

Base Prospectus dated 19 May 2016



**ASSICURAZIONI GENERALI S.p.A.**

*(incorporated with limited liability under the laws of the Republic of Italy)*

**GENERALI FINANCE B.V.**

*(incorporated with limited liability under the laws of The Netherlands having its statutory seat in Amsterdam)*

**€15,000,000,000**

**Euro Medium Term Note Programme**

**Guaranteed (where indicated in the relevant Final Terms) in the case of Notes  
issued by Generali Finance B.V.**

**by**

**ASSICURAZIONI GENERALI S.p.A.**

*(incorporated with limited liability under the laws of the Republic of Italy)*

Under the €15,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) described in this Base Prospectus, Assicurazioni Generali S.p.A. (“**Assicurazioni Generali**”) and Generali Finance B.V. (“**Generali Finance**”) (each an “**Issuer**” and, together, the “**Issuers**”) may from time to time issue notes (“**Notes**”) in bearer form denominated in any currency, as described in further detail herein. Notes issued under the Programme will not have denominations of less than €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency). Notes to be issued under the Programme may comprise (i) unsubordinated Notes (the “**Senior Notes**”), (ii) senior dated subordinated notes of Assicurazioni Generali which are subordinated and with a maturity date as described herein (the “**Senior Dated Subordinated Notes of Assicurazioni Generali**”), (iii) senior dated subordinated notes of Generali Finance which are subordinated and with a maturity date as described herein (the “**Senior Dated Subordinated Notes of Generali Finance**”), (iv) deeply subordinated notes of Assicurazioni Generali which are deeply subordinated and with, or without, a maturity date as described herein (the “**Deeply Subordinated Notes of Assicurazioni Generali**”) and (v) deeply subordinated notes of Generali Finance which are deeply subordinated and with, or without, a maturity date as described herein (the “**Deeply Subordinated Notes of Generali Finance**”) and together with the Senior Dated Subordinated Notes of Assicurazioni Generali, the Senior Dated Subordinated Notes of Generali Finance and the Deeply Subordinated Notes of Assicurazioni Generali, the “**Subordinated Notes**”).

Notice of the aggregate nominal amount of any tranches of Notes, the interest (if any) payable, the issue price and any other information relating to the Notes which is not known at the date of this base prospectus (the “**Base Prospectus**”) and which can only be determined at the time of an individual issue of a Tranche of Notes will be set out in the final terms (the “**Final Terms**”). Where indicated in the relevant Final Terms, payment of Notes issued by Generali Finance will be unconditionally and irrevocably guaranteed by Assicurazioni Generali.

Application has been made to the Commission de Surveillance du Secteur Financier (the “**CSSF**”) in its capacity as competent authority in Luxembourg to approve this document as a base prospectus under the Luxembourg Law of 10 July 2005 on Prospectuses for Securities (the “**Luxembourg Prospectus Law**”), which implements Directive 2003/71/EC (as amended, which includes the amendments made by Directive 2010/73/EU) in Luxembourg. Application has been made to the Luxembourg Stock Exchange for Notes issued under this Base Prospectus to be admitted to trading on the Luxembourg Stock Exchange’s regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange’s regulated market (the “**Regulated Market**”) is a regulated market for the purposes of the Markets in Financial

Investments Directive (Directive 2004/39/EC). The Final Terms in respect of such Notes will be published in accordance with the provisions of Article 16 of the Luxembourg Prospectus Law and will be filed with the CSSF in accordance with the provisions of Article 8(4) of such law. The CSSF gives no undertaking as to the economic or financial opportuneness of the transaction or the quality and solvency of the Issuer in line with the provisions of article 7(7) of the Luxembourg Prospectus Law.

The Programme also allows for Notes to be unlisted or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be agreed with the relevant Issuer. Under the Luxembourg Prospectus Law, prospectuses relating to money market instruments having a maturity at issue of less than 12 months which fall within the definition of securities are not subject to the approval provisions of Part II of such law, but are subject to the approval provisions of Part III of the Luxembourg Prospectus Law, which requires the approval of a simplified prospectus.

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks, see “*Risk Factors*” on page 4.

Under current legislation in Italy, payments of interest, premium or other income relating to the Notes are subject to substitute tax (*imposta sostitutiva*) at a rate of 26 per cent., regardless of maturity. The Issuer will not be liable to pay any additional amounts to Noteholders in relation to any such substitute tax or withholding. For further information, see “*Taxation*” on page 156.

*Arrangers*

*Barclays*

*Deutsche Bank*

*Dealers*

*Banca Generali S.p.A.*

*Barclays*

*BofA Merrill Lynch*

*Crédit Agricole CIB*

*Commerzbank*

*Goldman Sachs International*

*J.P. Morgan*

*Mizuho Securities*

*Nomura*

*Société Générale Corporate & Investment Banking*

*Banca IMI*

*BNP PARIBAS*

*Citi*

*Credit Suisse*

*Deutsche Bank*

*HSBC*

*Mediobanca*

*Morgan Stanley*

*The Royal Bank of Scotland*

*UBS Investment Bank*

*UniCredit Bank*

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## RISK FACTORS

*Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuers and the industry in which they operate together with all other information contained in this Base Prospectus, including, in particular, the risk factors described below.*

*The Issuers believe that the factors described below represent the principal risks inherent in investing in Notes issued under this Programme. All these factors are contingencies which may or may not occur and the Issuers are not in a position to express a view as to the likelihood of any such contingency occurring. Additional risks and uncertainties relating to the Issuers that are not currently known to the Issuers, or that they currently deem immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuers and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.*

*References in this section to the “Issuer”, the “relevant Issuer” or the “Issuers” include, where applicable, the Guarantor and each Issuer as the case may be and references to the “Generali Group” are to Assicurazioni Generali and its consolidated subsidiaries. Otherwise, words and expressions defined in “Forms of the Notes” and “Terms and Conditions of the Notes” or elsewhere in this Base Prospectus have the same meaning in this section. Prospective investors should read the entire Base Prospectus.*

### RISK FACTORS RELATING TO THE ISSUERS

#### ***Financial results may be affected by fluctuations in the financial markets***

Market levels and investment returns are an important part of determining the Generali Group’s overall profitability and fluctuations in the financial markets such as the fixed income, equity, property and foreign exchange markets can have a material effect on its consolidated results of operations. Changes in these factors can be very difficult to predict. Any adverse changes in the economies and/or financial markets in which funds under management are invested could have a material adverse effect on the Generali Group’s consolidated financial condition, results of operations and cash flows.

Fluctuations in interest rates may affect returns on fixed income investments and their market value. Generally, investment income may be reduced during sustained periods of lower interest rates as higher yielding fixed income securities are called, mature or are sold and the proceeds are reinvested at lower rates even though prices of fixed income securities tend to rise and gains realised upon their sale tend to increase. During periods of rising interest rates, prices of fixed income securities tend to fall and gains made upon their sale are lower or the losses made are greater.

In addition, the Generali Group invests a substantial portion of its assets in equities and real estate, which are generally subject to greater risks and more volatility than fixed income securities. General economic conditions, stock market conditions, level of disposable income and many other factors beyond the control of the Generali Group can adversely affect the equity and property markets.

Investment returns are also susceptible to changes in the general creditworthiness of the issuers of the debt securities and equity securities held in the businesses’ portfolios. The value of fixed income securities may be affected by, amongst other things, changes in the Issuer’s credit rating. Where the credit rating of a debt security drops, the value of the security may also decline.

The current dislocation in the global and Italian capital markets and credit conditions has led to the most severe examination of the banking system's capacity to absorb sudden significant changes in the funding and liquidity environment in recent history, and has had an impact on the wider economy. Should the Generali Group be unable to continue to source a sustainable funding profile which can absorb these sudden shocks, the Generali Group's ability to fund its financial obligations at a competitive cost, or at all, could be adversely affected.

In addition to the general insurance and shareholder portfolios, the Generali Group has substantial exposure to fixed income securities, equities and real estate within its life assurance portfolios worldwide. The investment risk on life assurance portfolios is often shared in whole or in part with policyholders, depending on the product sold. Fluctuations in the fixed income, equity and property markets will directly affect the financial results of life assurance operations and will also have indirect effects, through their impact on the value of technical provisions, which in most cases are related to the value of the assets backing the policy liabilities. Should the credit rating of the issuer of the fixed income securities drop to a level such that regulatory guidelines prohibit the holding of such securities to back insurance liabilities, the resulting disposal may lead to a significant loss on the Generali Group's investment.

The revenues of the Generali Group's asset management businesses around the world are derived primarily from investment management fees, which are based primarily on the market value of funds under management. Consequently, the asset management business's financial results depend on changes in the economic conditions and financial markets in which the funds under management are invested.

For further considerations relating to interest rates, currency and credit risks, please refer to the risk factors: "*Financial results may be affected by interest rates*", "*Financial results may be affected by fluctuations in exchange rates*" and "*The Generali Group is subject to credit risk*".

#### ***Financial results may be affected by interest rates***

Significant changes in interest rates could materially and adversely affect the Generali Group's business, results of operation and financial performance. The level of and changes in interest rates (including changes in the difference between the levels of prevailing short term and long term rates) can affect the Generali Group's life insurance, banking and assets management results and interest payable on debt. In particular, interest rates can affect the availability of disposable income for investment in life assurance and other savings products, asset values, levels of bad debts, levels of investment income gains and losses on investments, funding costs and interest margins. Whilst interest rates increase the margin spread potential for the banking business, they are also likely to result in a decrease in fixed income asset values for life insurance companies. Generally, the impact of rising interest rates on the asset management business is driven by the change in value of funds under management.

Fluctuations in interest rates (and returns from equity markets) also have an impact on consumer behaviour, especially in the life and asset accumulation businesses, where demand for fixed income products may decline when interest rates fall and equity markets are performing well. The demand of general insurance, particularly commercial lines, can also vary with the overall level of economic activity.

#### ***Financial results may be affected by fluctuations in exchange rates***

The Generali Group presents its consolidated financial statements in Euro but a substantial proportion of its operations are accounted for in currencies other than Euro principally the Swiss Franc, the Czech crown and the US Dollar. As a result of the accounting for operations in currencies other than Euro, fluctuations in the relevant value of the Euro to the Swiss Franc, the US dollar, the Czech crown and other currencies could be significant because, amongst other things, these fluctuations could cause the Generali Group's earnings to

fluctuate and affect the comparability between results in one financial period and those in the preceding financial period.

***The Generali Group is subject to credit risk***

The Generali Group is prone to counterparty risk in relation to third parties. A failure by its counterparties to meet their obligations could have a material impact on its financial position. However, the Generali Group is exposed to credit risk, amongst other things, through holdings of fixed income instruments and loan advances.

Additionally, the Generali Group's life assurance and general insurance businesses have substantial exposure to reinsurers through reinsurance arrangements. Under such arrangements, other insurers assume a portion of the costs, losses and expenses associated with policy claims and maturities and reported and unreported losses in exchange for a portion of policy premiums. The availability, amount and cost of reinsurance depend on general market conditions and may vary significantly year on year. Any decrease in the amount of reinsurance cover purchased will increase the Generali Group's risk of loss. When reinsurance is obtained, the Generali Group is still liable for those transferred risks if the reinsurer does not meet its obligations. Therefore, the inability or failure of reinsurers to meet their financial obligations could materially affect the Generali Group's operations and financial condition.

A default by an institution or even concerns as to its credit-worthiness could lead to significant liquidity problems, losses or defaults by other institutions because the stability of many financial institutions may be closely linked to credit, trading, clearing or other relationships between institutions. This risk may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with which the Generali Group interacts on a daily basis and therefore could adversely affect the Generali Group.

***Financial results may be affected by insurance risk***

Underwriting performance, for both the life and non-life businesses, represents an important part of the Generali Group's overall profitability and fluctuations in the frequency and severity of insurance claims can have a material effect on the consolidated results of operations. In addition, any adverse changes in the rate of claims inflation or in the cost of reinsurance protection could have a material adverse effect on the Generali Group's consolidated financial condition, results of operations and cash flows. Changes in these factors can be very difficult to predict.

***The Generali Group is subject to operational risk***

The Generali Group, like all financial services groups, is exposed to many types of operational risk. Solvency II defines operational risk as the risk of loss, arising from inadequate or failed internal processes, or from personnel and systems, or from external events.

The operational risk also includes financial reporting risk (being the risk of a transaction error, which could entail an untrue and incorrect representation of the situation of the assets, liabilities, profit and loss in the financial statements) and compliance risk (defined as the risk of legal and regulatory sanctions, material financial loss or reputational damage Assicurazioni Generali may suffer as a result of not complying with laws, regulations and administrative provisions applicable to its business). The main operational risks may derive from internal fraud, external fraud, employment practices, clients and products, damage to physical assets, business disruption and system failure, execution and process management.

The Generali Group's systems and processes are designed to ensure that the operational risks (and related adverse effects) associated with the Generali Group's activities are appropriately monitored, contained and mitigated. Any failure or weakness in these systems or processes, or the occurrence of certain unforeseeable

events, wholly or partly out of the Generali Group's control, however, could adversely affect the Generali Group's operating results, financial performance and business activities, as well as its reputation.

### ***Regulatory compliance and regulatory changes***

The Generali Group's insurance, asset management and banking subsidiaries are subject to government regulation in the jurisdictions in which they conduct business. Regulatory agencies – in particular, IVASS (in the case of Assicurazioni Generali) – have broad jurisdiction over many aspects of these businesses, which may include capital adequacy, premium rates, marketing and selling practices, advertising, licensing agents, policy forms, terms of business and permitted investments.

In the European Union, risk-based capital requirements have been introduced pursuant to Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (the "**Solvency II Directive**"), which was agreed to by the European Parliament in April 2009 and formally approved by a meeting of the European Union's Economic and Financial Affairs Council in November 2009. The implementation of the Solvency II Directive was delayed pending agreement on Directive 2014/51/EU (the "**Omnibus II Directive**"), which was approved by the European Parliament on 11 March 2014, which supplemented and amended certain aspects of the Solvency II Directive and introduced transitional measures. The new Solvency II framework – which introduces new requirements as to own funds, the calculation of technical provisions, valuation of assets and liabilities, governance structure, regulatory reporting and disclosure as well as governance of insurance companies – became effective on 1 January 2016. In Italy, the Solvency II Directive was incorporated into national law by Legislative Decree No. 74 of 12 May 2015.

The Solvency II Directive, together with the accompanying level 2 implementing measures, such as Commission Delegated Regulation 2015/35, as well as level 2.5 Commission implementing regulations laying down implementing technical standards and associated level 3 guidelines developed by EIOPA, creates a stricter and more comprehensive regulatory framework (compared to the supervisory and solvency regime under Solvency I) for insurance and reinsurance undertakings within the European Union. In several cases, the solvency capital requirements for insurance and reinsurance undertakings increase as opposed to the previous Solvency I regime, and capital ratios have become more volatile in general.

Solvency II represents a significant change in the prudential regulation of insurers and insurance groups and, as a result, generates a number of risks. In particular, although the underlying intention and purpose behind the regime is generally understood, there remain areas of uncertainty regarding the appropriate interpretation of some aspects of the text of the Solvency II Directive and the additional measures adopted to give effect to the Solvency II Directive.

There is a risk that instruments issued, and to be issued, by Assicurazioni Generali or the Generali Group will no longer be (fully or partly) eligible as own funds and/or will not be sufficient to comply with the capital requirements from time to time required under Solvency II or otherwise. In such cases, the relevant Issuer might have to refinance existing debt or raise additional capital as own funds. There is a risk that refinancing existing debt or raising additional capital would be expensive, difficult or impossible on adequate terms, with consequential potential negative effects on the Group's capital adequacy, business and/or financial condition. The risk of any sudden, material adverse impact on the Generali Group is likely to be addressed in the context of the continuous dialogue with IVASS, both on an on-going basis and as part of the process when applying for IVASS' approval for the redemption and, where required, issuance of subordinated instruments, with a view to mitigating any possible effect. Assicurazioni Generali has received the approval of IVASS for its partial internal model that has been developed for the calculation of its capital requirements in March 2016. Solvency II requires insurance undertakings to continue to satisfy a number of post-approval requirements. In case of non-compliance with these requirements provoking material effects, the supervisory authorities may

require insurance undertakings to revert to calculating their Solvency Capital Requirement in accordance with the standard formula.

More broadly, recent turmoil in the financial markets may well result in significant regulatory changes affecting financial institutions, including insurance and reinsurance undertakings, as well as reforms aimed at addressing the issue of systemic risk and the perceived gaps in the regulatory framework viewed to have contributed to the financial crisis. New regulatory initiatives, including increasing regulatory and law enforcement scrutiny of “know your customer”, anti-money laundering and anti-terrorist-financing procedures and more stringent regulatory investigations of the asset management and insurance industries as a whole, could increase the cost of doing business or affect the competitive balance in general. Regulatory proceedings as a result of non-compliance with applicable regulations or failure to undertake corrective action could result in adverse publicity for, or negative perceptions regarding, the regulated entity, as well as diverting management’s attention away from the day-to-day management of the business. A significant regulatory action against a member of the Generali Group could have a material adverse effect on the business of the Generali Group, its results of operations and/or financial condition.

In addition, changes in government policy, legislation or regulatory interpretation applying to the financial services industry in the markets in which the Generali Group operates may adversely affect its product range, distribution channels, capital requirements and, consequently, its results and financing requirements. These changes, which may occur at any time, include possible changes in government pension requirements and policies, the regulation of selling practices and solvency requirements.

***Possible future designation of Assicurazioni Generali as Global Systemically Important Insurer may increase capital requirements and impose a more stringent level of regulatory scrutiny***

On 3 November 2015, following consideration of the annual assessment conducted by the International Association of Insurance Supervisors (“IAIS”) as well as consultation with the IAIS and national authorities, the Financial Stability Board identified and published an updated list of Global Systemically Important Insurers (“G-SIIs”) using end-2014 data and the methodology published by the IAIS in July 2013. The updated list comprises a total of nine insurers. Although Assicurazioni Generali was initially designated by the Financial Stability Board as one of the G-SIIs in the 2013 and 2014 assessments, it was not so designated in the November 2015 assessment. The list for the 2016 assessment will be published in November 2016. The IAIS is currently developing revised G-SII assessment methodology to ensure, among other things, an appropriate treatment of all types of primary insurance, reinsurance and other financial activities of global insurers and on the definition of non-traditional non-insurance activities. The revised G-SII assessment methodology will be applied for the 2016 designation.

The G-SII designation will result in enhanced supervision and regulation of these companies. In particular, the IAIS framework for G-SIIs includes (a) the development of a Systemic Risk Management Plan and enhanced liquidity planning and management in order to focus on the unique risk profile and possible risk concentrations of G-SIIs and lessen the probability and impact of failure; (b) the elaboration of effective recovery and resolution plans and establishment of crisis management groups. The G-SII regime also introduces two types of capital requirements: a Basic Capital Requirement (“BCR”) that is designed to act as a minimum group capital requirement and a Higher Loss Absorption Requirement (“HLA”) to reduce the probability, and expected impact, of distress or failure by making G-SIIs more resilient to low-probability, high-impact events. The IAIS published, on 23 October 2014, the BCR to apply to all group activities, including non-insurance activities, of G-SIIs as a foundation for the HLA requirements, and it is expected that the HLA requirement will be applied starting from January 2019 towards those G-SIIs being identified in November 2017 based on the methodology as further developed and on the most current available data. From



January 2019, all G-SIIs will be required to hold regulatory capital that is no less than the sum of the required capital amounts from the BCR plus HLA.

In addition, on 9 October 2013, the IAIS stated that it will develop a risk-based global insurance capital standard (“ICS”) by 2016 to apply to all internationally active insurance groups, with full implementation to begin in 2019 and has announced its plans to launch a consultation on the ICS in June 2016. The risk based group-wide global insurance capital standard is expected to replace the BCR in its role as the foundation for HLA, at which point the role of the BCR will be reassessed.

The IAIS is also developing a common framework for the supervision of internationally active insurance groups (“ComFrame”). The framework is designed to outline a set of common global principles and standards for group supervision and may result in more extensive regulation, particularly at group level, in those jurisdictions which do not currently employ group-wide supervision.

Pending finalisation of the IAIS policies, it is not possible to predict what impact, if any, they could have on the Generali Group’s business, financial condition or results of operations, or to fully evaluate the extent by which these measures will impact the Generali Group’s capital requirements and its competitive position *vis-à-vis* insurance groups that are not designated as G-SIIs, should Assicurazioni Generali be designated as a G-SII at any time in the future.

***The entry into force of the General Data Protection Regulation could adversely affect Generali Group’s business, results of operations and financial conditions***

The General Data Protection Regulation (“GDPR”) is the recast of the Data Protection Directive (95/46/EC) and is aimed at providing a consistent regulatory framework for the processing of personal data within the European Union. On 15 December 2015, the European Parliament, the Council and the Commission reached an informal agreement on the final draft of the GDPR. It is expected that the final text will be formally adopted by the European Parliament and the Council in early 2016, with a two year transitional period. The GDPR will apply whenever personal data is processed within the European Union and additionally where personal data is processed outside the European Union in relation to (i) the offer of goods or services or (ii) the monitoring of behaviour within the European Union; this applies even to organisations processing personal data which have no presence within the European Union.

Broadly, the changes introduced by the GDPR include the following areas: (i) a single set of regulation across the EU instead of the current position of 28; (ii) increased enforcement powers for the data protection authorities with the ability to impose fines of up to 4% of global annual turnover (or up to 2% for breach of more minor provisions); (iii) the introduction of a new EU-wide regulator, the European Data Protection Board; (iv) a single lead regulator for handling data processing occurring in multiple jurisdictions of the EU; (v) new rights for individuals, including the “right to be forgotten” and the right of data portability; and (vi) provisions for mandatory data breach notification to the authorities and in certain cases the affected individuals.

The changes introduced by the GDPR are likely to have a significant effect on Generali as well as the European insurance market in general, as a result of, *inter alia*, an increase in compliance costs and obligations.

***The entry into force of the Insurance Distribution Directive could adversely affect Generali Group’s business, results of operations and financial conditions***

The Insurance Distribution Directive ((EU) 2016/97) (“IDD”), previously named the Insurance Mediation Directive (“IMD2”), was adopted by the European Parliament and the Council of the European Union in November and December 2015, respectively, and entered into force on 23 February 2016 following its publication in the Official Journal of the European Union. Transposition by Member States is expected within

two years meaning that the revised rules for the distribution of insurance products ought to be in effect by January 2018. Some measures will be introduced through various instruments, including, *inter alia*, guidelines issued by EIOPA before that date.

Broadly, the IDD introduces, *inter alia*, the following changes: (i) extended scope to cover all sales of insurance products, whether directly by an insurance company or indirectly by an insurance intermediary or market participant who sells insurance products on an ancillary basis; (ii) more stringent disclosure and transparency requirements for insurance distributors about the nature of their remuneration and standardised information document requirement for packaged retail investment and insurance-based investment products; (iii) introduction by Member States of rules to ensure that distributors are not remunerated and do not remunerate or assess the performance of their employees in a way that conflicts with the duty to act in the best interests of customers; (iv) enhanced professional requirements and certification for sellers to match the complexity of the products that they sell, as well as conduct of business requirements; (v) improved rules on product oversight and governance; and (vi) information requirements in cross-selling and bundling.

The changes introduced by the IDD are likely to have a significant effect on Assicurazioni Generali as well as the European insurance market, including, *inter alia*, increase of costs, compliance obligations regarding sales requirements, information disclosure and business practices, and an impact on distribution channels.

***Risk management policies, procedures and methods may leave the Generali Group exposed to unidentified or unanticipated risks***

The Generali Group has devoted significant resources to developing policies, procedures and assessment methods to manage market, credit, liquidity and operating risk and intends to continue to do so in the future. Nonetheless, the Generali Group's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all market environments or against all types of risks, including risks that the Generali Group fails to identify or anticipate. If existing or potential customers believe that the Generali Group's risk management policies and procedures are inadequate, the Issuer's reputation as well as its revenues and profits may be negatively affected.

***The Generali Group may be affected by increased competition***

The Italian insurance market has experienced significant changes in recent years due to the introduction of several laws and regulations as a result of the implementation of a number of insurance directives issued by the European Union (EU). As a result, direct marketing of non-life and life insurance may be carried out on a cross-border basis and therefore for insurance companies it is much easier to operate outside their home state. The development of a single European market together with the reduction of regulatory restrictions is also facilitating the growth of new distribution systems, partially replacing the traditional reliance on insurance intermediaries such as agents. Changes in the regulatory regime have also increased competitive pressure on insurance companies in the Italian market in general. There is no assurance that the Generali Group will be able to compete successfully in the future against existing or potential competitors or that the Generali Group's business, financial condition and results of operations will not be adversely affected by increased competition.

***As primarily a holding company, Assicurazioni Generali depends on the earnings and cash flows of its operating subsidiaries, which may not be sufficient to meet its debt service obligations***

As primarily a holding company, Assicurazioni Generali is dependent on the earnings and cash flows of, and dividends and distributions from, its operating subsidiaries to pay expenses and to meet its debt service obligations including the payment of interests and repayment of principal on Notes issued or guaranteed by it under the Programme. Significant cash or cash equivalent balances may be held from time to time at Assicurazioni Generali's operating subsidiaries. Some of these operating subsidiaries will also have debt

outstanding or may be subject to acquisition agreements that impose restrictions on such operating subsidiaries' ability to pay dividends, but these restrictions are not expected to be significant in the context of Assicurazioni Generali's overall liquidity.

If earnings and cash flows of its operating subsidiaries are substantially reduced, Assicurazioni Generali may not be in a position to meet its operational needs or to meet interest payment or principal redemption obligations in respect of Notes issued or guaranteed by it under the Programme.

***Difficult market and economic conditions, together with the risk of potential sovereign debt credit deterioration, have had, and may continue to have, an adverse effect on the Generali Group's results of operations, business and financial condition***

The European sovereign debt crisis had in the past, and could in the future have, an indirect impact on the financial markets and economic conditions in Europe and worldwide. In particular, the Issuer is subject to the risk of potential sovereign debt credit deterioration on the amounts of sovereign debt obligations held in its investment portfolio. Factors such as deterioration of the economic conditions in Europe and in other parts of the world, particularly in the context of a resurgence of the sovereign debt crisis, geopolitical tensions and/or financial market volatility could all have a negative impact on the Issuer's financial condition, results of operations or cost of risk in general.

Persistent market tensions might affect negatively the funding costs and economic outlook of some euro member countries. This - together with the risk that some countries (even if not significant in terms of gross domestic product) might leave the euro area - could have a material and negative impact on the Group and/or on the Group's clients, with potential negative implications for the Group's business, results and financial position. In particular, if an EU Member State were to seek to leave the Eurozone, or if an EU Member State were to default on its obligations, or if the Eurozone were broken up entirely, the impact on the financial and currency markets would be significant and could impact materially upon all financial institutions and insurance undertakings, including the Group. The actual withdrawal from the EU of any specific EU Member State could have far-reaching and unpredictable consequences for the financial markets and the real economy, resulting in (*inter alia*) financial market turbulences including a widening of spreads, which could adversely affect the Group's business and results of operations and financial position.

Lingering market tensions might affect negatively the global economy and hamper the recovery of the euro area. Moreover, the tightening fiscal policy by some countries might weigh on households disposable income and on corporate profits with negative implications for the Generali Group's business, results and financial position.

Any further deterioration, or delay in the recovery, of the Italian economy could have a material adverse effect on the Generali Group's business, in light of the Generali Group's significant exposure to the Italian economy. In addition, if any of the countries in which the Generali Group operates witnessed a significant deterioration in economic activity, the Generali Group's results of operations, business and financial condition would be materially and adversely affected.

***Risks associated with the Group's business in Russia***

The Group is present in Russia through its 38.46 per cent. indirect participation in the Russian insurer, Ingosstrakh. Sanctions were imposed by the United States, the European Union and Canada against Russia, Russian entities or Russian individuals in 2014. Although there are indications that these sanctions may be lifted in the near future, there can be no certainty as to whether, or when, this will happen. A significant deterioration of the general economic conditions in Russia and, in particular, a decline in its growth rates as well as continued political disturbances may have a material adverse effect on the Group's operations in Russia.

## **RISKS RELATING TO THE NOTES**

### ***The Notes may not be a suitable investment for all investors***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

### ***The Notes do not contain covenants governing the Generali Group's operations and do not limit its ability to merge, effect asset sales, or to issue or guarantee additional indebtedness, or otherwise effect significant transactions that may have a material and adverse effect on the Notes and the holders thereof***

The Notes do not contain covenants governing its operations and do not limit the Generali Group's ability to enter into a merger, asset sale or other significant transaction that could materially alter its existence, jurisdiction of organisation or regulatory regime and/or its composition and its business. In the event the Generali Group was to enter into such a transaction, Noteholders could be materially and adversely affected.

Furthermore, there is no restriction on the amount of liabilities which the Issuers or the Guarantor may issue or guarantee. The Issuers and the Guarantor and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank *pari passu* or senior to the obligations under and in connection with the Notes.

### ***Change of Law***

The Conditions are governed by English law in effect as of the date of this Base Prospectus, except for the provisions concerning the status of the Subordinated Notes issued by Assicurazioni Generali and of the

Guarantee of the Subordinated Notes are governed by the laws of the Republic of Italy and provisions concerning the status of the Subordinated Notes issued by Generali Finance are governed by the laws of the Netherlands. No assurance can be given as to the impact of any possible judicial decision or change to applicable law or administrative practice after the date of this Base Prospectus.

***Risks related to the structure of a particular issue of Notes***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common features:

*Notes subject to optional redemption by the Issuer*

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in the light of other investments available at that time.

*Redemption for tax reasons*

In the event that the Issuer has or will become obliged - as a result of any change in or amendment to the laws or regulations of the Republic of Italy or The Netherlands (as the case may be) or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of issue of the relevant Notes - to pay additional amounts in respect of such Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Italy, in the case of payments made by or on behalf of Assicurazioni Generali, or The Netherlands, in the case of payments made by or on behalf of Generali Finance, or in each case any political subdivision thereof or any authority therein or thereof having power to tax, and such obligation cannot be avoided by the Issuer (or by Assicurazioni Generali as Guarantor) taking reasonable measures available to it, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, in the case of Subordinated Notes, in the event that interest payable by the Issuer in respect of the Notes is no longer, or will no longer be, deductible by the Issuer for Italian, in the case of Assicurazioni Generali, or Dutch, in the case of Generali Finance, income tax purposes, or such deductibility is materially reduced, in each case as a result of any change in, or amendment to, the laws or regulations or applicable accounting standards of the Republic of Italy or The Netherlands (as the case may be), or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of issue of the Notes, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

Based on Italian tax law, as currently in force, any interest on Notes issued by Assicurazioni Generali will only be deductible up to 96 per cent. when determining the taxable income of Assicurazioni Generali for corporate income tax purposes.

#### *Redemption due to other reasons*

If specified as being applicable in the relevant Final Terms, if the Issuer and/or the Guarantor determines that a Rating Event, an Accounting Event or a Regulatory Event (each as defined in the Terms and Conditions) has occurred, the Issuer may redeem all relevant outstanding Notes in accordance with the Conditions.

In the event that the Notes are redeemed due to a Rating Event or an Accounting Event prior to the relevant Maturity Date or due to a Regulatory Event, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

#### *EONIA Linked Interest Notes, SONIA Linked Interest Notes, Federal Funds Rate Linked Notes and CMS Linked Interest Notes*

The Issuer may issue Notes with interest determined by reference to EONIA, SONIA, the Federal Funds Rate and the CMS Rate which determine the amount of interest (each, a “**relevant factor**”). Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) a relevant factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices; and
- (iv) the timing of changes in a relevant factor may affect the actual yield to investors, even if the average level is consistent with their expectations.

#### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer’s ability to convert the interest rate will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

#### *Reset Notes*

Reset Notes will initially earn interest at the Initial Rate of Interest until (but excluding) the Reset Date (or, if there is more than one Reset Period, the first Reset Date). On the first Reset Date and on each subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Reset Reference Rate and the applicable Reset Margin (the “**Reset Rate**”), which could be less than the Initial Rate of Interest or the Reset Rate for prior Reset Periods, and could affect the market value of an investment in the Reset Notes.

#### *Maximum/Minimum Rate of Interest*

To the extent that a Minimum Rate of Interest applies, investors should consider that where the interest rate does not rise above the level of Minimum Interest Rate, comparable investments in notes which pay interest based on a fixed rate which is higher than the Minimum Interest Rate are likely to be more attractive to potential investors than an investment in the Notes. Under those conditions, investors in the Notes might find it difficult to sell their Notes on the secondary market (if any) or might only be able to realise the Notes at a price which may be substantially lower than the nominal amount.

To the extent that a Maximum Rate of Interest applies, investors should be aware that the Rate of Interest is capped at such Maximum Interest Rate level. Consequently, investors may not participate in any increase of market interest rates, which may also negatively affect the market value of the Notes.

#### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### *Subordinated Notes*

If the Issuer or the Guarantor is declared insolvent and a winding up is initiated, it will be required to pay the holders of senior debt and meet its obligations to all its other unsubordinated creditors (including unsecured creditors) in full before it can make any payments on any Subordinated Notes. If this occurs, the Issuer and/or the Guarantor may not have enough assets remaining after these payments to pay amounts due under any Subordinated Notes. See further Condition 4.2 (*Status – Senior Dated Subordinated Notes*) and Condition 4.3 (*Status – Deeply Subordinated Notes*).

In addition, Subordinated Notes may be, if the relevant Final Terms specify Optional Deferral of Interest and/or Mandatory Deferral of Interest as being applicable, subject to special provisions, driven by regulatory capital requirements, which entitle (and in some cases require) the relevant Issuer to defer payments to Noteholders of interest. See further Condition 6.1 (*Optional Deferral of Interest*) and Condition 6.2 (*Mandatory Deferral of Interest*).

Furthermore, the redemption of Subordinated Notes (including Instalment Notes) is subject to the satisfaction of the Conditions for Redemption, and the Conditions provide that the scheduled maturity date of Subordinated Notes with a specified maturity date (or, in the case of Instalment Notes, the due date of the relevant Instalment Amount) shall be postponed if the Conditions for Redemption are not satisfied (see further Condition 7 (*Conditions for Redemption*), Condition 11.1A (*Redemption and Purchase - Scheduled redemption*) and Condition 11.9 (*Redemption and Purchase - Redemption by Instalments*) and Condition 11.12 (*Waiver of Redemption Suspension*)). Where the Final Terms state that the Relevant Undertaking Condition is applicable, the Conditions for Redemption will relate also to whether any insurance or reinsurance undertaking included in the scope of group supervision is in an insolvent winding-up at that time (see further sub-(iii) of the definition of “Conditions for Redemption” set out in Condition 2 (*Interpretation*)). Where Optional Redemption due to a Regulatory Event is stated as being applicable in the Final Terms, the Issuer has the right to redeem the Subordinated Notes early in the circumstances described in Condition 11.5 (*Optional Redemption due to a Regulatory Event*).

#### *Notes issued by Generali Finance and guaranteed by Assicurazioni Generali*

The Guarantee is intended to provide holders of Notes issued by Generali Finance, as closely as possible, with rights equivalent to those to which the holders would have been entitled if the Notes had been issued directly by Assicurazioni Generali. Enforcement of the Guarantee would be subject to certain generally available defences and mandatory provisions of law. If a court were to find the Guarantee given by the Guarantor void or unenforceable, then Noteholders would cease to have any claim in respect of the Guarantor and would be creditors solely of the Issuer.

The obligations of the Guarantor under the Guarantee in respect of Subordinated Notes are subordinated in accordance with the provisions of Condition 5.2 (*Status of the Guarantee of Senior Dated Subordinated Notes of Generali Finance*) and Condition 5.3 (*Status of the Guarantee of Deeply*

*Subordinated Notes of Generali Finance*). In addition, if any Subordinated Note becomes immediately due and payable pursuant to Condition 14.2(b) (*Events of Default of Subordinated Notes of Generali Finance*) other than as a result of the winding-up, liquidation or dissolution of the Guarantor, the Guarantor shall not be obliged to pay the principal of, or interest on, such Subordinated Note prior to the original date upon which such amounts would otherwise have been due and payable.

#### *Modification, waivers and substitution*

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Condition 18.5 (*Meetings of Noteholders; Modification and Waiver; Modification and/or exchange following a Regulatory Event, Tax Event or Rating Event; Substitution – Substitution*), also provides that any duly incorporated Subsidiary of Assicurazioni Generali in good standing under the laws of its jurisdiction may, without the consent of the Noteholders, but with the prior written approval of Assicurazioni Generali, assume liability as the principal debtor in respect of the Notes, subject to the terms and conditions set out therein.

#### *Variation of the terms and conditions of Subordinated Notes or Exchange of Subordinated Notes for Qualifying Securities*

In relation to any series of Subordinated Notes, if the relevant Final Terms specify that the Regulatory/Tax/Rating/Accounting Event Modification Provisions or the Regulatory/Tax/Rating/Account Event Exchange Provisions are applicable, then the Issuer may in certain circumstances modify the terms and conditions of such Subordinated Notes or, as applicable, exchange such Subordinated Notes for Qualifying Securities, without any requirement for the consent or approval of the Noteholders to the extent that such modification is reasonably necessary to ensure that no Regulatory Event, Tax Event, Rating Event or, as applicable, Accounting Event would exist after such modification or would exist in relation to Qualifying Securities, provided that the relevant conditions set forth in Condition 18.4 (*Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event*) of the Terms and Conditions of the Notes are satisfied.

#### ***Risks related to Notes generally***

Set out below is a brief description of certain risks relating to the Notes generally.

*Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuers* Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. While the Notes are represented by one or more Global Notes the relevant Issuer will discharge its payment obligations under the Notes by making payments to the common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The relevant Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. Holders of beneficial interests in the Global Notes will not



have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

#### *Legality of purchase*

Neither the Issuers, the Dealers, nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor in the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

#### *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to the purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

#### ***Risks related to the markets generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk that may be relevant in connection with an investment in Notes.

#### *The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

#### *Exchange rate risks and exchange controls*

The relevant Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### *Interest rate risks*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

*Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

*Notes where denominations involve integral multiples; definitive Notes*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination. If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

## GENERAL DESCRIPTION OF THE PROGRAMME

*The following is a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive. The following overview does not purport to be complete and is qualified by the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Series (as defined below in “Terms and Conditions of the Notes”) of Notes, the applicable Final Terms.*

*Words and expressions defined in “Forms of the Notes” or “Terms and Conditions of the Notes” below shall have the same meanings in this general description, and references to a numbered “Condition” shall be to the relevant Condition under the relevant Terms and Conditions set out below.*

### **Issuers:**

Assicurazioni Generali S.p.A.

The Generali Group is the largest insurance group in Italy and the third largest in Europe in terms of total gross premiums written. The Generali Group operates in more than 60 countries worldwide through branch offices and subsidiaries.

The Generali Group undertakes a wide range of direct life and non-life insurance business, assumed reinsurance business and activities in fund and asset management and related areas.

As at 31 December 2015, before the elimination of intragroup transactions between segments, gross earned premiums of the Generali Group amounted to Euro 70.40 billion (as at 31 December 2014: Euro 66.32 billion), of which Euro 49.43 billion (as at 31 December 2014: Euro 45.42 billion) was attributable to its life insurance business and Euro 20.98 billion (as at 31 December 2014: Euro 20.91 billion) to its non-life insurance business. The consolidated net profit, that includes the result of discontinued operation, of the Generali Group for the full year 2015 was Euro 2.26 billion (as at 31 December 2014: Euro 1.85 billion). Total investments of the Generali Group as at 31 December 2015 amounted to Euro 447.45 billion (as at 31 December 2014: Euro 427.19 billion). Net insurance provision, net of consolidated adjustments of the Generali Group as at 31 December 2015 amounted to Euro 400.59 billion (as at 31 December 2014: Euro 381.82 billion). See “*Description of Assicurazioni Generali S.p.A.*”

Generali Finance B.V.

Generali Finance is a finance company of the Generali Group. The main activities and corporate objects and purpose of Generali Finance, in accordance with its articles of association, are holding and managing shareholdings and borrowing and lending monies including public and private lending.

For the year ended 31 December 2015, total net interest income amounted to Euro 15.4 million compared to Euro 14.5 million for the same period in 2014, representing an increase of 6.3 per cent. As at 31 December 2015, other income amounted to Euro 0.7 million

compared to Euro 89.3 million as at 31 December 2014. For the year ended 31 December 2015, total operational and other expenses amounted to Euro 5.9 million, compared to Euro 91.3 million in 2014. As at 31 December 2015, total assets amounted to Euro 4,236.9 million compared to Euro 4,726.6 million as at 31 December 2014 and consisted of Euro 4,207.7 million of loans to other Generali Group companies, including accrued interest (compared to Euro 4,716.2 million in 2014). For the year ended 31 December 2015, Generali Finance recorded a profit of Euro 7.5 million (compared to the profit of Euro 9.2 million in 2014). See “*Description of Generali Finance B.V.*”

**Guarantor:** Assicurazioni Generali S.p.A. (with respect to Notes issued by Generali Finance B.V. where such Notes are stated to have the benefit of the Guarantee in the relevant Final Terms) (the “**Guaranteed Notes**”).

