of reporting promptly to the Board of Statutory Auditors on business performance and major economic and financial operations carried out by the Company or by its subsidiaries and, more specifically, on transactions in which Directors have an interest for themselves or on behalf of third parties.

The Board of Directors also meets whenever the Chairman or acting Chairman deems it appropriate or when it is requested in writing by at least one third of the Directors in office.

The Board of Directors may be convened by the Chairman or acting Chairman, not necessarily at the registered office, by means of a notice of meeting containing details of the matters to be discussed, sent to the serving Directors and Statutory Auditors, by any medium and/or technological tool which ensures receipt, at least five days before the date of the meeting, except in an emergency when the meeting may be called at least forty-eight hours in advance.

The Board of Directors may also be convened by the Board of Statutory Auditors or by at least a member thereof, with the Chairman being given prior notice.

It is permissible for participants to attend a Board of Directors remotely, by means of video- or teleconferencing systems, provided that all the participants can be identified and are able to follow the discussion, to take part in real time in the discussion on the items under consideration and to receive, transmit or examine documents. If these requirements are met, the Board is deemed to have met at the location of the Chairman and the Secretary, who takes the minutes signed by both of them.

The validity of resolutions passed by the Board of Directors is governed by Article 2388 of the Civil Code.

Resolutions are recorded in minutes signed by the Chairman and by the Secretary and written in the relevant book.

In open ballots if there are the same number of votes the Chairman has the casting vote.

#### **ARTICLE 13 - Powers of the Board of Directors**

The Board of Directors is granted the widest powers for the ordinary and extraordinary administration of the Company. It is therefore entitled to perform any action, including disposals, which it deems appropriate for the achievement of the Company's purpose, with the sole exception of any action which is expressly reserved for the Shareholders' Meeting.



The Board of Directors is responsible for taking decisions regarding:

- mergers and demergers with subsidiaries, in the cases permitted by legislation;
- reduction of the share capital, should a Shareholder withdraw;
- amendment of these By-Laws to comply with legal provisions;
- issuing of non-convertible bonds;
- acquisition and disposal of shareholdings resulting in changes in the composition of Unipol Gruppo Bancario;
- determining the criteria for the coordination and management of companies in Unipol Gruppo Bancario, as well as the criteria for the implementation of instructions issued by the Bank of Italy.

In addition, in accordance with the Procedure for Transactions with Related Parties adopted by the Company, the Board of Directors: (a) may resolve to carry out transactions with related parties of major relevance despite the disapproval of the Committee for Transactions with Related Parties, or without taking account of its comments, provided it is authorised to do so by the Ordinary Shareholders' Meeting called by the Board of Directors in accordance with Article 2364, para. 1, 5) of the Civil Code; (b) may avail itself of the exemptions provided for in the Procedure to resolve that the Company carry out, direct or through its subsidiaries, urgent transactions with related parties that are not the responsibility of the Shareholders' Meeting nor require its authorisation.

In compliance with legal provisions, the Board of Directors may delegate some of its powers to an Executive Committee consisting of some of its members or to one or more Managing Directors whose task it is, within the limits of the powers conferred on them, to represent the Company and fix their remuneration once the Board of Statutory Auditors has given its opinion.

The Board of Directors may at any time revoke these powers. It may also set up commissions and committees within the Board of Directors that it deems appropriate and necessary for the proper functioning and growth of the Company.

The delegated bodies will be responsible in particular for ensuring that the organisational, administrative and accounting structure is suited to the nature and size of the Company and will report to the Board of Directors and to the Board of Statutory Auditors at least once a quarter on the general performance of the management and on expected developments, as well as on the major operations, in terms of size and characteristics, carried out by the Company and its subsidiaries.

Each Director may ask the delegated bodies to provide information regarding the management of the Company during meetings of the Board of Directors.

After consulting the Board of Statutory Auditors the Board of Directors appoints someone to draw up the Company's financial statements who has had at least three years' experience of (a) managing or auditing or being a senior official of a joint-stock company that has share capital of not less



than ten million Euro or a consortium of joint-stock companies with total share capital of not less than ten million Euro, or (b) professional activities or a post on the permanent teaching staff of a university lecturing in law, economics, finance and the technical-scientific field closely connected with the Company's business or (c) managerial functions with public or government bodies operating in the sectors of credit, finance and insurance or in any way in sectors closely connected with the business of the Company or of the group of companies belonging to the Company.

By fields and sectors of activity that pertain closely to those of the Company or of the group of companies belonging to the Company are meant the fields and sectors referred to in Article 17 of the Company's By-Laws.

The Board of Directors ensures that the person responsible for drawing up the Company's financial statements has sufficient powers and resources to carry out the duties allocated to him, in accordance with current legislation.

