

TITLE VII
GENERAL MANAGEMENT, REPORTING MANAGER, EXTERNAL AUDIT

ARTICLE 49
[General Management]

The General Manager or General Managers, where appointed, carry out their function according to the powers conferred to them by the Board of Directors and report to the Chief Executive Officer, where appointed.

ARTICLE 50
[Corporate Financial Reporting Manager]

50.1 The Board of Directors, subject to the non-binding opinion of the Supervisory Committee, shall appoint, pursuant to article 154-bis of the TUF, the Corporate Financial Reporting Manager, and establish his/her remuneration.

50.2 The Corporate Financial Reporting Manager must possess suitable expertise in administration, accounting and finance. This expertise, to be ascertained by the Board of Directors, must have been acquired through professional experience in a position of suitable responsibility for at least three years.

50.3 The Corporate Financial Reporting Manager is conferred the appropriate powers and means to carry out the tasks allocated by the legislation in force.

50.4 In particular, the Corporate Financial Reporting Manager shall draft and present periodic positions, other accounts required by legislation in force, and the Financial Statements to the Board of Directors.

ARTICLE 51
[Auditing firm]

The external audit is entrusted to an auditing firm in accordance with the legislation in force.

TITLE VIII
ETHICS AND DISCIPLINARY COMMITTEE

ARTICLE 52
[Appointment]

52.1 The ordinary General Meeting appoints from amongst its Members 3 Statutory Arbitrators and 2 Substitute Arbitrators, who remain in office for three financial years and can be re-elected.

52.2 The members of the Ethics and Disciplinary Committee are elected based on lists submitted by the Board of Directors or by Members.

52.3 The lists must contain a number of candidates, in consecutive order, equal to the number of Statutory and/or Substitute Arbitrators to be elected as indicated in the notice to call of the General Meeting.

52.4 At the time of renewing and/or appointing the Ethics and Disciplinary Committee, the Board of Directors may submit one list.

52.5 The Members' lists may be presented by at least 1/80 of the Members with voting rights, independently of the percentage of overall share capital held. The Members' lists may also be presented by many Members with voting rights who, alone or together with other Members with voting rights, hold shares representing at least 1/40 overall of the share capital.

52.6 The procedural provisions under Articles 32.2, 32.3, 32.4, 33.1, 33.6, and 33.9 of these Articles apply.

52.7 Candidates on the list that has achieved the greatest number of votes are considered elected members of the Ethics and Disciplinary Committee.

52.8 The Ethics and Disciplinary Committee elects a Chairperson, who shall convene it when necessary and direct its proceedings.

52.9 The Substitute Arbitrators replace a missing effective member in order of age and until the next General Meeting. The newly appointed assumes the seniority of the Arbitrators in office. From time to time the Substitute Arbitrators also replace effective members who must abstain for reasons of relation, kinship or other legitimate impediment, in order of age.

52.10 The role of Arbitrator is honorary. Arbitrators are entitled to reimbursement of expenses.

ARTICLE 53

[Functions]

53.1 The Ethics and Disciplinary Committee, for the functions allocated by these Articles and permitted by the legislation in force, makes a majority decision based on equity on any dispute that may arise between the Company and Members in relation to the application of these Articles and to any other deliberation or decision of the Company Bodies on matters of corporate relations. Those decisions do not concern disputes relating to the rejection of Membership applications or Membership withdrawal. For those, the Ethics and Disciplinary Committee provides only its opinion on the opportunity – or lack thereof – for the Board of Directors to review the application pursuant to Articles 11 and 15 of these Articles.

53.2 The Ethics and Disciplinary Committee governs the evaluation in the manner it deems suitable.

53.3 The Board of Directors, Chief Executive Officer, where appointed, and the General Manager or General Managers, where appointed, must provide the Ethics and Disciplinary Committee with all information and news requested concerning the dispute to be resolved.

53.4 The Ethics and Disciplinary Committee has the necessary skills to judge, in accordance with the regulations of Article 53 only if the Member explicitly specifies each time – in writing and for all disputes specifically indicated – the desire to apply to said Committee.

TITLE IX
FINANCIAL STATEMENTS

ARTICLE 54

[Financial year, Financial Statements]

- 54.1 The financial year ends at 31 December of each year.
- 54.2 The Financial Statements are written in accordance with the applicable provisions, among which the special legislation for insurance companies.

ARTICLE 55

[Allocation of profits]

55.1 The General Meeting, on the proposal of the Board of Directors, decides, at the same time as approving the Financial Statements, the allocation of profits, namely, the distribution of available reserves to this effect in accordance with the provisions of these Articles.

55.2 The distributable profits, based on the proposal of the Board of Directors, deducts in advance:

- a) the quotas destined by law to the legal reserve and to any other inviolable destination;
- b) the quota that the General Meeting, upon proposal from the Board of Directors, deemed necessary to distribute to the extraordinary reserve and/or special reserves; nevertheless, again subject to the meeting decision, up to 6% of the overall distributable amount is distributed, as deriving from profits and/or available reserves, to the Fondazione Cattolica Assicurazioni for its institutional purposes, in any case without prejudice to the demands or regulatory Supervisory instructions, and then divided between the Shareholders in proportion to the shares they each hold.

55.3 During the course of the financial year, the Board of Directors may decide on the distribution of interim dividends in accordance with the requirements of the legislation in force.

55.4 The dividends not collected by the Member and expired in legal terms belong to the Company and are attributed to the dividends reserve.

TITLE X
FINAL AND TRANSITIONAL PROVISIONS

ARTICLE 56

[Liquidators]

In the event of liquidation of the Company, the Directors in office are Liquidators as of right.

ARTICLE 57

[Dissolution]

In order to decide upon the early dissolution of the Company, in the cases not required by the law, a favourable vote of four fifths of the Members in attendance or represented at the General Meeting is necessary, as long as they represent at least one third of the number of Members.

ARTICLE 58

[Amendment to Article 10 of the Articles]

Article 10 of these Articles cannot be amended without the consent of all Members in the regular General Meeting.

ARTICLE 59

[Transitional provisions]

59.1 The Members already registered in the Register of Members at the date of the registration in the register of companies of the extraordinary General Meeting decisions of 25 April 2015, who do not hold the minimum number of shares required by Section 18.1 of these Articles, can, until 31 October 2018, integrate and provide documentary evidence of their own minimum share held; in the absence of this integration and documentation, the Board of Directors shall declare their revocation pursuant to Section 18.1 of these Articles. Until 31 October 2018, for the effects of maintaining membership and the related provisions, the limit to minimum shares held in force at the date of the extraordinary General Meeting of 25 April 2015 remains in force for the above-mentioned Members, namely, 1 share for Members registered before 21 April 2001 and 100 shares for Members registered thereafter.

59.2 Article 9, letter c) of these Articles does not affect the rights acquired by the Members and those registered in the Register of Members before the General Meeting on 21 April 2012.

59.3 Section 33.8 of these Articles is effective as of the first renewal of the Board of Directors after 13 August 2012 and for 3 consecutive mandates.

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60.5 The Board of Statutory Auditors, which shall be renewed by the General Meeting on 28 April 2018, shall cease at the date of the next following renewal of the Board of Directors with the adoption of the one-tier administration and control system.

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