**Arrangers:** Barclays Bank PLC and Deutsche Bank AG, London Branch.

**Dealers:** Banca IMI S.p.A., Banca Generali S.p.A., Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Commerzbank Aktiengesellschaft, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Mediobanca – Banca di Credito Finanziario S.p.A., Merrill Lynch International, Mizuho International plc, Morgan Stanley & Co. International plc, Nomura International plc, The Royal Bank of Scotland plc, Société Générale, UBS Limited, UniCredit Bank AG and any other Dealer appointed from time to time by the Issuers and the Guarantor either generally in respect of the Programme or in relation to a particular Tranche of Notes.

**Fiscal Agent and Luxembourg Listing Agent:** BNP Paribas Securities Services, Luxembourg Branch.

**Rating:** The rating of the Notes to be issued under the Programme will be specified in the applicable Final Terms. **A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

Whether or not each credit rating applied for in relation to the relevant Series of Notes will be (1) issued by a credit rating agency established in the EEA and registered (or which has applied for registration and not been refused) under Regulation (EU) No. 1060/2009, as amended (the “**CRA Regulation**”), or (2) issued by a credit rating agency which is not established in the EEA but will be endorsed by a CRA which is established in the EEA and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation will be disclosed in the Final Terms.

In general, European regulated investors are restricted from using a

rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (i) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (ii) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (iii) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

The European Securities and Markets Authority (“ESMA”) is obliged to maintain on its website, <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>, a list of credit rating agencies registered and certified in accordance with the CRA Regulation.

**Approval, Listing and Admission to Trading:**

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the relevant Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

Pursuant to Articles 17 and 18 of the Prospectus Directive, Article 19 of the Luxembourg Prospectus Law and for the purposes of having Notes admitted to trading on a regulated market in a Member State of the European Economic Area other than Luxembourg, the CSSF will notify ESMA and may, at the request of the relevant Issuer, send to the competent authority of such Member State: (i) a copy of this Base Prospectus; and (ii) a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Directive.

**Clearing Systems:**

Euroclear and/or Clearstream, Luxembourg and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.

**Initial Programme Amount:**

€15,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding and guaranteed at any one time.

**Issuance in Series:**

Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes

	of different denominations.
<b>Final Terms or Drawdown Prospectus:</b>	Notes issued under the Programme may be issued either: (1) pursuant to this Base Prospectus and associated Final Terms; or (2) pursuant to a Drawdown Prospectus.
<b>Forms of Notes:</b>	Notes may only be issued in bearer form. Each Tranche of Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms.
<b>Currencies:</b>	Notes may be denominated in euro or in any other currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
<b>Status of the Notes and Guarantee:</b>	<p>Notes may be issued by Assicurazioni Generali and Generali Finance and, in the case of Notes issued by Generali Finance, may be guaranteed by Assicurazioni Generali, in each case on a subordinated or unsubordinated basis as specified in the relevant Final Terms.</p> <p>Notes will not be issued by Generali Finance without the benefit of a Deed of Guarantee unless the necessary notifications have been made to the Dutch Central Bank.</p> <p>For further details of the status of the Notes and the Guarantee, see the Terms and Conditions of the Notes.</p>
<b>Senior Notes – Cross Default:</b>	The Senior Notes will have the benefit of a cross default as described in Condition 14.1(C) ( <i>Events of Default of Senior Notes</i> ) of the Terms and Conditions of the Notes.
<b>Subordinated Notes – Deferral of Interest:</b>	If the relevant Final Terms state that Optional Deferral of Interest and/or Mandatory Deferral of Interest is applicable, the relevant Issuer may elect to, and in some cases shall, defer payment of all (or some only) of the interest accrued on its Subordinated Notes on an Interest Payment Date subject to certain conditions, all as described in further detail in Condition 6.1 ( <i>Optional Deferral of Interest</i> ) or Condition 6.2 ( <i>Mandatory Deferral of Interest</i> ) of the Terms and Conditions of the Notes.
<b>Subordinated Notes – Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event:</b>	<p>If the Regulatory Event, Tax Event, Rating Event or Accounting Event Modification Provisions are specified in the relevant Final Terms as being applicable, the Issuer may in certain circumstances following a Regulatory Event, a Tax Event, a Rating Event or an Accounting Event, as the case may be, without any requirement for the consent or approval of the Noteholders, modify the terms of the Notes as described in further detail in Condition 18.4 (<i>Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event</i>) of the Terms and Conditions of the Notes.</p> <p>If the Regulatory/Tax/Rating/Accounting Event Exchange Provisions are specified in the relevant Final Terms as being applicable, the Issuer may in certain circumstances following a Regulatory Event, a Tax Event, a Rating Event or an Accounting Event, as the case may be, without any requirement for the consent or approval of the</p>

Noteholders, exchange all (but not some only) of the Notes for Qualifying Securities as described in further detail in Condition 18.4 (*Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event*) of the Terms and Conditions of the Notes.

**Issue Price:** Notes may be issued at any price, as specified in the relevant Final Terms.

**Maturities:** Any maturity or no fixed maturity date, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

In the case of Subordinated Notes with a specified maturity date, the scheduled maturity date will be postponed in certain circumstances, as set out in Condition 7 (*Conditions for Redemption*) and Condition 11.1A (*Redemption and Purchase – Scheduled redemption*).

Subordinated Notes intended to qualify as Tier 2 Own Funds and Tier 3 Own Funds are required under Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing the Solvency II Directive to have an original maturity of at least ten years and five years, respectively.

**Redemption:** The relevant Final Terms will specify the redemption amount. Unless previously redeemed, or purchased and cancelled, the Notes will (subject as mentioned below with respect to Subordinated Notes) be redeemed at their Final Redemption Amount.

The Final Terms relating to each Tranche of Notes will indicate either that the Notes of that Tranche cannot be redeemed prior to their stated maturity or that such Notes will be redeemable prior to such stated maturity at the option of the relevant Issuer and/or the holders of such Notes on such terms as are indicated in the Terms and Conditions of the Notes and the applicable Final Terms.

The Notes may be redeemed at the option of the Issuer for tax reasons. In addition, if specified in the relevant Final Terms, the Notes may be redeemed by the Issuer where the Call Option or Optional Redemption due to a Regulatory Event, Rating Event or Accounting Event is specified.

Redemption of Subordinated Notes is subject to satisfaction of the conditions set out in Condition 7 (*Conditions for Redemption*), and may also be suspended and postponed as described therein and in Condition 11.11 (*Postponement of optional redemption dates*) of the Terms and Conditions of the Notes.

Other than, if any, in respect of Zero Coupon Notes, no Series of Notes will be redeemed below its principal amount under any circumstances.

**Interest:** Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at a fixed rate, a floating rate, initially at a fixed rate then switched to floating rate or vice versa, or at a rate which may

be reset on one or more occasions during the life of the Notes.

**Denominations:**

No Notes may be issued under the Programme which have a minimum denomination of less than EUR 100,000 (or, where the Notes are denominated in a currency other than euro, the equivalent amount in such other currency). Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

**Taxation:**

All payments in respect of Notes issued by Assicurazioni Generali or Generali Finance will be made free and clear of withholding taxes of the Republic of Italy (“**Italy**”) or The Netherlands, as the case may be (and subject to certain exceptions), unless the withholding is required by law. In that event, the relevant Issuer will (subject as provided in Condition 13 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

**Governing Law:**

The Notes will be governed by, and shall be construed in accordance with, English Law, except that (1) provisions concerning the status of the Subordinated Notes issued by Assicurazioni Generali and of the Guarantee of the Subordinated Notes are governed by the laws of the Republic of Italy and (2) provisions concerning the status of the Subordinated Notes issued by Generali Finance are governed by the laws of the Netherlands. The Deed of Covenant and the Deed of Guarantee will be governed by the laws of England.

**Enforcement of Notes in Global Form:**

In the case of Global Notes, individual investors’ rights against the relevant Issuer will be governed by a Deed of Covenant entered into by each Issuer dated 19 May 2016 copies of which will be available for inspection at the specified office of the Fiscal Agent.

**Selling Restrictions:**

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, Hong Kong, Japan, The European Economic Area (including the United Kingdom and the Republic of Italy), The Netherlands, The People’s Republic of China and The Republic of China see, “*Subscription and Sale*” below.

**Risk Factors:**

The purchase of Notes may involve substantial risks and may be suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Notes. See “*Risk Factors*”.



## IMPORTANT NOTICES

This Base Prospectus comprises two base prospectuses, one for each of Assicurazioni Generali and Generali Finance, for the purposes of Article 5(4) of the Prospectus Directive.

Each of the Issuers and Assicurazioni Generali in its capacity as guarantor where indicated in the relevant Final Terms of Notes issued by Generali Finance (the “**Guarantor**”) accepts responsibility for the information contained in this document and for the Final Terms for each Tranche of Notes issued under the Programme and to the best of the knowledge of each of the Issuers and the Guarantor (which have taken all reasonable care to ensure that such is the case), the information contained in this document and in the Final Terms for each Tranche of Notes issued under the Programme is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus should be read and construed together with any supplements hereto and with any other documents incorporated by reference herein and, in relation to any Tranche (as defined herein) of Notes, should be read and construed together with the relevant Final Terms.

Each of the Issuers and the Guarantor has confirmed to the Dealers named under “*Subscription and Sale*” below that this Base Prospectus (including for this purpose, each relevant Final Terms) contains all information which according to the particular nature of the Issuers and the Guarantor and the securities offered to the public or admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses, and the prospects of the Issuers and the Guarantor and of any rights attaching to such securities and is (in the context of the Programme, the issue, offering and sale of the Notes and the guarantee of the Notes, where applicable) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes and the guarantee of the Notes, where applicable) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by each of the Issuers or the Guarantor or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by each of the Issuers, the Guarantor or any Dealer.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of each of the Issuers or the Guarantor since the date hereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

This Base Prospectus may only be used for the purposes for which it has been published. The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuers, the Guarantor and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see “*Subscription and Sale*”. In particular, Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “**Securities Act**”) and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuers, the Guarantor, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of each of the Issuers and the Guarantor.

The maximum aggregate principal amount of Notes outstanding and guaranteed at any one time under the Programme will not exceed €15,000,000,000 and, for this purpose, any Notes denominated in another currency shall be translated into euro at the date of the agreement to issue such Notes, calculated in accordance with the provisions of the Dealer Agreement (as defined under “**Subscription and Sale**”). The maximum aggregate principal amount of Notes which may be outstanding and guaranteed at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.

Notes issued pursuant to the Programme may also be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No 1060/2009 (the “**CRA Regulation**”) will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the Regulation) unless the rating is provided by a credit rating agency operating in the European Union before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

ESMA is obliged to maintain on its website, <http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>, a list of credit rating agencies registered and certified in accordance with the CRA Regulation.

In this Base Prospectus, unless otherwise specified, references to “**EUR**”, “**euro**” or “**€**” are to the single currency introduced at the start of the third stage of European Economic and Monetary Union and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended. Unless otherwise specified or where the context requires, references to laws and regulations are to the laws and regulations of Italy or The Netherlands, as the case may be.

This Base Prospectus has been prepared on the basis that, except to the extent sub-paragraph (ii) below may apply, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a

prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering/placement contemplated in this Base Prospectus as completed by Final Terms or a Drawdown Prospectus in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuers, the Guarantor or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Directive, provided that any such prospectus has subsequently been completed by Final Terms or is a Drawdown Prospectus which specifies that offers may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms or drawdown prospectus, as applicable, and the relevant Issuer has consented in writing to its use for the purpose of such offer. Except to the extent sub-paragraph (ii) above may apply, neither the Issuers, the Guarantor nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuers, the Guarantor or any Dealer to publish or supplement a prospectus for such offer. The expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

*Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.*

## **STABILISATION**

**IN CONNECTION WITH THE ISSUE OF ANY TRANCHE OF NOTES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE RELEVANT SUBSCRIPTION AGREEMENT MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANAGER) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT TRANCHE OF NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISING MANAGER(S) (OR PERSON(S) ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

## **MARKET STATISTICS**

Information and statistics presented in this Base Prospectus regarding business trends, market trends, market volumes and the market share of the Issuers or the Generali Group (as defined herein) are either derived from, or are based on, internal data or publicly available data from various independent sources. Although the

Issuers and the Guarantor believe that the external sources used are reliable, the Issuers and the Guarantor have not independently verified the information provided by such sources.

## INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus:

- (1) the audited consolidated annual financial statements as at and for the years ended 31 December 2014 and 2015 of Assicurazioni Generali, in each case together with the accompanying notes and auditors' reports;
- (2) the audited non-consolidated (statutory) annual financial statements as at and for the years ended 31 December 2014 and 2015 for Assicurazioni Generali, in each case together with the accompanying notes and auditors' reports;
- (3) the audited non-consolidated (statutory) annual financial statements as at and for the years ended 31 December 2014 and 2015 of Generali Finance, in each case together with the accompanying notes and auditors' reports;
- (4) the base prospectus in respect of the Assicurazioni Generali and Generali Finance Euro Medium Term Note Programme dated 16 April 2015 (the "**2015 Base Prospectus**"); and
- (5) the press release dated 12 May 2016 of Assicurazioni Generali announcing the approval by the Board of Directors of the Group's consolidated quarterly report as at and for the three months ended 31 March 2016 (the "**2016 First Quarter Results Pres Release**"),

save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference by way of supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement.

The Issuers will provide, without charge to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all the documents deemed to be incorporated by reference herein unless such documents have been modified or superseded as specified above, in which case the modified or superseded version of such document will be provided. Request for such documents should be directed to the Issuers at their offices set out at the end of this Base Prospectus. In addition, such documents will be available, without charge, at the principal office of the Arrangers and of the Paying Agents in Luxembourg and on the Luxembourg Stock Exchange's website ([www.bourse.lu](http://www.bourse.lu)).

The consolidated financial statements of Assicurazioni Generali incorporated by reference herein have been prepared in accordance with international accounting standards IFRS (International Financial Reporting Standards, as adopted by the European Union) as referred to herein.

The financial statements of Generali Finance incorporated by reference herein have been prepared in accordance with accounting principles prescribed by Dutch law, as interpreted and supplemented by the accounting principles issued by the *Raad voor de Jaarverslaggeving* (collectively, "**Dutch GAAP**").

The consolidated financial statements of Assicurazioni Generali as at and for the years ended 31 December 2014 and 2015 incorporated by reference herein have been audited by Reconta Ernst & Young S.p.A.

The non-consolidated financial statements of Generali Finance as at and for the years ended 31 December 2014 and 2015 incorporated by reference herein have been audited by Ernst & Young Accountants LLP.

The audit reports of Reconta Ernst & Young S.p.A. and Ernst & Young Accountants LLP described above in respect of the above financial statements of the Issuers are included in such financial statements incorporated by reference herein.

## CROSS-REFERENCE LIST

The following table shows where the information required under Annex IX, paragraphs 11.1 (*Historical Financial Information*), 11.5 (*Legal and arbitration proceedings*), 11.6 (*Significant change in the issuer's financial or trading position*) and 7.1 (*Trend information*) of Commission Regulation (EC) No. 809/2004 can be found in the above-mentioned documents incorporated by reference. The information incorporated by reference that is not included in the cross-reference list is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) No. 809/2004. The page references indicated below correspond to the page references of the PDF document format.

### *Assicurazioni Generali –Consolidated annual financial statements*

	<b>2014</b>	<b>2015</b>
Management Report		
Significant events after 31 December	Page 19	Page 23
Outlook for Generali Group	Pages 110-111	Pages 119-121
Balance sheet	Pages 130-131	Pages 138-139
Statement of income	Page 132	Page 140
Statement of comprehensive income	Page 133	Page 141
Statement of changes in equity	Pages 134-135	Pages 142-143
Cash flow statement	Page 136	Page 144
Accounting policies and explanatory notes	Pages 138-277	Pages 145-323
Auditors' reports	Pages 335-336	Pages 341-344

### *Assicurazioni Generali –Non-consolidated annual financial statements*

	<b>2014</b>	<b>2015</b>
Management Report		
Part A: Information on operations – Litigation	Page 68	Page 81
Balance sheet	Pages 99-111	Pages 111-123
Statement of income	Pages 114-121	Pages 125-133
Cash flow statement	Pages 193-198	Pages 211-213
Accounting policies and explanatory notes	Pages 123-190	Pages 135-207
Auditors' reports	Pages 349-350	Pages 317-318

### *Generali Finance –Non-consolidated annual financial statements*

	<b>2014</b>	<b>2015</b>
Balance sheet	Pages 6-7	Pages 7-8
Statement of income	Page 8	Page 9
Accounting policies and explanatory notes	Page 9-22	Page 10-23

	<b>2014</b>	<b>2015</b>
Auditors' reports	Page 23-25	Pages 24-27
<b><i>2015 Base Prospectus</i></b>		
Terms and Conditions of the Notes		Pages 35 - 94
<b><i>2016 First Quarter Results Press Release</i></b>		
Executive summary and notes		Pages 2 - 6
Shareholders' equity		Page 7
Group investments policy		Page 7
Outlook		Pages 8 - 9
Group Highlights		Page 12
Balance Sheet		Pages 13 – 14
From Operating Result to Net Profit		Page 15
Additional key data per segment		Pages 16 – 20



## FINAL TERMS AND DRAWDOWN PROSPECTUS

In this section the expression “necessary information” means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuers and the Guarantor, where applicable, and of the rights attaching to the Notes. In relation to the different types of Notes which may be issued under the Programme, the Issuers and the Guarantor have endeavoured to include in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus. Such information will be contained in the relevant Final Terms unless any of such information constitutes a significant new factor relating to the information contained in this Base Prospectus in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, will be contained in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as completed by the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuers and the Guarantor (as relevant) and the relevant Notes or (2) by a registration document (the “**Registration Document**”) containing the necessary information relating to the Issuers and the Guarantor (as relevant), a securities note (the “**Securities Note**”) containing the necessary information relating to the relevant Notes and, if necessary, a summary note. In addition, if the Drawdown Prospectus is constituted by a Registration Document and a Securities Note, any significant new factor, material mistake or inaccuracy relating to the information included in the Registration Document which arises or is noted between the date of the Registration Document and the date of the Securities Note which is capable of affecting the assessment of the relevant Notes will be included in the Securities Note.

## FORMS OF THE NOTES

Each Tranche of Notes will initially be in the form of either a temporary global note (the “**Temporary Global Note**”), without interest coupons, or a permanent global note (the “**Permanent Global Note**”), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a “**Global Note**”) which is not intended to be issued in new global note (“**NGN**”) form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank S.A./N.V. (“**Euroclear**”) and/or Clearstream Banking, *société anonyme*, Luxembourg (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006, the European Central Bank (the “**ECB**”) announced that Notes in NGN form are in compliance with the “Standards for the use of EU securities settlement systems in ESCB credit operations” of the central banking system for the euro (the “**Eurosystem**”), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163–5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”)) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163–5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the Code) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### **Temporary Global Note exchangeable for Permanent Global Note**

If the relevant Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent; and
- (ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership, within 7 days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; *provided, however*, that in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

The Permanent Global Note will be exchangeable in whole, but not in part, for Notes in definitive form (“**Definitive Notes**”):

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) at any time, if so specified in the relevant Final Terms; or
- (iii) if the relevant Final Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 14 (*Events of Default*) of the Terms and Conditions of the Notes occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

#### **Temporary Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

#### **Permanent Global Note exchangeable for Definitive Notes**

If the relevant Final Terms specifies the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

- (ii) at any time, if so specified in the relevant Final Terms; or
- (iii) if the relevant Final Terms specifies “in the limited circumstances described in the Permanent Global Note”, then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 14 (*Events of Default*) of the Terms and Conditions of the Notes occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

#### **Terms and Conditions applicable to the Notes**

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under “Terms and Conditions of the Notes” below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “Overview of Provisions Relating to the Notes while in Global Form” below.

#### **Legend concerning United States persons**

In the case of any Tranche of Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, as completed in accordance with the provisions of Part A of the relevant Final Terms, will be applicable to each Tranche of Notes. These Terms and Conditions, as so completed, shall be endorsed on each Note in definitive form issued under the Programme.*

*The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under “Overview of Provisions Relating to the Notes while in Global Form” below.*

### 1 INTRODUCTION

- (a) *Programme:* Assicurazioni Generali S.p.A. (“**Assicurazioni Generali**”) and Generali Finance B.V. (“**Generali Finance**”) (each, an “**Issuer**” and together, the “**Issuers**”) have established a Euro Medium Term Note Programme (the “**Programme**”) for the issuance of €15,000,000,000 in aggregate principal amount of notes (the “**Notes**”) guaranteed from time to time by Assicurazioni Generali (in its capacity as guarantor, the “**Guarantor**”) in respect of Notes issued by Generali Finance and which are stated as having the benefit of a Deed of Guarantee (as defined below) in the relevant Final Terms.
- (b) *Final Terms:* Notes issued under the Programme are issued in series (each a “**Series**”) and each Series may comprise one or more tranches (each a “**Tranche**”) of Notes. Each Tranche is the subject of a Final Terms (the “**Final Terms**”) which complete these terms and conditions (the “**Conditions**”). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms.
- (c) *Agency Agreement:* The Notes are the subject of an issue and paying agency agreement dated 19 May 2016 (as amended or supplemented from time to time, the “**Agency Agreement**”) between the Issuers, the Guarantor, BNP Paribas Securities Services, Luxembourg Branch as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agent named therein (together with the Fiscal Agent, the “**Paying Agents**”, which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).
- (d) *Deed of Guarantee:* Notes issued by Generali Finance shall have the benefit of a deed of guarantee (the “**Deed of Guarantee**”) entered into by the Guarantor from time to time as specified in the relevant Final Terms.
- (e) *The Notes:* All subsequent references in these Conditions to “**Notes**” are to the Notes which are the subject of the relevant Final Terms. All subsequent references in these Conditions to the “**Issuer**” are to the Issuer specified in the relevant Final Terms as the Issuer of the relevant Notes. Copies of the relevant Final Terms are available during normal business hours at the Specified Office of the Fiscal Agent, the initial Specified Office of which is set out below.
- (f) *Summaries:* Certain provisions of these Conditions are summaries of the Agency Agreement and the Deed of Guarantee and are subject to their detailed provisions. The holders of the Notes (the “**Noteholders**”) and the holders of the related interest coupons, if any, (the “**Couponholders**” and the “**Coupons**”, respectively) and, where applicable, talons for further Coupons (“**Talons**”) and holders of instalment receipts (“**Receipts**”) appertaining to the payment of principal by instalments are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the Deed of Guarantee (if any) applicable to them. The expression “Notes” shall, where the context so permits, include Receipts. Copies of the Agency Agreement and the Deed of Guarantee (if entered into in

respect of an issue of Notes) are available for inspection during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

## 2 INTERPRETATION

(a) *Definitions:* In these Conditions the following expressions have the following meanings:

“**Accounting Event**” has the meaning given to it in Condition 11.7 (Redemption and Purchase - Optional Redemption due to an Accounting Event);

“**Accrual Yield**” has the meaning given in the relevant Final Terms;

“**Additional Business Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Additional Financial Centre(s)**” means the city or cities specified as such in the relevant Final Terms;

“**Applicable Regulations**” means the solvency margin, regulatory capital or capital regulations introduced or to be introduced in Italy in implementation of the Solvency II Directive and which are applicable to Assicurazioni Generali, which set out, *inter alia*, the Tier 2 Capital Requirements and the Tier 3 Capital Requirements (including Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing the Solvency II Directive and any other applicable laws, legislation, rules and regulations as well as regulatory technical standards and implementing technical standards adopted in relation thereto, together with (to the extent applied by the Lead Regulator) published interpretation, guidance or guidelines of the foregoing;

“**Broken Amount**” means the amount specified as such in the relevant Final Terms;

“**Business Day**” means:

- (i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre (including Luxembourg); and
- (ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre (including Luxembourg);

“**Business Day Convention**”, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (i) “**Following Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day;
- (ii) “**Modified Following Business Day Convention**” or “**Modified Business Day Convention**” means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (iii) “**Preceding Business Day Convention**” means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

- (iv) “**FRN Convention**”, “**Floating Rate Convention**” or “**Eurodollar Convention**” means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
- (A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (v) “**No Adjustment**” means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

“**Calculation Agent**” means the Fiscal Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

“**Calculation Amount**” has the meaning given to it in the relevant Final Terms;

“**Conditions for Redemption**” means each of the following conditions:

- (i) no Solvency Capital Event has occurred and/or is continuing, and such redemption would not itself result in a Solvency Capital Event;
- (ii) the prior approval of the Lead Regulator has been obtained and such approval continues to be valid and effective at the relevant date; and
- (iii) if the Final Terms state that the Relevant Undertaking Condition applies, where any insurance or reinsurance undertaking included in the scope of group supervision of the Issuer or, as applicable, Guarantor under the Applicable Regulations (a “**Relevant Undertaking**”) is subject to a Relevant Proceeding (as defined below) at the time of the proposed redemption, all claims owed by the Relevant Undertaking to its policyholders and beneficiaries have been met,

unless, in each case, such Condition for Redemption is no longer a requirement under the Applicable Regulations at such time in order for the Subordinated Notes to be recognised in the determination of own funds.

For the purposes of sub-(iii) above, “**Relevant Proceeding**” means the winding-up of a Relevant Undertaking under applicable laws of the jurisdiction of the Relevant Undertaking in circumstances where the assets of the Relevant Undertaking (in the reasonable determination of the Issuer or, as applicable, the Guarantor) may or will be insufficient to meet all amounts which, under applicable legislation or rules relating to the winding-up of insurance companies, the policyholders and beneficiaries are entitled to receive pursuant to a contract of insurance or reinsurance of the Relevant Undertaking.

“**Consolidated Banking Law**” means Italian Legislative Decree No. 385 of 1 September 1993, as amended from time to time;

“**Consolidated Law on Private Insurance Companies**” means Italian Legislative Decree No. 209 of 7 September 2005, as amended from time to time;

“**Coupon Sheet**” means, in respect of a Note, a coupon sheet relating to the Note;

“**Dated Subordinated Obligations of Assicurazioni Generali**” means any existing or future unconditional, unsecured, subordinated obligations of Assicurazioni Generali with a specified maturity date, excluding the Deeply Subordinated Notes of Assicurazioni Generali and the More Deeply Subordinated Notes of Assicurazioni Generali;

“**Dated Subordinated Obligations of Generali Finance**” means any existing or future unconditional, unsecured, subordinated obligations of Generali Finance with a specified maturity date, excluding the Deeply Subordinated Notes of Generali Finance and the More Deeply Subordinated Notes of Generali Finance;

“**Day Count Fraction**” means, in respect of the calculation of an amount for any period of time (the “**Calculation Period**”), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if “**Actual/Actual**” or “**Actual/Actual (ISDA)**” is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (b) if “**Actual/Actual (ICMA)**” is specified, means:
  - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
    - (x) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (y) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (c) if “**Actual/365 (Fixed)**” is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;
- (d) if “**Actual/360**” is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;
- (e) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:



$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and **D<sub>1</sub>** is greater than 29, in which case **D<sub>2</sub>** will be 30;

- (f) if “**30E/360**” or “**Eurobond Basis**” is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows;

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case **D<sub>1</sub>** will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case **D<sub>2</sub>** will be 30;

- (g) if “**30E/360 (ISDA)**” is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

“**Deferred Interest Payment Events**” has the meaning given in Condition 6.3 (*Deferral of Interest - Arrears of Interest*);

“**Deeply Subordinated Notes of Assicurazioni Generali**” means Subordinated Notes issued by Assicurazioni Generali that are expressed to be deeply subordinated obligations of Assicurazioni Generali, with a specified maturity date or with no specified maturity date;

“**Deeply Subordinated Notes of Generali Finance**” means Subordinated Notes issued by Generali Finance that are expressed to be deeply subordinated obligations of Generali Finance, with a specified maturity date or with no specified maturity date;

“**Early Redemption Amount (Accounting Event)**” has the meaning given in Condition 11.7 (*Redemption and Purchase – Optional Redemption due to an Accounting Event*);

“**Early Redemption Amount (Rating Event)**” has the meaning given in Condition 11.6 (*Redemption and Purchase – Optional Redemption due to a Rating Event*);

“**Early Redemption Amount (Regulatory)**” has the meaning given in Condition 11.5 (*Redemption and Purchase – Optional Redemption due to a Regulatory Event*);

“**Early Redemption Amount (Tax)**” has the meaning given in Condition 11.2 (*Redemption and Purchase – Redemption for tax reasons*);

“**Extraordinary Resolution**” has the meaning given in the Agency Agreement;

“**Final Redemption Amount**” means, in respect of any Note, its principal amount, subject to any purchase, cancellation, early redemption or repayment, expressed as the amount per Calculation Amount specified in the relevant Final Terms;

“**Fixed Coupon Amount**” has the meaning given in the relevant Final Terms;

“**Generali Perpetual Notes**” means any existing or future direct, unsecured and subordinated obligations of Assicurazioni Generali with no specified maturity date or with a maturity date linked to the duration of Assicurazioni Generali (other than More Deeply Subordinated Notes of Assicurazioni Generali or Deeply Subordinated Notes of Assicurazioni Generali);

“**Generali Finance Perpetual Notes**” means any existing or future direct, unsecured and subordinated obligations of Generali Finance with no specified maturity date or with a maturity date linked to the

duration of Generali Finance or Assicurazioni Generali (other than More Deeply Subordinated Notes of Generali Finance or Deeply Subordinated Notes of Generali Finance);

**“Guarantee of the Generali Finance Perpetual Notes”** means the guarantee issued by Assicurazioni Generali in respect of the Generali Finance Perpetual Notes;

**“Guarantee”** means, in relation to any Indebtedness of any Person, any obligation of another Person to pay such Indebtedness including (without limitation):

- (i) any obligation to purchase such Indebtedness;
- (ii) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services in order to provide funds for the payment of such Indebtedness;
- (iii) any indemnity against the consequences of a default in the payment of such Indebtedness; and
- (iv) any other agreement to be responsible for such Indebtedness;

**“Guarantee of the Notes”** means, in respect of Notes issued by Generali Finance under these Conditions, the guarantee of the Notes (if stated as applicable in the relevant Final Terms) given by the Guarantor in the Deed of Guarantee entered into in relation to that issue of Notes and **“Guarantee of the Senior Notes”**, **“Guarantee of the Senior Dated Subordinated Notes of Generali Finance”** and **“Guarantee of the Deeply Subordinated Notes of Generali Finance”** shall be construed accordingly;

**“Guarantee of the Subordinated Notes of Generali Finance”** means, in respect of Notes issued by Generali Finance under these Conditions, the guarantee of the Senior Dated Subordinated Notes of Generali Finance or the guarantee of the Deeply Subordinated Notes of Generali Finance (in each case, if stated as applicable in the relevant Final Terms) given by the Guarantor in the Deed of Guarantee entered into in relation to the issue of such Notes;

**“Guaranteed Notes”** means Notes which have the benefit of a Guarantee of the Notes;

**“Hybrid Obligations of Assicurazioni Generali”** means the Generali Perpetual Notes, the Guarantee of the Generali Finance Perpetual Notes and any other obligation (other than More Deeply Subordinated Notes of Assicurazioni Generali or any Guarantee of the More Deeply Subordinated Notes of Generali Finance) from time to time expressed by its terms to rank *pari passu* therewith or to rank junior to the Deeply Subordinated Notes of Assicurazioni Generali;

**“Hybrid Obligations of Generali Finance”** means the Generali Finance Perpetual Notes and any other obligation (other than More Deeply Subordinated Notes of Generali Finance) from time to time expressed by its terms to rank *pari passu* therewith or to rank junior to the Deeply Subordinated Notes of Generali Finance;

**“Indebtedness”** means any indebtedness of any Person for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (i) amounts raised under any note purchase facility;
- (ii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (iii) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and

(iv) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

“**Initial Rate of Interest**” has the meaning given in the relevant Final Terms;

“**Initial Interest Payment Date(s)**” has the meaning given in the relevant Final Terms;

“**Instalment Amount**” has the meaning given in Condition 11.9 (*Redemption and Purchase – Redemption by Instalments*);

“**Instalment Notes**” means any Notes which are specified in the relevant Final Terms as being Instalment Notes, the principal amount of which is repayable by instalments;

“**Interest Amount**” means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

“**Interest Basis**” has the meaning given in the relevant Final Terms;

“**Interest Commencement Date**” means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

“**Interest Determination Date**” has the meaning given in the relevant Final Terms;

“**Interest Payment Date**” means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

“**Interest Period**” means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

“**ISDA Definitions**” means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

“**Issue Date**” has the meaning given in the relevant Final Terms;

“**IVASS**” means the *Istituto per la Vigilanza sulle Assicurazioni*, the Italian supervisory body for insurance;

“**Junior Securities of Assicurazioni Generali**” means (A) all classes of share capital (including preference shares – *azioni privilegiate* – and savings shares – *azioni di risparmio*, if any) of Assicurazioni Generali; (B) any obligation, including preferred securities, guarantees or similar instruments issued by Assicurazioni Generali which ranks junior to the Notes; and (C) any guarantee or similar instrument from Assicurazioni Generali, ranking junior to the Notes, covering the preferred securities or preferred or preference shares issued by a Subsidiary of Assicurazioni Generali;

“**Lead Regulator**” means IVASS, or any successor entity of IVASS, or any other competent lead regulator to which Assicurazioni Generali becomes subject;

“**Legislative Decree No. 239**” has the meaning given in Condition 13 (*Taxation*);

“**Liquidazione Coatta Amministrativa**” means *Liquidazione Coatta Amministrativa* as described in Articles 80 to 94 of the Consolidated Banking Law or Articles 245 ff of the Consolidated Law on Private Insurance Companies, as the case may be;

“**Make Whole Amount**” has the meaning given in Condition 11.8 (*Make Whole Amount*);

“**Margin**” has the meaning given in the relevant Final Terms and if the relevant Final Term specifies that Change of interest following Optional Redemption Date (Call) is applicable, shall mean (a) for each Interest Period to but excluding the Optional Redemption Date (Call), the Margin (Pre-Call); and (b) from each Interest Period falling after the Optional Redemption Date (Call), the Margin (Post-Call), in each case, as set out in the relevant Final Terms;

“**Margin (Pre-Call)**” has the meaning given in the relevant Final Terms;

“**Margin (Post-Call)**” has the meaning given in the relevant Final Terms;

“**Maturity Date**” has the meaning given in the relevant Final Terms;

“**Maximum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**Minimum Capital Requirement**” means the minimum capital requirement (and, where applicable, the minimum consolidated group Solvency Capital Requirement) referred to, and calculated in accordance with, applicable provisions set forth under, the Solvency II Directive and Applicable Regulations, where non-compliance with the Minimum Capital Requirement shall be deemed to have occurred if the amount of own fund items eligible to cover the Minimum Capital Requirement of the Issuer (or, as applicable, the Guarantor), on a solo or, where applicable, consolidated basis, is less than the Minimum Capital Requirement of the Issuer (or, as applicable, the Guarantor);

“**Minimum Redemption Amount**” has the meaning given in the relevant Final Terms;

“**More Deeply Subordinated Notes of Assicurazioni Generali**” means subordinated notes issued by Assicurazioni Generali that are expressed to be more deeply subordinated obligations of Assicurazioni Generali, with a specified maturity date or with no specified maturity date;

“**More Deeply Subordinated Notes of Generali Finance**” means subordinated notes issued by Generali Finance that are expressed to be more deeply subordinated obligations of Generali Finance, with a specified maturity date or with no specified maturity date;

“**Optional Deferral Conditions**” has the meaning given in Condition 6.1 (*Optional Deferral of Interest*);

“**Optional Redemption Amount (Call)**” means, in respect of any Note, the amount per Calculation Amount specified in the relevant Final Terms;

“**Optional Redemption Amount (Put)**” means, in respect of any Note, the amount per Calculation Amount specified in the relevant Final Terms;

“**Optional Redemption Date (Call)**” has the meaning given in the relevant Final Terms;

“**Optional Redemption Date(s)**” has the meaning given in the relevant Final Terms;

“**Optional Redemption Date (Put)**” has the meaning given in the relevant Final Terms;

**“Parity Securities”** means, in relation to a Subordinated Note, (A) any obligations, guarantees or instruments issued by Assicurazioni Generali which rank equally with such Subordinated Note (including the obligations of Assicurazioni Generali deriving from a subordinated guarantee granted in connection with the issue of Subordinated Notes by Generali Finance and the obligations of Assicurazioni Generali in its capacity as issuer of Subordinated Notes); and (B) any instruments issued by a Subsidiary of Assicurazioni Generali which have the benefit of a guarantee or similar instrument from Assicurazioni Generali, which guarantee or similar instrument ranks equally with such Subordinated Note;

**“Payment Business Day”** means:

- (i) if the currency of payment is euro, any day which is:
  - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or
- (ii) if the currency of payment is not euro, any day which is:
  - (A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

**“Permitted Reorganisation”** means an amalgamation, reorganisation, merger, demerger, consolidation or restructuring whilst solvent whereby the assets and undertaking of the Issuer or, where applicable, the Guarantor (or, in the case of a demerger, all or substantially all of such assets and undertaking) are vested in a body corporate in good standing and such body corporate (i) assumes or maintains (as the case may be) liability as principal debtor in respect of the Notes and (ii) continues substantially to carry on the business of the Issuer or, where applicable, the Guarantor as reported in the Issuer’s or, where applicable, the Guarantor’s most recently published audited financial statements immediately prior to such amalgamation, reorganisation, merger, demerger, consolidation or restructuring;

**“Permitted Repurchase”** means (1) any redemption, repurchase or other acquisition of such Junior Securities of Assicurazioni Generali held by any member of its group; (2) a reclassification of the equity share capital of Assicurazioni Generali or any of its Subsidiaries or the exchange or conversion of one class or series of equity share capital for another class or series of equity share capital; (3) the purchase of fractional interests in the share capital of Assicurazioni Generali or any of its Subsidiaries pursuant to the conversion or exchange provisions of such security being converted or exchanged; (4) any redemption or other acquisition of Junior Securities of Assicurazioni Generali in connection with a levy or execution for the satisfaction of a claim by Assicurazioni Generali or any of its Subsidiaries; or (5) any redemption or other acquisition of Junior Securities of Assicurazioni Generali in connection with the satisfaction by Assicurazioni Generali or any of its Subsidiaries of its obligations under any employee benefit plan or similar arrangement;

**“Person”** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

“**Principal Financial Centre**” means, in relation to any currency, the principal financial centre for that currency provided, however, that:

- (i) in relation to euro, it means the principal financial centre of such Member State of the European Communities as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and
- (ii) in relation to Australian dollars, it means either Sydney or Melbourne and, in relation to New Zealand dollars, it means either Wellington or Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

“**Put Option Notice**” means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“**Put Option Receipt**” means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms, and if the relevant Final Term specifies that Change of interest following Optional Redemption Date (Call) is applicable, shall mean (a) for each Interest Period to but excluding the Optional Redemption Date (Call), the Initial Rate of Interest; and (b) from each Interest Period falling after the Optional Redemption Date (Call), the Rate of Interest (Post-Call);

“**Rating Agency**” means each of Moody’s Investors Service Inc., Fitch Ratings Ltd. and AM Best Europe Rating Services Ltd and any of their respective successors;

“**Rating Event**” has the meaning given to it in Condition 11.6 (*Redemption and Purchase - Optional Redemption due to a Rating Event*);

“**Redemption Amount**” means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Early Redemption Amount (Regulatory), the Early Redemption Amount (Rating Event), the Early Redemption Amount (Accounting Event), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put) or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

“**Reference Banks**” has the meaning given in Condition 9 (*Interest*);

“**Reference Price**” has the meaning given in the relevant Final Terms;

“**Reference Rate**” has the meaning given in the relevant Final Terms;

“**Regular Period**” means:

- (i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where “**Regular Date**” means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

“**Regulatory Event**” has the meaning given in Condition 11.5 (*Redemption and Purchase – Optional Redemption due to a Regulatory Event*);

“**Relevant Date**” means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

“**Relevant Financial Centre**” has the meaning given in Condition 9C (*Interest on Floating Rate Notes*);

“**Relevant Screen Page**” means the page, section or other part of a particular information service (including, without limitation, the Reuters Money 3000 Service and Moneyline Telerate Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

“**Relevant Time**” has the meaning given in the relevant Final Terms;

“**Reserved Matter**” has the meaning given to it in the Agency Agreement and includes any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or, as the case may be, interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment, to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution or to amend the definition of “Reserved Matter”;

“**Senior Note**” means a Note specified as such in the relevant Final Terms;

“**Senior Dated Subordinated Notes of Assicurazioni Generali**” means subordinated Notes issued by Assicurazioni Generali that have a specified maturity date and are expressed to be senior subordinated obligations of Assicurazioni Generali having a specified maturity date;

“**Senior Dated Subordinated Notes of Generali Finance**” means subordinated Notes issued by Generali Finance that have a specified maturity date and are expressed to be senior subordinated obligations of Generali Finance having a specified maturity date;

“**Solvency II Directive**” means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking up and pursuit of the business of insurance and reinsurance (solvency II) (as amended) and any applicable implementing provisions;

A “**Solvency Capital Event**” means a Tier 2 Solvency Capital Event or a Tier 3 Solvency Capital Event, as indicated in the Final Terms, where:



- (a) **“Tier 2 Solvency Capital Event”** is deemed to have occurred if: (i) there is non-compliance with the Solvency Capital Requirement, or the payment of interest or principal on the Subordinated Notes would lead to such non-compliance; or (ii) any other event has occurred which, under the Applicable Regulations in order for the Notes to qualify as Tier 2 Own Funds, would require payment of interest or principal on the Notes to be deferred or suspended; and
- (a) **“Tier 3 Solvency Capital Event”** is deemed to have occurred if: (i) there is non-compliance with (for the purpose of deferral of interest) the Minimum Capital Requirement or (for the purpose of redemption of principal) the Solvency Capital Requirement), as applicable or the payment of interest or principal on the Subordinated Notes would lead to such non-compliance; or (ii) any other event has occurred which, under the Applicable Regulations in order for the Notes to qualify as Tier 3 Own Funds, would require payment of interest or principal on the Notes to be deferred or suspended;

**“Solvency Capital Requirement”** means the solo and/or group solvency capital requirement of the Issuer (or, as applicable, the Guarantor) referred to, and calculated in accordance with applicable provisions set forth under, the Solvency II Directive and Applicable Regulations, provided that:

- (a) non-compliance with the Solvency Capital Requirement shall be deemed to have occurred if the amount of own fund items eligible to cover the Solvency Capital Requirement of the Issuer (or, as applicable, the Guarantor), whether at solo or group level, is less than the solo or, as the case may be, group Solvency Capital Requirement of the Issuer (or, as applicable, the Guarantor); and
- (b) references to the Solvency Capital Requirement shall be read as references to the Minimum Capital Requirement where non-compliance with the Minimum Capital Requirement occurs before non-compliance with the Solvency Capital Requirement;

**“Solvency Margin”** means the own funds eligible to cover Assicurazioni Generali’s Solvency Capital Requirement and/or, as the case may be, Minimum Capital Requirement, in each case, as determined pursuant to the rules of the Lead Regulator;

**“Specified Currency”** has the meaning given in the relevant Final Terms;

**“Specified Denomination(s)”** has the meaning given in the relevant Final Terms;

**“Specified Office”** has the meaning given in the Agency Agreement;

**“Specified Period”** has the meaning given in the relevant Final Terms;

**“Subordinated Note”** means, in relation to Notes issued under these Conditions, a Note specified as a Senior Dated Subordinated Note of Assicurazioni Generali, a Deeply Subordinated Note of Assicurazioni Generali, a Senior Dated Subordinated Note of Generali Finance or a Deeply Subordinated Note of Generali Finance in the relevant Final Terms;

**“Subordinated Notes of Assicurazioni Generali”** means, in relation to Notes issued under these Conditions, the Senior Dated Subordinated Notes and the Deeply Subordinated Notes of Assicurazioni Generali;

**“Subordinated Notes of Generali Finance”** means, in relation to Notes issued under these Conditions, the Senior Dated Subordinated Notes of Generali Finance and the Deeply Subordinated Notes of Generali Finance;

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (i) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (ii) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

“**Talon**” means a talon for further Coupons;

“**TARGET2**” means the Trans-European Automated real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro;

“**Tax Event**” means any of the events referred to in paragraphs (a)(iii)(A), (B) or (C) of Condition 11.2 (*Redemption for tax reasons*).