#### **ARTICLE 14 - The Chairman**

It is the task of the Chairman or, if he is absent or prevented from acting, of the Vice Chairman:

- a. to represent the Company, to represent the Company in lawsuits both as plaintiff and as defendant, in both administrative and judicial legal matters, before special judges and in the Constitutional Court; to appoint lawyers to act for the Company by conferring both the relevant special and general powers of attorney ad litem;
- b. to chair Shareholders' Meetings;
- c. to convene and act as Chairman of the Board of Directors;
- d. to confer powers on Directors and employees of the Company and on third parties, including those outside the Company, to implement resolutions made by the Board of Directors and also to grant powers to represent the Company and to sign on its behalf within the limits of their powers to employees, agents and those working with the Company by means of general or special powers of attorney and to revoke such powers;
- e. to consent to extinguishing mortgages, variations to mortgages and other types of lien when Company's loans are redeemed, either by assignment, or where such extinguishing is dependent on the complete repayment of the loans;
- f. to take decisions and act independently, including through his own representatives, in bringing criminal proceedings on behalf of the Company, by bringing lawsuits, filing complaints or any other judicial action, including bringing civil cases and implementing the relevant action.



#### **ARTICLE 15 – Managers**

The Board of Directors may appoint one or more General Managers who fulfil the fit and proper requirements established by applicable laws, and will determine their powers and, for remuneration purposes, their grading.

The General Managers take part in meetings of the Board of Directors and of the Executive Committee, if one is appointed, and have an advisory vote.

The Board of Directors also appoints the Company's Managers and Deputy Managers.

#### **ARTICLE 16 - Consultative Committees**

The Board of Directors may appoint committees with powers to carry out investigations and make proposals, determining who will be part of them and how they will operate.

### **CHAPTER IV**

#### **Statutory Auditors – Annual Financial Statements – Final Clauses**

#### **ARTICLE 17 - Statutory Auditors**

The Board of Statutory Auditors consists of three Statutory and two Alternate Auditors.

The composition of the Board of Statutory Auditors must be such that there is a balance between the sexes in accordance with current legislation and regulations. In particular, the first time the Board of Statutory Auditors is reelected following the date on which the provisions of Law 120 of 12 July 2011 come into effect, at least one fifth of the members of the Board of Statutory Auditors must be of the sex that is in the minority, whilst during the two subsequent terms of office at least one third of the members of the Board of Statutory Auditors must be of the sex that is in the minority, rounded up in the event of a fraction.

Auditors must fulfil the requirements provided for by law, by the By-Laws and by other relevant legislation.

The Board of Statutory Auditors is appointed on the basis of lists submitted by shareholders who at the time the lists are submitted are entitled to vote at the relevant Shareholders' Meeting, in accordance with the procedures and within the limits specified below. The candidates on each list are listed by means of a serial number. The list is divided into two sections: one for candidates for the post of Statutory Auditor and the other for candidates for the post of Alternate Auditor. The list must contain at least one candidate for the post of Statutory Auditor and one candidate for the post of Alternate Auditor and may contain a maximum of three candidates for the post of Statutory



Auditor and two candidates for the post of Alternate Auditor.

Any list with three or more candidates, taking into account both sections, must observe the ratio between the sexes provided for in current legislation and regulations in such a way that the candidates of the sex that is in the minority constitute at least one fifth of the total for the first term of office following the date on which the provisions of Law 120 of 12 July 2011 come into effect and at least one third of the total for the two subsequent terms of office, rounded up in the event of a fraction. In particular, in order to be valid any list with three or more candidates, taking into account both sections, must include, in the first three positions in the first section, at least one representative of the sex that is in the minority and, in the first two positions in the second section, at least one representative of the sex that is in the minority.

As indicated in the notice of the Shareholders' Meeting lists submitted by members must reach the Company by the twenty-fifth day preceding the date of the Shareholders' Meeting and be made available to the public at the registered office, on the Company's website and in any other ways required by current legislation and regulations at least twenty-one days before the date fixed for the Meeting.

Each shareholder, shareholders belonging to a relevant shareholders' agreement under Article 122 of Legislative Decree 58 of 24 February 1998, the parent, subsidiaries and joint ventures in accordance with Article 93 of Legislative Decree 58 of 24 February 1998 may not submit nor participate in submitting more than one list, even through an intermediary or trust company, nor may they vote for lists other than the one that they have submitted or participated in submitting, even through an intermediary or trust company, and in order to be eligible each candidate may appear on only one list. Shareholders' support and votes cast in violation of this ban will not be allocated to any list.

Shareholders who, alone or in combination with other shareholders, hold the total number of shares laid down in accordance with current legislation and regulations relating to electing the members of the Company's Board of Directors will be entitled to submit lists.

Ownership of the shareholding required for submitting lists is based on the shares registered to the Member(s)/proxy(ies) on the day on which the lists are deposited with the Company.

Along with each list the following must be deposited by the deadline mentioned above (i) declarations in which the individual candidates accept nomination for office and affirm that they are eligible and compatible and fulfil the legal requirements for taking on the various roles, including compliance with the limits on the total number of posts that may be held laid down in current legislation and regulations; (ii) a curriculum vitae for each candidate containing a detailed personal and professional profile and (iii) the additional information required by legislation and regulations, which will be included in the notice of the Shareholders' Meeting.

The certificate issued by an authorised intermediary proving ownership of the number of shares



required for the submission of the list may be produced when the list is deposited, or even subsequently provided that it is within the deadline laid down in current legislation for the Company to publish the list.