“**Tier 2 Capital Requirements**” means the requirements of the Lead Regulator for instruments to qualify as Tier 2 Own Funds for capital adequacy purposes in respect of the relevant company, either on a solo or on a consolidated basis, pursuant to the Applicable Regulations;

“**Tier 2 Own Funds**” means own funds which have the necessary features to be classified as Tier 2 under the Applicable Regulations;

“**Tier 3 Capital Requirements**” means the requirements of the Lead Regulator for instruments to qualify as Tier 3 Own Funds for capital adequacy purposes in respect of the relevant company, either on a solo or on a consolidated basis, pursuant to the Applicable Regulations;

“**Tier 3 Own Funds**” means own funds which have the necessary features to be classified as Tier 3 under the Applicable Regulations;

“**Treaty**” means the Treaty establishing the European Communities, as amended; and

“**Zero Coupon Note**” means a Note specified as such in the relevant Final Terms.

(b) *Interpretation*: In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 13 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 13 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being “outstanding” shall be construed in accordance with the Agency Agreement; and
- (vii) if an expression is stated in Condition 2(a) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is “not applicable” then such expression is not applicable to the Notes.

### 3 FORM, DENOMINATION AND TITLE

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes and the Coupons will pass by delivery.

The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No Person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

### 4 STATUS OF THE NOTES

*Condition 4.1 below is applicable only to Notes issued by Assicurazioni Generali or by Generali Finance (i) specified in the applicable Final Terms as Senior Notes or (ii) not specified in the applicable Final Terms as Subordinated Notes.*

#### 4.1 Status – Senior Notes

The Senior Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* without any preference among themselves and at least *pari passu* with all other unsubordinated and unsecured obligations of the Issuer present and future (save for such obligations as may be preferred by provisions of law that are both mandatory and of general application).

*Condition 4.2 below is applicable only to Notes issued by Assicurazioni Generali or by Generali Finance specified in the applicable Final Terms as Senior Dated Subordinated Notes.*

#### 4.2 Status – Senior Dated Subordinated Notes

*Condition 4.2.1 below is applicable only to Senior Dated Subordinated Notes issued by Assicurazioni Generali.*

##### 4.2.1 Status – Senior Dated Subordinated Notes issued by Assicurazioni Generali

- (a) *Status of Senior Dated Subordinated Notes of Assicurazioni Generali:* The Notes constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and at least equally with all other Dated Subordinated Obligations of Assicurazioni Generali which are expressed to be senior subordinated obligations of the Issuer having a specified maturity date; but junior to any unconditional, unsubordinated, unsecured obligations of Assicurazioni Generali

(including any Senior Notes of Assicurazioni Generali and the policyholders of Assicurazioni Generali) and senior to any obligations of the Issuer which rank, or are expressed to rank, junior to the obligations of the Issuer under the Notes (including Deeply Subordinated Notes of Assicurazioni Generali, More Deeply Subordinated Notes of Assicurazioni Generali and Hybrid Obligations of Assicurazioni Generali).

- (b) *Winding-up etc. of the Issuer*: The claims of the Noteholders against the Issuer in respect of the Notes are, in the event of the winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Issuer subordinated to all other current and future unsubordinated and unprivileged claims on the Issuer.

By virtue of such subordination, payments to Noteholders will, in the event of the winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Issuer only be made after, and any set-off by any Noteholders shall be excluded until, all preferred and non-preferred unsubordinated obligations admissible in any such winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Issuer have been satisfied in full or after an arrangement or composition has been arrived at with them under which they have given full discharge against receipt of part of their claim.

The Notes rank in priority to claims of holders of any Deeply Subordinated Notes of Assicurazioni Generali, holders of any More Deeply Subordinated Notes of Assicurazioni Generali, holders of any Hybrid Obligations of Assicurazioni Generali and the shareholders of the Issuer.

- (c) *Waiver*: Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Subordinated Note.

*Condition 4.2.2 below is applicable only to Senior Dated Subordinated Notes issued by Generali Finance.*

#### **4.2.2 Status – Senior Dated Subordinated Notes issued by Generali Finance**

- (a) *Status of Senior Dated Subordinated Notes of Generali Finance*: The Notes constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and at least equally with all other Dated Subordinated Obligations of Generali Finance which are expressed to be senior subordinated obligations of the Issuer having a specified maturity date; but junior to any unconditional, unsubordinated, unsecured obligations of the Issuer (including any Senior Notes of Generali Finance); and senior to any obligations of the Issuer which rank, or are expressed to rank, junior to the obligations of the Issuer under the Notes (including Deeply Subordinated Notes of Generali Finance, More Deeply Subordinated Notes of Generali Finance and Hybrid Obligations of Generali Finance).
- (b) *Winding-up etc. of the Issuer*: The claims of the Noteholders against the Issuer in respect of the Notes are, in the event of the bankruptcy (“*faillissement*”), moratorium of payments (“*surseance van betaling*”), insolvency, winding-up or liquidation of the Issuer subordinated to all other current and future unsubordinated and unprivileged claims on the Issuer.

By virtue of such subordination, payments to Noteholders will, in the event of the bankruptcy (“*faillissement*”), moratorium of payments (“*surseance van betaling*”), insolvency, winding-up or liquidation of the Issuer only be made after, and any set-off

by any Noteholders shall be excluded until, all preferred and non-preferred unsubordinated obligations admissible in any such bankruptcy (“*faillissement*”), moratorium of payments (“*surseance van betaling*”), insolvency, winding-up or liquidation of the Issuer have been satisfied in full or after an arrangement or composition has been arrived at with them under which they have given full discharge against receipt of part of their claim.

The Notes rank in priority to claims of holders of any Deeply Subordinated Notes of Generali Finance, holders of any More Deeply Subordinated Notes of Generali Finance, holders of any Hybrid Obligations of Generali Finance and the shareholders of the Issuer.

- (c) *Waiver*: Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Subordinated Note, and, if applicable, under the Guarantee of such Subordinated Note.

*Condition 4.3 below is applicable only to Notes issued by Assicurazioni Generali or by Generali Finance specified in the applicable Final Terms as Deeply Subordinated Notes.*

#### **4.3 Status – Deeply Subordinated Notes**

*Condition 4.3.1 below is applicable only to Deeply Subordinated Notes issued by Assicurazioni Generali.*

##### **4.3.1 Status – Deeply Subordinated Notes issued by Assicurazioni Generali**

- (a) *Status of Deeply Subordinated Notes of Assicurazioni Generali*: The Notes constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and:
  - (i) equally with all other Deeply Subordinated Notes of Assicurazioni Generali which are expressed to be deeply subordinated obligations of the Issuer;
  - (ii) junior to any unconditional, unsubordinated, unsecured obligations of the Issuer (including any Senior Notes of Assicurazioni Generali) and to any Senior Dated Subordinated Notes of Assicurazioni Generali; and
  - (iii) senior to any subordinated obligations of the Issuer expressed to rank junior to the Notes, to any More Deeply Subordinated Notes of Assicurazioni Generali and to any Hybrid Obligations of Assicurazioni Generali.
- (b) *Winding-up etc. of the Issuer*: The claims of the Noteholders against the Issuer in respect of the Notes are, in the event of the winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Issuer subordinated to all other current and future unsubordinated and unprivileged claims on the Issuer and to all Senior Dated Subordinated Notes of Assicurazioni Generali.

By virtue of such subordination, payments to Noteholders will, in the event of the winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Issuer only be made after, and any set-off by any Noteholders shall be excluded until, all preferred and non-preferred unsubordinated obligations and all Senior Dated Subordinated Notes of Assicurazioni Generali admissible in any such winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Issuer have been satisfied in full

or after an arrangement or composition has been arrived at with them under which they have given full discharge against receipt of part of their claim.

The Notes rank in priority to claims of holders of any subordinated obligations of the Issuer expressed to rank junior to the Deeply Subordinated Notes of Assicurazioni Generali, holders of the More Deeply Subordinated Notes of Assicurazioni Generali, holders of any Hybrid Obligations of Assicurazioni Generali and the shareholders of the Issuer and rank junior to the claims of holders of any Senior Dated Subordinated Notes of Assicurazioni Generali.

- (c) *Waiver*: Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Subordinated Note.

*Condition 4.3.2 below is applicable only to Deeply Subordinated Notes issued by Generali Finance.*

#### **4.3.2 Status – Deeply Subordinated Notes issued by Generali Finance**

- (a) *Status of Deeply Subordinated Notes of Generali Finance*: The Notes constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and:
  - (i) equally with all other Deeply Subordinated Notes of Generali Finance which are expressed to be deeply subordinated obligations of the Issuer;
  - (ii) junior to all unconditional, unsubordinated, unsecured obligations of the Issuer (including any Senior Notes of Generali Finance) and to any Senior Dated Subordinated Notes of Generali Finance; and
  - (iii) senior to any subordinated obligations of the Issuer expressed to rank junior to the Notes, to any More Deeply Subordinated Notes of Generali Finance and to any Hybrid Obligations of Generali Finance.
- (b) *Winding-up etc. of the Issuer*: The claims of the Noteholders against the Issuer in respect of the Notes are, in the event of the bankruptcy (“*faillissement*”), moratorium of payments (“*surseance van betaling*”), insolvency, winding-up or liquidation of the Issuer subordinated to all other current and future unsubordinated and unprivileged claims on the Issuer and to all Senior Dated Subordinated Notes of Generali Finance.

By virtue of such subordination, payments to Noteholders will, in the event of the bankruptcy (“*faillissement*”), moratorium of payments (“*surseance van betaling*”), insolvency, winding-up or liquidation of the Issuer only be made after, and any set-off by any Noteholders shall be excluded until, all preferred and non-preferred unsubordinated obligations and all Senior Dated Subordinated Notes of Generali Finance admissible in any such bankruptcy (“*faillissement*”), moratorium of payments (“*surseance van betaling*”), insolvency, winding-up or liquidation of the Issuer have been satisfied in full or after an arrangement or composition has been arrived at with them under which they have given full discharge against receipt of part of their claim.

The Notes rank in priority to claims of holders of any subordinated obligations of the Issuer expressed to rank junior to the Deeply Subordinated Notes of Generali Finance, holders of the More Deeply Subordinated Notes of Generali Finance, holders of any Hybrid Obligations of Generali Finance and the shareholders of the Issuer.

- (c) *Waiver*: Each holder of a Subordinated Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Subordinated Note, and, if applicable, under the Guarantee of such Subordinated Note.

*Condition 5 below is applicable only to Notes issued by Generali Finance specified in the applicable Final Terms as having the benefit of the Guarantee of the Notes.*

## **5 STATUS OF THE GUARANTEE**

*Condition 5.1 below is applicable only to Senior Notes issued by Generali Finance and specified in the applicable Final Terms as having the benefit of the Guarantee of the Notes.*

### **5.1 Status of the Guarantee of Senior Notes of Generali Finance**

The Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by Generali Finance in respect of Senior Notes issued by Generali Finance. This Guarantee of the Senior Notes constitutes direct, unconditional, unsubordinated and unsecured obligations of the Guarantor which will at all times rank at least *pari passu* with all other unsubordinated and unsecured obligations of the Guarantor, present and future (save for such obligations as may be preferred by provisions of law that are both mandatory and of general application).

*Condition 5.2 below is applicable only to Senior Dated Subordinated Notes issued by Generali Finance and specified in the applicable Final Terms as having the benefit of the Guarantee of the Notes.*

### **5.2 Status of the Guarantee of Senior Dated Subordinated Notes of Generali Finance**

- (a) *Guarantee*: The Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by Generali Finance in respect of the Notes. This Guarantee of the Notes constitutes direct, unsecured and subordinated obligations of the Guarantor which - subject to Condition 5.2(b) (*Winding-up, etc. of the Guarantor*) below, Condition 6 (*Deferral of Interest*) and Condition 7 (*Conditions for Redemption*) - will at all times rank equally with the claims of holders of Senior Dated Subordinated Notes issued by Assicurazioni Generali under Condition 4.2.1. The Guarantee of the Notes will be junior to any Guarantee of the Senior Notes of Generali Finance, senior to any Guarantee of the Deeply Subordinated Notes of Generali Finance, to any Guarantee of the More Deeply Subordinated Notes of Generali Finance and to any Hybrid Obligations of Assicurazioni Generali.
- (b) *Winding-up, etc. of the Guarantor*: In the event of the winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Guarantor, the payment obligations of the Guarantor under the relevant Guarantee of Senior Dated Subordinated Notes of Generali Finance will rank in right of payment (A) after unsubordinated, unsecured creditors (including policyholders of the Guarantor and any holder of Senior Notes issued or guaranteed by the Guarantor and their respective Coupons) of the Guarantor; (B) but at least *pari passu* with all other subordinated obligations of the Guarantor which do not rank or are not expressed by their terms to rank junior or senior to each other; and (C) in priority to the Guarantee of the Deeply Subordinated Notes of Generali Finance, any Guarantee of the More Deeply Subordinated Notes of Generali Finance, any Hybrid Obligations of Assicurazioni Generali and the claims of shareholders of the Guarantor.

If any Senior Dated Subordinated Note of Generali Finance becomes immediately due and payable pursuant to Conditions 14.2(b) (*Events of Default of Subordinated Notes of Generali Finance*) (other than as a result of the winding-up, liquidation or dissolution of the Guarantor), the Guarantor shall not be obliged to pay the principal of, or interest on, such Subordinated Note prior to the original date upon which such amounts would otherwise have been due and payable.

*Condition 5.3 below is applicable only to Deeply Subordinated Notes issued by Generali Finance and specified in the applicable Final Terms as having the benefit of the Guarantee of the Notes.*

### **5.3 Status of the Guarantee of Deeply Subordinated Notes of Generali Finance**

- (a) *Guarantee*: The Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by Generali Finance in respect of the Notes. This Guarantee of the Notes constitutes direct, unsecured and subordinated obligations of the Guarantor which - subject to Condition 5.3(b) (*Winding-up, etc. of the Guarantor*) below, Condition 6 (*Deferral of Interest*) and Condition 7 (*Conditions for Redemption*) - will at all times rank equally with the claims of holders of Deeply Subordinated Notes issued by Assicurazioni Generali under Condition 4.3.1. The Guarantee of the Notes will be junior to any Guarantee of the Senior Notes of Generali Finance, and to any Guarantee of the Senior Dated Subordinated Notes of Generali Finance and senior to any Guarantee of the More Deeply Subordinated Notes of Generali Finance and to any Hybrid Obligations of Assicurazioni Generali.
- (b) *Winding-up, etc. of the Guarantor*: In the event of the winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Guarantor, the payment obligations of the Guarantor under the relevant Guarantee of Deeply Subordinated Notes of Generali Finance will rank in right of payment (A) after unsubordinated, unsecured creditors (including policyholders of the Guarantor and any holder of Senior Notes issued or guaranteed by the Guarantor and their respective Coupons) of the Guarantor and the Guarantee of the Senior Dated Subordinated Notes of Generali Finance; (B) but at least *pari passu* with all other subordinated obligations of the Guarantor which do not rank or are not expressed by their terms to rank junior or senior to each other; and (C) in priority to any Guarantee of the More Deeply Subordinated Notes of Generali Finance, any Hybrid Obligations of Assicurazioni Generali and the claims of shareholders of the Guarantor.

If any Deeply Subordinated Note of Generali Finance becomes immediately due and payable pursuant to Conditions 14.2(b) (*Events of Default of Subordinated Notes of Generali Finance*) (other than as a result of the winding-up, liquidation or dissolution of the Guarantor), the Guarantor shall not be obliged to pay the principal of, or interest on, such Deeply Subordinated Note prior to the original date upon which such amounts would otherwise have been due and payable.

## **6 DEFERRAL OF INTEREST**

*Condition 6.1 below is applicable only to Subordinated Notes in respect of which the applicable Final Terms state that Optional Deferral of Interest is applicable.*

### **6.1 Optional Deferral of Interest**

- (a) The Issuer may elect, by giving notice to the Noteholders pursuant to Condition 6.4 (*Notice of Interest Deferral*) below, to defer payment of all (or, where Optional Deferral Conditions A



apply and a partial distribution referred to in limb (ii) of the definition of Optional Deferral Conditions A below has been made in the relevant Look Back Period, a corresponding proportion) of the interest accrued to an Interest Payment Date in respect of the Notes if the Fiscal Agent has received written notice from the Issuer that the Optional Deferral Conditions are met on such Interest Payment Date.

- (b) “**Optional Deferral Conditions**” means, as indicated in the Final Terms, Optional Deferral Conditions A or Optional Deferral Conditions B, where

“**Optional Deferral Conditions A**” shall be met on an Interest Payment Date:

- (i) if during the Look Back Period:
1. (x) no dividend or other distribution has been declared, made or approved or set aside for payment in respect of any Junior Securities of Assicurazioni Generali; or (y) no dividend or other distribution has been declared, made, approved or set aside for payment in respect of any Parity Securities of Assicurazioni Generali; and
  2. (x) neither Assicurazioni Generali nor any of its Subsidiaries has redeemed, repurchased or acquired any Junior Securities of Assicurazioni Generali (other than a Permitted Repurchase); or (y) neither Assicurazioni Generali nor any of its Subsidiaries has redeemed, repurchased or acquired any Parity Securities of Assicurazioni Generali;
- (ii) if during the Look Back Period a partial distribution has been declared, made, approved or set aside for payment in respect of any Parity Securities of Assicurazioni Generali,

save that in the case of sub-(i) and sub-(ii) above, the Issuer shall nonetheless be entitled to defer interest on the Notes (and the Optional Deferral Conditions shall be deemed to be met) notwithstanding (a) the occurrence, during the relevant Look Back Period, of any of the events described at sub-(i) or sub-(ii) above, where in each such case the relevant occurrence was mandatory in accordance with, or pursuant to, the terms and conditions of the relevant security; (b) any dividend or distribution in the form of share capital of any class, warrants, options or other rights where such dividend or relevant share capital issuable upon exercise of such warrants, options or other rights is the same class of share capital as that on which the dividend or distribution is being declared or paid or ranks *pari passu* with or junior to such class of share capital; or (c) any redemption, repurchase or acquisition made below par; and

“**Optional Deferral Conditions B**” shall be met on an Interest Payment Date if, during the Look Back Period:

1. no dividend or other distribution has been declared, made or approved or set aside for payment in respect of the ordinary shares of Assicurazioni Generali; and
2. neither Assicurazioni Generali nor any of its Subsidiaries has redeemed, repurchased or acquired any ordinary shares of Assicurazioni Generali (other than a Permitted Repurchase).

“**Look Back Period**” means, as indicated in the Final Terms, either Look Back Period A or Look Back Period B, where:

“**Look Back Period A**” means the 6-month (or 3-month for securities (other than shares) where remuneration is paid every 3 months) period prior to the relevant Interest Payment Date; or

“**Look Back Period B**” means the 12-month (or 6-month or 3-month, respectively, for securities (other than shares) where remuneration is paid every 6 months or 3 months, respectively) period prior to the relevant Interest Payment Date.

“**Junior Securities of Assicurazioni Generali**” has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

“**Parity Securities**” has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

“**Permitted Repurchase**” has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

- (c) If the Issuer elects to defer all or part of an interest payment pursuant to this Condition 6.1 (*Optional Deferral of Interest*), it shall not have any obligation to make such interest payment on the relevant Interest Payment Date and, where relevant, the Guarantor shall not have any obligation to pay such amount under the Guarantee of the Notes, and the failure to pay such interest shall not constitute a default of the Issuer or, as the case may be, the Guarantor, or any other breach of obligations under the Conditions or for any purpose.

*Condition 6.2 below is applicable only to Subordinated Notes in respect of which the applicable Final Terms state that Mandatory Deferral of Interest is applicable.*

## **6.2 Mandatory Deferral of Interest**

### **6.2A Mandatory Deferral of Interest – Option A**

- (a) This Condition 6.2A shall apply if the relevant Final Terms state Mandatory Deferral Option A applies.
- (b) The Issuer shall defer payment of all (but not some only) of the interest accrued to an Interest Payment Date in respect of the Notes upon the occurrence of a Solvency Capital Event, until the Solvency Capital Event has been remedied and any payment of Deferred Interest (as defined in Condition 6.3(a) below) would not lead to a Solvency Capital Event.

### **6.2B Mandatory Deferral of Interest – Option B**

- (a) This Condition 6.2B shall apply if the relevant Final Terms state Mandatory Deferral Option B applies.
- (b) The Issuer shall defer payment of all of the interest accrued to an Interest Payment Date in respect of the Notes upon the occurrence of a Solvency Capital Event (or, in the case where the payment of interest would itself result in the occurrence of a Solvency Capital Event, all or part of the interest amount that would result in such occurrence), in each case until the Solvency Capital Event has been remedied and any payment of Deferred Interest (as defined in Condition 6.3(a) below) would not lead to a Solvency Capital Event.

*The following Conditions 6.2C and 6.2D apply to Subordinated Notes in respect of which the Final Terms state Mandatory Deferral Option A Notes and Mandatory Deferral Option B Notes.*

6.2C In addition, the Issuer shall defer any payment of interest accrued to an Interest Payment Date or arrears of interest if:

- (a) payment of the relevant interest would result in, or accelerate, the Issuer (or the Guarantor) becoming insolvent in accordance with provisions of the relevant insolvency laws and rules and

regulations thereunder (including any applicable decision of a court) applicable to the Issuer (or the Guarantor) from time to time; or

- (b) the Lead Regulator notifies Assicurazioni Generali that it has determined that Assicurazioni Generali's financial and solvency condition is deteriorating in such a manner that its Solvency Margin would fall below the Solvency Capital Requirement in the short term.

6.2D Without prejudice to Condition 6.3 (Deferral of Interest – Arrears of Interest), if the Issuer is required to defer all or part of an interest payment pursuant to Condition 6.2A (*Mandatory Deferral of Interest – Option A*) or Condition 6.2B (*Mandatory Deferral of Interest – Option B*) or otherwise defers any payment of interest pursuant to Condition 6.2C, it shall not have any obligation to make such interest payment on the relevant Interest Payment Date and, where relevant, the Guarantor shall not have any obligation to pay such amount under the Guarantee of the Notes on such Interest Payment Date, and the failure to pay such interest on such Interest Payment Date shall not constitute a default of the Issuer or, as the case may be, the Guarantor, or any other breach of obligations under the Conditions or for any purpose. The Issuer shall give notice of such deferral of interest to the Noteholders pursuant to Condition 6.4 (*Notice of Interest Deferral*).

*The following Condition 6.2E applies to Mandatory Deferral Option A Notes and Mandatory Deferral Option B Notes in respect of which the relevant Final Terms state Tier 2 Interest Deferral Waiver applies.*

6.2E Notwithstanding the provisions set out in Conditions 6.2A and 6.2B above, interest accrued to an Interest Payment Date in respect of the Notes which the Issuer has deferred, or would otherwise be required to defer, upon the occurrence of a Solvency Capital Event may be paid by the Issuer if all of the following conditions are met:

- (i) the Lead Regulator has exceptionally waived the deferral of interest;
- (ii) the payment does not further weaken the solvency position of the Issuer as determined in accordance with the Applicable Regulations; and
- (iii) the Minimum Capital Requirement will be complied with immediately following the payment of such interest is made.

Where this Condition 6.2E applies, the Issuer may make the relevant interest payment on the relevant Interest Payment Date or, if later, the date following satisfaction of all the aforementioned conditions (which date shall be specified by the Issuer in the notice to the Noteholders), provided that no additional interest shall be due from the Issuer even if such date falls after the relevant Interest Payment Date.

*The following Condition 6.2F applies to Mandatory Deferral Option A Notes and Mandatory Deferral Option B Notes in respect of which the relevant Final Terms state Tier 3 Interest Deferral Waiver applies.*

6.2F Notwithstanding the provisions set out in Conditions 6.2A and 6.2B above, interest accrued to an Interest Payment Date in respect of the Notes which the Issuer has deferred, or would otherwise be required to defer, upon the occurrence of a Solvency Capital Event may be paid by the Issuer if the Lead Regulator has, under the then applicable Applicable Regulations, the authority to give and has then given (and has not withdrawn) its prior consent to payment of the relevant interest amount or has otherwise waived the deferral of interest, and the conditions for such payment (or for the waiver of deferral) have been satisfied. Where this Condition 6.2F applies, the Issuer will make the relevant interest payment on the relevant Interest Payment Date or, if later, the date following satisfaction of all the aforementioned conditions (which date shall be specified by the Issuer in the notice to the

Noteholders), provided that no additional interest shall be due from the Issuer even if such date falls after the relevant Interest Payment Date.

*Condition 6.3 below is applicable only to Subordinated Notes in respect of which the applicable Final Terms state that Optional Deferral of Interest and/or Mandatory Deferral of Interest is applicable.*

### **6.3 Deferral of Interest - Arrears of Interest**

- (a) Any unpaid amounts of interest deferred pursuant to Condition 6.1 (*Optional Deferral of Interest*) and/or Condition 6.2 (*Mandatory Deferral of Interest*) will constitute arrears of interest (“**Deferred Interest**”). Deferred Interest shall not bear interest.
- (b) Deferred Interest:
  - (i) may – subject to the provisions of Condition 6.2A or, as applicable, Condition 6.2B and, in either case, Condition 6.2C – at the option of the Issuer be paid in whole or in part at any time; and
  - (ii) shall become due and payable on the earliest of:
    - (x) the first Interest Payment Date following the occurrence of a Deferred Interest Payment Event (provided that in the case of sub-(a) of Deferred Interest Payment Event Option A, Deferred Interest shall become due and payable in whole or, as the case may be, in part *pari passu* and *pro rata* with such other *pari passu* claims) and on which mandatory deferral of interest pursuant to the provisions of Condition 6.2A or, as applicable, Condition 6.2B and, in either case, Condition 6.2C is not required;
    - (y) subject to the provisions of Condition 7 (*Conditions for Redemption*), the date fixed for any optional or mandatory redemption of the Notes; or
    - (z) the date on which the *Liquidazione Coatta Amministrativa* of Assicurazioni Generali is commenced pursuant to the Consolidated Law on Private Insurance Companies or on which the Issuer (or the Guarantor) becomes subject to a liquidation order,

provided that the Lead Regulator has given and has not withdrawn its prior consent to payment of the relevant amounts (to the extent required at the time in accordance with then applicable regulations in order for the Notes to qualify as regulatory capital).

“**Deferred Interest Payment Events**” means:

- (A) if “Deferred Interest Payment Events Option A” is indicated in the Final Terms, any of the following events:
  - (a) Assicurazioni Generali makes payment in whole or in part in respect of amounts of interest on or in relation to any other *pari passu* claims;
  - (b) dividends or other distributions on any Junior Securities of Assicurazioni Generali have been declared or paid, unless (a) such declaration or payment is itself mandatory in accordance with, or pursuant to, the terms and conditions of such security; or (b) such dividend or distribution is in the form of share capital of any class, warrants, options or other rights where such dividend or relevant share capital issuable upon exercise of such warrants, options or other rights is the same class of share capital as that on which the dividend or distribution is

- being declared or paid or ranks *pari passu* with or junior to such class of share capital;
- (c) dividends or other distributions on any Parity Securities of Assicurazioni Generali have been declared or paid, unless such declaration, payment or distribution is itself mandatory in accordance with the terms and conditions of such security;
  - (d) any Junior Securities of Assicurazioni Generali are redeemed, repurchased or acquired by Assicurazioni Generali or any of its Subsidiaries, unless a Permitted Repurchase or redeemed, repurchased or acquired below par;
  - (e) any Parity Securities of Assicurazioni Generali are redeemed, repurchased or acquired by Assicurazioni Generali or any of its Subsidiaries, unless redeemed, repurchased or acquired below par; or
  - (f) in relation to those Notes in respect of which the Final Terms state that Mandatory Deferral of Interest is applicable and all or part of the Deferred Interest results from a mandatory deferral pursuant to the provisions of Condition 6.2A or, as applicable, Condition 6.2B and, in either case, Condition 6.2C, the Fiscal Agent receives written notice from the Issuer stating that the Solvency Capital Event that gave rise to such deferral has been remedied; and
- (B) if “Deferred Interest Payment Events Option B” is indicated in the Final Terms, any of the following events:
- (a) dividends or other distributions on ordinary shares of Assicurazioni Generali have been declared or paid;
  - (b) ordinary shares of Assicurazioni Generali are redeemed, repurchased or acquired by Assicurazioni Generali or any of its Subsidiaries, unless a Permitted Repurchase; or
  - (c) in relation to those Notes in respect of which the Final Terms state that Mandatory Deferral of Interest is applicable and all or part of the Deferred Interest results from a mandatory deferral pursuant to the provisions of Condition 6.2A or, as applicable, Condition 6.2B and, in either case, Condition 6.2C, the Fiscal Agent receives written notice from the Issuer stating that the Solvency Capital Event that gave rise to such deferral has been remedied; and
- (C) if “Deferred Interest Payment Events Option C” is indicated in the Final Terms, in relation to those Notes in respect of which the Final Terms state that Mandatory Deferral of Interest is applicable and all or part of the Deferred Interest results from a mandatory deferral pursuant to the provisions of Condition 6.2A or, as applicable, Condition 6.2B and, in either case, Condition 6.2C, the Fiscal Agent receives written notice from the Issuer stating that the Solvency Capital Event that gave rise to such deferral has been remedied.

#### **6.4 Notice of Interest Deferral**

The relevant Issuer shall give not less than 5 Business Days prior notice to the Paying Agents and to the Noteholders in accordance with Condition 20 (*Notices*):

- (i) of any Interest Payment Date on which, pursuant to the provisions of, as applicable, Condition 6.1 (*Optional Deferral of Interest*) or Condition 6.2 (*Mandatory Deferral of Interest*), interest (or, as appropriate, the part thereof specified in the notice) will be deferred;; and
- (ii) of any date on which any interest amount will be paid in accordance with Condition 6.2E or Condition 6.2F (if Noteholders have been previously notified of the deferral of interest), or amounts in respect of any Deferred Interest shall be paid in accordance with Condition 6.3 (*Deferral of Interest - Arrears of Interest*),

*provided that* in any case where interest is not paid pursuant to Condition 6.2A, Condition 6.2B or Condition 6.2C, if it is not practicable to deliver the notice of deferral referred to in sub-paragraph (i) above at least 5 Business Days prior to the relevant Interest Payment Date, such notice shall be delivered as soon as practicable thereafter; and *provided further that* failure to deliver such notice shall not invalidate the relevant deferral of interest.

*Condition 7 below is applicable only to Subordinated Notes*

## **7 CONDITIONS FOR REDEMPTION**

- 7.1 Any redemption of Subordinated Notes on the Maturity Date (in the case of dated Subordinated Notes) or on any date fixed for optional redemption pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) or Condition 11.7 (*Optional Redemption due to an Accounting Event*), and any redemption of Instalment Amounts in respect of Subordinated Notes that are Instalment Notes on each Instalment Amount Payment Date is subject to (i) satisfaction of the Conditions for Redemption on the relevant redemption date or waiver thereof in accordance with Condition 11.12 (*Waiver of Redemption Suspension*); and (ii) redemption of the Subordinated Notes will not result in, or accelerate, the Issuer (or the Guarantor) becoming insolvent in accordance with the provisions of the relevant insolvency laws and rules and regulations thereunder (including any applicable decision of a court) applicable to the Issuer (or the Guarantor) from time to time.
- 7.2 In case the conditions set out in Condition 7.1 above are not satisfied, redemption of the Subordinated Notes or, as the case may be, repayment of the relevant Instalment Amount on the Instalment Amount Payment Date shall be suspended and, unless Condition 11.12 (*Waiver of Redemption Suspension*) applies:
- (a) the Maturity Date (in the case of a redemption of dated Subordinated Notes on the scheduled maturity date) shall be postponed in accordance with the provisions set forth in Condition 11.1A (*Scheduled redemption*);
  - (b) the date fixed for optional redemption, in the case of an optional redemption pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) or Condition 11.7 (*Optional Redemption due to an Accounting Event*), shall be postponed in accordance with the provisions set forth in Condition 11.11 (*Postponement of optional redemption dates*); and
  - (c) redemption of the relevant Instalment Amount on the relevant due date shall be postponed in accordance with Condition 11.9 (*Redemption by Instalments*),

in each case, regardless of any prior notice of redemption that may already have been delivered to the Noteholders and interest will – subject to the applicable interest deferral provisions of these terms and conditions – continue to accrue on the principal amount outstanding of the Subordinated Notes in accordance with Condition 9 (*Interest*) until such Subordinated Notes are redeemed in full pursuant to Condition 11 (*Redemption and Purchase*).

- 7.3 Failure to redeem the Subordinated Notes (or the relevant Instalment Amount) on the original Maturity Date, the date fixed for any optional redemption pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) or Condition 11.7 (*Optional Redemption due to an Accounting Event*) or, as the case may be, the relevant Instalment Amount Payment Date, in the circumstances described in Condition 7.1 above shall not constitute a default of the Issuer or, as the case may be, the Guarantor, or any other breach of obligations under the Conditions or for any purpose.
- 7.4 The Issuer shall give not less than 5 Business Days prior notice to the Paying Agents and to the Noteholders in accordance with Condition 20 (*Notices*) of any date on which redemption of the Subordinated Notes or, as the case may be, of the relevant Instalment Amount on the Instalment Amount Payment Date is to be suspended and the Maturity Date will be postponed or any Instalment Amount will not be paid pursuant to Condition 7.2 above, *provided that* if it is not practicable to deliver such notice at least 5 Business Days prior to the Maturity Date, the date fixed for any optional redemption pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) or Condition 11.7 (*Optional Redemption due to an Accounting Event*) or, as applicable, the Instalment Amount Payment Date, such notice shall be delivered as soon as practicable thereafter; *provided further that* failure to deliver such notice shall not invalidate the suspension of redemption of the Subordinated Notes.

*Condition 8 below is applicable only to Notes in respect of which the Final Terms state that Change of interest following Optional Redemption Date (Call) applies.*

## **8 INITIAL AND POST-CALL INTEREST PROVISIONS**

- 8.1 *Initial Interest Provisions:* The Notes bear interest from and including the Issue Date to but excluding the Optional Redemption Date (Call) at the Initial Rate of Interest payable, subject as provided in these Conditions, in arrear on the Initial Interest Payment Date(s) specified in the Final Terms.
- 8.2 *Post-Call Interest Provisions:* If the Issuer does not redeem the Notes in accordance with Condition 11.3 (*Redemption and Purchase – Redemption at the option of the Issuer*) on the Optional Redemption Date (Call), the Notes will bear interest for each Interest Period falling after the Optional Redemption Date (Call) at such Rate of Interest (Post-Call) as will be indicated in the relevant Final Terms payable, subject as provided in these Conditions, in arrear on each Interest Payment Date falling after the Optional Redemption Date (Call).

## **9 INTEREST**

*Condition 9A below is applicable to the Notes (a) if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Fixed Rate Note Provisions are stated to apply.*

## 9A Interest on Fixed Rate Notes

- 9A.1 **Accrual of interest:** The Notes bear **interest** from the Interest Commencement Date (or the applicable Interest Payment Date) at the Rate(s) of Interest payable in arrear on each Interest Payment Date, subject as provided in these Conditions. Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 9 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- 9A.2 **Fixed Coupon Amount:** The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination. Payment of any Broken Amount will be made on the Interest Payment Date so specified in the Final Terms.
- 9A.3 **Calculation of interest amount:** The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

*Condition 9B is applicable to the Notes only if the relevant Final Term specifies that Interest Basis reset on Reset Date as being applicable.*

## 9B Interest on Reset Notes

- 9B.1 **Initial Interest Provisions:** The Notes bear interest from and including the Interest Commencement Date to but excluding the Reset Date (or, if there is more than one Reset Period, the first Reset Date occurring after the Issue Date), at the Initial Rate of Interest payable, subject as provided in these Conditions, in arrear on the Interest Payment Date(s) specified in the Final Terms.
- 9B.2 **Interest Basis Reset Provisions:** The Notes will bear interest in respect of the Reset Period (or, if there is more than one Reset Period, each successive Reset Period thereafter) at the relevant Reset Rate (as will be determined by the Calculation Agent on the relevant Reset Determination Date in accordance with this Condition 9B) payable, subject as provided in these Conditions, in arrear on the Interest Payment Date(s) specified in the Final Terms.
- 9B.3 **Accrual of interest:** Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 9 (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).



As used in these Conditions:

“**Mid Swap Benchmark Rate**” means EURIBOR if the Specified Currency is euro or LIBOR for the Specified Currency if the Specified Currency is not euro.

“**Mid Swap Maturity**” has the meaning specified in the Final Terms.

“**Mid Swap Rate**” means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (a) has a term equal to the relevant Reset Period commencing on the relevant Reset Date; (b) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market; and (c) has a floating leg based on the Mid Swap Benchmark Rate for the Mid Swap Maturity as specified in the Final Terms (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent).

“**Reference Bond**” means for any Reset Period a government security or securities issued by the state responsible for issuing the Specified Currency (which, if the Specified Currency is euro, shall be Germany) selected by the Issuer on the advice of an investment bank of international repute as having an actual or interpolated maturity comparable with the relevant Reset Period that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the relevant Reset Period.

“**Reference Bond Price**” means, with respect to any Reset Determination Date, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations; or (B) if the Calculation Agent obtains fewer than four such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations.

“**Reference Government Bond Dealer**” means each of five banks (selected by the Issuer on the advice of an investment bank of international repute), or their affiliates, which are (A) primary government securities dealers, and their respective successors; or (B) market makers in pricing corporate bond issues.

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and the relevant Reset Determination Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the relevant Reference Bond (expressed in each case as a percentage of its nominal amount) at or around the Reset Rate Time on the relevant Reset Determination Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer.

“**Reset Date(s)**” means the date(s) specified in the Final Terms.

“**Reset Determination Date**” means, for each Reset Period, the date as specified in the Final Terms falling on or before the commencement of such Reset Period on which the rate of interest applying during such Reset Period will be determined.

“**Reset Margin**” means the margin specified as such in the Final Terms.

“**Reset Period**” means the period from (and including) the first Reset Date to (but excluding) the Maturity Date (if any) if there is only Reset Period or, if there is more than one Reset Period, each period from (and including) one Reset Date (or the first Reset Date) to (but excluding) the next Reset Date up to (but excluding) the Maturity Date (if any).

“**Reset Rate**” for any Reset Period means the sum of (i) the applicable Reset Reference Rate and (ii) the applicable Reset Margin (rounded down to four decimal places, with 0.00005 being rounded down).

“**Reset Rate Screen Page**” has the meaning specified in the Final Terms.

“**Reset Rate Time**” has the meaning specified in the Final Terms.

“**Reset Reference Rate**” means either:

- (A) if “Mid Swaps” is specified in the Final Terms, the Mid Swap Rate displayed on the Reset Rate Screen Page at or around the Reset Rate Time on the relevant Reset Determination Date for such Reset Period; or
- (B) if “Reference Bond” is specified in the Final Terms, the annual yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the relevant Reference Bond, assuming a price for such Reference Bond (expressed as a percentage of its nominal amount) equal to the relevant Reference Bond Price.

9B.4 **Reset Rate Screen Page:** if the Reset Rate Screen Page is not available, the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reset Reference Rate at approximately the Reset Rate Time on the Reset Determination Date in question if two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Reset Rate for the relevant Reset Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the applicable Reset Margin (if any), all as determined by the Calculation Agent. If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the foregoing provisions of this Condition 9B.4, the Reset Rate shall be determined as at the last preceding Reset Determination Date or, in the case of the first Reset Determination Date, the Reset Rate shall be the Initial Rate of Interest.

For the purpose of this Condition 9B.4, “**Reference Banks**” means four (or, if the Principal Financial Centre is Helsinki, five) major banks selected by the Calculation Agent in the swap, money, securities or other market most closely connected with the Reset Reference Rate.

9B.5 **Calculation of Interest Amount:** The Calculation Agent will calculate the Interest Amount payable on the Reset Notes for each relevant period (in the case of Interest Periods falling after the Reset Date, as soon as practicable after the time at which the Reset Reference Rate is to be determined in relation to such Reset Interest Period) by applying the Initial Rate of Interest or the applicable Reset Rate (as the case may be) to the Calculation Amount and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Note comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note

shall be aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

- 9B.6 **Publication:** The Calculation Agent will cause the Reset Rate and each Interest Amount for each Reset Period to be notified to the Issuer, the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders.
- 9B.7 **Notifications etc.:** All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantor (where applicable), the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

*Condition 9C is applicable to the Notes (a) if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Floating Rate Note Provisions are stated to apply.*

#### 9C **Interest on Floating Rate Notes**

- 9C.1 **Accrual of interest:** The Notes bear interest from the Interest Commencement Date (or the applicable Interest Payment Date) at the Rate(s) of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 12 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

#### 9C.2 **Screen Rate Determination:**

- A. *Floating Rate Notes other than EONIA Linked Interest Notes, SONIA Linked Interest Notes, Federal Funds Rate Linked Notes or CMS Linked Interest Notes*

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

- (iii) if, in the case of (i) above, such rate does not appear on that page or, in the case of (ii) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
- (A) request the principal Relevant Financial Centre office of each the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time; and
  - (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; *provided, however, that* if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate (or as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

B. *Floating Rate Notes which are EONIA Linked Interest Notes*

Where the Reference Rate is specified as being EONIA, the Rate of Interest for each Interest Period will be the rate (expressed as a percentage per annum rounded to the nearest ten-thousandths of a percentage point, with 0.00005 being rounded upwards) which will be calculated by the Calculation Agent in accordance with provisions set out below and the following formula:

**Capitalised EONIA + Margin**

As used above:

“**Capitalised EONIA**” means the resultant figure of the following formula:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{EONIA}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

“***d*<sub>0</sub>**” means, for the relevant Interest Period, the number of TARGET Business Days in such Interest Period.

“***i***” means a series of whole numbers from one to *d*<sub>0</sub>, each representing the relevant TARGET Business Days in chronological order from, and including, the first TARGET Business Day in the relevant Interest Period.

“**EONIA<sub>1</sub>**” means, for any day “*i*” in the relevant Interest Period, a reference rate equal to the overnight rate as calculated by the European Central Bank and appearing on the Relevant Screen Page on the first TARGET Business Day following that day.

“***n*<sub>1</sub>**” means the number of calendar days in the relevant Interest Period.

“***d***” means the number of calendar days in the relevant Interest Period.

“**Margin**” has the meaning specified in the Final Terms.

“**Relevant Screen Page**” means the screen page specified in the Final Terms or, if none is so specified, Reuters Screen EONIA Page or any successor.

“**TARGET Business Day**” means a day on which the TARGET2 System is open.

If the Calculation Agent determines that either the Relevant Screen Page is not available or no such overnight rate as referred to in EONIA<sub>1</sub> appears for any reason for any day “*i*” on the TARGET Business Day following that day as provided above, the Calculation Agent shall determine EONIA<sub>1</sub> for such day in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

C. *Floating Rate Notes which are SONIA Linked Interest Notes*

Where the Reference Rate is specified as being SONIA, the Rate of Interest for each Interest Period will be the rate (expressed as a percentage per annum rounded to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards) which will be calculated by the Calculation Agent in accordance with the provisions set out below and the following formula:

$$(\text{SONIA} + \text{Margin})_{\text{compounded}}$$

where:

$$(\text{SONIA} + \text{Margin})_{\text{compounded}} = \frac{365}{D} \times \left[ \prod_{i=1}^{D_0} \left( 1 + \frac{(r_i) \times d_i}{365} \right) - 1 \right]$$

As used above:

“**D**” means the number of calendar days in the relevant Observation Period.

“**D<sub>0</sub>**” means the number of London Business Days in the relevant Observation Period.

“***i***” means a series of whole numbers from one to D<sub>0</sub>, each representing the relevant London Business Days in chronological order from, and including, the first London Business Day in the relevant Observation Period.

“***r*<sub>*i*</sub>**” means, for any London Business Day *i* in the relevant Observation Period, the SONIA rate in respect of such London Business Day plus the Margin.

“***d*<sub>*i*</sub>**” means the number of calendar days in the relevant Observation Period for which the SONIA rate is applicable. The SONIA rate determined for each London Business Day applies for and including such London Business Day and also for all immediately following days that are not London Business Days until but excluding the succeeding London Business Day.

“**London Business Day**” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

“**Margin**” has the meaning specified in the Final Terms.

“**Observation Period**” means, in respect of an Interest Period, the period from, and including, 5 London Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending, but excluding, 5 London Business Days prior to the Interest Payment Date for such Interest Period.

“**Relevant Screen Page**” means the screen page specified in the Final Terms or, if none is so specified, Reuters page SONIA 1 or any successor.

“**SONIA rate**” means, in respect of a London Business Day, the effective reference rate equal to the overnight interest rate (published as a percentage to four decimal places) calculated by the Wholesale Market Bankers’ Association as a weighted average of all overnight unsecured lending transactions in Sterling in the interbank market, initiated within London by the contributing panel banks which appears on the Relevant Screen Page as of 7.00 p.m. (Central European time) on such London Business Day, all as determined by the Calculation Agent.

If, at any such time, the Calculation Agent determines that either the Relevant Screen Page is not available or that no such quotation appears, the Calculation Agent will determine the SONIA rate for such time and London Business Day in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

D. *Floating Rate Notes which are Federal Funds Rate Linked Interest Notes*

Where the Reference Rate is specified as being the Federal Funds Rate, the Rate of Interest for each Interest Period will be calculated by the Calculation Agent in accordance with the provisions set out below as the Weighted Average of the U.S. Federal Funds Rate.

As used above:

“**Weighted Average of the U.S. Federal Funds Rate**” means D1/D2.

Where:

“**D1**” means, in respect of an Interest Period, the sum of the Relevant Rates for each calendar day in such Interest Period. For any calendar day in the relevant Interest Period that is an Interest Determination Date, the “**Relevant Rate**” is the U.S. Federal Funds Rate on such Interest Determination Date. For any calendar day in such Interest Period that is not an Interest Determination Date, the Relevant Rate for such calendar day shall be the Relevant Rate on the immediately preceding Interest Determination Date.

“**D2**” shall mean the number of calendar days in the Interest Period.

“**Interest Determination Date**” means, in respect of an Interest Reset Date, the first New York City Banking Day prior to such Interest Reset Date.

“**Interest Rate Cut Off Date**” means, in respect of an Interest Period, the fourth New York City Banking Day prior to the Interest Payment Date on which such Interest Period ends.

“**Interest Reset Date**” means, in respect of an Interest Period, each New York City Banking Day in such Interest Period up to and including the Interest Rate Cut Off Date.

“**New York City Banking Day**” means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City.

“**U.S. Federal Funds Rate**” means, in respect of an Interest Determination Date, the rate for U.S. dollar federal funds on such Interest Determination Date as published in H.15(519) under the caption “Federal Funds (effective)” and displayed on Reuters (or any successor service) on page FEDFUNDS1 under the caption “*EFFECT*” (or any other page as may replace the specified page on that service) (“**FEDFUNDS1 Page**”).

If the U.S. Federal Funds Rate for an Interest Determination Date does not so appear on the FEDFUNDS1 Page or is not so published by 5.00 p.m. (New York City time) on the Interest Reset Date, in respect of such Interest Determination Date, the U.S. Federal Funds Rate for such Interest Determination Date shall be as published in H.15 Daily Update, or such other recognised electronic source used for the purpose of displaying the applicable rate, under the caption “*Federal funds (effective)*”. If the U.S. Federal Funds Rate is not so published by 5.00 p.m. (New York City time) on the Interest Reset Date, the U.S. Federal Funds Rate with respect to such Interest Determination Date shall be the U.S. Federal Funds Rate for the first preceding day for which the U.S. Federal Funds Rate is set forth in H.15(519) opposite the caption “*Federal funds (effective)*”, as the U.S. Federal Funds Rate is displayed on the FEDFUNDS1 Page.

E. *Floating Rate Notes which are CMS Linked Interest Notes*

Where the Reference Rate is specified as being the CMS Reference Rate, the Rate of Interest for each Interest Period will be calculated by the Calculation Agent in accordance with the provisions set out below and the following formula:

**CMS Rate + Margin**

As used above:

“**CMS Rate**” shall mean the Relevant Swap Rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity (expressed as a percentage rate per annum) which appears on the Relevant Screen Page as at the Relevant Time on the Interest Determination Date in question, all as determined by the Calculation Agent.

If the Relevant Screen Page is not available, the Calculation Agent shall request each of the Reference Banks (as defined below) to provide the Calculation Agent with its quotation for the Relevant Swap Rate (expressed as a percentage rate per annum) at approximately the Relevant Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent such quotations, the CMS Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

For the purpose of this Condition 9C.2E:

“**Margin**” has the meaning specified in the Final Terms.

“**Reference Banks**” means (i) where the Reference Currency is Euro, the principal office of five leading swap dealers in the inter-bank market, (ii) where the Reference Currency is Sterling, the principal London office of five leading swap dealers in the London inter-bank market, (iii) where the Reference Currency is United States dollars, the principal New York City office of five leading swap dealers in the New York City inter-bank market, or (iv) in the case of any other Reference Currency, the principal Relevant Financial Centre office of five leading swap dealers in the Relevant Financial Centre inter-bank market, in each case as selected by the Calculation Agent.

“**Relevant Screen Page**” has the meaning specified in the Final Terms.

“**Relevant Swap Rate**” means:

- (i) where the Reference Currency is euro, the mid-market annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/360 day count basis, is equivalent to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) with a designated maturity determined by the Calculation Agent by reference to standard market practice and/or the ISDA Definitions;
- (ii) where the Reference Currency is Sterling, the mid-market semi-annual swap rate determined on the basis of the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/365 (Fixed) day count basis, of a fixed-for-floating Sterling interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, in each case calculated on an Actual/365 (Fixed) day count basis, is equivalent (A) if the Designated Maturity is greater than one year, to GBP-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of six months or (B) if the Designated Maturity is one year or less, to GBP-LIBOR-BBA with a designated maturity of three months;
- (iii) where the Reference Currency is United States dollars, the mid-market semi-annual swap rate determined on the basis of the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating United States dollar interest rate swap transaction with a term equal to the Designated Maturity commencing on the first day of the relevant Interest Period and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to USD-LIBOR-BBA (as defined in the ISDA Definitions) with a designated maturity of three months; and
- (iv) where the Reference Currency is any other currency, the mid-market swap rate as determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

“**Relevant Time**” has the meaning specified in the Final Terms.

“**Representative Amount**” means an amount that is representative for a single transaction in the relevant market at the relevant time.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotations as provided in the preceding paragraph, the CMS Rate shall be determined by the Calculation Agent in its sole and absolute discretion on a commercial basis as it shall consider appropriate and in accordance with standard market practice.

9C.3 **ISDA Determination:** If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where “ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA



Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms; and
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms.

9C.4 **Linear Interpolation:** Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

**Designated Maturity** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

9C.5 **Maximum or Minimum Rate of Interest:** If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

9C.6 **Calculation of Interest Amount:** The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The amount of interest payable in respect of any Note for any period will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a “sub-unit” means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

9C.7 **Calculation of other amounts:** If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.

9C.8 **Publication:** The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.

9C.9 **Notifications etc.:** All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantor (where applicable), the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

9C.10 For the purposes of this Condition 9C, unless defined above,

“**Reference Banks**” means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market; in the case of a determination of LIBOR the principal London office of four major banks in the London interbank market; and in the case of a determination of a Reference Rate other than EURIBOR or LIBOR, the principal office in the Relevant Financial Centre of four major banks in the interbank market of the Relevant Financial Centre, in each case selected by the Calculation Agent.

“**Reference Rate**” means, as specified in the Final Terms, (i) the Euro-zone interbank offered rate (“**EURIBOR**”); (ii) the London interbank offered rate (“**LIBOR**”); (iii) the Singapore interbank offered rate (“**SIBOR**”); (iv) the Tokyo interbank offered rate (“**TIBOR**”); (v) the Hong Kong interbank offered rate (“**HIBOR**”); (vi) the bank rate of the Bank of England (the “**Bank of England Base Rate**”), in each case, for the relevant currency and for the relevant period (if applicable), as specified for each in the Final Terms, or otherwise specified in the Final Terms.

“**Relevant Financial Centre**” means the financial centre specified as such in the Final Terms or if none is so specified: (i) in the case of a determination of EURIBOR, Brussels; (ii) in the case of a determination of LIBOR, London; (iii) in the case of a determination of SIBOR, Singapore; (iv) in the case of a determination of TIBOR, Tokyo; in the case of a determination of HIBOR, Hong Kong; or (vi) in the case of a determination of the Bank of England Base Rate, London.

*Condition 10 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.*

## 10 ZERO COUPON NOTES

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

- (i) the Reference Price; and

- (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

## 11 REDEMPTION AND PURCHASE

*Condition 11.1A below applies to Senior Notes, Senior Dated Subordinated Notes and Deeply Subordinated Notes which, as stated in the Final Terms, have a specified maturity date.*

### 11.1A Scheduled redemption

- (a) Unless previously redeemed, or purchased and cancelled, the Notes will (subject as mentioned below with respect to Subordinated Notes) be redeemed at their Final Redemption Amount on the Maturity Date together with interest accrued (if any) to the date of redemption (including Deferred Interest, if applicable), subject as provided in Condition 12 (*Payments*).
- (b) The redemption in accordance with this Condition 11.1A of Subordinated Notes on the Maturity Date is subject to the provisions of Condition 7 (*Conditions for Redemption*). If the conditions set out in Condition 7.1 are not satisfied, redemption of the Subordinated Notes will be suspended and – unless Condition 11.12 (*Waiver of Redemption Suspension*) applies - the Maturity Date will be postponed to the earlier of:
  - (A) the date notified by the Issuer on giving at least 5 Business Days’ notice to the Noteholders in accordance with Condition 20 (*Notices*) following the day on which the relevant conditions set out in Condition 7.1(i) and/or (ii), as the case may be, that were not satisfied are satisfied (and provided that they continue to be satisfied on the date of redemption); or
  - (B) the date on which voluntary or involuntary winding up proceedings are instituted in respect of the Issuer or, where relevant, in respect of the Guarantor, in accordance with, as the case may be, (aa) a resolution of the shareholders’ meeting of the Issuer or, where relevant, of the Guarantor, as applicable; (bb) any provision of the by-laws of the Issuer or, where relevant, the Guarantor (currently, the duration of Assicurazioni Generali is set at 31 December 2131 though if this is extended, redemption of the Notes will be equivalently adjusted), as applicable; or (cc) any applicable legal provision, or any decision of any jurisdictional or administrative authority.

*Condition 11.1B below applies to Deeply Subordinated Notes which, as stated in the Final Terms, do not have a specified maturity date.*

### 11.1B Redemption of Deeply Subordinated Notes with no specified maturity date

- (a) The Notes are perpetual securities in respect of which there is no maturity date. Subject to the provisions of Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) and Condition 11.7 (*Optional Redemption due to an Accounting Event*), in each case, if applicable, the Notes will be redeemed at their Final Redemption Amount together with accrued interest (including Deferred Interest, if applicable) by the Issuer on the date on which voluntary or involuntary winding up

proceedings are instituted in respect of the Issuer or, where relevant, in respect of the Guarantor, in accordance with, as the case may be, (aa) a resolution of the shareholders' meeting of the Issuer or, where relevant, of the Guarantor, as applicable; (bb) any provision of the by-laws of the Issuer or, where relevant, the Guarantor (currently, the duration of Assicurazioni Generali is set at 31 December 2131 though if this is extended, redemption of the Notes will be equivalently adjusted), as applicable; or (cc) any applicable legal provision, or any decision of any jurisdictional or administrative authority.

(b) The Notes may not be redeemed at the option of Noteholders.

11.1C Any redemption of Subordinated Notes in accordance with Condition 11.1A(b)(B) and Condition 11.1B(a) is subject to prior approval of the Lead Regulator (if so required).

## 11.2 Redemption for tax reasons

(a) The Notes may be redeemed at the option of the Issuer (subject as mentioned below with respect to Subordinated Notes) in whole, but not in part:

- (i) at any time (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being not applicable or otherwise do not apply in respect of the Interest Period in which the date fixed for redemption falls); or
- (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable or apply in respect of the Interest Period in which the date fixed for redemption falls),

and, in either case, on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall – in the case of Subordinated Notes subject to the provisions of Condition 7 (*Conditions for Redemption*) - be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption (including Deferred Interest, if applicable), if:

- (A) the Issuer (1) has or will become obliged to pay additional amounts as provided or referred to in Condition 13 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or The Netherlands (as the case may be) any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and (2) such obligation cannot be avoided by the Issuer taking reasonable measures it deems appropriate; or
- (B) with respect to Notes issued by Generali Finance and which are stated in the relevant Final Terms to be Guaranteed Notes, (1) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 13 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes and (2) such obligation cannot be avoided by the Guarantor taking reasonable measures it deems appropriate; or

- (C) in the case of Subordinated Notes only, (1) deductibility of interest payable by the Issuer in respect of the Notes is materially reduced for Italian or Dutch (as the case may be) income tax purposes, in each case, as a result of any change in, or amendment to, the laws or regulations or applicable accounting standards of the Republic of Italy or The Netherlands (as the case may be), or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of issuance of the Notes; and (2) such non-deductibility cannot be avoided by the Issuer taking reasonable measures available to it,

*provided, however, that* no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer or the Guarantor (where applicable) would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made or, in the case of (C), be unable to deduct such amounts for Italian or Dutch (as the case may be) income tax purposes; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer or the Guarantor (where applicable) would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made or, in the case of (C), be unable to deduct such amounts for Italian or Dutch (as the case may be) income tax purposes;

*and provided further that* any redemption pursuant to this Condition 11.2 of Subordinated Notes on the date fixed for redemption is subject to the provisions of Condition 7 (*Conditions for Redemption*), Condition 11.7A (*Redemption of Subordinated Notes prior to fifth anniversary from Issue Date*) and Condition 11.11 (*Postponement of optional redemption dates*).

- (b) Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent (1) a certificate signed by a duly authorised representative of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or (as the case may be) the Guarantor has or will become obliged to pay such additional amounts or, in the case of (C), the Issuer is unable to deduct such amounts for Italian or Dutch (as the case may be) income tax purposes, in each case, as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 11.2, the Issuer shall (in the case of Subordinated Notes, subject to the provisions of Condition 7 (*Conditions for Redemption*)) be bound to redeem the Notes in accordance with this Condition 11.2.
- (c) The “**Early Redemption Amount (Tax)**” shall be: (i) if the Issuer’s Call Option is specified in the relevant Final Terms as being applicable and the Tax Event occurs on or after the Optional Redemption Date (Call), the principal amount outstanding of the Notes; or (ii) if the Tax Event occurs before the Optional Redemption Date (Call) or if the Issuer’s Call Option is specified in

the relevant Final Terms as being not applicable, the principal amount outstanding of the Notes, their Make Whole Amount or such other amount as specified in the relevant Final Terms.

*Condition 11.3 below is applicable if the Issuer's Call Option is specified in the relevant Final Terms as being applicable.*

### **11.3 Redemption at the option of the Issuer**

- (a) The Notes may be redeemed at the option of the Issuer (but subject to the prior approval of the Lead Regulator in the case of Subordinated Notes of Assicurazioni Generali and Subordinated Notes of Generali Finance, if applicable) in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall - in the case of Subordinated Notes subject to the provisions of Condition 7 (*Conditions for Redemption*) - be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date (including Deferred Interest, if applicable).
- (b) *Partial redemption:* If the Notes are to be redeemed in part only on any date in accordance with Condition 11.3 (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law and the rules of each listing authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation, and the notice to Noteholders referred to in Condition 11.3(a) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.
- (c) Any redemption pursuant to this Condition 11.3 of Subordinated Notes on the date fixed for redemption is subject to the provisions of Condition 7 (*Conditions for Redemption*) and Condition 11.11 (*Postponement of optional redemption dates*).

*Condition 11.4 is applicable to Senior Notes only and if the Noteholders Put Option is specified in the relevant Final Terms as being applicable.*

### **11.4 Redemption at the option of Noteholders**

- (a) The Issuer shall, at the option of the holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date.
- (b) In order to exercise the option contained in this Condition 11.4, the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 11.4, may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Paying

Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 11.4, the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

*Condition 11.5 is applicable to Subordinated Notes only and if Regulatory Event is specified in the relevant Final Terms as being applicable.*

### **11.5 Optional Redemption due to a Regulatory Event**

- (a) If at any time Assicurazioni Generali determines that a Regulatory Event has occurred and is continuing with respect to any of the Subordinated Notes, such Notes will be redeemable in whole or, if the relevant Final Terms states that Partial Optional Redemption due to a Regulatory Event applies, in part at the option of the relevant Issuer:
- (i) at any time (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being not applicable or otherwise do not apply in respect of the Interest Period in which the date fixed for redemption falls); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable or apply in respect of the Interest Period in which the date fixed for redemption falls),

and, in either case, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall - subject to the provisions of Condition 7 (*Conditions for Redemption*) - be irrevocable),

at their Early Redemption Amount (Regulatory) together with interest accrued (if any) to the date fixed for redemption (including Deferred Interest, if applicable), *provided that* any redemption pursuant to this Condition 11.5 of Subordinated Notes on the date fixed for redemption is subject to the provisions of Condition 7 (*Conditions for Redemption*), Condition 11.7A (*Redemption of Subordinated Notes prior to fifth anniversary from Issue Date*) and Condition 11.11 (*Postponement of optional redemption dates*).

- (b) For the purposes of this Condition 11.5,

**“Regulatory Event”** means Tier 2 Regulatory Event or Tier 3 Regulatory Event, as indicated in the Final Terms, where:

(A) **“Tier 2 Regulatory Event”** means that:

- (i) Assicurazioni Generali is no longer subject to the consolidated regulatory supervision of the Lead Regulator; or
- (ii) as the result of new or amended Tier 2 Capital Requirements or any change by the Lead Regulator in its interpretation thereof, the Notes (or the Lead Regulator notifies to Assicurazioni Generali that the Notes), in whole or in part, no longer qualify (or can no longer be treated) as at least Tier 2 Own Funds, except where this is merely the result of exceeding any then applicable limits on the inclusion of the Notes as own funds, or Tier 2 Own Funds, as the case may be;

(B) **“Tier 3 Regulatory Event”** means that:

- (i) Assicurazioni Generali is no longer subject to the consolidated regulatory supervision of the Lead Regulator; or
  - (ii) as the result of new or amended Tier 3 Capital Requirements or any change by the Lead Regulator in its interpretation thereof, the Notes (or the Lead Regulator notifies to Assicurazioni Generali that the Notes), in whole or in part, no longer qualify (or can no longer be treated) as at least Tier 3 Own Funds, except where this is merely the result of exceeding any then applicable limits on the inclusion of the Notes as own funds, or Tier 3 Own Funds, as the case may be;
- (c) The “**Early Redemption Amount (Regulatory)**” shall be: (i) if the Issuer’s Call Option is specified in the relevant Final Terms as being applicable and the Regulatory Event occurs on or after the Optional Redemption Date (Call), the principal amount outstanding of the Notes; or (ii) if the Regulatory Event occurs before the Optional Redemption Date (Call) or if the Issuer’s Call Option is specified in the relevant Final Terms as being not applicable, the principal amount outstanding of the Notes, their Make Whole Amount or such other amount as specified in the relevant Final Terms.

*Condition 11.6 is applicable to Subordinated Notes only and if Rating Event is specified in the relevant Final Terms as being applicable.*

#### **11.6 Optional Redemption due to a Rating Event**

- (a) If at any time the Issuer or the Guarantor determines that a Rating Event has occurred with respect to any of the Notes, such Notes will be redeemable in whole or in part at the option of the relevant Issuer:
- (i) at any time (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being not applicable or otherwise do not apply in respect of the Interest Period in which the date fixed for redemption falls); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable or apply in respect of the Interest Period in which the date fixed for redemption falls),

and, in either case, on giving not less than 30 nor more than 60 days’ notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall - subject to the provisions of Condition 7 (*Conditions for Redemption*) - be irrevocable),

at their Early Redemption Amount (Rating Event), together with interest accrued (if any) to the date fixed for redemption (including Deferred Interest, if applicable), *provided that* any redemption pursuant to this Condition 11.6 of Subordinated Notes on the date fixed for redemption is subject to the provisions of Condition 7 (*Conditions for Redemption*), Condition 11.7A (*Redemption of Subordinated Notes prior to fifth anniversary from Issue Date*) and Condition 11.11 (*Postponement of optional redemption dates*).

- (b) For the purposes of this Condition 11.6, “**Rating Event**” shall be deemed to have occurred if there is a change in the rating methodology (or the interpretation thereof) by a recognized international statistical rating organisation as such methodology is in effect on the date when the capital treatment was assigned to the Notes for the first time (the “**current methodology**”), and as a consequence of such change, the capital treatment of the Notes by such organisation for the Issuer or the Guarantor’s group shall be amended in such a way that is, in the reasonable opinion of the Issuer (or the Guarantor) materially unfavourable.



- (c) Prior to the publication of any notice of redemption pursuant to this Condition 11.6, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent a written communication from the relevant international statistical rating organisation confirming the change in the current methodology and a certificate signed by a duly authorised representative of the Issuer stating that the circumstances described in the definition of Rating Event have occurred.
- (d) The “**Early Redemption Amount (Rating Event)**” shall be: (i) if the Issuer’s Call Option is specified in the relevant Final Terms as being applicable and the Rating Event occurs on or after the Optional Redemption Date (Call), the principal amount outstanding of the Notes; or (ii) if the Rating Event occurs before the Optional Redemption Date (Call) or if the Issuer’s Call Option is specified in the relevant Final Terms as being not applicable, the principal amount outstanding of the Notes, their Make Whole Amount or such other amount as specified in the relevant Final Terms.

*Condition 11.7 is applicable to Subordinated Notes only and if Accounting Event is specified in the relevant Final Terms as being applicable.*

### **11.7 Optional Redemption due to an Accounting Event**

- (a) If at any time the Issuer or the Guarantor determines that an Accounting Event has occurred with respect to any of the Notes, such Notes will be redeemable in whole or, if so stated in the Final Terms, in part at the option of the relevant Issuer:
  - (i) at any time (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being not applicable or otherwise do not apply in respect of the Interest Period in which the date fixed for redemption falls); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable or apply in respect of the Interest Period in which the date fixed for redemption falls),

and, in either case, on giving not less than 30 nor more than 60 days’ notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall - subject to the provisions of Condition 7 (*Conditions for Redemption*) - be irrevocable),

at their Early Redemption Amount (Accounting Event), together with interest accrued (if any) to the date fixed for redemption (including Deferred Interest, if applicable), *provided that* any redemption pursuant to this Condition 11.7 of Subordinated Notes on the date fixed for redemption is subject to the provisions of Condition 7 (*Conditions for Redemption*), Condition 11.7A (*Redemption of Subordinated Notes prior to fifth anniversary from Issue Date*) and Condition 11.11 (*Postponement of optional redemption dates*).

- (b) For the purposes of this Condition 11.7, an “**Accounting Event**” shall be deemed to have occurred if (x) an opinion of a recognised accounting firm has been delivered to the Fiscal Agent, stating that as a result of any change in or amendment to Applicable Accounting Standards, which change or amendment becomes effective on or after the date of issue of the Notes, the Issuer (or, in the case of Notes issued by Generali Finance, the Guarantor) must not or must no longer record the obligations under the Notes as liabilities on its consolidated financial statements prepared in accordance with Applicable Accounting Standards; and (y) this cannot be avoided by the Issuer (or Guarantor) taking reasonable measures available to it. For the purpose of this Condition 11.7, “**Applicable Accounting Standards**” means the accounting standards applied by Assicurazioni Generali for its published consolidated financial statements as applicable at the relevant dates and for the relevant periods.

- (c) Prior to the publication of any notice of redemption pursuant to this Condition 11.7, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent an opinion of a recognised accounting firm to the effect set out under sub-paragraph (b)(x) above.
- (d) The “**Early Redemption Amount (Accounting Event)**” shall be: (i) if the Issuer’s Call Option is specified in the relevant Final Terms as being applicable and the Accounting Event occurs on or after the Optional Redemption Date (Call), the principal amount outstanding of the Notes; or (ii) if the Accounting Event occurs before the Optional Redemption Date (Call) or if the Issuer’s Call Option is specified in the relevant Final Terms as being not applicable, the principal amount outstanding of the Notes, their Make Whole Amount or such other amount as specified in the relevant Final Terms.

*Condition 11.7A applies to all Notes stated in the Final Terms to be Senior Dated Subordinated Notes or Deeply Subordinated Notes intended to qualify as regulatory capital*

#### **11.7A Redemption of Subordinated Notes prior to fifth anniversary from Issue Date**

For so long as this is a requirement under applicable legislation at the relevant time in order for the Subordinated Notes to qualify as regulatory capital of the Issuer or the Guarantor, any redemption pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) or Condition 11.7 (*Optional Redemption due to an Accounting Event*) may not take place prior to the fifth anniversary after the Issue Date, unless such redemption is (i) done by way of exchange or conversion of such Notes into another basic own-fund item of at least the same quality; or (ii) made out of the proceeds of a new basic own-fund item of at least the same quality.

#### **11.8 Make Whole Amount**

- (a) In relation to any early redemption of Subordinated Notes pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) or Condition 11.7 (*Optional Redemption due to an Accounting Event*), the Early Redemption Amount (Tax), the Early Redemption Amount (Regulatory Event), the Early Redemption Amount (Rating Event) or, as the case may be, the Early Redemption Amount (Accounting Event) - if specified in the Final Terms to be the “**Make Whole Amount**” - shall be an amount calculated by the Calculation Agent equal to the higher of (x) 100 per cent. of the principal amount outstanding of the Notes to be redeemed; and (y) the sum of the present values of the principal amount outstanding of the Notes to be redeemed and the Remaining Term Interest on such Note (exclusive of interest accrued to the date of redemption) and such present values shall be calculated by discounting such amounts to the date of redemption on an annual basis (assuming a 360-day year consisting of twelve 30-day months or, in the case of an incomplete month, the number of days elapsed) at the Reference Bond Rate, plus the Redemption Margin.

- (b) For the purpose of this Condition 11.8:

“**FA Selected Bond**” means a government security or securities selected by the Calculation Agent as having an actual or interpolated maturity comparable with the remaining term to (i) the Maturity Date or (ii) if an Optional Redemption Date is specified in the Final Terms, the first Optional Redemption Date of the Notes, that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the Specified Currency and of a comparable maturity to the

remaining term to (i) the Maturity Date or (ii) if an Optional Redemption Date is specified in the Final Terms, the first Optional Redemption Date of the Notes.

“**Redemption Margin**” shall be as set out in the Final Terms.

“**Redemption Date**” means the date fixed for redemption of the Notes in accordance with Condition 11.2 (*Redemption for tax reasons*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*) or Condition 11.7 (*Optional Redemption due to an Accounting Event*), as the case may be.

“**Reference Bond**” shall be as set out in the Final Terms or the FA Selected Bond.

“**Reference Bond Price**” means, with respect to any date of redemption, (A) the arithmetic average of the Reference Government Bond Dealer Quotations for such Redemption Date, after excluding the highest and lowest such Reference Government Bond Dealer Quotations; or (B) if the Calculation Agent obtains fewer than five such Reference Government Bond Dealer Quotations, the arithmetic average of all such quotations.

“**Reference Bond Rate**” means, with respect to any Redemption Date, the rate per annum equal to the annual or semi-annual yield (as the case may be) to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming a price for the Reference Bond (expressed as a percentage of its nominal amount) equal to the Reference Bond Price for such Redemption Date.

“**Reference Date**” will be set out in the relevant notice of redemption.

“**Reference Government Bond Dealer**” means each of five banks selected by the Issuer or the Guarantor which are (A) primary government securities dealers, and their respective successors, or (B) market makers in pricing corporate bond issues.

“**Reference Government Bond Dealer Quotations**” means, with respect to each Reference Government Bond Dealer and any Redemption Date, the arithmetic average, as determined by the Calculation Agent, of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its nominal amount) at the Quotation Time specified in the Final Terms on the Reference Date quoted in writing to the Calculation Agent by such Reference Government Bond Dealer.

“**Remaining Term Interest**” means, with respect to any Note, the aggregate amount of scheduled payment(s) of interest (assuming each such scheduled interest payment to be due in full) on such Note for the remaining term to (i) the Maturity Date or (ii) if an Optional Redemption Date is specified in the Final Terms, the first Optional Redemption Date of such Note determined on the basis of the rate of interest applicable to such Note from and including the Redemption Date.

*Condition 11.9 is applicable to Notes specified in the relevant Final Terms as being Instalment Notes.*

#### **11.9 Redemption by Instalments**

- (a) Instalment Notes will be redeemed in such number of instalments, in such amounts (“**Instalment Amounts**”) and on such dates (“**Instalment Amount Payment Date**”) as will be specified in or determined in accordance with the relevant Final Terms and upon each partial redemption as provided by this Condition 11.9 the outstanding principal amount of each such Note shall be reduced by the relevant Instalment Amount for all purposes.

- (b) Each partial redemption of an Instalment Amount in accordance with this Condition 11.9 of Instalment Notes that are Subordinated Notes on an Instalment Amount Payment Date is subject to the provisions of Condition 7 (*Conditions for Redemption*). If the conditions set out in Condition 7.1 are not satisfied, repayment of the Instalment Amount will be suspended and - unless Condition 11.12 (*Waiver of Redemption Suspension*) applies - the Instalment Amount Payment Date will be postponed to the earlier of:
- (A) the date notified by the Issuer on giving at least 5 Business Days' notice to the Noteholders in accordance with Condition 20 (*Notices*) following the day on which the relevant conditions set out in Condition 7.1(i) and/or (ii), as the case may be, that were not satisfied are satisfied (and provided that they continue to be satisfied on the date of redemption); or
  - (B) the date on which voluntary or involuntary winding up proceedings are instituted in respect of the Issuer or, where relevant, in respect of the Guarantor, in accordance with, as the case may be, (aa) a resolution of the shareholders' meeting of the Issuer or, where relevant, of the Guarantor, as applicable; (bb) any provision of the by-laws of the Issuer or, where relevant, the Guarantor (currently, the duration of Assicurazioni Generali is set at 31 December 2131 though if this is extended, redemption of the Notes will be equivalently adjusted), as applicable; or (cc) any applicable legal provision, or any decision of any jurisdictional or administrative authority.

#### **11.10 No other redemption**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Condition 11.1 (*Scheduled redemption*), Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.4 (*Redemption at the option of Noteholders*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*), Condition 11.7 (*Optional Redemption due to an Accounting Event*) or Condition 11.9 (*Redemption by Instalments*) above.

*Condition 11.11 and Condition 11.12 apply to all Notes stated in the Final Terms to be Senior Dated Subordinated Notes or Deeply Subordinated Notes intended to qualify as regulatory capital*

#### **11.11 Postponement of optional redemption dates**

- (a) Any redemption of Subordinated Notes notified to Noteholders pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*), Condition 11.7 (*Optional Redemption due to an Accounting Event*) shall be suspended (in whole or in part), and the Issuer shall not be entitled to give any notice of redemption pursuant to the aforementioned Conditions, if the conditions set out in Condition 7.1 are not satisfied.
- (b) Following any suspension of redemption in accordance with the provisions of sub-paragraph (a) above, the date originally fixed for redemption of the Notes pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.4 (*Redemption at the option of Noteholders*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*), or, as the case may be, Condition 11.7 (*Optional Redemption due to an Accounting Event*) shall (unless Condition 11.12 (*Waiver of Redemption Suspension*) applies) be postponed to the earlier of:

- (A) the date notified by the Issuer on giving at least 5 Business Days' notice to the Noteholders in accordance with Condition 20 (*Notices*) following the day on which the relevant conditions set out in Condition 7.1(i) and/or (ii), as the case may be, that were not satisfied are satisfied (and provided that they continue to be satisfied on the date of redemption); or
- (B) the date on which voluntary or involuntary winding up proceedings are instituted in respect of the Issuer or, where relevant, in respect of the Guarantor, in accordance with, as the case may be, (aa) a resolution of the shareholders' meeting of the Issuer or, where relevant, of the Guarantor, as applicable; (bb) any provision of the by-laws of the Issuer or, where relevant, the Guarantor (currently, the duration of Assicurazioni Generali is set at 31 December 2131 though if this is extended, redemption of the Notes will be equivalently adjusted), as applicable; or (cc) any applicable legal provision, or any decision of any jurisdictional or administrative authority.

#### **11.12 Waiver of Redemption Suspension**

- (a) Notwithstanding the provisions of Condition 7 (*Conditions for Redemption*) and of Condition 11.11 (*Postponement of optional redemption dates*), the Subordinated Notes may be redeemed (or the relevant Instalment Amount may be repaid) even though there is non-compliance with the Solvency Capital Requirement or redemption or repayment would lead to such non-compliance, where all of the following conditions are met:
  - (i) the Lead Regulator has exceptionally waived the suspension of redemption of the Subordinated Notes;
  - (ii) the principal amount of the Subordinated Notes being redeemed is replaced by at least equivalent capital with the consent of the Lead Regulator; and
  - (iii) the Minimum Capital Requirement is complied with after the redemption (together, the "Conditions for Waiver of Redemption Suspension").
- (b) The Issuer shall give at least 5 Business Days' notice to the Noteholders in accordance with Condition 20 (*Notices*) informing the Noteholders of the day on which any redemption that has been suspended may take place following satisfaction of the Conditions for Waiver of Redemption Suspension. For the avoidance of doubt, if the Conditions for Waiver of Redemption Suspension have been satisfied before any suspension of redemption has been notified to the Noteholders in accordance with these Conditions, no notice needs to be given by the Issuer under this Condition 11.12.

#### **11.13 Early redemption of Zero Coupon Notes**

- (a) The Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date, or upon its becoming due and repayable pursuant to Condition 14 (*Events of Default*), shall be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

- (b) Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 11.13 or, if none is so specified, a Day Count Fraction of 30E/360.

#### **11.14 Purchase**

The Issuer or any of its Subsidiaries or the Guarantor or any of its Subsidiaries (where applicable) may at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured Coupons are purchased therewith.

Any purchase of Subordinated Notes is subject to the prior approval of the Lead Regulator unless such prior approval is no longer required under applicable legislation at the relevant time in order for the Subordinated Notes to qualify as regulatory capital of the Issuer or the Guarantor. Any such purchase is, unless such purchase is deemed not to be a repayment or redemption in accordance with the Applicable Regulations, subject to the provisions of Condition 7 (*Conditions for Redemption*) and is subject furthermore to any additional requirements under Applicable Regulations at the relevant time in order for the Subordinated Notes to qualify as regulatory capital of the Issuer or the Guarantor.