Lists that are submitted without these provisions being observed are deemed not to have been submitted.

Each person entitled to vote may vote for only one list.

Candidates who are ineligible or incompatible or do not comply with the requirements laid down in the relevant legislation or who exceed the limits on the total number of posts that may be held laid down in current legislation and regulations may not be included in the lists.

For the purpose of defining the required professional competence, they should have had a total of at least three years' experience of:

- a. carrying out professional activities or a post on the permanent teaching staff of a university lecturing in law, economics, finance or a technical-scientific field closely connected with the Company's business, or
- b. carrying out managerial functions with public or government bodies operating in the sectors of credit, finance or insurance or in any way in sectors closely connected with the business of the Company or of the group of companies belonging to the Company.

All subjects referred to under a. above are deemed to be closely connected with the business of the Company or the group of companies belonging to the Company provided they relate to insurance business, banking and financial business and activities relating to economic sectors that pertain closely to insurance, banking and the provision of investment services and payment and financial services.

Economic sectors are deemed to be closely connected with the insurance sector if the companies operating in them may come under the supervision of insurance companies.

The procedure for electing the Statutory Auditors is as follows:

1. from the list that has obtained the highest number of votes at the Shareholders' Meeting, two Auditors and one Alternate Auditor are drawn, based on the order in which they are listed in the sections of the list;
2. from the minority list that obtains the highest number of votes at the Shareholders' Meeting, the remaining Auditor and the other Alternate Auditor are drawn, based on the order in which the candidates are listed in the sections of this list (the 'Minority List'). In the event that the Minority Lists receive the same number of votes, the candidates elected are those on the list that has been submitted by the shareholders with the largest holding or, alternatively, by the greatest number of Shareholders.



Chairmanship of the Board of Statutory Auditors falls to the person whose name is first on the Minority List.

If on completion of the voting the composition of the Board of Statutory Auditors does not result in this balance between the sexes, those of the sex that is in the majority who, taking account of the order in which they are listed in each section, were the last to be elected on the majority list are eliminated from the number needed to ensure that the requirement is fulfilled and are replaced by the first unelected candidates in the same section of the same list of the sex that is in the minority. If there are insufficient candidates of the sex that is in the minority in the relevant section of the majority list to act as replacements, the Shareholders' Meeting appoints the relevant number of Statutory or Alternate Auditors by the majorities laid down in law, ensuring that the requirement is fulfilled.

An Auditor must step down in the cases provided for in the relevant legislation and if the requirements of the By-Laws for the appointment are not fulfilled.

An Auditor must be replaced by the Alternate Auditor on the same list, but the proportion between the sexes provided for in current legislation and regulations must be observed. If both the Auditor elected from the Minority List and the Alternate Auditor from the same list have to be replaced, the candidate appointed will be the one who is next in order on the list or, if there isn't one, the first candidate on the Minority List that received the second highest number of votes but the ratio between the sexes provided for in current legislation and regulations must be observed.

In the event that only one list is submitted or no list is submitted, the results of the voting at the Shareholders' Meeting will comply with the majorities laid down in law but the ratio between the sexes provided for in current legislation and regulations must be observed.

If the Chairman should consider it necessary, meetings of the Board of Statutory Auditors may validly take place by videoconferencing or audioconferencing, provided that all the participants can be identified by the Chairman and all the other participants, and are able to follow the discussion, to take part in real time in the discussion on the items under consideration and to exchange documents relating to these matters, and that minutes are drawn up in respect of all of the above. If these requirements are met, the Board of Statutory Auditors is deemed to have met at the place in which the Chairman is located.

#### **ARTICLE 18 - Annual Financial Statements**

The Company's financial year ends on 31 December of each year. The administrative body will draw up the annual financial statements within the terms and in the manner required by the law.





#### **ARTICLE 19 - Company Profits**

10% of the net profit shown on the Company's annual financial statements, up to one fifth of the Share Capital, is allocated to the legal reserve as a priority.

When the allocation referred to above has been made, the Shareholders' Meeting will resolve on the allocation of the rest of the net profits resulting from the financial statements of the Company.

The Shareholders' Meeting may also vote to make extraordinary allocations of net profits by issuing shares to be allocated individually to the Company's employees in accordance with Article 2349 of the Civil Code.

The Board of Directors may resolve, during the financial year, to distribute advances on the dividends, in compliance with current legislation.

Once a year the Board may allocate an amount not exceeding 1% of the net profit for the previous year announced at the Shareholders' Meeting to the social, welfare and cultural fund.

#### **ARTICLE 20 – Liquidation**

If the Company is wound up for any reason the Shareholders' Meeting appoints one or more liquidators and determines their powers.

#### **ARTICLE 21 – Disputes**

The Company and the Shareholders are subject to the jurisdiction of the Judicial Authorities in Bologna.

#### **ARTICLE 22 - Shareholders' Domiciles**

The Shareholders' domiciles for the purposes of all their dealings with the Company are those shown in the Shareholders' Register.

#### **ARTICLE 23 - Final Clauses**

For anything not specifically mentioned herein, reference should be made to current legislation.