#### **11.15 Cancellation**

All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their Subsidiaries may be surrendered for cancellation by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations in respect of any such Notes shall be discharged. Any Notes purchased by or on behalf of the Issuer, the Guarantor or any of their Subsidiaries and not so surrendered for cancellation may be reissued or resold.

## **12 PAYMENTS**

- (a) *Principal*: Payments of principal shall be made only against presentation and (*provided that* payment is made in full and save in the case of payment of an Instalment Amount (other than the final Instalment Amount)) surrender of Notes at the Specified Office of any Paying Agent outside the United States by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of sterling, a town clearing branch of a bank in the City of London).
- (b) *Interest*: Payments of interest shall, subject to Condition 12(i) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 12(a) (*Principal*) above.
- (c) *Instalment Amounts*: Payment of Instalment Amounts (other than the final Instalment Amount) in respect of an Instalment Note shall be made only against presentation of the Note together with the relevant Receipt in respect of such Instalment Amount and surrender of such Receipt. The Receipts are not and shall not in any circumstances be deemed to be documents of title and if separated from the Note to which they appertain will not represent any obligation of the Issuer. The presentation of a Note without the relative Receipt or the presentation of a Receipt without the Note to which it appertains shall not entitle the holder to any payment in respect of the relevant Instalment Amount.

- (d) *Payments in New York City:* Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.
- (e) *Payments subject to fiscal laws:* All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 13 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 or otherwise imposed pursuant to Sections 1471 to 1474 (inclusive) of that Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (f) *Deductions for unmatured Coupons:* If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:
- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
  - (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
    - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the “**Relevant Coupons**”) being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
    - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.
- Each sum of principal so deducted shall be paid in the manner provided in Condition 12(a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons.
- (g) *Unmatured Coupons void:* If the relevant Final Terms specifies that this Condition 12(g) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption of such Note pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.4 (*Redemption at the option of*

*Noteholders*), Condition 11.5 (*Optional Redemption due to a Regulatory Event*), Condition 11.6 (*Optional Redemption due to a Rating Event*), Condition 11.7 (*Optional Redemption due to an Accounting Event*) or Condition 14 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

- (h) *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (i) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 12(d) (*Payments in New York City*) above).
- (j) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (k) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 15 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

## 13 TAXATION

- (a) *Gross up*: All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or the Guarantor (where applicable), as the case may be, shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed or on behalf of the Republic of Italy (in the case of payments made by or on behalf of Assicurazioni Generali) or The Netherlands (in the case of payments made by or on behalf of Generali Finance) or any political subdivision therein or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer or (as the case may be) the Guarantor (where applicable) shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon or (as the case may be) under the Deed of Guarantee presented for payment:
  - (i) in the Republic of Italy or The Netherlands (as the case may be); or
  - (ii) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Republic of Italy or The Netherlands (as the case may be) other than the mere holding of such Note or Coupon; or



- (iii) (in the case of payments made by or on behalf of Assicurazioni Generali as Issuer) to the extent that interest or any other amount payable is paid to a non-Italian resident entity or a non-Italian resident individual which is resident for tax purposes in one of the countries or territories not allowing the Italian tax authorities to obtain appropriate information in respect of the beneficiary of the payments made from the Republic of Italy (the states allowing for an adequate exchange of information with the Republic of Italy are those listed in Ministerial Decree of 4 September 1996, as amended and supplemented); or
  - (iv) (in the case only of payments made by or on behalf of Assicurazioni Generali as Issuer) by an Italian resident, to the extent that interest is paid to an Italian individual or an Italian legal entity not carrying out commercial activities (in particular (A) partnerships, de facto partnerships not carrying out commercial activities and professional associations, (B) public and private resident entities, other than companies, not carrying out commercial activities, (C) real estate investment funds referred to in Law No. 86 of 25 January 1994, and (D) certain other Persons exempt from corporate income tax) or to such other Italian resident entities which have been or may be identified by Legislative Decree No. 239 of 1 April 1996 and related regulations of implementation which have been or may subsequently be enacted (“**Legislative Decree No. 239**”); or
  - (v) (in the case only of payments made by or on behalf of Assicurazioni Generali as Issuer) in all circumstances in which the requirements and procedures set forth in Legislative Decree No. 239 have not been met or complied with except where such requirements and procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or
  - (vi) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had presented such Note or Coupon on the last day of such period of 30 days; or
  - (vii) in respect of Notes classified as atypical securities where such withholding or deduction is required under Law Decree No. 512 of 30 September 1983, as amended and supplemented from time to time; or
  - (viii) any combination of items (i) through (vii).
- (b) *Taxing jurisdiction*: If the Issuer or the Guarantor (where applicable) becomes subject at any time to any taxing jurisdiction other than the Republic of Italy or The Netherlands (as the case may be), references in these Conditions to the Republic of Italy or The Netherlands (as the case may be) shall be construed as references to and/or such other jurisdiction.

## 14 EVENTS OF DEFAULT

*Condition 14.1 below applies to Senior Notes only.*

### 14.1 Events of Default of Senior Notes

If any of the following events occurs:

- (A) *Non-payment*: the Issuer or, if applicable, the Guarantor fails to pay any amount of principal in respect of the Notes within five days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within fifteen days of the due date for payment thereof;

- (B) *Breach of other obligations*: the Issuer or the Guarantor (where applicable) defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Guarantee of the Notes (where applicable) and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer and the Guarantor (where applicable) by any Noteholder, has been delivered to the Issuer and the Guarantor (where applicable) or to the Specified Office of the Fiscal Agent;
- (C) *Cross default of Issuer or Guarantor (where applicable)*:
- (1) any Indebtedness of the Issuer or the Guarantor (where applicable) is not paid when due or (as the case may be) within any originally applicable grace period;
  - (2) any Indebtedness of the Issuer or the Guarantor (where applicable) becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of default; or
  - (3) the Issuer or the Guarantor (where applicable) fails to pay when due any amount payable by it under any Guarantee of any Indebtedness;
- provided that the amount of Indebtedness referred to in sub-paragraph (1) and/or sub-paragraph (2) above and/or the amount payable under any Guarantee referred to in sub-paragraph (3) above individually or in the aggregate exceeds Euro 100,000,000 (or its equivalent in any other currency or currencies);
- (D) *Security enforced*: a secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or substantially the whole of the undertaking, assets and revenues of the Issuer or the Guarantor (where applicable);
- (E) *Insolvency etc.*: (i) the Issuer or the Guarantor (where applicable) becomes insolvent or is unable to pay its debts as they fall due, (ii) an administrator or liquidator of the Issuer or the Guarantor (where applicable) or the whole or substantially the whole of the undertaking, assets and revenues of the Issuer or the Guarantor (where applicable) is appointed (or application for any such appointment is made), (iii) the Issuer or the Guarantor (where applicable) takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its Indebtedness or any Guarantee of any Indebtedness given by it or (iv) the Issuer or the Guarantor (where applicable) ceases or threatens to cease to carry on all or any substantial part of its business other than in connection with a solvent reorganisation, reconstruction, amalgamation or merger;
- (F) *Winding-up etc.*: an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or the Guarantor (where applicable), except for the purpose of and followed by (A) a reconstruction, amalgamation, reorganisation, merger, demerger or consolidation on terms approved by a resolution of the Noteholders, or (B) a Permitted Reorganisation; or;
- (G) *Analogous event*: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (D) to (F) above;
- (H) *Failure to take action etc.*: any action, condition or thing at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor (where applicable) lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under and in respect of the Notes, (ii) to ensure that those obligations are legal,

valid, binding and enforceable and (iii) to make the Notes and the Coupons admissible in evidence in the courts of any relevant jurisdiction is not taken, fulfilled or done;

- (I) *Unlawfulness*: it is or will become unlawful for the Issuer or the Guarantor (where applicable) to perform or comply with any of its obligations under or in respect of the Notes, or the Deed of Guarantee (if applicable); or
- (J) *Guarantee of the Senior Notes not in force*: the Guarantee of the Senior Notes (where applicable) is not (or is claimed by the Guarantor not to be) in full force and effect,

then, subject as stated below, any Note may, by written notice addressed by the holder thereof to the Issuer and the Guarantor (where applicable) and delivered to the Issuer and the Guarantor (where applicable) or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, at its principal amount (or, in the case of Zero Coupon Notes, at the amount indicated at Condition 11.13 (*Early redemption of Zero Coupon Notes*)) together with accrued interest without further action or formality.

*Condition 14.2 below applies to Subordinated Notes only.*

#### **14.2 Events of Default of Subordinated Notes**

- (a) *Events of Default of Subordinated Notes of Assicurazioni Generali*
  - (i) *Application*: This Condition 14.2(a) (*Events of Default of Subordinated Notes of Assicurazioni Generali*) is applicable only to Notes specified in the relevant Final Terms as Subordinated Notes of Assicurazioni Generali.
  - (ii) *Events of Default*: If any of the following events occurs:
    - (A) *Winding-up etc.*: an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer;
    - (B) *Analogous event*: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in (A) above,then, any Note may, by written notice addressed by the Holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its principal amount (or, in the case of Zero Coupon Notes, at the amount indicated at Condition 11.13 (*Early redemption of Zero Coupon Notes*)) together with accrued interest (if any) (including Deferred Interest, if applicable) without further action or formality.
- (b) *Events of Default of Subordinated Notes of Generali Finance*
  - (i) *Application*: This Condition 14.2(b) (*Events of Default of Subordinated Notes of Generali Finance*) is applicable only to Notes specified in the relevant Final Terms as Subordinated Notes of Generali Finance.
  - (ii) *Events of Default*: If any of the following events occurs:
    - (A) *Winding-up etc.*: an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer or (if applicable) the Guarantor;

- (B) *Analogous event*: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in (A) above;
- (C) *Guarantee of the Subordinated Notes not in force*: where applicable, the Guarantee of the Subordinated Notes is not (or is claimed by the Guarantor not to be) in full force and effect,

then, any Note may, by written notice addressed by the Holder thereof to the Issuer and the Guarantor (where applicable) and delivered to the Issuer and the Guarantor (where applicable) or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall (without prejudice to the provisions of Condition 5.2(c) or, as applicable, Condition 5.3(c)) become immediately due and payable at its principal amount (or, in the case of Zero Coupon Notes, at the amount indicated at Condition 11.13 (*Early redemption of Zero Coupon Notes*)) together with accrued interest (if any) (including Deferred Interest, if applicable) without further action or formality.

## 15 PRESCRIPTION

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

## 16 REPLACEMENT OF NOTES AND COUPONS

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by such listing authority, stock exchange and/or quotation system), subject to all applicable laws and listing authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

## 17 AGENTS

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and the Guarantor (where applicable) and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer and the Guarantor (where applicable) reserve the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; *provided, however, that*:

- (a) the Issuer and the Guarantor (where applicable) shall at all times maintain a Fiscal Agent; and
- (b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer and the Guarantor (where applicable) shall at all times maintain a Calculation Agent; and
- (c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system the rules of which require the appointment of a Paying Agent

in any particular place, the Issuer and the Guarantor (where applicable) shall maintain a Paying Agent having its Specified Office in the place required by the rules of such listing authority, stock exchange and/or quotation system; and

- (d) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer is incorporated.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

## **18 MEETINGS OF NOTEHOLDERS; MODIFICATION AND WAIVER; MODIFICATION AND/OR EXCHANGE FOLLOWING A REGULATORY EVENT, TAX EVENT OR RATING EVENT; SUBSTITUTION**

### **18.1 Meetings of Noteholders**

- (a) The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not and irrespective of how their vote was cast at such meeting.
- (b) In relation to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution:
  - (i) the following provisions shall apply in respect of Notes issued by Assicurazioni Generali but are subject to compliance with the laws, legislation, rules and regulations of Italy in force and applicable to Assicurazioni Generali from time to time:
    - (A) a meeting may be convened by the Issuer or the Noteholders' Representative and shall be convened by either of them upon the request in writing of Noteholders holding not less than one-twentieth of the aggregate principal amount of the outstanding Notes;
    - (B) a meeting of Noteholders will be validly held as a single call meeting (*assemblea in unica convocazione*) ("**Single Call Meeting**") or as a multiple call meeting (i.e. each of the first, second and further call of the Meeting respectively and collectively, a ("**Multiple Call Meeting**") if (i) in the case of a Single Call Meeting there are one or more persons present, being or representing Noteholders holding at least one-fifth of the principal amount of the Notes for the time being outstanding; or (ii) in the case of a Multiple Call Meeting, there are one or more persons present, being or representing Noteholders holding (a) at the initial meeting, at least one half of the aggregate principal amount of the outstanding Notes, or (b) at a second meeting, more than one third of the aggregate principal amount of the outstanding Notes, or (c) at a third meeting or any subsequent meeting, at least one fifth of the aggregate principal amount of the outstanding Notes provided, however, that the quorum shall always be at least one half of the aggregate principal amount of the outstanding Notes for the purposes of considering a Reserved Matter and provided further that the by-laws of the Issuer may from time to time (to the extent permitted under applicable Italian law) require a higher (or, in the case of Notes that are admitted to listing on a regulated

market, different) quorum at any such meeting which shall be indicated in the Notice convening the relevant Meeting;

- (C) the majority required to pass an Extraordinary Resolution (including any meeting convened following adjournment of the previous meeting for want of quorum) will be one or more persons holding or representing at least two thirds of the aggregate principal amount of the Notes represented at the meeting, *provided, however, that* a Reserved Matter may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders by one or more persons holding or representing at least one half of the aggregate principal amount of the outstanding Notes and provided further that the by-laws of the Issuer may from time to time (to the extent permitted under applicable Italian law) require a larger (or, in the case of Notes that are admitted to listing on a regulated market, different) majority which shall be indicated in the Notice convening the relevant Meeting.
- (ii) The following provisions shall apply in respect of Notes issued by Generali Finance:
- (A) a meeting may be convened by the Issuer and the Guarantor (where applicable) (acting together) and shall be convened by them upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes;
  - (B) the quorum at any meeting will be at least one voter representing or holding not less than: (a) for voting on an Extraordinary Resolution, other than an Extraordinary Resolution relating to a Reserved Matter, one more than half of the aggregate principal amount of the Notes then outstanding; and (b) for voting on an Extraordinary Resolution relating to a Reserved Matter, three quarters of the aggregate principal amount of the Notes then outstanding. The quorum at any adjourned meeting will be (a) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the voters actually present at the meeting, and (b) for voting on an Extraordinary Resolution relating to a Reserved Matter, one quarter of the aggregate principal amount of the Notes then outstanding;
  - (C) the majority required to pass an Extraordinary Resolution will be not less than three quarters of the votes cast;
  - (D) a resolution in writing signed by or on behalf of 75 per cent. of Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

## 18.2 Noteholders' Representative

Pursuant to Articles 2415 and 2417 of the Italian Civil Code, a Noteholders' Representative (*rappresentante comune*) may be appointed, *inter alia*, to represent the interests of Noteholders in respect of Notes issued by Assicurazioni Generali, such appointment to be made by an Extraordinary Resolution or by an order of a competent court at the request of one or more Noteholders or the Issuer. Each such Noteholders' Representative shall have the powers and duties set out in Article 2418 of the Italian Civil Code.

### 18.3 Modification

The Conditions of any Subordinated Notes may not be amended without the prior approval of the Lead Regulator. The Notes, these Conditions and the Deed of Guarantee may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer and the Guarantor (where applicable) shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

*Condition 18.4 below applies to Subordinated Notes only and if the Regulatory/Tax/Rating/Accounting Event Modification Provisions or the Regulatory/Tax/Rating/Accounting Event Exchange Provisions are specified in the relevant Final Terms as being applicable.*

### 18.4 Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event

- (a) Where a Regulatory Event, a Tax Event, a Rating Event or an Accounting Event, which is stated in the relevant Final Terms as being applicable for the purposes of this Condition 18.4, has occurred and is continuing, then the Issuer may, without any requirement for the consent or approval of the Noteholders,
  - (A) where the Final Terms state that Regulatory/Tax/Rating/Accounting Event Modification Provisions are applicable, modify the terms of the Notes to the extent that such modification is reasonably necessary to ensure that no such Regulatory Event, Tax Event, Rating Event or, as applicable, Accounting Event, would exist after such modification; or
  - (B) where the Final Terms state that Regulatory/Tax/Rating/Accounting Event Exchange Provisions are applicable, exchange all (but not some only) of the Notes for Qualifying Securities so that the relevant Regulatory Event, Tax Event, Rating Event or, as applicable, Accounting Event that has occurred would no longer exist in relation to the Qualifying Securities,

in each case, provided that, following such modification or, as applicable, exchange:

- (i) the terms and conditions of, in the case of sub-(A) above, the Notes, as so modified (the “**modified Notes**”) or, in the case of sub-(B) above, the Qualifying Securities, are – in the Issuer’s reasonable determination after having consulted an independent investment bank of international standing - no more prejudicial to Noteholders than the terms and conditions applicable to the Notes prior to such modification or exchange (the “**existing Notes**”) *provided that* any modification may be made in accordance with paragraphs (ii) to (iv) below and any such modification or, as applicable, any exchange of existing Notes for a basic own-fund item of at least the same quality that meet the requirements set out in paragraphs (ii) to (iv) below (“**Qualifying Securities**”), shall not constitute a breach of this paragraph (i); and
- (ii) either the person having the obligations of the Issuer under the modified Notes or, as applicable, Qualifying Securities (x) continues to be the Issuer and, in the case of Notes issued by Generali Finance and guaranteed by Assicurazioni Generali, the payment of all sums payable under the modified Notes or, as applicable, Qualifying Securities, continues to be (or, upon the modification or exchange being effective, will be) guaranteed by Assicurazioni Generali in the same manner as the Guarantee of the

relevant Notes prior to such modification or exchange, or (y) is substituted in accordance with Condition 18.5 (*Substitution*); and

- (iii) the modified Notes or, as applicable, Qualifying Securities rank at least equal to the existing Notes prior to such modification or exchange and feature the same tenor, principal amount, redemption amounts, at least the same interest rates (including applicable margins), the same interest payment dates, first call date (if any) and any early redemption rights (if any) as under the existing Notes for Regulatory Event, Tax Event, Rating Event or Accounting Event), the same existing rights to any accrued interest, any Deferred Interest and any other amounts payable under the modified Notes or, as applicable, the Qualifying Securities, as the existing Notes prior to such modification or exchange and do not contain any terms providing for loss absorption through principal write-down or conversion into ordinary shares; and
- (iv) the modified Notes or, as applicable, Qualifying Securities continue to be listed on a regulated market (for the purposes of the Markets in Financial Instruments Directive 2004/39/EC) of an internationally recognised stock exchange as selected by the Issuer (*provided that* the existing Notes were so listed prior to the occurrence of such Regulatory Event, Tax Event, Rating Event or, as applicable, Accounting Event),

and provided further that:

- (1) Assicurazioni Generali obtains approval of the proposed modification or exchange from the Lead Regulator (unless such approval is no longer required by applicable law at the relevant time in order for the Subordinated Notes to qualify as regulatory capital of the Issuer or the Guarantor) or gives prior written notice (if such notice is required to be given) to the Lead Regulator and, following the expiry of all relevant statutory time limits, the Lead Regulator is no longer entitled to object or impose changes to the proposed modification or exchange;
- (2) the modification or exchange does not give rise to a change in any published rating of the existing Notes in effect at such time (to the extent the existing Notes were rated prior to the occurrence of such Regulatory Event, Tax Event, Rating Event or, as applicable, Accounting Event);
- (3) the modification or exchange does not give rise to any right on the part of the Issuer to exercise any option to redeem the modified Notes or the Qualifying Securities that does not already exist prior to such modification or exchange, without prejudice to the provisions under Condition 11.3 (*Redemption and purchase - Redemption at the option of the Issuer*);
- (4) the Issuer has delivered to the Fiscal Agent a certificate, substantially in the form shown in the Agency Agreement, signed by a duly authorised representative of the Issuer stating that conditions (i) to (iv) and (1) to (3) above have been complied with, such certificate to be made available for inspection by Noteholders; and
- (5) in the case of any proposed modifications or an exchange owing to a Tax Event, the Issuer has delivered to the Fiscal Agent an opinion of independent legal advisers of recognised standing to the effect that the Tax Event can be avoided by the proposed modifications or exchange.



- (b) In connection with any modification or exchange as indicated in this Condition 18.4, the Issuer shall comply with the rules of any stock exchange or other relevant authority on which the Notes are then listed or admitted to trading.

## 18.5 Substitution

- (a) Any duly incorporated Subsidiary of Assicurazioni Generali in good standing under the laws of its jurisdiction may, without the consent of the Noteholders, but with the prior written approval of Assicurazioni Generali, assume liability as the principal debtor in respect of the Notes (the “**Substituted Debtor**”), provided that:
  - (i) a deed poll and such other documents (if any) shall be executed by the Substituted Debtor and, to the extent necessary, Assicurazioni Generali and the other parties to the Agency Agreement and the Deed of Covenant, as may be necessary to give full effect to the substitution (the “**Documents**”) and (without limiting the generality of the foregoing) pursuant to which the Substituted Debtor shall undertake in favour of each Noteholder and each Accountholder (as defined in the Deed of Covenant) to be bound by these Conditions, the Deed of Covenant and the Agency Agreement as fully as if the Substituted Debtor had been named in the Notes, the Deed of Covenant and the Agency Agreement as the principal debtor in respect of the Notes in place of Assicurazioni Generali (in the case of Notes issued by Assicurazioni Generali) or Generali Finance (in the case of Notes issued by Generali Finance). An unconditional and irrevocable deed of guarantee substantially in the form annexed to the Agency Agreement shall be executed by Assicurazioni Generali whereby Assicurazioni Generali shall guarantee in favour of each Noteholder and each Accountholder the payment of all sums payable by the Substituted Debtor as such principal debtor substantially to the extent of, and in the terms specified in, the form of deed of guarantee annexed to the Agency Agreement (such guarantee is referred to in this Condition 18.5 as the “**Substitution Guarantee**” and such guarantor as the “**Guarantor**” which Substitution Guarantee shall, in the case of a substitution in connection with Notes issued by Generali Finance, replace for all intents and purposes the original Guarantee granted by Assicurazioni Generali);
  - (ii) the Documents and the Substitution Guarantee shall contain a warranty and representation by the Substituted Debtor and the Guarantor (a) that each of the Substituted Debtor and the Guarantor has obtained all necessary governmental and regulatory approvals and consents for such substitution and the giving of such Substitution Guarantee, (b) that each of the Substituted Debtor and the Guarantor has obtained all necessary governmental and regulatory approvals and consents for the performance by each of the Substituted Debtor and the Guarantor of its obligations under the Documents and the Substitution Guarantee and that all such approvals and consents are in full force and effect and (c) that the obligations assumed by each of the Substituted Debtor and the Guarantor are legal, valid and binding in accordance with their respective terms and enforceable by each Noteholder and each Accountholder (subject to all applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors’ rights generally and general equitable principles);
  - (iii) a legal opinion shall have been delivered to the Fiscal Agent from whom copies will be available to Noteholders (and if applicable Accountholders) (a) from lawyers of recognised standing as to matters of law of the jurisdiction of the place of incorporation of the Substituted Debtor confirming that upon the substitution taking place (1) the requirements of this Condition 18.5, save as to the giving of notice to the Noteholders,

have been met, (2) the Notes, the Deed of Covenant and the Agency Agreement are legal, valid, binding and enforceable obligations of the Substituted Debtor (subject to all applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general equitable principles), (3) the Substituted Debtor is validly incorporated under the laws of its jurisdiction, and (4) that the Substituted Debtor has obtained all necessary governmental and regulatory approvals and consents for the substitution and for the entry into and performance of the Documents and (b) from the legal counsel to the Guarantor confirming that upon the substitution taking place, (1) the Substitution Guarantee and the Documents are legal, valid, binding and enforceable obligations of the Guarantor, (2) the Guarantor has the power to enter into and perform the obligations to be assumed by the Guarantor in the Documents and the Substitution Guarantee, and (3) the Guarantor has obtained all necessary governmental and regulatory approvals and consents for the entry into and the performance of the Documents and the Substitution Guarantee;

- (iv) each Rating Agency shall have confirmed to the Substituted Debtor, Assicurazioni Generali and the Fiscal Agent that after giving effect to such substitution and the giving of the Substitution Guarantee, the Notes shall (to the extent they were rated by such rating agency prior to the substitution) continue to be rated the same as immediately prior to the substitution;
  - (v) no right of redemption pursuant to Condition 11 (*Redemption and Purchase*), any of the Documents or the Substitution Guarantee would become applicable on or as a result of such substitution;
  - (vi) the appropriate regulatory authorities in Luxembourg shall have confirmed to the Substituted Debtor, Assicurazioni Generali and the Fiscal Agent that, after giving effect to such substitution and the giving of the Substitution Guarantee, the Notes shall continue to be listed on the Luxembourg Stock Exchange (provided that the relevant Notes were so listed prior to such substitution); and
  - (vii) a certificate of solvency of the Substituted Debtor, signed by two directors of the Substituted Debtor shall have been delivered to the Fiscal Agent.
- (b) Upon the execution of the Documents and the delivery of the legal opinions as referred to in paragraph (a) above; (A) the Substituted Debtor shall be deemed to be named in the Notes, the Deed of Covenant and the Agency Agreement as the principal debtor in place of the Issuer (and, where the context requires, references to Assicurazioni Generali in its capacity as the issuer of the Notes will be replaced by references to the Substituted Debtor as the issuer of the Notes) and the Notes, the Deed of Covenant and the Agency Agreement shall thereupon be deemed to be amended to give effect to the foregoing as well as all other amendments incidental to such substitution, and (B) the Issuer shall be released from all of its obligations under or in respect of the Notes, the Deed of Covenant and the Agency Agreement.
- (c) Counterparts of each of the Documents (which shall include the Conditions amended and restated to give effect to the substitution) and the Substitution Guarantee shall be deposited with and held by the Fiscal Agent for so long as any of the Notes remains outstanding and for so long as any claim made against the Substituted Debtor or the Guarantor by any Noteholder or Accountholder in relation to the Notes, the Documents or the Substitution Guarantee shall not have been finally adjudicated, settled or discharged. The Substituted Debtor and the Guarantor shall acknowledge in the Documents and the Substitution Guarantee the right of every

Noteholder and Accountholder to the production of the Documents and the Substitution Guarantee for the enforcement of any of the Notes, Documents or Substitution Guarantee.

- (d) Not later than 20 days after the execution of the Documents and the Substitution Guarantee, the Substituted Debtor together with the Issuer shall give notice thereof to the Noteholders in accordance with Condition 20 (*Notices*).

## 19 FURTHER ISSUES

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

## 20 NOTICES

Notices to the Noteholders shall be valid if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) or, if the Notes which are listed or admitted to trading on the Luxembourg Stock Exchange and the rules of that exchange so require, on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

## 21 CURRENCY INDEMNITY

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the “**first currency**”) in which the same is payable under these Conditions or such order or judgment into another currency (the “**second currency**”) for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

## 22 ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all

amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

## 23 GOVERNING LAW AND JURISDICTION

- (a) *Governing law:* The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by, and shall be construed in accordance with, English Law, except that (1) provisions concerning the status of the Subordinated Notes issued by Assicurazioni Generali and of the Guarantee of the Subordinated Notes are governed by the laws of the Republic of Italy and (2) provisions concerning the status of the Subordinated Notes issued by Generali Finance are governed by the laws of the Netherlands. Condition 18.1(b) (*Meetings of Noteholders*) and the relevant provisions of the Agency Agreement concerning meetings of Noteholders of Assicurazioni Generali and the appointment of a Noteholders' Representative (*rappresentante comune*), where applicable, are subject to compliance with the laws of the Republic of Italy.
- (b) *Jurisdictions:* The Issuer and the Guarantor (where applicable) agrees for the benefit of the Noteholders that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (respectively, "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.
- (c) *Appropriate forum:* The Issuer and the Guarantor (where applicable) irrevocably waives any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.
- (d) *Service of Process:* Each of the Issuers and the Guarantor (where applicable) agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to the person or persons for the time being registered at the Companies Register under Parts 34 and 37 of the Companies Act 2006 and authorised to accept service of process in England on behalf of the Issuer and the Guarantor (where applicable). If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer and the Guarantor (where applicable), the Issuer and the Guarantor (where applicable) shall, on the written demand of any Noteholder addressed to the Issuer and the Guarantor (where applicable) and delivered to the Issuer and the Guarantor (where applicable), appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and the Guarantor (where applicable) and delivered to the Issuer or the Guarantor (where applicable). Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This clause applies to Proceedings in England and to Proceedings elsewhere.
- (e) *Non-exclusivity:* The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of any Noteholder to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by law.

## FORM OF FINAL TERMS

*The Final Terms in respect of each Tranche of Notes will be substantially in the following form, completed to reflect the particular terms of the relevant Senior or Subordinated Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms. The Final Terms are for use in connection with issues of Senior Notes and Subordinated Notes with a denomination of at least €100,000 only.*

**Final Terms dated [●]**

**[ASSICURAZIONI GENERALI S.p.A.]**

**[GENERALI FINANCE B.V.]**

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

[Guaranteed by]

**[ASSICURAZIONI GENERALI S.p.A.]<sup>1</sup>**

under the

**€15,000,000,000**

**Euro Medium Term Note Programme**

### **PART A - CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the base prospectus dated 19 May 2016 (the “**Base Prospectus**”) [and the supplement[s] to the Base Prospectus dated [date] [and [date]], which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (as amended by Directive 2010/73/EU) (the “**Prospectus Directive**”) and the relevant implementing measures in Luxembourg. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer[, the Guarantor] is only available on the basis of the Base Prospectus [as so supplemented] and full information on the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the supplement[s] to the Base Prospectus] [is/are] available for viewing at [address] and [website] and copies may be obtained from [address]. The Base Prospectus [and the supplement[s]] and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under the 2015 Base Prospectus]*

[Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Senior Notes and the Subordinated Notes (the “**Conditions**”) set forth in the base prospectus dated 16 April

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<sup>1</sup> (Notes will not be issued by Generali Finance B.V. without the benefit of a Deed of Guarantee unless the necessary notifications have been made to the Dutch Central Bank.)

2015 (the “**2015 Base Prospectus**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5(4) of Directive 2003/71/EC (as amended by Directive 2010/73/EU) (the “**Prospectus Directive**”) and the relevant implementing measures in Luxembourg and must be read in conjunction with the base prospectus dated 19 May 2016 (the “**2016 Base Prospectus**”) [and the supplement[s] to the 2016 Base Prospectus dated [date] [and [date]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the 2015 Base Prospectus. Full information on the Issuer[, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the 2015 Base Prospectus and the 2016 Base Prospectus [and the supplement[s] to the 2016 Base Prospectus dated [date] [and [date]]. The 2016 Base Prospectus [and the supplement[s] to the 2016 Base Prospectus] [is/are] available for viewing at [address] and [website] and copies may be obtained from [address]. The 2016 Base Prospectus [and the supplement[s]] and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

1. (i) [Series Number:] [ ]  
(ii) [Tranche Number:] [ ]  
*(If fungible with an existing Series):*  
  
(iii) [Date on which the Notes will be consolidated and form a single series:] [The notes will be consolidated and form a single Series with [identify earlier Tranche(s)] on [insert]].
2. Specified Currency or Currencies: [ ]  
Condition 2(a) (*Interpretation – Definitions – Specified Currency*)
3. Aggregate Nominal Amount of Notes admitted to trading:  
(i) [Series:] [ ]  
(ii) [Tranche:] [ ]
4. Issue Price: [ ]% of the Aggregate Nominal Amount [plus accrued interest from [insert date] (*in the case of fungible issues only, if applicable*).]
5. (i) Specified Denomination(s): [ ] [and integral multiples of [ ] in excess thereof up to and including [ ]]. No Notes in definitive form will be issued with a denomination above [ ].  
Condition 2(a) (*Interpretation – Definitions – Specified Denomination(s)*)

*(Notes including Notes denominated in Sterling, in respect of which the issue proceeds are to be accepted by the*

*Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Financial Services and Markets Act 2000 and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).)*

- (ii) Calculation Amount: [ ] *(If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. There must be a common factor in the case of two or more Specified Denominations.)*  
Condition 2(a) *(Interpretation – Definitions – Calculation Amount)*
6. [(i)] Issue Date: [ ]  
Condition 2(a) *(Interpretation – Definitions – Issue Date)*
- [(ii)] Interest Commencement Date: [Specify/Issue Date/Not Applicable]  
Condition 2(a) *(Interpretation – Definitions – Interest Commencement Date)*
7. Maturity Date: [Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year.]  
Condition 2(a) *(Interpretation – Definitions – Maturity Date)*
- [For Subordinated Notes only (other than Deeply Subordinated Notes with no specified maturity date):]  
[Condition 7 (Conditions for Redemption) and Condition 11.1A (Redemption and Purchase – Scheduled Redemption) apply.]  
[For Deeply Subordinated Notes with no specified maturity date: Condition 7 (Conditions for Redemption) and Condition 11.1B (Redemption and Purchase – Redemption of Deeply Subordinated Notes with no specified maturity date) apply.]  
[If the Maturity Date is less than one year from the Issue Date and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, (i) the Notes must have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be sold only to “professional investors” or (ii) another applicable exemption from section 19 of the FSMA must be available.]
8. Interest Basis: [[ ] % Fixed Rate]  
Condition 9 *(Interest)* [[ ] month LIBOR/EURIBOR/SIBOR/TIBOR/HIBOR/Bank of England Base Rate] +/- [ ]% per annum Floating Rate]

[Floating Rate: EONIA Linked Interest]

[Floating Rate: SONIA Linked Interest]

[Floating Rate: Federal Funds Rate Linked Interest]

[Floating Rate: CMS Linked Interest]

Fixed-Floating Rate Note Provisions [applicable/not applicable]: [[ ] per cent. Fixed Rate in respect of the Interest Period(s) ending on (but excluding) [ ] calculated in accordance with paragraph 13 below, then calculated in accordance with paragraph [15/18] below.] / [[*Floating Rate*] in respect of the Interest Period(s) ending on (but excluding) [ ], then calculated in accordance with paragraph [13/17] below.]

[Zero Coupon]

(further particulars specified below)

9. Redemption/Payment Basis: [Redemption at par]  
Condition 11 (*Redemption and Purchase*) [Instalment Notes]
10. (i) Change of interest following Optional Redemption Date (Call): [Applicable/Not Applicable]  
(*If applicable:*)  
[Rate of Interest (Post-Call): [ ] (further particulars specified below)]
- (ii) Interest Basis reset on Reset Date: [Applicable/Not Applicable]
11. Put/Call Options: [Investor Put]  
Condition 11.2 (*Redemption for tax reasons*) [Issuer Call]  
[Optional Redemption due to a Regulatory Event]  
Condition 11.4 (*Redemption at the option of Noteholders*) [Optional Redemption due to a Rating Event]  
Condition 11.3 (*Redemption at the option of the Issuer*) [Optional Redemption due to an Accounting Event]  
[Redemption for tax reasons]  
Condition 11.5 (*Optional Redemption due to a Regulatory Event*) [*For Subordinated Notes only:* Conditions 11.7A (*Redemption of Subordinated Notes prior to fifth anniversary from Issue Date*) and Condition 11.11 (*Postponement of optional redemption dates*) apply.]  
Condition 11.6 (*Optional Redemption due to a Rating Event*)  
Condition 11.7 (*Optional Redemption due to an Accounting Event*)  
[(further particulars specified below)]
12. (i) Status of the Notes: [Senior/[Dated]/Subordinated/Deeply Subordinated]  
Condition 4 (*Status of the*



Notes)

- (ii) Status of the Guarantee: [Senior/[Dated]/Subordinated/Deeply Subordinated]  
Condition 5 (*Status of the Guarantee*) [Not Applicable]

**PROVISIONS RELATING TO [INITIAL] INTEREST (IF ANY) PAYABLE**

13. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
Condition 9A (*Interest – Interest on Fixed Rate Notes*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
- (i) [Initial] Rate of Interest: [ ]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) [Initial] Interest Payment Date(s): [[ ] in each year from (and including) [ ] up to and including the Maturity Date/[ ]]
- (iii) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount  
Condition 9A.2 (*Interest – Interest on Fixed Rate Notes – Fixed Coupon Amount*)
- (iv) Broken Amount(s): [[ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ]/ Not Applicable]  
Condition 2(a) (*Interpretation – Definitions – Broken Amount*)
- (v) Day Count Fraction: [30/360] /  
[360/360] /  
[Actual/Actual] /  
[Actual/Actual (ICMA)] /  
[Actual/365 (Fixed)] /  
[Actual/Actual (ISDA)] /  
[Actual 360] /  
[Bond Basis] /  
[30E/360] /  
[30E/360 (ISDA)] /  
[Eurobond Basis]
14. **Reset Note Provisions** [Applicable/Not Applicable]  
Condition 9B (*Interest – Interest on Reset Notes*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
- (i) Initial Rate of Interest: [ ]% per annum [payable [annually/

- semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [[ ] in each year up to and including the Maturity Date]
- (iii) Day Count Fraction: [30/360] /  
 [360/360] /  
 [Actual/Actual] /  
 [Actual/Actual (ICMA)] /  
 [Actual/365 (Fixed)] /  
 [Actual/Actual (ISDA)] /  
 [Actual 360] /  
 [Bond Basis] /  
 [30E/360] /  
 [30E/360 (ISDA)] /  
 [Eurobond Basis]
- (iv) Reset Date(s): [ ]
- (v) Reset Reference Rate(s) and Relevant Financial Centre: Reset Reference Rate: [Mid Swaps/Reference Bond]  
 Relevant Financial Centre: [ ]
- (vi) Reset Margin: [ ]
- (vii) Reset Rate Screen Page: [ ]
- (viii) Mid Swap Maturity: [ ]
- (ix) Reset Determination Date: [ ]
- (x) Reset Rate Time: [ ]
15. **Floating Rate Note Provisions** [Applicable/Not Applicable.]
- Condition 9C (*Interest – Interest on Floating Rate Notes*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
- (i) [Initial] Interest Payment Dates: [ ]
- (ii) Business Day Convention: [Floating Rate Convention] /  
 [FRN Convention] /  
 [Eurodollar Convention] /  
 [Following Business Day Convention] /

- [Modified Following Business Day Convention] /  
 [Preceding Business Day Convention] /  
 [No Adjustment]  
 [Specified Period: [ ]]
- (iii) Additional Business Centre(s): [Not Applicable/give details.]
- (iv) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination]/[ISDA Determination]  
 [Condition 9C.2 (*Interest – Interest on Floating Rate Notes – Screen Rate Determination*)] / [Condition 9C.3 (*Interest – Interest on Floating Rate Notes – ISDA Determination*)]
- (v) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Fiscal Agent): [ ] [Name] shall be the Calculation Agent (*no need to specify if the Fiscal Agent is to perform this function*)
- (vi) Screen Rate Determination:
- Reference Rate: [ ] month [LIBOR/EURIBOR/SIBOR/TIBOR/HIBOR/Bank of England Base Rate]/  
 [EONIA]/[SONIA]/[Federal Funds Rate]/[CMS Reference Rate]
  - Reference Currency: [ ]/[Not Applicable]
  - Designated Maturity: [ ]/[Not Applicable]
  - Interest Determination Date(s): [ ]
  - Relevant Screen Page: [For example, Reuters page EURIBOR01/other (*give details*)]
  - Relevant Time: [For example, 11.00 a.m. [London/Brussels] time/other (*give details*)]
  - Relevant Financial Centre: [For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro/other (*give details*)]
- (vii) ISDA Determination:
- Floating Rate Option: [ ]

- Designated Maturity: [     ]
  - Reset Date: [     ]
- (viii) Linear Interpolation: [Not Applicable/Applicable - the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)] [+/-] [     ] per cent. per annum
- (ix) Margin(s) [(Pre-Call)]: [+/-][     ]% per annum.
- (x) Minimum Rate of Interest: [Not applicable/[     ]% per annum.]
- (xi) Maximum Rate of Interest: [Not applicable/[     ]% per annum.]
- (xii) Day Count Fraction: [Actual/Actual] /  
 [Actual/Actual (ISDA)] /  
 [Actual/Actual (ICMA)] /  
 [Actual/365 (Fixed)] /  
 [Actual/360] /  
 [30/360] /  
 [360/360] /  
 [Bond Basis] /  
 [30E/360] /  
 [30E/360 (ISDA)] /  
 [Eurobond Basis]
16. **Zero Coupon Note Provisions** [Applicable/Not Applicable]
- Condition 10 (*Zero Coupon Notes*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph.*)
- (i) Accrual Yield: [     ]% per annum.
- (ii) Reference Price: [     ]% of Aggregate Nominal Amount
- (iii) Day Count Fraction for the purpose of Condition 11.13(b): [Actual/Actual] /  
 [Actual/Actual (ISDA)] /  
 [Actual/Actual (ICMA)] /  
 [Actual/365 (Fixed)] /  
 [Actual/360] /  
 [30/360] /  
 [360/360] /

[Bond Basis] /  
[30E/360] /  
[30E/360 (ISDA)] /  
[Eurobond Basis]

**PROVISIONS RELATING TO OPTIONAL REDEMPTION DATE (CALL)**

Condition 8 (*Initial and Post-Call Interest Provisions*)

17. **Fixed Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- (i) Rate(s) of Interest (Post-Call): [ ]% per annum [payable [annually/  
semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s) applicable: [[ ] in each year beginning on [ ] up to and including the date of redemption of the Notes, if the Issuer does not redeem the Notes on the Optional Redemption Date (Call) pursuant to Condition 11.3 (*Redemption at the option of the Issuer*)]
- [There will be a short first coupon] / [There will be a long first coupon] / [There will be a short last coupon] / [There will be a long last coupon]
- (iii) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount
- (iv) Broken Amount(s): [ ] per Calculation Amount;
- [ ] per Calculation Amount payable on the Interest Payment Date(s) falling [in/on] [ ]
- [Insert particulars of any initial or final broken amounts which do not correspond with the Fixed Coupon Amount(s)]*
- (v) Day Count Fraction: [Actual/Actual] /  
[Actual/Actual (ISDA)] /  
[Actual/Actual (ICMA)] /  
[Actual/365 (Fixed)] /  
[Actual/360] /  
[30/360] /  
[360/360] /  
[Bond Basis] /

		[30E/360] /
		[30E/360 (ISDA)] /
		[Eurobond Basis]
18.	<b>Floating Rate Note Provisions</b>	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
(i)	Margin (Post-Call):	[+/-] [ ]% per annum
(ii)	Interest Payment Date(s) applicable:	
	• Optional Redemption Date (Call)	[ ]
	• Optional Redemption Dates:	[[ ] in each year beginning on the Optional Redemption Date (Call) up to and including the date of redemption of the Notes, if the Issuer does not redeem the Notes on the Optional Redemption Date (Call) pursuant to Condition 11.3 ( <i>Redemption at the option of the Issuer</i> )]
		[There will be a short first coupon] / [There will be a long first coupon] / [There will be a short last coupon] / [There will be a long last coupon]
(iii)	Business Day Convention:	Floating Rate Convention] / [FRN Convention] / [Eurodollar Convention] / [Following Business Day Convention] / [Modified Following Business Day Convention] / [Preceding Business Day Convention] / [No Adjustment] [Specified Period: [ ]]
(iv)	Additional Business Centre(s):	[Applicable]/[Not Applicable]
(v)	Manner of determination:	[Screen Rate Determination/ISDA Determination]
(vi)	Screen Rate Determination:	[Applicable]/[Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph.)</i>
	• Reference Rate:	[[ ] month [LIBOR/EURIBOR/SIBOR/HIBOR]]/[Bank of England Base Rate]/[EONIA]/[SONIA]/[Federal Funds Rate]/[CMS Reference Rate]

- Relevant Time: [[ ]/Not Applicable]
  - Designated Maturity: [[ ]/Not Applicable]
  - Relevant Financial Centre: [[ ]/Not Applicable]
  - Reference Currency: [[ ]/Not Applicable]
  - Interest Determination Date(s): [[ ]/Not Applicable]
  - Relevant Screen Page: [[ ]/Not Applicable]
- (vii) ISDA Determination: [Applicable]/[Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- Floating Rate Option:
  - Designated Maturity:
  - Reset Date:
- (viii) Party responsible for calculation: [ ]
- (ix) Day Count Fraction: [Actual/Actual] /  
 [Actual/Actual (ISDA)] /  
 [Actual/Actual (ICMA)] /  
 [Actual/365 (Fixed)] /  
 [Actual/360] /  
 [30/360] /  
 [360/360] /  
 [Bond Basis] /  
 [30E/360] /  
 [30E/360 (ISDA)] /  
 [Eurobond Basis]

**PROVISIONS RELATING TO INTEREST DEFERRAL (SUBORDINATED NOTES ONLY)**

Condition 6 (*Deferral of Interest*)

19. (i) Optional Deferral of Interest: [Applicable/Not Applicable]
- Condition 6.1 (*Deferral of Interest – Optional Deferral*) [If applicable:]

	<i>of Interest)</i>	[Optional Deferral Conditions [A/B]]
		[Look Back Period [A/B]]
(ii)	Mandatory Deferral of Interest	[Applicable/Not Applicable]
	Condition 6.2 ( <i>Deferral of Interest – Mandatory Deferral of Interest</i> )	[If applicable:]
		[Mandatory Deferral Option A/Mandatory Deferral Option B] applies
		[[Tier 2/Tier 3] Solvency Capital Event applies]
		[[Tier 2/Tier 3] Interest Deferral Waiver applies]
(iii)	Deferred Interest Payment Events	[Applicable/Not Applicable]
	Condition 6.3 ( <i>Deferral of Interest – Arrears of Interest</i> )	[If applicable:]
		Deferred Interest Payment Events [Option A/Option B/Option C] applies

#### PROVISIONS RELATING TO REDEMPTION

20.	<b>Call Option</b>	[Applicable/Not Applicable]
	Condition 11.3 ( <i>Redemption and Purchase – Redemption at the option of the Issuer</i> )	(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
(i)	Optional Redemption Date (Call):	[     ]
(ii)	Optional Redemption Dates:	[[     ] in each year beginning on the Optional Redemption Date (Call)].
(iii)	Optional Redemption Amount(s) (Call):	[     ] per Calculation Amount.
(iv)	Redemption in part:	[Applicable/Not Applicable]
(v)	If redeemable in part:	
	(a) Minimum Redemption Amount:	[     ]
	(b) Maximum Redemption Amount:	[     ]
21.	<b>Put Option (Senior Notes only)</b>	[Applicable/Not Applicable]
	Condition 11.4 ( <i>Redemption and Purchase – Redemption at the option of Noteholders</i> )	(If not applicable, delete the remaining sub-paragraphs of this paragraph.)
(i)	Optional Redemption Date(s) (Put):	[     ]
(ii)	Optional Redemption	[     ] per Calculation Amount



Amount(s) (Put):

22. **Optional Redemption due to a Regulatory Event:** [Applicable/Not Applicable]
- Condition 11.5 (*Redemption and Purchase – Optional Redemption due to a Regulatory Event*) [If applicable:] [Tier 2 Regulatory Event/Tier 3 Regulatory Event applies]
- [Partial Optional Redemption due to a Regulatory Event applies/does not apply]
23. **Optional Redemption due to a Rating Event:** [Applicable/Not Applicable]
- Condition 11.6 (*Redemption and Purchase – Optional Redemption due to a Rating Event*)
24. **Optional Redemption due to an Accounting Event:** [Applicable/Not Applicable]
- Condition 11.7 (*Redemption and Purchase – Optional Redemption due to an Accounting Event*)
25. **Final Redemption Amount** [[ ] per Calculation Amount.]
- Condition 2(a) (*Interpretation – Definitions – Final Redemption Amount*) (*where Notes are Instalment Notes, cross refer to paragraph 32 (Details relating to Instalment Notes) including detail of Instalment Amounts and Instalment Amount Payment Dates and indicate whether Condition 7 is applicable. Note that the first instalment amount cannot be payable prior to 18 months from Issue Date.*)
26. **Early Redemption Amount**
- (i) Early Redemption Amount(s) payable on redemption for taxation reasons (Early Redemption Amount (Tax)):
- Condition 11.2 (*Redemption and Purchase – Redemption for tax reasons*)
- If the Issuer's Call Option is applicable: (a) if the Tax Event occurs on or after the Optional Redemption Date (Call), principal amount outstanding of the Notes; or (b) if the Tax Event occurs before the Optional Redemption Date (Call), [principal amount outstanding of the Notes] / [Make Whole Amount] / [other amount]
- If the Issuer's Call Option is not applicable: [principal amount outstanding of the Notes] / [Make Whole Amount] / [other amount]
- (ii) Early Redemption Amount (Regulatory):
- Condition 11.5 (*Redemption and Purchase – Optional Redemption due to a Regulatory Event*)
- If the Issuer's Call Option is applicable: (a) if the Regulatory Event occurs on or after the Optional Redemption Date (Call), principal amount outstanding of the Notes; or (b) if the Regulatory Event occurs before the Optional Redemption Date (Call), [principal amount outstanding of the Notes] / [Make Whole Amount] / [other amount]
- If the Issuer's Call Option is not applicable: [principal amount outstanding of the Notes] / [Make Whole

		Amount] / [other amount]
(iii)	<p>Early Redemption Amount (Rating Event):</p> <p>Condition 11.6 (<i>Redemption and Purchase – Optional Redemption due to a Rating Event</i>)</p>	<p><i>If the Issuer’s Call Option is applicable:</i> (a) if the Rating Event occurs on or after the Optional Redemption Date (Call), principal amount outstanding of the Notes; or (b) if the Rating Event occurs before the Optional Redemption Date (Call), [principal amount outstanding of the Notes] / [Make Whole Amount] / [other amount]</p> <p><i>If the Issuer’s Call Option is not applicable:</i> [principal amount outstanding of the Notes] / [Make Whole Amount] / [other amount]</p>
(iv)	<p>Early Redemption Amount (Accounting Event):</p> <p>Condition 11.7 (<i>Redemption and Purchase – Optional Redemption due to an Accounting Event</i>)</p>	<p><i>If the Issuer’s Call Option is applicable:</i> (a) if the Accounting Event occurs on or after the Optional Redemption Date (Call), principal amount outstanding of the Notes; or (b) if the Accounting Event occurs before the Optional Redemption Date (Call), [principal amount outstanding of the Notes] / [Make Whole Amount] / [other amount]</p> <p><i>If the Issuer’s Call Option is not applicable:</i> [principal amount outstanding of the Notes] / [Make Whole Amount] / [other amount]</p>
(v)	<p>Make Whole Amount:</p> <ul style="list-style-type: none"> <li>• Redemption Margin: [[ ]/Not Applicable]</li> <li>• Reference Bond: [[ ]/Not Applicable]</li> <li>• Quotation Time: [[ ]/Not Applicable]</li> </ul>	[Applicable/Not Applicable]
27.	<p><b>Conditions for Redemption (Subordinated Notes only)</b></p> <p>Condition 7 (<i>Conditions for Redemption</i>)</p> <p>Relevant Undertaking Condition</p>	<p>(<i>If not applicable, delete the remaining of this paragraph.</i>)</p> <p>[Applicable/Not Applicable]</p>

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

28.	<p>Form of Notes:</p> <p>Condition 3 (<i>Form, denomination and title</i>)</p>	<p>[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [ ] days’ notice/at any time/in the limited circumstances specified in the Permanent Global Note.]</p> <p>[Temporary Global Note exchangeable for Definitive Notes on [ ] days’ notice.]</p> <p>[Permanent Global Note exchangeable for Definitive Notes on [ ] days’ notice/at any time/in the limited circumstances specified in the Permanent Global Note.]</p> <p><i>[In relation to any Notes issued with a denomination of €100,000 (or equivalent) and integral multiples of €1,000 (or equivalent), the Permanent Global Note representing such Notes shall only be exchangeable to Definitive Notes in the limited circumstances of (1) closure of the ICSDs;</i></p>
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and (2) default of the Issuer.]

29. New Global Note: [Applicable/Not Applicable]
30. Additional Financial Centre(s) or other special provisions relating to Payment Business Days: [Not Applicable/give details. Note that this paragraph relates to the place of payment.]
- Condition 2(a) (*Interpretation – Definitions - Additional Financial Centre(s)*)
31. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes, as the Notes have more than 27 coupon payments. Talons may be required if, on exchange into definitive form, more than 28 coupon payments are still to be made]/[No]
- (If yes:) [Dates on which Talons mature: [ ]]
32. Details relating to Instalment Notes (amount of each instalment, date on which each payment is to be made): [Not Applicable/give details of Instalment Amount due on each Instalment Amount Payment Date]
- Condition 11.9 (*Redemption and Purchase – Redemption by Instalments*) (First Instalment Amount cannot be payable prior to 18 months from issue Date)
- [Condition 7 (*Conditions for Redemption*) applies.]
33. Unmatured Coupons void [Condition 12(g) applies/does not apply]
- Condition 12(g) (*Payments – Unmatured Coupons void*)
34. Regulatory/Tax/Rating/Accounting Event Modification Provisions: Condition 18.4(a)(A) (*Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event*) is [not applicable]/ [applicable in relation to [Regulatory Event/Tax Event/Rating Event/Accounting Event]]
- Regulatory/Tax/Rating/Accounting Event Exchange Provisions: Condition 18.4(a)(B) (*Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event*) is [not applicable]/ [applicable in relation to [Regulatory Event/Tax Event/Rating Event/Accounting Event]]

### [THIRD PARTY INFORMATION]

[ ] has been extracted from [ ]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

[Signed on behalf of the Guarantor:

By: .....  
*Duly authorised*]

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Official List of the Luxembourg Stock Exchange/other (specify)/None]
- (ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange] with effect from [ ] and on [specify] with effect from [ ] / [Not Applicable.] (where documenting a fungible issue need to indicate that original securities are already admitted to trading.)]
- (iii) Estimate of total expenses of admission to trading: [ ] [ ]

### 2. RATINGS

Ratings: [The Notes to be issued have been rated:

[Fitch: [ ]]

[Moody's: [ ]]

[AM Best Europe: [ ]]

[[Other]: [ ]]

***Option 1 - CRA established in the EEA and registered under the CRA Regulation***

[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”).

***Option 2 - CRA established in the EEA, not registered under the CRA Regulation but has applied for registration***

[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and has applied for registration under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority]/[European Securities and Markets Authority].

***Option 3 - CRA established in the EEA, not registered under the CRA Regulation and not applied for registration***

[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and is neither registered nor has it applied for registration under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”).

***Option 4 - CRA not established in the EEA but relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation***

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EEA but the rating it has given to the Notes is endorsed by *[insert legal name of credit rating agency]*, which is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”).

***Option 5 - CRA is not established in the EEA and relevant rating is not endorsed under the CRA Regulation but CRA is certified under the CRA Regulation***

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EEA but is certified under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”).

***Option 6 - CRA neither established in the EEA nor certified under the CRA Regulation and relevant rating is not endorsed under the CRA Regulation***

*[Insert legal name of particular credit rating agency entity providing rating]* is not established in the EEA and is not certified under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation.

[In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency operating in the EEA before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration has not been refused, or (2) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (3) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.]

*[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

### 3. **ADDITIONAL INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

[Need to include a description of any additional interest, including conflicting ones, that is material to the issue/offer, in addition to those described in the Base Prospectus, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement in the form shown below.

[Save for any fees payable to the [[Joint Lead]Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. *[Amend as appropriate if there are*

*other interests]]]*

4. **YIELD** (Fixed Rate Notes only)

[Indication of yield: [ ] / [Not Applicable]

5. **HISTORIC INTEREST RATES** (Floating Rate Notes only)

[Details of historic [*LIBOR/EURIBOR/other as specified in the Conditions*] rates can be obtained from [Reuters].] / [Not Applicable]

6. **OPERATIONAL INFORMATION**

- (i) ISIN: [ ]
- (ii) Common Code: [ ]
- (iii) Intended to be held in a manner which would allow Eurosystem eligibility [Not Applicable/Yes/No]

[Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] (*Include this text if “Yes” selected in which case the Notes must be issued in NGN form*) / [No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

- (iv) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, Luxembourg and the relevant identification number(s): [Not Applicable/*give name(s) and number (s)*]
- (v) Delivery: Delivery [against/free of] payment.
- (vi) Names and addresses of additional Paying Agent(s) (if any): [ ]

7. US Selling Restrictions:

Reg. S Compliance Category:

[TEFRA C] / [TEFRA D] / [TEFRA not applicable]



## **OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM**

### **Clearing System Accountholders**

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Terms and Conditions of the Notes to “Noteholder” are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of a NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note (each an “**Accountholder**”) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder’s share of each payment made by the Issuer or the Guarantor to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer or the Guarantor in respect of payments due under the Notes and such obligations of the Issuer and the Guarantor will be discharged by payment to the bearer of the Global Note.

### **Exchange of Temporary Global Notes**

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

- (a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of an NGN, effectuated, to the bearer of the Temporary Global Note; or
- (b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 7 days of the bearer requesting such exchange.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) a Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or
- (b) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Temporary Global Note has requested exchange of the Temporary Global Note for Definitive Notes; or
- (c) a Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes, as applicable, or the date for final redemption of a Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note or increase the principal amount thereof or deliver Definitive Notes, as the case may be) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under a deed of covenant dated 19 May 2016 (the “**Deed of Covenant**”) executed by the relevant Issuer). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

### **Exchange of Permanent Global Notes**

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Permanent Global Note has duly requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) a Permanent Global Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes, as applicable, or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant. Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

### **Conditions applicable to Global Notes**

Each Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note. The following is an overview of certain of those provisions:

*Payments:* All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

*Exercise of put option:* In order to exercise the option contained in Condition 11.4 (*Redemption at the option of Noteholders*) the bearer of the Permanent Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, instruct the Fiscal Agent through the ICSDs.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 11.3 (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

*Notices:* Notwithstanding Condition 20 (*Notices*), while all the Notes are represented by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 20 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, such notices shall be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

*Payment Business Day:* Notwithstanding the definition of “**Payment Business Day**” in Condition 2(a) (*Definitions*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the

Temporary Global Note are) deposited with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, “Payment Business Day” means:

- (a) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) additional Financial Centre; or
- (b) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

## DESCRIPTION OF ASSICURAZIONI GENERALI S.p.A.

### General

Established in Trieste in 1831 as a company limited by shares (*Società per Azioni*) with a duration of 300 years, Assicurazioni Generali S.p.A. (“**Assicurazioni Generali**” or “**Generali**”) and its consolidated subsidiaries (together the “**Generali Group**” or the “**Group**”) is the largest insurance group in Italy and the third largest in Europe in terms of total gross premiums written. The Generali Group operates in more than 60 countries worldwide through branch offices and subsidiaries. The registered address of Assicurazioni Generali is Piazza Duca degli Abruzzi 2, 34132 Trieste, Italy and the telephone number is (0039) 040 671111. Assicurazioni Generali is registered at the Companies’ Registry of the Chamber of Commerce of Trieste, Italy, under registration No. 00079760328.

The corporate purpose of Assicurazioni Generali, as provided by Articles 4.1 and 4.2 of its by-laws, is to: (i) engage in and carry out the business of insurance, reinsurance and capitalisation of every kind and to operate and manage any forms of supplementary pensions, including through the creation of open funds, in Italy and abroad, or the undertaking of any other activities reserved or admitted by the law to insurance companies; and (ii) in general engage in and perform any activity and carry out any transaction that is related to, connected with or conducive to the attainment of the corporate purpose, also through the participation in Italian or foreign companies and bodies.

As parent company of the Group, in the performance of its management and coordination activities, Assicurazioni Generali adopts all the necessary measures with the Group companies to implement the provisions given by IVASS to ensure the stable and efficient management of the Group pursuant to article 87, paragraph 3, of the Italian private insurance code.

Since 15 April 1994, Assicurazioni Generali shares have been listed on the *Mercato Telematico Azionario*, the electronic stock market of the Italian Stock Exchange. As at 31 December 2015, Assicurazioni Generali had a market capitalisation of approximately Euro 26,485 billion.

### Generali Group

At 31 December 2015, the Generali Group consolidated 435 companies, a decrease compared to 473 at 31 December 2014. 41 consolidated companies are measured with the equity method.

The Generali Group undertakes a wide range of direct life and non-life insurance business, assumed reinsurance business and activities in fund and asset management and related areas.

### Financial Overview

The financial information in respect of Assicurazioni Generali in this Base Prospectus is presented in accordance with IFRS. The audited consolidated financial statements of Assicurazioni Generali as at and for the years ended 31 December 2015 and 2014 have been prepared in accordance with IFRS.

As at 31 December 2015, before the elimination of intragroup transactions between segments, gross earned premiums of the Generali Group amounted to Euro 70.40 billion (as at 31 December 2014: Euro 66.32 billion), of which Euro 49.43 billion (as at 31 December 2014: Euro 45.42 billion) was attributable to its life insurance business and Euro 20.98 billion (as at 31 December 2014: Euro 20.91 billion) to its non-life insurance business.

The consolidated net profit, that includes the result of discontinued operation, of the Generali Group for the full year 2015 was Euro 2.26 billion (as at 31 December 2014: Euro 1.85 billion).

Total investments of the Generali Group as at 31 December 2015 amounted to Euro 447.45 billion (as at 31 December 2014: Euro 427.19 billion).

Net insurance provision, net of consolidated adjustments of the Generali Group as at 31 December 2015 amounted to Euro 400.59 billion (as at 31 December 2014: Euro 381.82 billion).

### **Selected Financial Information**

The section “*Overview Financial Information of Assicurazioni Generali S.p.A.*”, included elsewhere in this Base Prospectus, contains consolidated balance sheet and income statement information in summary form, extracted from the audited consolidated financial statements of Assicurazioni Generali as at and for the years ended 31 December 2015 and 2014. Certain numerical figures contained in this Base Prospectus, including financial information and certain operating data, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables may not conform exactly to the total figure given for that column or row or the sum of certain numbers presented as a percentage may not conform exactly to the total percentage given.

The following table sets out certain selected consolidated financial information of Assicurazioni Generali as at and for the years ended 31 December 2015 and 2014.

	<b>As at and for the years ended 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>IFRS (Audited) (billions of Euro)</i>	
Gross earned premiums	70.40	66.32
Total income	91.96	88.28
Total expenses	-88.56	-85.33
Investments	447.45	427.19
Net insurance provisions (net of consolidated adjustments)	400.59	381.82
Shareholders' equity (group)	23.57	23.20
Net profit (group)	2.03	1.67
Loss ratio (non-life, net of consolidated adjustments)	65.9%	66.7%
Combined ratio (non-life, net of consolidated adjustments)	93.1%	93.8%

### **Strategy and business developments**

#### *New Generali Strategy*

In May 2015, Assicurazioni Generali presented its new strategic plan. The plan aims to set out a new business model and achieve new, challenging financial targets focused on generating more cash and increased dividends. The Group plans to become a leader in the European retail insurance sector offering smarter and

simpler insurance products and giving more importance to the overall customer experience. The current cost reduction plan will be continued, with savings to be invested in technology, data analytics and more flexible operating platforms.

#### *Focus on the insurance business*

In accordance with the strategy 2013 – 2015, the Generali Group carried out several transactions in 2015 focusing, consolidating and/or strengthening its insurance business. Some of those transactions include:

- (i) the obtainment of 100% ownership of Generali PPF Holding B.V. (“GPH”) in January 2015 by acquiring the remaining 24% of shares held by the PPF Group;
- (ii) the commencement in May 2015 of a strategic business repositioning in Germany, consistently with the Group’s strategy, with the aim to further enhance the Group’s competitive position in the German market by the end of 2018;
- (iii) the demerger of Telco S.p.A. as a result of which 22.3% of Telecom Italia’s ordinary shares owned by Telco S.p.A. were distributed to its shareholders, of which 4.31% to the Generali Group which then sold them on the market;
- (iv) the acquisition in July 2015 of MyDrive Solutions, an English start-up founded in 2010, which is the leader in the use of data analytics tools to profile driving styles;
- (v) the execution, at the end of August 2015, of a partnership agreement with a start-up Obi Worldphones to enable the Group to exploit the mobile channel. Under the terms of the deal, Generali and Obi Worldphones will jointly develop a mobile insurance platform based on native applications that are included in the standard set-up of mobile devices, to be developed on a country-specific basis and offered to clients in the markets where both Generali Group and Obi Worldphones operate, starting with Turkey, India, Indonesia, Vietnam, the Philippines and the United Arab Emirates;
- (vi) the completion of the sale on 15 September 2015 of the Banca Svizzera Italiana to Banco BTG Pactual.

#### *Debt optimisation and strengthening financial solidity*

In May 2015, Assicurazioni Generali renewed the revolving credit lines under the credit facilities signed in May 2013 for a total amount of €2 billion. The credit lines may be used by Generali within a period of 3 to 5 years depending on the credit line, and will impact the Group’s financial debt only if drawn down, allowing Generali to improve financial flexibility to manage future liquidity needs in a volatile environment. The competitive bidding process employed by Generali allowed the Group to obtain the new revolving credit lines from nine lenders on substantially improved conditions (both in terms of the amount offered and pricing) compared with the credit facilities of May 2013.

On 20 October 2015, Generali issued a subordinated bond for a total amount of €1.25 billion that was successfully placed with institutional investors. The proceeds from the issue will be used to refinance the Group’s subordinated debt with call dates in 2016, amounting to a total of €1.25 billion.

#### *Other events*

Generali has strengthened its international management team with the appointment a regional officer to lead the Asian area, where Generali has activities in China, Hong Kong, India, Indonesia, Japan, the Philippines, Thailand, Vietnam, Malaysia and Singapore and is one of the leading foreign life insurers in China. A new regional officer has also been appointed for the Americas areas, where Generali is one of the leading foreign

insurers in Latin America. In particular, Generali operates in Brazil, Argentina, Colombia, Guatemala, Ecuador and Panama as well as in North America through its U.S. branch. A separate regional officer is in charge of the EMEA area covering twelve markets between Europe, North Africa and the Middle East.

On 3 November 2015 the Financial Stability Board (FSB), together with the International Association of Insurance Supervisors (IAIS) and the national Control Authority, published its updated list of Global Systemically Important Insurers (G-SIIs), removing Assicurazioni Generali from the list.

On 11 May 2016, the Board of Directors approved the establishment of a new function within the Group named the *Global Business Lines and International*, which consolidates the existing global business lines unit (made up of the Generali Global Corporate & Commercial unit, Generali Employee Benefits unit, Generali Global Health unit and Europ Assitance unit) and the regions (EMEA, Asia and the Americas), to be headed by a new manager who will report directly to the Group CEO. The Board of Directors also approved the separation of the role of Country Manager (to be held by Philippe Donnet, to whom the CEO of Generali Italia, Alleanza Assicurazioni, Genertel, Genertel*life*, D.A.S. and Banca Generali will report) from that of Chief Executive Officer and General Manager of Generali Italia.

### Generali Group Insurance Business

The Generali Group's gross earned premiums, prior to reinsurance and after consolidated adjustments, amounted to Euro 70.40 billion for the year ended 31 December 2015 (for the year ended 31 December 2014, Euro 66.32 billion).

#### *Life*

Life gross earned premiums of the Generali Group amounted to Euro 49.43 billion in 2015, an increase of 8.8 per cent. compared to Euro 45.42 billion in 2014.

The following table sets out certain selected figures for the Generali Group's life operations for the years ended 31 December 2015 and 2014.

	<b>For the years ended 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>(IFRS)</i>	
	<i>(Audited)</i>	
	<i>(billions of Euro)</i>	
Gross earned premiums	49.43	45.42
Net earned premiums	48.69	44.70
Net income from financial instruments at fair value	1.90	3.70
Total income of life segment	67.50	64.35
Net insurance benefit and claims	-56.01	-53.89
Total expenses of life segment	-64.9	-61.83
Result of the period gross of income taxes and minorities interests	2.60	2.52



## Life Geographic Distribution

The following table sets out the gross direct premiums written for the Generali Group's life operations of some selected geographical areas in which the Generali Group is present, for the years ended 31 December 2015 and 2014.

	For the years ended 31 December			
	2015		2014	
	<i>IFRS</i> <i>(Audited)</i>			
	<i>(millions of Euro)</i>	<i>% change from previous year</i>	<i>(millions of Euro)</i>	<i>% change from previous years</i>
Italy	19,400	11.5	17,393	30.7
France	8,326	3.8	8,024	10.4
Germany	14,146	3.4	13,675	-8.8
Central and Eastern Europe	1,603	7.8	1,487	-5.2
Spain	958	-2.6	984	-2.1
Austria	1,218	-4.5	1,275	12.1
Switzerland	1,236	9.6	1,127	6.1

## Non-Life

Non-life gross earned premiums of the Generali Group amounted to Euro 20.98 billion for the year ended 31 December 2015, representing an increase of 0.3 per cent. compared to Euro 20.91 billion for the same period in 2014.

The following table sets out certain selected figures for the Generali Group's non-life operations for the years ended 31 December 2015 and 2014.

	For the years ended 31 December	
	2015	2014
	<i>(IFRS)</i> <i>(Audited)</i> <i>(billions of Euro)</i>	
Gross earned premiums	20.98	20.91
Net earned premiums	19.82	19.62
Net income from financial instruments at fair value	0.04	-0.16
Total income of non life sector	23.12	23.32
Net Insurance benefits and claims	-13.08	-13.11
Total expenses of non life sector	-21.19	-21.65
Result of the period gross of income taxes and minorities interests	1.92	1.66

## Non-Life Geographic Distribution

The following table sets out the gross direct premiums written, as well as the amount of motor premiums within such gross amount, for the Generali Group's non-life operations of some selected geographical areas in which the Generali Group is present, for the years ended 31 December 2015 and 2014.

	For the years ended 31 December			
	2015		2014	
	<i>IFRS</i> <i>(Audited)</i>			
	<i>(millions of Euro)</i>	<i>% change from previous years</i>	<i>(millions of Euro)</i>	<i>% change from previous years</i>
Gross direct premiums written				
Italy	5,818	-3.4	6,023	-3.1
of which motor premiums	2,303	-7.3	2,485	-4.9
France	2,477	-0.5	2,490	-6.2
of which motor premiums	884	-3.8	919	-7.2
Germany	3,603	1.7	3,542	3.3
of which motor premiums	1,397	2.7	1,360	4.3
Central and Eastern Europe	1,939	4.8	1,851	-1.8
of which motor premiums	989	6.8	926	-0.5
Spain	1,317	5.7	1,246	-1.3
of which motor premiums	380	14.2	333	-6.5
Austria	1,420	0.9	1,408	1.8
of which motor premiums	557	0.9	552	2.0
Switzerland	757	12.5	673	-1.3
of which motor premiums	330	7.5	307	-3.2

\* the life segment takes into account the Accident/Health business with the proper criteria of the segment.

## Non-Life Combined ratio

The following table sets out the combined ratio, the loss ratio and the expense ratio of some selected geographical areas in which the Generali Group is present with its non-life operations, for the years ended 31 December 2015 and 2014.

	Combined ratio <sup>(*)</sup>		Loss ratio		Expense ratio	
	For the years ended 31 December		For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014	2015	2014
Italy	89.1	89.2	66.6	67.1	22.5	22.1

	Combined ratio <sup>(*)</sup>		Loss ratio		Expense ratio	
	For the years ended 31 December		For the years ended 31 December		For the years ended 31 December	
	2015	2014	2015	2014	2015	2014
France	100.2	104.9	72.6	77.2	27.6	27.7
Germany	92.4	92.6	64.6	64.3	27.9	28.3
Central and Eastern Europe	90.1	87.7	57.9	55.8	32.2	31.9
Spain	93.2	93.3	65.1	65.0	28.1	28.3
Austria	93.4	94.2	66.1	66.9	27.3	27.3
Switzerland	92.2	92.7	68.3	70.2	23.8	22.6

(\*) At 31 December 2015, CAT claims impacted the Group combined ratio for 1.6pps, of which 2.1 pps in Italy, 1.9 pps in France, 2.3 pps in Germany, 1.0 pps in Central and Eastern Europe, 1.0 pps in EMEA (Europe, Middle East and Africa) and 4.1 pps in Asia. At 31 December 2014, CAT claims impacted the Group combined ratio for 1.2 pps, of which 1.7 pps in Italy, 2.4 pps in France and 1.1 pps in Germany.

## Regulatory

Italian insurance and reinsurance companies are subject to the application of a multi-level system of rules.

From an Italian law perspective, *in primis*, the Italian Civil Code contains certain provisions applicable to the insurance matter, including, in particular, life and non-life insurance contracts. In addition to the Italian Civil Code provisions, insurance laws are consolidated into the Code of Private Insurance (*Codice delle Assicurazioni Private*) (Legislative Decree No. 209/2005). Such provisions of law related to the insurance sector are integrated, at national level, by regulations issued by the *Ministero dello Sviluppo Economico* (the “**Ministry of Economic Development**” formerly, *Ministero delle Attività Produttive* (the Ministry of Industry and Commerce)) and implemented by regulations issued by the *Istituto per la Vigilanza sulle Assicurazioni* (“**IVASS**”).

From a European law perspective, Italian insurance companies are subject to EU Directives concerning the insurance sector and to the relevant applicable implementing rules (including, without limitation, the EU Directives on life insurance, non-life insurance, solvency matters, etc.). Among the most recent and relevant European laws, it is worth mentioning the EU Directive 2009/138/EC of 25 November 2009 (so called “**Solvency II Directive**”) providing for new rules on: (i) minimum financial requirements to cover risks; (ii) governance and risk management requirements; and (iii) disclosure and transparency requirements. The Solvency II Directive has been implemented in Italy by Legislative Decree No. 74 of 12 May 2015.

Under the national legal framework, the provisions of the Code of Private Insurance, *inter alia*: (i) regulate access to insurance and reinsurance activities; (ii) require the maintenance of certain solvency margins, in part through a guarantee fund; (iii) determine the form of financial statements for insurance companies; and (iv) regulate the activities of insurance intermediaries. Following the entry into force of Legislative Decree No. 74 of 12 May 2015, implementing Solvency II Directive in Italy, many articles of the Code of Private Insurance, including articles 44 and 44-*bis* concerning the solvency margin of insurance undertakings, were repealed or amended. In addition, mainly during 2015, in order to implement Solvency II Directive’s provisions, IVASS published a number of consultation papers on different matters. By way of example, on 7 August 2015, IVASS published the Consultation Paper No. 18/2015 containing the draft Regulation relating to basic own fund items that insurance and reinsurance undertakings may use for the purpose of calculation of their

Solvency Capital Requirement. The consultation process closed on 6 October 2015. As a consequence of the entry into force of the draft Regulation and other regulations on the calculation of the Solvency Capital Requirement, ISVAP Regulation no. 19 of 14 March 2008 – concerning the solvency margin of insurance undertakings – will be repealed and will remain in force only to the extent applicable to the solvency margin calculated as at 31 December 2015.

Under the national regulatory framework currently in force, a very important role is granted to IVASS. In particular, with the exception of certain powers specifically reserved for the Ministry of Economic Development, all control and supervisory powers in respect of the insurance industry are autonomously exercised by IVASS. IVASS's role includes, *inter alia*: (i) monitoring technical, financial and asset and liability management and monitoring solvency ratios; (ii) reviewing financial statements; (iii) supervising the activities of insurance intermediaries; (iv) granting authorisation to conduct insurance and reinsurance activities; (v) applying sanctions and proposing disciplinary measures *vis-à-vis* insurance and reinsurance companies as well as insurance intermediaries, including suspension or revocation of authorisations to conduct insurance and reinsurance activities; (vi) approving restructuring plans; (vii) advising the Ministry of Economic Development with respect to admission to the compulsory liquidation procedure for financially troubled insurance entities; and (viii) communicating and collaborating with other EU insurance regulatory authorities. IVASS has the power to request information from insurance companies, conduct audits of their activities, question their legal representatives, managing directors and statutory auditors and convene shareholders', directors' and statutory auditors' meetings in order to propose measures necessary to conform the management of insurance companies to the requirements provided by applicable laws and regulations. Furthermore, IVASS has the power to order the sale or decrease of shareholdings held by an insurance undertaking in other companies, if they do not meet the requirements set forth in applicable laws and regulations and there is a risk to the soundness of the insurance company.

Finally, the regulatory framework applicable to Italian insurance companies, requires insurance and reinsurance undertakings to establish and maintain a regular contact with IVASS. In particular, intragroup transactions carried out by Italian insurance and reinsurance companies with relevant counterparties, exceeding certain thresholds or not carried out at market conditions, are subject to a prior notification to IVASS, in accordance with ISVAP Regulation No. 25 of 27 May 2008.

### **Corporate Governance Rules**

To the best of its knowledge and belief, Assicurazioni Generali operates in compliance with all applicable corporate governance laws and regulations of Italy.

### **Board of Directors**

The Board of Directors of Assicurazioni Generali in office at the date of this Base Prospectus was appointed at an Ordinary General Meeting of Assicurazioni Generali held on 28 April 2016 for a term expiring on approval of the financial statements for the year ending 31 December 2018. The Board of Directors of Assicurazioni Generali as at the date of this Base Prospectus is constituted as follows:

<b>Principal Occupation</b>	<b>Name</b>	<b>Principal activities performed by the Directors outside the Assicurazioni Generali Group</b>
Chair	Gabriele Galateri di Genola	Non-executive member of the Board of Directors of Moncler S.p.A., Endered S.A., Lavazza S.p.A and the Giorgio Cini Foundation. Chair of the

		<p>Corporate Governance Committee of Borsa Italiana, Chair of the Executive Committee of the Italian Institute of Technology. Member of the Board of Overseers of the Columbia Business School and of the European Advisory Board of Temasek.</p>
Vice-Chair	Francesco Gaetano Caltagirone	<p>Chair of Caltagirone S.p.A., Caltagirone Editore S.p.A., Il Messaggero S.p.A., Il Gazzettino S.p.A. and Eurostazioni S.p.A., and non-executive member of the Board of Directors of Aalborg Portland and Cimentas.</p>
Vice-Chair	Clemente Rebecchini	<p>Head of Shareholdings and Special Affairs Division of Mediobanca – Banca di Credito Finanziario S.p.A.; member of the Board of Directors of Atlantia S.p.A., Italmobiliare S.p.A. and Istituto Europeo di Oncologia S.r.l.</p>
Group CEO and Managing Director	Philippe Donnet	<p>Chair of Generali Italia S.p.A.; Member of Supervisory Board of Vivendi; Vice-Chair and member of the Executive Committee of ANIA; Chair of MIB School of Management.</p>
Directors	Romolo Bardin	<p>CEO at Delfin S.a.r.l. (Leonardo Del Vecchio Group); Member of the Board of Directors, member of the Audit Committee and Strategic and Investment Committee of Fonciere des Regions, company listed on the Paris Stock Exchange.</p>
	Ornella Barra	<p>Executive Vice Chair of Walgreens Boots Alliance Inc. and Chair and Chief Executive of Global Wholesale and International Retail; Honorary Professor at the University of Nottingham's School of</p>

	Pharmacy, Vice-Chair of the Italian Pharmaceutical Distributors Association (ADF) and of the International Federation of Pharmaceutical Wholesalers (IFPW) in New York, member of the Board of Efficient Consumer Response Europe and one of the founders of the European Pharmacists' Forum (EPF).
Paolo Di Benedetto	Independent Director at Edison S.p.A. and Cementir Holding S.p.A.; Chair of the National Compensation Fund of Financial Intermediaries (Fondo Nazionale di Garanzia).
Alberta Figari	Partner at Clifford Chance (law firm), member of the Surveillance Body of Nice S.p.A. and Lando Renzi S.p.A.
Diva Moriani	Executive Vice-Chair at Intek Group S.p.A.; Managing Director of KME AG; member of the Board of Directors, CEO of the Compensation and Nominees Committee and Member of the Control, Risk and Sustainability Committee of Moncler S.p.A.; member of the Board of Directors and member of the Compensation and Nominees Committee of ENI S.p.A.
Lorenzo Pelliccioli	CEO of De Agostini S.p.A., Vice Chair of IGT PLC, Chair of DeA Capital S.p.A., Chair of Zodiak Media S.p.A., member of the Board of Directors of De Agostini Editore and Vice Chair of Atlas; member of the Council of general partners of B&D Holding di Marco Drago & C.S.A.P.A., member of the Advisory Boards of Investitori Associati IV, Wisequity II, Macchine Italia and Palamon

Roberto Perotti	Capital Partners, member of the Global Clinton Initiative. Member of the Advisory scientific Committee of CREI; member of the International Research Fellows Network, Kiel Institut fur Weltwirtschaft; member of the Scientific Committee of the Austrian Institute of Economic Research (WIFO).
Sabrina Pucci	Full Professor of Business Administration at the Department of Economics of Roma Tre University; member of the Insurance Accounting Working Group at the European Financial Reporting Advisory Group (EFRAG).
Paola Sapienza	Full Professor of Finance at the Kellogg School of Management at Northwestern University; Research Associate at the National Bureau of Economic Research and Director of the American Finance Association.

The business address of each of the Directors is Piazza Duca degli Abruzzi, 2, 34132 Trieste, Italy.

The new Board of Directors was elected pursuant to the list of candidates submitted by shareholders in accordance with the provisions set out in article 28 of the by-laws of Assicurazioni Generali.

#### **Conflicts of Interest of members of the Board of Directors**

The Directors of Assicurazioni Generali may, from time to time, hold directorships or other significant interests with companies outside the Generali Group, which may have business relationships with the Generali Group. Assicurazioni Generali has in place procedures, as required by Articles 2391 and 2391-*bis* of the Italian Civil Code, aimed at identifying and managing any conflicts or potential conflicts of interests, to ensure, where possible, that no actual or potential conflicts of interest will arise, and to guarantee that related party transactions are performed in accordance with the principle of transparency and substantive and procedural correctness.

There are no conflicts of interest between any of the Directors' duties to Assicurazioni Generali and their private interests or other duties, other than that Clemente Rebecchini is a manager of Mediobanca – Banca di Credito Finanziario S.p.A., who is a dealer to the EMTN Programme.

### **Board of Statutory Auditors**

Pursuant to Italian law, Assicurazioni Generali maintains a Board of Statutory Auditors (*Collegio Sindacale*) composed of at least three independent experts in accounting matters.

The Board of Statutory Auditors consists of three permanent and two alternate auditors, who may be re-elected. Once elected, auditors shall forfeit their assignment should situations of incompatibility arise, as envisaged by the law, and should they hold the office of permanent auditor in more than five Italian firms listed on the Italian regulated markets. At least one third of permanent and alternate auditors are chosen from among candidates complying with the professional and competence requirements established for the office of chair of the Board of Statutory Auditors.

The Board of Statutory Auditors in charge (whose members were elected pursuant to the list of candidates submitted by shareholders in accordance with the provisions set out in article 37 of the by-laws of Assicurazioni Generali) was appointed at the General Meeting of Assicurazioni Generali held on 30 April 2014 for a term expiring on approval of the financial statements for the year ending 31 December 2016. The Board of Statutory Auditors is currently made up of the following members:

<b>Name</b>	<b>Office held</b>
Carolyn Dittmeier	Chair
Lorenzo Pozza	Permanent Auditor
Antonia Di Bella	Permanent Auditor
Francesco Di Carlo	Alternate Auditor
Silvia Olivotto	Alternate Auditor

The business address of the Statutory Auditors is Piazza Duca degli Abruzzi 2, 34132 Trieste, Italy.

### **External Auditors**

The External Auditors are responsible for ensuring, during the financial year, that the company's accounts are properly kept and transactions correctly recorded in the books, informing the Board of Statutory Advisors and CONSOB (the Italian Securities and Exchange Commission) immediately of any facts they consider reprehensible, and ensuring that the annual and consolidated financial statements correspond to the entries in the books of accounts and the audit results, and comply with the applicable legislation. At the Ordinary General Meeting of Assicurazioni Generali held on 30 April 2011, Reconta Ernst & Young S.p.A. was appointed to audit annual non-consolidated and consolidated financial statements of Assicurazioni Generali for the 2012 – 2020 financial years.

Reconta Ernst & Young S.p.A is registered on the special register of auditing firms held by CONSOB.

### **Employees**

As at 31 December 2015 the Generali Group's consolidated companies had 76,000 employees compared to 78,333 as at 31 December 2014.

### **Assicurazioni Generali shares and shareholders**

As at 28 April 2016, the share capital of Assicurazioni Generali totalled Euro 1,559,883,538 divided into an equal number of ordinary shares with a nominal value of Euro 1 each. Assicurazioni Generali has not issued any participation certificates or profit sharing certificates.



As at 28 April 2016, the principal shareholders of Assicurazioni Generali were Mediobanca - Banca di Credito Finanziario S.p.A. (one of the Dealers of the Programme, holding, directly and indirectly, 13.212 per cent.), Delfin S.à.r.l. (Leonardo Del Vecchio Group (holding, indirectly 3.163 per cent.), Gruppo Caltagirone (holding, directly and indirectly, 3.000 per cent.).

### **Cash Dividend**

Dividend per share of Assicurazioni Generali amounted to Euro 0.72 in 2015, and Euro 0.60 in 2014. The payment of a dividend for each share of Euro 0.72 for the 2015 financial year was approved by the shareholders at the Annual General Meeting of Assicurazioni Generali held on 28 April 2016.

### **Shareholders' funds**

In 2015 Assicurazioni Generali's shareholders' funds amounted to Euro 23.56 billion (compared to Euro 23.20 billion in 2014). Minority shareholders' interest in capital and reserves totalled Euro 1.14 billion for 2015, compared to Euro 0.98 billion in 2014.

Changes to Assicurazioni Generali's interest in shareholders' funds are reported in the notes to the consolidated financial statements for the year ended 31 December 2015. See "*Information incorporated by reference*".

### **Litigation pending**

Within the scope of their ordinary business activities, the companies of the Generali Group are involved in litigation, arbitration or administrative proceedings in Italy and abroad both as plaintiffs or petitioners, and as defendants or respondents. With regard to Assicurazioni Generali, see further the paragraph headed "*Litigation*" in the Management Report on the non-consolidated financial statements as at and for the years ended 31 December 2015 and 2014, incorporated by reference in this Base Prospectus. Since it is not feasible to predict or determine the ultimate outcome of these proceedings, a provision has been made in the consolidated financial statements as at and for the years ended 31 December 2015 and 2014 to cover the related potential liabilities. Based on the information currently available and taking into consideration the aforementioned provision, Assicurazioni Generali does not foresee that the outcome of these pending or threatened proceedings are likely, individually or in the aggregate, to have a material effect on the results of operations or financial position of Assicurazioni Generali or on the Generali Group as a whole.

### **Recent developments**

#### ***Resignation of former CEO***

On 9 February 2016, the Board of Directors, chaired by Gabriele Galateri di Genola, approved the mutually agreed termination of all existing relations between Mr. Greco and Assicurazioni Generali, with immediate effect and in line with the Group's remuneration policies, following the announcement by Mr. Greco on 26 January 2016 that he would not be available to serve a further mandate as Group Chief Executive Officer.

#### ***Appointment of new CEO and General Manager***

On 17 March 2016, the Board of Directors of Assicurazioni Generali appointed Mr. Philippe Donnet as the Group Chief Executive Officer, conferring on him all related executive powers. The Board of Directors also appointed Mr. Alberto Minali as the General Manager of Assicurazioni Generali.

Mr. Philippe Donnet was also appointed a Chair of the Investment Committee and Executive Director in charge of overseeing the Group's risks management control system.

### ***Resignation of Group Chief Operating Officer***

The Board of Directors announced on 11 May 2016 that the current Group Chief Operating Officer will be leaving the Group in July 2016. The General Manager will assume direct responsibilities for the functions currently covered by the Group Chief Operating Officer, which will be the subject of a forthcoming reorganisation.

### ***Approval of Solvency II partial internal model***

On 8 March 2016, Assicurazioni Generali announced that its partial internal model, previously submitted to IVASS (the competent regulatory authority) has been approved. Assicurazioni Generali can apply its partial internal model starting from 1 January 2016 to calculate the Solvency II Solvency Capital Requirement at a group level as well as the Solvency Capital Requirements for its main Italian and German insurance subsidiaries, for its non-life French insurance subsidiaries and for the Czech subsidiary Ceska Pojistovna A.S.

### ***Shareholder approval of 2015 non-consolidated financial statements***

The ordinary shareholders meeting of Assicurazioni Generali held on 28 April 2016 approved the non-consolidated financial statements of Assicurazioni Generali as at and for the year ended 31 December 2015, together with the distribution to the shareholders of a dividend of €0.72 per share.

### ***Board approval of 2016 first quarter results***

On 12 May 2016, the Board of Directors of Assicurazioni Generali approved the Group's consolidated quarterly report as at and for the three months ended 31 March 2016. The press release published by Assicurazioni Generali in relation thereto is incorporated by reference into this Base Prospectus.

## CAPITALISATION OF ASSICURAZIONI GENERALI S.P.A.

The following table sets out the capitalisation on a consolidated basis of Assicurazioni Generali as at 31 December 2015 and 2014. This information has been extracted from and should be read in conjunction with the audited consolidated financial statements of Assicurazioni Generali as at and for the year ended 31 December 2015 and 2014 which are incorporated by reference herein.

There has been no material change in the consolidated capitalisation of Assicurazioni Generali since 31 December 2015.

	<b>As at 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>(Data from audited consolidated statements)</i>	
	<i>IFRS (in millions of Euro)</i>	
<b>Liabilities</b>		
Insurance liabilities .....	404,687	386,202
Other liabilities and debts.....	71,154	90,931
Total Liabilities .....	475,841	477,133
<b>Shareholders' equity</b>		
Share capital (authorised and paid-up, ordinary shares, Euro 1.00 par value) .....	1,557	1,557
Reserves .....	15,463	15,057
Revenue reserves and other reserves.....	7,688	7,571
Total shareholders' equity <sup>(1)(2)</sup>	24,708	24,185
<b>Total capitalisation</b>	500,549	<b>501,318</b>

Note:

- (1) Includes minority interest equal to Euro 1,143 million at December 2015.
- (2) Includes minority interest equal to Euro 981 million at December 2014.

## OVERVIEW FINANCIAL INFORMATION OF ASSICURAZIONI GENERALI S.p.A.

Set out below is overview financial information of Assicurazioni Generali which is derived from the audited consolidated financial statements of Assicurazioni Generali as at and for the years ended 31 December 2015 (presented in accordance with IFRS) and 31 December 2014 (presented in accordance with IFRS). The audited consolidated financial statements of Assicurazioni Generali as at and for the years ended 31 December 2014 and 2015 have been audited by Reconta Ernst & Young S.p.A. Such financial statements, together with the audit reports of Reconta Ernst & Young S.p.A. and the accompanying notes, are incorporated by reference into this Base Prospectus. The financial information below should be read in conjunction with such financial statements, reports and the notes thereto. See also “*Information incorporated by reference*”.

### Annual Consolidated Balance Sheets of Assicurazioni Generali S.p.A.

	As at 31 December	
	2015	2014
	<i>Audited IFRS</i> (millions of Euro)	
<b>INTANGIBLE ASSETS</b> .....	<b>8,645</b>	<b>8,601</b>
Goodwill .....	6,661	6,617
Other intangible assets .....	1,985	1,983
<b>TANGIBLE ASSETS</b> .....	<b>4,469</b>	<b>4,610</b>
Land and buildings (self used) .....	2,844	2,797
Other tangible assets .....	1,625	1,814
<b>AMOUNTS CEDED TO REINSURERS FROM INSURANCE PROVISIONS</b> .....	<b>4,094</b>	<b>4,378</b>
<b>INVESTMENTS</b> .....	<b>447,448</b>	<b>427,191</b>
Land and buildings (investment properties) .....	12,112	12,628
Investments in subsidiaries, associated companies and joint ventures.....	1,369	1,284
Held to maturity investments .....	1,984	2,940
Loans and receivables .....	48,198	50,780
Available for sale financial assets .....	289,399	276,498
Financial assets at fair value through profit or loss.....	94,385	83,061
of which financial assets where the investment risk is borne by the policyholders and related to pension funds .....	74,966	67,707
<b>RECEIVABLES</b> .....	<b>11,706</b>	<b>12,057</b>
Receivables arising out of direct insurance operations .....	6,497	7,462
Receivables arising out of reinsurance operations .....	1,060	1,143
Other receivables.....	4,149	3,452
<b>OTHER ASSETS</b> .....	<b>15,142</b>	<b>35,973</b>

	<b>As at 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>Audited IFRS</i> (millions of Euro)	
Non-current assets or disposal groups classified as held for sale .....	0	21,304
Deferred acquisition costs .....	2,000	1,958
Deferred tax assets .....	2,652	2,715
Tax receivables .....	3,115	2,825
Other assets .....	7,375	7,172
<b>CASH AND CASH EQUIVALENTS</b>	<b>9,044</b>	<b>8,508</b>
<b>TOTAL ASSETS</b>	<b>500,549</b>	<b>501,318</b>

**Annual Consolidated Balance Sheets of Assicurazioni Generali S.p.A. (cont.)**

	<b>As at 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>Audited IFRS</i> (millions of Euro)	
<b>SHAREHOLDERS' EQUITY</b> .....	<b>24,708</b>	<b>24,185</b>
<b>Shareholders' equity attributable to the Group</b> .....	<b>23,565</b>	<b>23,204</b>
Share capital .....	1,557	1,557
Other equity instruments .....	0	0
Capital reserves .....	7,098	7,098
Revenue reserves and other reserves .....	7,688	7,571
(Own shares) .....	-6	-8
Reserve for currency translation differences .....	74	-239
Reserve for unrealized gains and losses on available for sale financial assets .....	6,067	6,498
Reserve for other unrealized gains and losses through equity .....	-944	-943
Result of the period .....	2,030	1,670
<b>Shareholders' equity attributable to minority interests</b> .....	<b>1,143</b>	<b>981</b>
Share capital and reserves .....	<b>748</b>	706
Reserve for unrealized gains and losses through equity .....	<b>166</b>	93
Result of the period .....	229	182
<b>OTHER PROVISIONS</b> .....	<b>1,807</b>	<b>1,751</b>
<b>INSURANCE PROVISIONS</b> .....	<b>404,687</b>	<b>386,202</b>
of which insurance provisions for policies where the investment risk is borne by the policyholders and related to pension funds .....	57,793	51,674

	<b>As at 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>Audited IFRS</i> (millions of Euro)	
<b>FINANCIAL LIABILITIES</b> .....	<b>49,904</b>	<b>48,794</b>
Financial liabilities at fair value through profit or loss .....	20,082	18,374
of which financial liabilities where the investment risk is borne by the	16,793	15,886
Other financial liabilities .....	29,821	30,420
of which subordinated liabilities .....	9,643	8,315
<b>PAYABLES</b> .....	<b>8,828</b>	<b>9,379</b>
Payables arising out of direct insurance operations.....	3,464	3,553
Payables arising out of reinsurance operations .....	511	557
Other payables.....	4,853	5,270
<b>OTHER LIABILITIES</b> .....	<b>10,614</b>	<b>31,007</b>
Liabilities directly associated with non-current assets and disposal groups classified as held for sale.....	0	19,700
Deferred tax liabilities.....	3,034	3,706
Tax payables.....	1,320	1,420
Other liabilities	6,259	6,181
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>500,549</b>	<b>501,318</b>

#### **Annual Consolidated Profit and Loss Accounts of Assicurazioni Generali S.p.A.**

	<b>For the years ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>Audited IFRS</i> (in millions of Euro)	
Net earned premiums .....	68,507	64,322
Gross earned premiums.....	70,400	66,324
Earned premiums ceded .....	-1,894	-2,003
Fee and commission income and income from financial service activities...	1,094	967
Net income from financial instruments at fair value through profit or loss ..	1,941	3,510
of which net income from financial instruments where the investment risk is borne by the policyholders and related to pension funds .....	2,275	3,293
Income from subsidiaries, associated companies and joint ventures .....	130	191
Income from other financial instruments and land and buildings	16,219	15,991

	<b>For the years ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>Audited IFRS</i>	
	<i>(in millions of Euro)</i>	
(investment properties) .....		
Interest income .....	10,075	9,919
Other income .....	2,065	2,117
Realized gains .....	3,873	3,761
Unrealized gains and reversal of impairment losses	206	194
Other income .....	4,070	3,301
<b>TOTAL INCOME</b>	<b>91,961</b>	<b>88,282</b>
Net insurance benefits and claims .....	-69,091	-67,003
Claims paid and change in insurance provisions .....	-70,204	-68,280
Reinsurers' share .....	1,113	1,276
Fee and commission expenses and expenses from financial service activities .....	-586	-470
Expenses from subsidiaries, associated companies and joint ventures .....	-16	-68
Expenses from other financial instruments and land and buildings (investment properties) .....	-3,215	-3,461
Interest expense .....	-1,103	-1,298
Other expenses .....	-390	-421
Realized losses .....	-686	-435
Unrealized losses and impairment losses .....	-1,035	-1,307
Acquisition and administration costs .....	-10,856	-10,489
Commissions and other acquisition costs .....	-8,179	-7,884
Investment management expenses .....	-96	-103
Other administration costs .....	-2,581	-2,502
Other expenses	-4,792	-3,838
<b>TOTAL EXPENSES</b>	<b>-88,555</b>	<b>-85,329</b>
<b>EARNINGS BEFORE TAXES</b> .....	<b>3,407</b>	<b>2,953</b>
Income taxes .....	-1,112	-1,033
<b>EARNINGS AFTER TAXES</b> .....	<b>2,295</b>	<b>1,921</b>
<b>RESULT OF DISCONTINUED OPERATIONS</b> .....	<b>-35</b>	<b>-69</b>
<b>CONSOLIDATED RESULT OF THE PERIOD</b> .....	<b>2,259</b>	<b>1,852</b>
Result of the period attributable to the Group .....	2,030	1,670
Result of the period attributable to minority interests .....	229	182

**For the years ended**  
**31 December**  
**2015**                      **2014**  
*Audited IFRS*  
*(in millions of Euro)*

**EARNINGS PER SHARE:**

Earnings per share (in Euro) .....	1.30	1.07
from continuing operation.....	1.33	1.13
Diluted earnings per share (in Euro) .....	1.29	1.06
from continuing operation.....	1.31	1.11



## DESCRIPTION OF GENERALI FINANCE B.V.

### Incorporation and domicile

Generali Finance B.V. (“**Generali Finance**”) is a finance company of the Generali Group. Generali Finance is a directly and indirectly wholly owned subsidiary of Assicurazioni Generali and as such, is subject to the coordination and control of Assicurazioni Generali as parent company. For a description of the Generali Group, please refer to “*Description of Assicurazioni Generali S.p.A. – Generali Group*”. Generali Finance was incorporated as a private limited liability company (“*besloten vennootschap*”) under the laws of The Netherlands on 24 April 1990. Generali Finance has its registered office at Diemerhof 32, in (1112 XN) Diemen, The Netherlands, telephone number + 31 20 660 1650 and corporate seat (“*statutaire zetel*”) in Amsterdam and is registered under number 33219814 with the Trade Register of the Chamber of Commerce of Amsterdam.

### Share Capital and Shareholdings

The authorised share capital of Generali Finance as at 31 December 2015 is Euro 500,000,000 consisting of 5,000,000 shares of a nominal value of Euro 100 each. The issued and paid up share capital of Generali Finance is Euro 100,000,000 consisting of 1,000,000 ordinary shares of nominal value of Euro 100 each. Generali Finance has not issued any participation certificates (*Partizipationsscheine*) or profit sharing certificates (*Genussscheine*). Generali Finance is a directly and indirectly wholly owned subsidiary of Assicurazioni Generali.

Generali Finance’s interests in the Generali Group as at 31 December 2015 comprised the following:

<b>Name, registered office</b>	<b>Share in equity %</b>	<b>Share in capital (x€ 1,000)</b>
Generali Belgium S.A., Brussels.....	0.282	700
Generali Holding Vienna AG, Vienna.....	0.051	800
Generali PanEurope Ltd., Dublin.....	0.607	332
<b>Total</b> .....		<b>1,832</b>

For information on the Generali Group see “*Description of Assicurazioni Generali S.p.A.*”

### Selected Financial Information

The section “*Overview Financial Information of Generali Finance B.V.*”, included elsewhere in this Base Prospectus, contains non-consolidated balance sheet and income statement information in summary form, extracted from the audited non-consolidated financial statements of Generali Finance as at and for the years ended 31 December 2015 and 2014. Generali Finance with effect as of 31 December 2014 has merged with Generali Capital Finance B.V., hence the figures as of 31 December 2014 are inclusive of Generali Capital Finance B.V.

The following table sets out certain selected non-consolidated financial information of Generali Finance as at and for the years ended 31 December 2015 and 2014.

	<b>As at and for the years ended 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>Dutch GAAP</i>	
	<i>(Audited)</i>	
	<i>(millions of Euro)</i>	
Income and other income .....	214.7	352.4
Total expenses (exc. income tax) .....	-204.4	-340.0
Result for the year .....	7.5	9.2
Investments in group companies .....	1.8	1.8
Loans to group companies (incl. accrued income) .....	4,207.7	4,716.2
Total assets .....	4,236.9	4,726.6
Capital and reserves .....	265.8	258.3
Total Shareholder's equity and liabilities .....	3,971.1	4,468.3

## **Business**

The main activities and corporate objects and purpose of Generali Finance, in accordance with Article 2(a) and (b) of its articles of association, are holding and managing shareholdings and borrowing and lending monies including public and private lending. Generali Finance operates in The Netherlands.

## **Shares in group companies**

In order to allow Generali Finance to pursue its business objectives in compliance with applicable law, during 2006 Generali Finance purchased certain shareholdings in other Generali Group entities. In December 2006, Generali Finance purchased a 0.282 per cent., stake in Generali Belgium S.A. and a 0.051 per cent., stake in Generali Holding Vienna A.G. (both insurance companies in the Generali Group) for an aggregate consideration of Euro 1.5 million. In addition, on 22 December 2006 Generali Finance purchased a 75 per cent. stake in Generali Capital Finance B.V. (a newly incorporated entity) for a consideration of Euro 7.5 million. In December 2007 Generali Finance purchased a 51 per cent. stake in Generali PanEurope Ltd., a Dublin insurance company within the Generali Group, for an aggregate consideration of Euro 10.9 million, with a further cash contribution of Euro 1.0 million in May 2008. As a result of dilution of ownership of shares the participation held in PanEurope Ltd. amounted to 0.61 per cent. as at 31 December 2012. In November 2014, Generali Finance (who already held 75% of the share capital of Generali Capital Finance B.V.) purchased from Assicurazioni Generali the residual 25% of the share capital of Generali Capital Finance B.V.. As a result of the acquisition, Generali Finance became the sole owner of Generali Capital Finance B.V.. Subsequently Generali Capital Finance B.V. merged with, and was incorporated into, Generali Finance with effect as of 31 December 2014.

## **Generali Finance's activities during 2015**

Generali Finance receives interest payments from other Generali Group companies, and uses these amounts to pay interest to the holders of its securities. All securities issued by Generali Finance are listed on the Luxembourg Stock Exchange.

For the year ended 31 December 2015, interest from loans to Generali Group companies amounted to Euro 213.9 million (compared to Euro 263.2 million for the same period in 2014) whereas total interest paid and due amounted to Euro 198.6 million (compared to Euro 248.7 million for the same period in 2014),

representing interest paid and due mainly related to securities issued by Generali Finance. Bearing in mind that in May 2014, Euro 1,500,000,000 4.75 per cent. Notes, issued in May 1998, were redeemed as per the agreed maturity date, together with the linked loans to group companies, the decrease in interest income and interest expense is mainly influenced by the rate of exchange of the Sterling, as certain Generali Group companies pay interest to Generali Finance, which in turn pays interest to holders of its securities, in Sterling and Generali Finance prepares its financial statements in Euro. In November 2014, Generali Finance issued under the Programme Euro 1,500,000,000 4.596 per cent. Fixed-Floating Rate Perpetual Guaranteed Notes guaranteed by Assicurazioni Generali, in order to fund the repurchase of three series of perpetual notes issued by it having first call dates falling between June 2016 and February 2017. For the year ended 31 December 2015, Generali Finance received dividends from investments in Generali Group companies in an amount of Euro 0.04 million (compared to Euro 0.1 million for the year ended 31 December 2014).

As at 31 December 2015, other income amounted to Euro 0.7 million, compared to Euro 89.2 million in 2014. This decrease is due to the income of early redemption related to interest for the transactions occurred in November 2014, which also involved a restructuring of linked loans to group companies. For the year ended 31 December 2015, total operational and other expenses amounted to Euro 5.9 million, compared to Euro 91.3 million in 2014. The decrease of expenses is mainly caused by costs related to issues and early redemptions of loans (Euro 88.4 million) in 2014.

In 2007, Generali Finance obtained from the Dutch tax authorities an Advanced Pricing Agreement (APA) for hybrid notes and an Advanced Tax Ruling (ATR) for securities, in each case issued by Generali Finance. During 2015 the APA was renewed. As a consequence of the APA and ATR, Generali Finance agreed to pay to Assicurazioni Generali as guarantor of the outstanding securities an annual fee of 0.05 per cent. on the outstanding principal amounts. For the year ended 31 December 2015, guarantee fees amounted to Euro 5.1 million, compared to Euro 2.3 million in 2014. In relation to the issuance of the Euro 1,500,000,000 4.596 per cent. Fixed-Floating Rate Perpetual Guaranteed Notes in 2014, the costs of issue, listing and rating amounted to Euro 9.2 million.

As at 31 December 2015, total assets amounted to Euro 4,236.9 million compared to Euro 4,726.6 million as at 31 December 2014 and consisted of Euro 4,207.7 million of loans to other Generali Group companies including accrued income (compared to Euro 4,716.2 million in 2014). These amounts are influenced by the rate of exchange of the Sterling, as certain assets are in Sterling and Generali Finance prepares its financial statements in Euro. Total liabilities, amongst other comprising securities issued by Generali Finance, amounted to Euro 3,971.1 million (compared to Euro 4,468.3 million in 2014).

As at 31 December 2015, paid up and called share capital amounted to Euro 100 million (which showed no change compared to the previous year) and reserves, including the profit of the year, amounted to Euro 165.8 million (compared to Euro 158.3 million in 2014).

During 2015 no dividends were distributed.

For the year ended 31 December 2015 Generali Finance recorded a profit of Euro 7.5 million (compared to a profit of Euro 9.2 million in 2014).

### **Distributable Reserves**

On 21 April 2016, the General Meeting of Shareholders of Generali Finance approved its financial statements as at and for the year ended 31 December 2015. As at 31 December 2015, Generali Finance had a general reserve of Euro 112.7 million and a share premium reserve of Euro 45.6 million, whereas the profit for the year 2015 amounted to Euro 7.5 million. The reserves including the profit for the year are freely distributable.

The following table sets out the dividend per share paid by Generali Finance for the years ended 2011, 2012, 2013, 2014 and 2015.

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
			<i>(Euro)</i>		
Per share dividend.....	0	0	0	14.0	15.0

### Corporate Governance Rules

To the best of Generali Finance's knowledge and belief, it is in compliance with all applicable corporate governance laws and regulations of The Netherlands.

### Board of Directors

The Board of Directors of Generali Finance as at the date of this Base Prospectus is constituted as follows:

<u>Name</u>	<u>Position</u>	<u>Place and date of birth</u>	<u>Principal activities performed by the Directors outside Generali Finance</u>
Fransiscus W. H. M. Heus ...	Director	The Hague, 31-08-1944	Member of the Board of Supervisory Directors of: Generali Belgium SA; Participatie Maatschappij Graafschap Holland N.V.; B.V. Algemene Holding en Financieringsmaatschappij and Generali Turkey Holding B.V. Managing Director of: Generali Asia N.V. Redoze Holding N.V. and Saxon Land B.V.
Gerrit K. Nolles.....	Director	Amsterdam, 15-05-1952	Managing Director of: Participatie Maatschappij Graafschap Holland N.V.; Redoze Holding N.V.; Generali Asia N.V.; B.V. Algemene Holding en Financieringsmaatschappij; CP Strategic Investments N.V.; CZI Holding N.V.; Saxon Land B.V.; Generali Turkey Holding B.V. Flandria Participations Financières S.A. and GW Beta Limited
Aart G. Olivier .....	Director	Schiedam, 08-09-1954	Managing Director of: Participatie Maatschappij Graafschap Holland N.V.; Redoze Holding N.V.; Genirland Ltd.; CP Strategic Investments N.V.; CZI Holding N.V.; Saxon Land B.V.; Generali Horizon B.V. and Generali Turkey Holding B.V.
Federico Locci	Director	Trieste, 13-12-1974	Director (CFRO) of Generali Nederland N.V.

The business address of each of the directors is Diemerhof 32, 1112 XN, Diemen, The Netherlands.

There are no conflicts of interests between any of the Directors' duties to Generali Finance and their private interests or other duties.

### **Employees**

As at the date of this Base Prospectus, Generali Finance has no employees.

### **Independent auditors**

The independent auditors of Generali Finance are Ernst & Young Accountants LLP who have been appointed to audit the non-consolidated financial statements of Generali Finance. Ernst & Young Accountants LLP are registered with The Netherlands Authority for Financial Markets ("AFM").

### **Litigation pending**

As at the date of this Base Prospectus, Generali Finance is not involved in, nor is aware of, any pending or threatened litigation, arbitration or administrative proceedings that are likely, individually or in the aggregate, to have a material effect on the results of operations or financial position of Generali Finance.

### **Operations**

Generali Finance has all material consents, permits, authorisations and licences required for carrying out its business in the sectors in which it operates and has observed them in all material respects.

## CAPITALISATION OF GENERALI FINANCE B.V.

The following table sets out the capitalisation on a non-consolidated basis of Generali Finance as at 31 December 2015. This information has been extracted from and should be read in conjunction with the audited non-consolidated financial statements of Generali Finance for the year ended 31 December 2015. There has been no material change in the capitalisation of Generali Finance since 31 December 2015.

	<b>As at 31 December 2015</b>
	<i>(Data from audited financial statements) Dutch GAAP (millions of Euro)</i>
<b>Short term liabilities</b>	1,308.3
<b>Long term liabilities</b>	
Insurance liabilities	0
Other liabilities and debts	2,662.8
	<hr/> 3,971.1 <hr/>
<b>Shareholders' equity</b>	
Share capital	100
Reserves <sup>(1)</sup>	45.6
General reserve	112.7
Profit for the year	7.5
<b>Total shareholders' equity</b>	265.8
<b>Total capitalisation</b>	<hr/> <hr/> 4,236.9 <hr/> <hr/>

Note:

(1) Share premium reserve. See also "Description of Generali Finance B.V. — Distributable Reserves".

## **OVERVIEW FINANCIAL INFORMATION OF GENERALI FINANCE B.V.**

Set out below is overview financial information on Generali Finance which is derived from the audited non-consolidated financial statements of Generali Finance as at and for the years ended 31 December 2015 and 2014, in each case presented in accordance with Dutch GAAP. The non-consolidated financial statements for the years ended 31 December 2015 and 2014 have been audited by Ernst & Young Accountants LLP. The 2015 and 2014 non-consolidated financial statements are incorporated by reference into this Base Prospectus.

The financial information below should be read in conjunction with such financial statements and any notes thereto. See also “*Information incorporated by reference*”.

In addition, set out below are the unaudited cash flow statements of Generali Finance, which is not derived from the financial statements of Generali Finance.

## Annual Non-Consolidated Balance Sheet of Generali Finance B.V.

As at 31 December

	2015	2014
<i>(Audited) Dutch – GAAP</i>		
<i>(millions of Euro)</i>		
<b>ASSETS</b>		
<b>Fixed assets</b>		
Financial fixed assets		
Investments in group companies.....	1.8	1.8
Loans to group companies.....	3,247.4	4,059.5
Deferred tax asset	0.2	0.3
	3,249.4	4,061.6
<b>Current assets</b>		
Receivables		
Loans to group companies.....	858.4	542.9
Accrued income.....	101.9	113.8
Other accounts receivable.....	1.5	2.6
	961.8	659.3
<b>Cash and cash equivalents</b> .....	25.7	5.7
<b>TOTAL ASSETS</b> .....	<b>4,236.9</b>	<b>4,726.6</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b> .....		
<b>Capital and reserves</b> .....		
Paid up capital.....	100.0	100.0
Share premium reserve.....	45.6	45.6
General reserves.....	120.2	112.7
	265.8	258.3
<b>Non-current liabilities</b> .....		
Long-term loans.....	2,367.8	3,562.0
Loans from group companies.....	295.0	295.0
	2,662.8	3,857.0
<b>Current liabilities</b> .....		
Short- term loan.....	1,219.2	499.9
Loans from group companies.....	0.0	10.0
Accruals and deferred income.....	88.6	100.6



**As at 31 December**

	<b>2015</b>	<b>2014</b>
	<i>(Audited) Dutch – GAAP</i>	
	<i>(millions of Euro)</i>	
Other payables.....	0.5	0.8
	1,308.3	611.3
<b>TOTAL LIABILITIES.....</b>	<b>4,236.9</b>	<b>4,726.6</b>

## Annual Non-Consolidated Profit and Loss Accounts of Generali Finance B.V.

	As at 31 December	
	2015	2014
	<i>(Audited) Dutch GAAP</i> <i>(millions of Euro)</i>	
<b>Income</b>		
Interest income from:		
Loans to group companies .....	213.9	263.2
Cash and cash equivalents.....	0.1	0.0
	214,0	263.2
<b>Interest expenses on:</b> .....		
Long-term loans .....	117.2	221.7
Short- term loan .....	77.2	22.0
Loans from group companies.....	4.2	5.0
	15.4	14.5
Other income		
- Dividends .....	0.0	0.1
- Currency results .....	0.0	0.3
- Other benefits .....	0.7	88.8
	0.7	89.2
Total income .....	16.1	103.7
<b>Operational and other expenses</b>		
Guarantee fee ... ..	5.1	2.3
Costs relating to issues and redemption of loans .....	0.0	88.4
Audit/tax services .....	0.2	0.2
Other costs .....	0.6	0.4
Total operational and other expenses .....	5.9	91.3
Operational result before tax .....	10.2	12.4
Corporate income tax .....	2.7	3.2
<b>Result of the year</b> .....	<b>7.5</b>	<b>9.2</b>

**Annual Non-Consolidated Cash Flow Statements of Generali Finance B.V.**

	<b>For the years ended 31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>(Unaudited)</i>	
	<i>(millions of Euro)</i>	
Interest received	224.0	338.5
Interest paid	-213.6	-329.6
Loans granted/repaid	-510.0	-3,532.9
Loans received/redeemed	523.0	3,519.9
Expenses .	-2.5	-90.1
Other income	2.7	88.8
Corporate income tax ....	-3.6	-3.8
Dividends paid	0.0	0.0
Acquisition of financial investment.	0.0	-2.4
Other .	0.0	4.4
Net cash flow	<u>20.0</u>	<u>-7.2</u>
<b>Movement in cash &amp; cash equivalents</b>	<b><u>20.0</u></b>	<b><u>-7.2</u></b>

## TAXATION

*The following is a general overview of certain tax consequences in Italy, The Netherlands and the Grand Duchy of Luxembourg of acquiring, holding and disposing of Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to the decision to purchase, own or dispose of Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Notes, some of which may be subject to special rules. This overview is based upon tax laws and/or practice in force as at the date of this Base Prospectus, which are subject to any changes in law and/or practice occurring after such date, which could be made on a retroactive basis. The Issuers will not update this overview to reflect changes in law and, if any such change occurs, the information in this overview could be superseded.*

*Prospective purchasers of Notes should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws. In particular, neither the Issuer nor the Guarantor has knowledge of certain information that is pertinent to the imposition of withholding taxes on payments in respect of the Notes and Coupons and, where taxes are to be withheld or deducted, the Noteholders and Couponholders' entitlement (if any) to receive additional amounts under Condition 13 (Taxation). Noteholders should, in all instances, consult their own tax advisers or financial intermediaries as to whether payments in respect of the Notes and Coupons received by them are subject to withholding tax, and/or whether they are entitled to any additional amounts referred to in Condition 13 (Taxation). Prospective purchasers of Notes should not apply any of the information below to other areas including (but not limited to) the legality of transactions involving the Notes.*

### ITALY

#### **Interest**

Interest received outside the conduct of a business activity is deemed to be received for Italian tax purposes at each interest payment date (in the amount actually paid) and also when it is implicitly included in the selling price of the Notes.

Interest received by Italian resident companies, commercial partnerships or individual entrepreneurs within the context of a business enterprise is taxable on an accrual basis.

*Interest and other proceeds – Notes that qualify as “obbligazioni o titoli similari alle obbligazioni”*

Pursuant to Legislative Decree No. 239 of 1 April 1996 (“**Decree No. 239**”), as amended and restated, and pursuant to Article 44, paragraph 2(c) of Decree No. 917 of 22 December 1986 (“**Decree No. 917**”), in general, interest and other proceeds (including the difference between the redemption amount and the issue price) (“**Interest**”) in respect of notes that qualify as “bonds” or “debentures similar to bonds” (“*obbligazioni*” or “*titoli similari alle obbligazioni*”) for Italian tax purposes and are issued by Italian banks or listed companies (i.e., the so-called “**Grandi Emittenti**”) may be subject to an Italian substitute tax (*imposta sostitutiva*) depending on the legal status of the beneficial owner of such Interest and other proceeds. Notes qualify as “bonds” or “debentures similar to bonds” for Italian tax purposes if they incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value and do not give any right to directly or indirectly participate in the management of the relevant issuer or of the business in relation to which they are issued. The Italian tax authorities have clarified (Tax Authority Circular Letter No. 4/E of 18 January 2006) that bonds may have a maturity which is not scheduled at a specific date, but it is linked to the maturity of the issuing company or to the liquidation thereof, if the company has been set-up with an undetermined maturity pursuant to Article 2328 (2), No. 13, of the Italian Civil Code.

### **Interest on the Notes issued by Assicurazioni Generali**

The tax regime described below applies also to securities other than shares and similar securities issued by Assicurazioni Generali to comply with Italian and/or EU capital adequacy requirements (i.e., allowed under the regulatory provisions in force at the time of the issue to be included in its solvency margin).

Interest on the Notes received by Italian resident companies, commercial partnerships or individual entrepreneurs within the context of a business enterprise is included in the taxable base for the purposes of corporate income tax (*imposta sul reddito delle società*, “**IRES**”, generally at 27.5 per cent. – 24 per cent. since 1 January 2017) or individual income tax (*imposta sul reddito delle persone fisiche*, “**IRPEF**”, at progressive rates), as applicable and – under certain circumstances – of the regional tax on productive activities (*imposta regionale sulle attività produttive*, “**IRAP**”).

Interest on the Notes is subject to a 26 per cent. substitute tax (“*imposta sostitutiva*”) if the recipient is included among the following categories of Italian residents: individuals, non-commercial partnerships, non-commercial private or public institution or entities that are exempt from IRES. The *imposta sostitutiva* may not be recovered as a deduction from the income tax due.

The 26 per cent. *imposta sostitutiva* does not apply where the Notes are held in a discretionary investment portfolio managed by an Italian authorised financial intermediary and the beneficial owner thereof, where possible, has opted to be taxed at a flat rate of 26 per cent. on the year-end increase in value of the investment portfolio accrued, even if not realised (which increase in value includes any Interest accrued on the Notes), pursuant to the so-called portfolio management tax regime (“*regime del risparmio gestito*”) provided for by Article 7 of Legislative Decree 21 November 1997, No. 461 (“**Decree 461/1997**”).

In certain circumstances, described in the decree of the Italian Ministry of Economy dated 19 June 2015, non-commercial pension entities incorporated under Law No. 509 of 30 June 1994 (“**Law No. 509**”) are entitled to a tax credit equal to the positive difference between withholding taxes and substitute taxes levied at a rate of 26 per cent. on financial proceeds deriving from their investments (including the Notes), as certified by the relevant withholding agent, and a notional 20 per cent. taxation, provided that such tax credit is disclosed by such entities in the annual corporation tax return.

If the holders of the Notes are individuals or non-profit organisations engaged in an entrepreneurial activity and the Notes are connected to such entrepreneurial activity, the 26 per cent. *imposta sostitutiva* applies on a provisional basis and may be deducted from the taxation on income due.

Interest accrued on the Notes held by Italian open-ended or closed-ended investment funds (“**Investment Funds**”), by *società di investimento a capitale variabile* (“**SICAV**”) or by *società di investimento a capitale fisso* not exclusively or primarily investing in real estate (“**SICAF**”) is not subject to such *imposta sostitutiva* but is included in the aggregate income of the Investment Funds, SICAV or SICAF. A withholding tax of 26 per cent. will be levied on proceeds distributed by the Investment Funds, the SICAV, the SICAF or received by certain categories of unitholders upon redemption or disposal of the units.

Interest accrued on the Notes held by Italian pension funds subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 5 December 2005 (“**Pension Funds**”) is not subject to such *imposta sostitutiva* but is included in the aggregate income of the pension funds which is subject to a substitute tax at the rate of 20 per cent. A 9 per cent. tax credit may be granted to the Pension Funds in certain circumstances, as described in the decree of the Italian Ministry of Economy dated 19 June 2015.

Under the current regime provided by Law Decree No. 351 of 25 September 2001 converted into law with amendments by Law No. 410 of 23 November 2001 (“**Decree No. 351**”), Interest on the Notes held by Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 (“**Real**

**Estate Fund**”) are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a Real Estate Fund. A withholding tax may apply in certain circumstances at the rate of up to 26 per cent. on distributions made by the Real Estate Funds and, in certain cases a tax transparency regime may apply in respect of certain categories of investors in the Real Estate Funds owning more than 5 per cent. of the fund’s units.

Pursuant to Article 9 of Legislative Decree No. 44 of 4 March 2014, the same regime applicable to Real Estate Funds also applies to *società di investimento a capitale fisso* ruled by Legislative Decree No. 58 of 24 February 1998 exclusively or primarily investing in real estate in the measures provided under the applicable implementing regulations (“**Real Estate SICAF**”).

Pursuant to Decree No. 239, *imposta sostitutiva* is levied by banks, *società di intermediazione mobiliare* (“**SIMs**”), fiduciary companies, SGRs, stockbrokers, and other entities identified by a Decree of the Ministry of Finance (the “**Intermediaries**”). The Intermediaries must (i) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident intermediary and (ii) intervene, in any way, in the collection of Interest or in the transfer of the Notes. Where the Notes are not deposited with an Intermediary, the substitute tax is applied and withheld by any entity paying Interest to the Noteholder, or absent that, by the Issuer.

Non-resident holders, without a permanent establishment in the Republic of Italy to which the Notes are effectively connected, are not subject to such 26 per cent. *imposta sostitutiva* according to Article 6, paragraph 1, Decree No. 239, provided that:

- (a) they are either (i) beneficial owners resident for tax purposes in a State which allows an adequate exchange of information with Italy as also listed in the Italian Ministerial Decree dated 4 September 1996, as amended from time to time, (ii) institutional investors (regardless of whether subject to tax or not) established in any such a State, (iii) supranational entities set up in accordance with an international treaty executed by Italy, or (iv) central banks or other authorities engaged in the management of the official reserves (of a foreign State);
- (b) the Notes are deposited directly or indirectly (i) with a bank or a SIM resident in Italy, (ii) with the Italian permanent establishment of a non-resident bank or brokerage company which is electronically connected with the Italian Ministry of Finance or (iii) with a non-resident entity or company which has an account with a centralised clearance system (such as Euroclear or Clearstream, Luxembourg) which has a direct relationship with the Italian Ministry of Economy and Finance;
- (c) the banks or brokers mentioned in (b) above receive a self-declaration from the beneficial owner or the institutional investor, which states that the beneficial owner or the institutional investor is a resident or established of a State that allows an adequate exchange of information with Italy. The declaration, which must be in conformity with the form approved with ministerial decree of 12 December 2001, is valid until it is revoked or withdrawn;
- (d) the banks or brokers mentioned above receive all necessary information to identify the non-resident beneficial owner or institutional investor of the deposited Notes, and all the necessary information in order to determine the amount of Interest that such beneficial owner or institutional investor is entitled to receive.

Non-resident holders are subject to the 26 per cent. *imposta sostitutiva* on Interest if any of the above conditions (a), (b), (c) or (d) is not satisfied.

Noteholders who are subject to the substitute tax might, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between the Republic of Italy and the country of residence of the relevant holder.

### **Interest received by Italian residents on the Notes issued by Generali Finance**

Interest on the Notes that qualify as *obbligazioni or titoli similari alle obbligazioni* issued by Generali Finance received by Italian resident companies, commercial partnerships or individual entrepreneurs within the context of a business enterprise is included in the taxable base for the purposes of IRES or IRPEF, as applicable, and – under certain circumstances – IRAP, and at the rates and in the circumstances discussed in “*Interest on the Notes issued by Assicurazioni Generali*” above.

Interest on the Notes issued by Generali Finance is subject to a 26 per cent. *imposta sostitutiva* if it is received by recipients who are included among the following categories of Italian residents: individuals, non-commercial partnerships, non-profit organisations, non-commercial private or public institution or entities that are exempt from IRES.

The 26 per cent. *imposta sostitutiva* does not apply where the Notes issued by Generali Finance are held in a discretionary investment portfolio managed by an Italian authorised financial intermediary and the beneficial owner thereof, where possible, has opted to be taxed at a flat rate of 26 per cent. on the year-end increase in value of the investment portfolio accrued, even if not realised (which increase in value includes any Interest accrued on the Notes issued by Generali Finance), pursuant to the so-called portfolio management tax regime (“*regime del risparmio gestito*”) provided for by Article 7 of Decree No. 461.

In certain circumstances, described in the decree of the Italian Ministry of Economy dated 19 June 2015, non-commercial pension entities incorporated under Law No. 509 of 30 June 1994 are entitled to a tax credit equal to the positive difference between withholding taxes and substitute taxes levied at a rate of 26 per cent. on financial proceeds deriving from their investments (including the Notes), as certified by the relevant withholding agent, and a notional 20 per cent. taxation, provided that such tax credit is disclosed by such entities in the annual corporation tax return.

Interest accrued on the Notes held by Investment Funds, SICAV or SICAF is not subject to such *imposta sostitutiva* but is included in the aggregate income of the Investment Funds, SICAV or SICAF. A withholding tax of 26 per cent. will be levied on proceeds distributed by the Investment Funds, the SICAV or the SICAF or received by certain categories of unitholders upon redemption or disposal of the units.

Interest accrued on the Notes held by Pension Funds is not subject to such *imposta sostitutiva* but is included in the aggregate income of the pension funds which is subject to a substitute tax at the rate of 20 per cent. A 9 per cent. tax credit may be granted to the Pension Funds in certain circumstances, as described in the decree of the Italian Ministry of Economy dated 19 June 2015.

Where a holder is a Real Estate Fund, to which the provisions of Decree No. 351 apply, Interest accrued on the Notes will be subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the fund. A withholding tax may apply in certain circumstances at the rate of up to 26 per cent. on distributions made by Real Estate Funds and, in certain cases a tax transparency regime may apply in respect of certain categories of investors in the Real Estate Funds owning more than 5 per cent. of the fund’s units. Pursuant to Article 9, Legislative Decree No. 44 of 4 March 2014, the same regime applicable to Real Estate Funds applies to Real Estate SICAFs.

The *imposta sostitutiva* is a final tax and no additional tax is due by the recipient of the Interest, unless the Interest is received within the context of a business enterprise.

No *imposta sostitutiva* is due with respect to Interest paid to Italian resident companies, commercial partnerships or Italian permanent establishments of non-resident companies.

If the holder of the Notes is engaged in an entrepreneurial activity and the Notes are connected to such entrepreneurial activity and the Notes are deposited with an Italian authorised intermediary (or permanent

establishment in Italy of a foreign intermediary), the *imposta sostitutiva* applies as a provisional tax and may be deducted from the taxation on income due.

Interest on the Notes received by non-Italian resident beneficial owners are not subject to taxation in Italy. If Notes beneficially owned by non-Italian residents are deposited with an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign Intermediary) or are sold through an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign intermediary) or in any case an Italian resident intermediary (or permanent establishment in Italy of foreign intermediary) intervenes in the payment of Interest on such Notes, to ensure payment of Interest without application of Italian taxation a non-Italian resident holder may be required to produce to the Italian bank or other intermediary a self-assessment (*autocertificazione*) stating that he or she is not resident in Italy for tax purposes.

### **Atypical securities**

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) and (in the case of Notes issued by Assicurazioni Generali) do not comply with Italian and/or EU capital adequacy requirements may be subject to a withholding tax, levied at the rate of 26 per cent.

In the case of Notes issued by an Italian-resident issuer, where the Noteholder is (i) an Italian individual engaged in an entrepreneurial activity to which the Notes are connected, (ii) an Italian company or a similar Italian commercial entity, (iii) a permanent establishment in Italy of a foreign entity to which the Notes are connected, (iv) an Italian commercial partnership or (v) an Italian commercial private or public institution, such withholding tax is a provisional withholding tax.

In all other cases, the withholding tax is a final withholding tax. For non-Italian resident Noteholders, the 26 per cent. withholding tax rate may be reduced by any applicable tax treaty.

If the Notes are issued by a non-Italian resident Issuer, the 26 per cent. withholding tax mentioned above does not apply to Interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are effectively connected) (ii) a commercial partnership or (iii) a commercial private or public institution.

### **Fungible issues**

Pursuant to Article 11, paragraph 2 of Decree No. 239, where the relevant Issuer issues a new Tranche forming part of a single series with a previous Tranche, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva*, the issue price of the new Tranche will be deemed to be the same as the issue price of the original Tranche. This rule applies where (a) the new Tranche is issued within 12 months from the issue date of the previous Tranche and (b) the difference between the issue price of the new Tranche and that of the original Tranche does not exceed 1 per cent. multiplied by the number of years of maturity of the Notes.

### **Capital gains**

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the *status* of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

A 26 per cent. *imposta sostitutiva* is applicable on capital gains realised on the disposal of Notes by Noteholders included among the following categories of Italian residents: individuals holding the Notes not in



connection with an entrepreneurial activity, non-commercial partnerships, non-profit organisations, the Italian State and public entities or entities that are exempt from IRES.

In certain circumstances, described in the decree of the Italian Ministry of Economy dated 19 June 2015, non-commercial pension entities incorporated under Law No. 509 are entitled to a tax credit equal to the positive difference between withholding taxes and substitute taxes levied at a rate of 26 per cent. on financial proceeds deriving from their investments (including the Notes), as certified by the relevant withholding agent, and a notional 20 per cent. taxation, provided that such tax credit is disclosed by such entities in the annual corporation tax return. Further details in this respect will be provided by a decree of the Italian Ministry of Economy still to be issued.

In respect of the application of such substitute tax, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by the Italian resident individual holding the Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years. Pursuant to Law Decree No. 66 of 24 April 2014 (converted into Law No. 89 of 23 June 2014, the “**Decree No. 66**”), capital losses may be carried forward to be offset against capital gains of the same nature realized after 30 June 2014 for an overall amount of: (i) 48.08 per cent. if realized before 1 January 2012; (ii) 76.92 per cent. of the capital losses if realized from 1 January 2012 to 30 June 2014.

As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (*regime del risparmio amministrato*). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (ii) an express election for the *regime del risparmio amministrato* being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *regime del risparmio amministrato*, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. Under the *regime del risparmio amministrato*, the Noteholder is not required to declare the capital gains in the annual tax return. Pursuant to Decree No. 66, capital losses may be carried forward to be offset against capital gains of the same nature realized after 30 June 2014 for an overall amount of: (i) 48.08 per cent. of the relevant capital losses realized before 1 January 2012; (ii) 76.92 per cent. of the capital losses realized from 1 January 2012 to 30 June 2014.

Any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the *regime del risparmio gestito* will be included in the

computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the *regime del risparmio gestito*, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Pursuant to Decree No. 66, capital losses may be carried forward to be offset against capital gains of the same nature realized after 30 June 2014 for an overall amount of: (i) 48.08 per cent. of the relevant capital losses accrued before 1 January 2012; (ii) 76.92 per cent. of the capital losses accrued from 1 January 2012 to 30 June 2014. Under the *regime del risparmio gestito*, the Noteholder is not required to declare the capital gains realised in the annual tax return.

Capital gains accrued on the Notes held by Italian Investment Funds, SICAVs and SICAFs are included in the annual accrued increase of the net asset value of such investment funds, SICAVs and SICAFs. A withholding tax of 26 per cent. will be levied on proceeds distributed by the investment funds, SICAV or SICAF or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realized through the transfer for consideration or redemption of the Notes by beneficial owners which are Pension Funds are included in the calculation of the management result of the fund, accrued in each year, subject to a 20 per cent. substitute tax. A 9% tax credit may be granted to the pension funds in certain circumstances, as described in the decree of the Italian Ministry of Economy dated 19 June 2015.

Capital gains on the Notes held by Real Estate Funds or Real Estate SICAFs to which the provisions of Decree No. 351, as subsequently amended, apply, will be subject neither to substitute tax nor to any other income tax at the level of the Real Estate Fund or the Real Estate SICAF. A withholding tax may apply in certain circumstances at the rate of up to 26 per cent. on distributions made by the Real Estate Funds or Real Estate SICAFs and, in certain cases, a tax transparency regime may apply in respect of certain categories of investors in the Real Estate Funds or Real Estate SICAFs owning more than 5 per cent. of the fund's units.

Capital gains realised by non-Italian resident Noteholders without a permanent establishment in the Republic of Italy to which the Notes are connected from the sale or redemption of the Notes issued by Assicurazioni Generali are in principle subject to a 26 per cent. tax. However, such gains are exempt from tax in Italy if:

- (a) the Notes are listed on a regulated market; or
- (b) the Notes are not listed on a regulated market but the Noteholder is entitled to the exemption from the 26 per cent. substitute tax on Interest pursuant to Article 6, paragraph 1, of Decree No. 239 as described in "Interest on the Notes issued by Assicurazioni Generali"; or
- (c) the Noteholder may benefit from a double tax treaty with Italy providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the country of tax residence of the recipient.

Gains realised by non-residents from the sale or redemption of Notes issued by Generali Finance (whether or not traded on regulated markets) are not subject to Italian taxation, provided that the Notes are held outside Italy.

### **Payments under the Guarantee**

There is no authority directly regarding the Italian tax regime of payments on the Notes made by an Italian resident guarantor. Accordingly, there can be no assurance that the Italian revenue authorities will not assert an alternative treatment of such payments than that set forth herein or that the Italian court would not sustain such an alternative treatment.

With respect to payments made by Assicurazioni Generali as a Guarantor under the Deed of Guarantee in respect of the Notes, in accordance with one interpretation of Italian tax law, any such payments may be

subject to Italian withholding tax at the rate of 26 per cent. levied as a provisional tax *vis-à-vis* certain Italian resident Noteholders, pursuant to Presidential Decree No. 600 of 29 September 1973, as subsequently amended. Double taxation conventions entered into by Italy may apply allowing for a lower (or in certain cases nil) rate of withholding tax in case of payment to non-Italian resident.

In accordance with another interpretation, any such payment made by the Guarantor should be treated, in certain circumstances, as a payment by the relevant issuer and made subject to the tax treatment described under “*Interest received by Italian residents on the Notes issued by Generali Finance*” above.

### **Value Added Tax**

Pursuant to Article 3, paragraph 4, letter b) of Presidential Decree No. 633 of 26 October 1972, (“**Decree No. 633**”), the issue of the Notes is not subject to Italian value added tax (“**VAT**”).

The negotiation of the Notes falls instead within the scope of Italian VAT - in case the relevant VAT subjective and territoriality requirements are met - though exempt from the payment of the tax pursuant to Article 10, paragraph 1 of Decree No. 633. Prospective purchasers of Notes should consult their tax advisers as to the implications that the execution of VAT exempt negotiations on the Notes may have on their overall VAT position.

### **Transfer Tax**

Pursuant to Article 11 of the Tariff (Part I) attached to Presidential Decree No. 131 of 26 April 1986 and Article 2 of the same Tariff (Part II), any acts, agreements and deeds regulating the transfer of Notes may be subject, in certain cases, to Italian registration tax consisting of a one-off payment of Euro 200.00.

### **Stamp duty**

The Decree Law No. 201 of 6 December 2011 (“**Decree No. 201**”), converted into law with amendments by Law No. 214 of 22 December 2011, has replaced the paragraphs 2-bis and 2-ter and related Notes (3-bis and 3-ter) of Article 13, Tariff annexed to stamp duty Law approved with Presidential Decree No. 642 of 26 October 1972.

Pursuant to Decree No. 201, statements sent to customers and related to all the financial products and instruments, including those not deposited, are subject to stamp duty at the rate of 0.20%. The maximum amount due is set at Euro 14,000 for Noteholders other than individuals.

The tax is applied to each statement, on the total market value, or in its absence, on the face or repayment value of securities and financial products. The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable pro rata. Based on the wording of the law and the implementing decree issued by the Italian Ministry of Finance on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 15 July 2015) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

### **Wealth tax on securities deposited abroad**

Pursuant to Article 19, paragraphs 18-23, of Decree No. 201, Italian resident individuals holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.20%.

This tax is calculated on the fair market value of the Notes at the end of the relevant year or, in the case the fair market value cannot be determined, on their nominal values or redemption values, or in the case the face or redemption values cannot be determined, on the purchase value of any financial asset (including banking

bonds, *obbligazioni* and capital adequacy financial instruments) held abroad by Italian resident individuals. A tax credit is granted for any foreign property tax levied abroad on such financial assets.

### **Inheritance and Gift Tax**

Pursuant to Law Decree No. 262 of 3 October 2006, as converted with amendments by Law No. 286 of 24 November 2006, inheritance and gift taxes have been re-introduced in Italy, with effect as of 3 October 2006.

Inheritance and gift taxes apply according to the following rates and exclusions:

- (a) if assets (including money) pass to a spouse, as well as to any linear descendent, tax is levied at a rate of 4 per cent. The tax applies to the value of the assets (net of liabilities) left to each heir/beneficiary which exceeded Euro 1,000,000;
- (b) assets (including money) pass to a relative within the fourth degree or to a linear relative-in-law, as well as to a collateral relative within the third degree, tax is levied at a rate of 6 per cent. The tax applies to the value of the assets (net of liabilities) exceeding Euro 100,000, if assets are left to a brother or sister;
- (c) 8 per cent. in all other cases.

If the transfer is made in favour of persons affected by an handicap deemed as “critical” pursuant to Law No. 104 of 5 February 1992, inheritance and gift taxes apply only on the value exceeding Euro 1,500,000.

### **Tax monitoring obligations**

Pursuant to Italian Law Decree No. 167 of 28 June 1990, as amended by Law No. 97 of 6 August 2013 and by Law No. 50 of 28 March 2014, individuals, non-profit entities and certain partnerships (in particular, *società semplici* or similar partnerships in accordance with Article 5 of Decree No. 917) resident in Italy are required to report in their yearly income tax declaration, for tax monitoring purposes:

- (i) the amount of Notes issued by Assicurazioni Generali held abroad during each tax year; and
- (ii) the amount of Notes issued by Generali Finance held during each tax year.

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the beneficial owner of the instrument for anti-money laundering purposes. The above reporting is not required to be complied with respect to Notes deposited for management with qualified Italian intermediaries and with respect to contracts entered into through their intervention, provided that the financial flows and income derived from the Notes are subject to tax by the same intermediaries.

### **EU Directive on Administrative Cooperation in the field of Taxation**

On 9 July 2015, the Italian Parliament adopted Law No. 114 delegating the Italian Government to implement in Italy certain EU Council Directives, including Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). Such Directive is aimed at broadening the scope of the operational mechanism of intra-EU automatic exchange of information in order to fight cross-border tax fraud and evasion. The Italian government implemented the above-mentioned Council Directive 2014/107/EU in the Ministerial Decree issued by the Ministry of Finance on 28 December 2015. Following the Ministerial Decree quoted, the Italian tax authorities may communicate to other EU Member States information about interest and other categories of financial income of Italian source, including income from the Notes.

## THE NETHERLANDS

*The following overview does not purport to be a comprehensive description of all Dutch tax considerations that could be relevant to holders of the Notes. This overview is intended for general information only. Each prospective holder should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes. This overview is based on Dutch tax legislation and published case law in force as of the date of this document. It does not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect. For the purposes of this section, “the Netherlands” shall mean that part of the Kingdom of the Netherlands that is in Europe.*

### Scope

Regardless of whether or not a holder of Notes is, or is treated as being, a resident of the Netherlands, with the exception of the section on withholding tax below, this overview does not address the Netherlands tax consequences for such a holder:

- (i) having a substantial interest (aanmerkelijk belang) in the Issuer (such a substantial interest is generally present if an equity stake of at least 5%, or a right to acquire such a stake, is held, in each case by reference to the Issuer’s total issued share capital, or the issued capital of a certain class of shares);
- (ii) who is a private individual and who may be taxed in box 1 (taxable income from work and home) for the purposes of Netherlands income tax (inkomstenbelasting) as an entrepreneur (ondernemer) having an enterprise (onderneming) to which the Notes are attributable, or who may otherwise be taxed in (or in accordance with) box 1 with respect to benefits derived from the Notes;
- (iii) which is a corporate entity and a taxpayer for the purposes of Netherlands corporate income tax (vennootschapsbelasting), having a participation (deelneming) in the Issuer (such a participation is generally present in the case of an interest of at least 5% of the Issuer’s nominal paid-in capital);
- (iv) which is a corporate entity and an exempt investment institution (vrijgestelde beleggingsinstelling) or investment institution (beleggingsinstelling) for the purposes of Netherlands corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for tax purposes;
- (v) which is a corporate entity and a resident of Aruba, Curaçao or Sint Maarten; or
- (vi) which is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes and/or the benefits derived from the Notes.

This overview does not describe the Netherlands tax consequences for a person to whom the Notes are attributed on the basis of the separated private assets provisions (*afgezonderd particulier vermogen*) in the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and/or the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*).

### Withholding tax

All payments made by Generali Finance under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Notes do not in fact function as equity of Generali Finance within the meaning of art. 10, paragraph 1, letter d of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

### Income tax

Resident holders: A holder who is a private individual and a resident, or treated as being a resident of the Netherlands for the purposes of Netherlands income tax, must record Notes as assets that are held in box 3. Taxable income with regard to the Notes is then determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return is fixed at a rate of 4% of the holder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year, insofar as the yield basis exceeds a certain threshold (*heffingvrij vermogen*). Such yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes at the beginning of the calendar year, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the Notes will be included as an asset in the holder's yield basis. As from January 2017 the fixed rate of 4% will be changed into three graduated rates of which the first two (2.9% and 4.7%) will be adjusted annually and the third one (5.5%) may be adjusted after five years. The deemed return on income from savings and investments is taxed at a rate of 30%. As from January 2017, instead of the deemed income of 4 per cent., three graduated rates (presently estimated at 2.9 per cent., 4.7 per cent. and 5.5 per cent.), which will be adjusted annually, will apply.

Non-resident holders: A holder who is a private individual and neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Netherlands income tax, will not be subject to such tax in respect of benefits derived from the Notes, unless such holder is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise which is effectively managed in the Netherlands, to which enterprise the Notes are attributable.

#### **Corporate income tax**

Resident holders: A holder which is a corporate entity and, for the purposes of Netherlands corporate income tax, a resident, or treated as being a resident, of the Netherlands, is taxed in respect of benefits derived from the Notes at rates of up to 25%.

Non-resident holders: A holder which is a corporate entity and, for the purposes of Netherlands corporate income tax, is neither a resident, nor treated as being a resident, of the Netherlands, will not be subject to corporate income tax, unless such holder has an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, a Netherlands Enterprise (*Nederlandse onderneming*), to which Netherlands Enterprise the Notes are attributable, or such holder is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable. Such holder is taxed in respect of benefits derived from the Notes at rates of up to 25%.

#### **Gift and inheritance tax**

Resident holders: Netherlands gift tax or inheritance tax (*schenk- of erfbelasting*) will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is a resident, or treated as being a resident, of the Netherlands for the purposes of Netherlands gift and inheritance tax.

Non-resident holders: No Netherlands gift tax or inheritance tax will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Netherlands gift and inheritance tax.

#### **Other taxes**

No Netherlands turnover tax (*omzetbelasting*) will arise in respect of any payment in consideration for the issue of Notes, with respect to any cash settlement of Notes or with respect to the delivery of Notes.

Furthermore, no Netherlands registration tax, capital tax, transfer tax or stamp duty (nor any other similar tax or duty) will be payable in connection with the issue or acquisition of the Notes.

### **Residency**

A holder will not become a resident, or a deemed resident, of the Netherlands for Netherlands tax purposes by reason only of holding the Notes.

## **LUXEMBOURG**

*The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the Notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This overview is based upon the law as in effect on the date of this Prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.*

All payments of interest and principal by the relevant Issuer in the context of the holding, disposal, redemption or repurchase of the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Luxembourg law, subject however to the application as regards Luxembourg resident individuals of the Luxembourg law of 23 December 2005 which has introduced a 10 per cent. withholding tax on savings income paid by a Luxembourg paying agent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. In addition, pursuant to the Luxembourg law of 17 July 2008, Luxembourg resident individuals can opt to self-declare and pay a 10 per cent. tax (which is final when the Luxembourg resident individuals are acting in the context of the management of their private wealth) on interest payments made after 31 December 2007 by certain paying agents not established in Luxembourg, i.e. paying agents located in an EU member state other than Luxembourg, a member state of the European Economic Area or certain dependent or associated territories of EU Member States.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 23 December 2005, as amended, is assumed by the Luxembourg paying agent within the meaning of these laws.

### **Taxes on Income and Capital Gains**

Noteholders who derive income from Notes or who realize a gain on the disposal or redemption thereof will not be subject to Luxembourg taxation on income or capital gains (subject to the application of the law of 23 December 2005, as amended, which has introduced a 10 per cent. final withholding tax on savings income as regards Luxembourg resident individuals) unless:

- (a) such Noteholders are, or are deemed to be, resident in Luxembourg for Luxembourg tax purposes (or for the purposes of the relevant provisions);

- (b) such income or gain is attributable to an enterprise or part thereof which is carried on through a permanent establishment or a permanent representative in Luxembourg or a fixed base of business in Luxembourg.

### **Net Wealth Tax**

Luxembourg net wealth tax will not be levied on Noteholders unless:

- (a) Noteholders are, or are deemed to be, residents in Luxembourg for the purpose of the relevant provisions;
- (b) Notes are attributable to an enterprise or part thereof which is carried on through a permanent establishment or a permanent representative or a fixed base of business in Luxembourg;

### **Value Added Tax**

There is no Luxembourg value added tax payable by a holder of a Note in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes, or the transfer of the Notes.

### **Other Taxes and Duties**

There is no Luxembourg registration tax, capital tax, stamp duty or any similar tax or duty payable in Luxembourg in respect of or in connection with the issue, execution, delivery and enforcement by legal proceedings (including any foreign judgment in the courts of Luxembourg) of the Notes or the performance of the relevant Issuer obligations under the Notes, except that in the case of a voluntary registration or in case of courts proceedings in a Luxembourg court or the representation of the documents in relation to the Notes to an “*autorité constituée*”, such court or such “*autorité constituée*” may require registration thereof, in which case the documents will be subject to registration duties depending on the nature of the documents. In case it is expected that the documents in relation to the Notes will be presented to a Luxembourg court or to an “*autorité constituée*”, investors are recommended to seek appropriate advice at that time.

### **Residence**

A Noteholder will not become resident, or deemed to be resident, in Luxembourg by reason only of its holding of Notes or the execution, performance, delivery and/or enforcement of that or any other Notes.

## **THE PROPOSED FINANCIAL TRANSACTIONS TAX (“FTT”)**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances.

Under the current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.



However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## **FOREIGN ACCOUNT TAX COMPLIANCE ACT**

Pursuant to Chapter 4 of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain withholdable payments it makes, including “foreign passthru payments”, to persons that fail to meet certain certification, reporting, or related requirements. Each Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Italy and the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. A foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of these rules to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are subject to definitions which have not yet been set forth in relevant regulations and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

## SUBSCRIPTION AND SALE

Notes may be sold from time to time by any Issuer to any one or more of Banca IMI S.p.A., Banca Generali S.p.A., Barclays Bank PLC, BNP Paribas, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Commerzbank Aktiengesellschaft, Deutsche Bank AG, London Branch, Goldman Sachs International, HSBC Bank plc, J.P. Morgan Securities plc, Mediobanca – Banca di Credito Finanziario S.p.A., Merrill Lynch International, Mizuho International plc, Morgan Stanley & Co. International plc, Nomura International plc, The Royal Bank of Scotland plc, UBS Limited, Société Générale, UniCredit Bank AG or any other Dealer appointed from time to time by the Issuers and the Guarantor (the “**Dealers**”). The arrangements under which Notes may from time to time be agreed to be sold by the relevant Issuer to, and purchased by, the Dealers or any of them are set out in a Dealer Agreement dated 19 May 2016 (the “**Dealer Agreement**”) and made between the Issuers, the Guarantor and the Dealers. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

**United States of America:** Regulation S Category 2; TEFRA D, unless TEFRA C is specified in the relevant Final Terms; not Rule 144A eligible.

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the relevant Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to the Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the relevant Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Each Series of Notes may also be subject to such further US Selling Restrictions as the relevant Issuer and the relevant Dealer may agree and as indicated in the relevant Final Terms.

### **Public Offer Selling Restriction Under the Prospectus Directive**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and

including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “**offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

### **Selling Restrictions Addressing Additional United Kingdom Securities Laws**

Each Dealer has represented, warranted and agreed that:

- (a) *No deposit taking*: in relation to any Notes having a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer;
- (b) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the FSMA does not apply to the relevant Issuer or where applicable the Guarantor; and

- (c) *General compliance*: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Republic of Italy**

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”) pursuant to Italian securities legislation. Each Dealer has represented and agreed that any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy will be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulation.

Accordingly, each of the Dealers has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of the Base Prospectus and any other document relating to the Notes in the Republic of Italy except:

- (a) to “qualified investors”, as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (“**Decree No. 58**”) and in Articles 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended (“**Regulation No. 11971**”); and
- (b) that it may offer, sell or deliver Notes or distribute copies of any prospectus relating to such Notes in a solicitation to the public in the period commencing on the date of publication of such prospectus, provided that such prospectus has been approved in another Relevant Member State and notified to CONSOB, all in accordance with Directive 2003/71/EC of 4 November 2003 (the “**Prospectus Directive**”) and the 2010 PD Amending Directive, as implemented in Italy under Decree No. 58 and Regulation No. 11971, and ending on the date which is 12 months after the date of approval of such prospectus.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993, as amended (the “**Consolidated Banking Law**”), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations;
- (b) in compliance with Article 129 of the Consolidated Banking Law, as amended, or any applicable implementing guidelines of the Bank of Italy; and
- (c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

### **The Netherlands/Global**

Each Dealer has represented and agreed that it will not make an offer of Notes which are outside the scope of the approval of this Base Prospectus, as completed by the Final Terms relating thereto, to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive (as defined under “- *Public Offer Selling Restriction under the Prospectus Directive*” above) unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) or (ii) standard exemption wording and a logo are disclosed as required by Section 5:20(5) of the Dutch Financial Supervision Act, provided that no such offer of Notes shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Zero Coupon Notes (as defined below) in definitive form of any Issuer may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the relevant Issuer or a member firm of Euronext Amsterdam N.V. with due observance of the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of: (a) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, (b) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, and (c) the issue and trading of Zero Coupon Notes in definitive form if they are physically issued outside The Netherlands and are not distributed in The Netherlands in the course of primary trading or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987, attached to the Royal Decree of 11 March 1987, (*Staatscourant* 129) (as amended), each transfer and acceptance should be recorded in a transaction Note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial numbers of such Notes. For the purposes of this paragraph, “**Zero Coupon Notes**” means Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended, the “**FIEA**”) and, accordingly, each Dealer has represented and agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any Resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, “**Resident of Japan**” shall mean any resident of Japan including any corporation or other entity organised under the laws of Japan.

### **Hong Kong**

Each Dealer has represented, warranted and agreed that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) other than (i) to “professional investors” as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a “Prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**Companies Ordinance**”) or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

**The Republic of China (“ROC”)**

Each Dealer has represented, warranted and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, at any time, directly or indirectly, any Notes acquired by it as part of the offering in the ROC or to, or for the account or benefit of, any resident of the ROC.

**People’s Republic of China**

Each Dealer has represented, warranted and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People’s Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People’s Republic of China.

**General**

Each Dealer has represented, warranted and agreed that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all case at its own expenses. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuers, the Guarantor and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s), or change(s) in official interpretation, after the date hereof of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed “General” above.

Selling restrictions may be supplemented or modified with the agreement of the relevant Issuer. Any such supplement or modification may be set out in a supplement to this Base Prospectus.

## GENERAL INFORMATION

### Approval, Listing and Admission to Trading

Application has been made to the CSSF to approve this Base Prospectus as a base prospectus for the purposes of the Prospectus Directive and the relevant implementing measures in Luxembourg. Application has also been made for Notes issued under the Programme to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange.

### Authorisations

The establishment of the Programme was authorised by resolutions of the Boards of Directors of the Issuers as follows: Assicurazioni Generali on 11 November 2004 and Generali Finance on 18 November 2004. The update of the Programme was authorised by resolutions of the Boards of Directors of the Issuers as follows: Assicurazioni Generali on 5 April 2016 (pursuant to which, *inter alia*, the increase of the maximum aggregate principal amount of all Notes outstanding from time to time under the Programme from €12,000,000,000 to €15,000,000,000 was authorised by Assicurazioni Generali); and Generali Finance on 21 April 2016 (pursuant to which, *inter alia*, the increase of the maximum aggregate principal amount of all Notes outstanding from time to time under the Programme from €12,000,000,000 to €15,000,000,000 was authorised by Generali Finance). Each of the Issuers and the Guarantor, if applicable, has obtained or will obtain from time to time all necessary consents, approvals and authorizations in connection with the issue and performance of the Notes and, if applicable, the giving of the Guarantee relating to them.

### Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number in relation to the Notes of each Series will be specified in the Final Terms relating thereto. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

The address of Euroclear is 1 Boulevard du Roi, Albert I, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the relevant Final Terms.

### Use of proceeds

The net proceeds of the issue of each Tranche of Notes will be applied by each Issuer to meet part of its general financing requirements and to support corporate strategy.

### Litigation

Save as otherwise described in “*Description of Assicurazioni Generali S.p.A. – Litigation pending*” and disclosed in the paragraph headed “*Litigation*” in the Management Report on the non-consolidated financial statements of Assicurazioni Generali as at and for the year ended 31 December 2015 and 2014 incorporated by reference in this Base Prospectus, there are no governmental, legal or arbitration proceedings against or affecting the Issuers or the Guarantor or any of their Subsidiaries, nor are any of the Issuers or the Guarantor aware of any such pending or threatened proceedings of such kind during the 12 months before the date of this Base Prospectus, which may have, or have had in the recent past, significant effects on any of the Issuers, the Guarantor or the Generali Group’s financial position or profitability or which are or might be material in the context of the Programme or the issue of the Notes or the giving of the Guarantee of the Notes thereunder.

**No significant change**

Save as otherwise disclosed in the paragraphs headed “*Significant events after 31 December 2015*” and “*Outlook for Generali Group*” in the Management Report on the consolidated financial statements of Assicurazioni Generali as at and for the year ended 31 December 2015 and in the paragraph headed “*Outlook*” in the 2016 First Quarter Results Press Release, incorporated by reference in this Base Prospectus, since 31 March 2016 (being the last day of the financial period in respect of which the most recent interim financial statements of the Issuers and of the Guarantor have been published), there has been no significant change to the financial or trading position of the Issuers and, if applicable, their respective Subsidiaries as a whole, or, as the case may be, of the Guarantor and its Subsidiaries as a whole.

**Material adverse change**

Save as otherwise disclosed in “*Description of Assicurazioni Generali S.p.A. – Recent Developments*”, the paragraphs headed “*Significant events after 31 December 2015*” and “*Outlook for Generali Group*” in the Management Report on the consolidated financial statements of Assicurazioni Generali as at and for the year ended 31 December 2015 and in the paragraph headed “*Outlook*” in the 2016 First Quarter Results Press Release, incorporated by reference in this Base Prospectus, there has been no material adverse change in the prospects of each of the Issuers or the Guarantor since 31 December 2015.

**Material contracts**

There are no material contracts that are not entered into in the ordinary course of each of the Issuer’s business, which could result in any Generali Group member being under an obligation or entitlement that is material to each of the Issuer’s ability to meet its obligation to security holders in respect of the securities being issued.

**Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

**Change in control**

There are no arrangements known to the Issuers the operation of which may result in a change of control of the Issuers other than as described herein.

**Documents available for inspection**

For so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the specified office of the Fiscal Agent, namely:

- (a) the Agency Agreement;
- (b) the Deeds of Covenant;
- (c) the by-laws of each of Assicurazioni Generali and Generali Finance;
- (d) the Programme Manual (which contains the forms of the Notes in global and definitive form);
- (e) a copy of the Deed of Guarantee entered into by the Guarantor in respect of Notes stated in the relevant Final Terms to have the benefit of the Deed of Guarantee, that are listed on the Luxembourg Stock Exchange; and
- (f) any Final Terms relating to Notes which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system (but in the case of any Notes which are not admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, copies of the relevant Final Terms will only be available for inspection by the relevant Noteholders).



### **Documents available**

For so long as the Programme remains in effect or any Notes are outstanding, copies and, where appropriate, English translations of the following documents may be obtained during normal business hours at the specified office of the Fiscal Agent, namely:

- (a) a copy of this Base Prospectus (including any supplement to this Base Prospectus);
- (b) the most recent publicly available annual consolidated financial statements of Assicurazioni Generali beginning with such financial statements as of and for the years ended 31 December 2014 and 31 December 2015 (together with English translations);
- (c) the most recent publicly available annual non-consolidated financial statements of Generali Finance beginning with such financial statements as of and for the years ended 31 December 2014 and 31 December 2015;
- (d) the most recent publicly available consolidated semi-annual financial statements of Assicurazioni Generali (together with English translations);
- (e) the most recent publicly available non-consolidated semi-annual financial statements (if any) of Generali Finance; and
- (f) the most recent publicly available unaudited consolidated quarterly financial statements (if any) of Assicurazioni Generali (together with English translations).

In compliance with the requirements of the Luxembourg Stock Exchange, this Base Prospectus will and, in the case of Notes listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the relevant Final Terms will also, be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

### **Auditors**

The auditors of Assicurazioni Generali are Reconta Ernst & Young S.p.A., who are authorised and regulated by the Italian Ministry of Economy and Finance (“MEF”) and registered on the special register of auditing firms held by the MEF. The auditors of Generali Finance are Ernst & Young Accountants LLP, registered with The Netherlands Authority for Financial Markets (“AFM”).

### **Passporting**

The Issuers may, on or after the date of this Base Prospectus, make applications for one or more further certificates of approval under Article 18 of the Prospectus Directive as implemented in Luxembourg by article 19 of the Luxembourg Prospectus Law to be issued by the CSSF to the competent authority in any Member State.

### **Rating Agencies**

Each of AM Best Europe-Rating Services Ltd., Fitch Ratings Limited and Moody’s Investors Service Ltd is established in the EEA and registered under the CRA Regulation, and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

### **Interests of Natural and Legal Persons**

Certain of the Dealers and their affiliates (including their parent companies) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, or provide financing to, Assicurazioni Generali, Generali Finance and their affiliates in the ordinary course of business. Furthermore, certain of the Dealers and their affiliates may have positions, deal or make

markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates (including their parent companies) may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of any of Assicurazioni Generali, Generali Finance or any of their respective affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates (including parent companies) may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Potential conflicts of interest may exist between the Calculation Agent (if any) and Noteholders (including where a Dealer acts as a calculation agent), including with respect to certain determinations and judgements that such Calculation Agent may make pursuant to the Conditions that may influence amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

Mediobanca – Banca di Credito Finanziario S.p.A. has designated one or more members of the Board of Directors of Assicurazioni Generali. Banca Generali S.p.A. is a company of the Assicurazioni Generali Group. A company part of the Intesa Sanpaolo banking group has issued financial instruments linked to the shares of Assicurazioni Generali S.p.A..

**REGISTERED OFFICE OF ASSICURAZIONI GENERALI S.p.A.**

Piazza Duca degli Abruzzi 2  
34123 Trieste Italy

**REGISTERED OFFICE OF GENERALI FINANCE B.V.**

Diemerhof 32  
1112 XN  
Diemen  
The Netherlands

**DEALERS**

**Banca Generali S.p.A.**

Via Machiavelli, 4  
34132 Trieste  
Italy

**Banca IMI S.p.A.**

Largo Mattioli, 3  
20121 Milan  
Italy

**Barclays Bank PLC**

5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**BNP PARIBAS**

10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Crédit Agricole Corporate and Investment Bank**

Corporate and Investment Bank  
9 Quai du Président Paul Doumer  
92920 Paris La Défense –Cedex  
France

**Credit Suisse Securities (Europe) Limited**

One Cabot Square  
London E14 4QJ  
United Kingdom

**Commerzbank**

**Aktiengesellschaft**

Kaiserstrasse 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Federal Republic of Germany

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Goldman Sachs International**

Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
United Kingdom

**HSBC Bank plc**

8 Canada Square  
London E14 5HQ  
United Kingdom

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**Mediobanca –Banca di Credito Finanziario S.p.A.**

Piazzetta E. Cuccia 1  
20121 Milan  
Italy

**Merrill Lynch International**

2 King Edward Street  
London EC1A 1HQ  
United Kingdom

**Mizuho International plc**

Bracken House  
One Friday Street  
London EC4M 9JA

**Morgan Stanley & Co. International plc**

25 Cabot Square  
Canary Wharf  
London E14 4QA

United Kingdom

**Nomura International plc**

1 Angel Lane  
London EC4R 3AB  
United Kingdom

**Société Générale**

29 boulevard Haussmann  
75009 Paris  
France

United Kingdom

**The Royal Bank of Scotland plc**

135 Bishopsgate  
London EC2M 3UR  
United Kingdom

**UBS Limited**

1 Finsbury Avenue  
London EC2M 2PP  
United Kingdom

**UniCredit Bank AG**

Arabellastrasse 12  
81925 Munich  
Germany

**FISCAL AGENT**

**BNP Paribas Securities Services, Luxembourg Branch**

60 avenue J.F. Kennedy, L-1855 Luxembourg  
Luxembourg

**PAYING AGENT**

**BNP Paribas Securities Services, London Branch**

55 Moorgate  
London EC2R 6PA  
United Kingdom

**LEGAL ADVISERS**

*To the Issuers and the Guarantor as to Italian Law:*

**Studio Legale RCC**

Via Boschetti 1  
20121 Milan  
Italy

*To the Dealers as to English and Italian Law:*

**Linklaters Studio Legale Associato**

in association with Linklaters LLP  
Via Broletto 9  
20121 Milan  
Italy

*To the Dealers as to Dutch Law:*

**Linklaters LLP**

World Trade Centre Amsterdam  
Tower H, 22nd floor  
Zuidplein 180  
1077 XV Amsterdam  
The Netherlands

**AUDITORS TO ASSICURAZIONI GENERALI S.p.A.**

**Reconta Ernst & Young S.p.A.**

Via Della Chiusa, 2  
20123 Milan  
Italy

**AUDITORS TO GENERALI FINANCE B.V.**

**Ernst & Young Accountants LLP**

Antonio Vivaldistraat 150  
1083 HP Amsterdam  
The Netherlands

**LISTING AGENT**

**BNP Paribas Securities Services, Luxembourg Branch**

60 avenue J.F. Kennedy, L-1855 Luxembourg  
Luxembourg