



# ASSICURAZIONI GENERALI

THE OTHER ITEMS  
ON THE AGENDA

ORDINARY AND EXTRAORDINARY  
SHAREHOLDERS' MEETING  
27-28 -29 APRIL 2006





# ASSICURAZIONI GENERALI

ORDINARY AND EXTRAORDINARY  
SHAREHOLDERS' MEETING  
27-28 -29 APRIL 2006







# GENERALI

## Assicurazioni Generali S.p.A.

Registered Office and Central Head Office in Trieste  
Head Office for Italian Operations in Mogliano Veneto  
Capital (fully paid in) Euro 1,276,017,308.00  
Fiscal code and Trieste Companies Register 00079760328  
Authorized to transact insurance business  
Per Article 65 of RDL April 29, 1923 No. 966

### CHAIRMAN

Antoine Bernheim

### VICE- CHAIRMAN

Gabriele Galateri di Genola

### MANAGING DIRECTORS

(\*) He acts also as General Manager

Sergio Balbinot (\*) / Giovanni Perissinotto (\*)

### DIRECTORS

(\*\*) Directors who, together with the Chairman, Vice-Chairman and Managing Directors, form the Executive Committee

Luigi Arturo Bianchi / Ana Patricia Botin  
Gerardo Brogginì (\*\*) / Claudio Consolo  
Laurent Dassault / Diego Della Valle / Enzo Grilli  
Piergaetano Marchetti (\*\*) / Klaus-Peter Müller / Alberto Nicola Nagel (\*\*)  
Alessandro Ovi / Alessandro Pedersoli  
Reinfried Pohl / Vittorio Ripa di Meana

### GENERAL COUNCIL

Comprising, besides the below listed elective Members, the Members of the Board of Directors and the General Managers

Giorgio Davide Adler / José Ramón Álvarez Rendueles  
José Maria Amusatégui de la Cierva / Raymond Barre / Claude Bébéar  
Kenneth J. Bialkin / Giacomo Costa / Maurizio De Tilla  
Enrico Filippi / Carlos Fitz-James Stuart y Martínez de Irujo  
Albert Frère / Roberto Gonzales Barrera / Georges Hervet  
Dietrich Kerner / Khoon Chen Kuok / Stefano Micossi  
Franca Orsini Bonacossi / Paolo Pedrazzoli / Arturo Romanin Jacur  
Guido Schmidt-Chiari / Theo Waigel / Wilhelm Winterstein

### BOARD OF AUDITORS

Gianfranco Barbato, Chairman  
Paolo D'Agnolo / Gaetano Terrin  
Giuseppe Alessio Vernì ( substitute) / Paolo Bruno ( substitute)

### GENERAL MANAGERS

Raffaele Agrusti / Fabio Buscarini

### DEPUTY GENERAL MANAGERS

(\*\*\*) Secretary of the Board of Directors

Mel Carvill / Claudio Cominelli / Aldo Minucci / Vittorio Rispoli (\*\*\*)

**CORPORATE BODIES  
AS OF APRIL 1, 2006**



**ASSICURAZIONI GENERALI**  
**VENEZIA**

ASSICURAZIONE PER  
**VITA - INCENDI - TRASPORTI - FURTI**

CAPITALE SOCIALE NETTO VERSO L. 13.258.000  
FONDO DI RISERVA L. 500 MILIONI - DIVIDI PAGATI  
UN INDIVIDUO L. 200 MILIONI - ASSICURAZIONI SULLA  
VITA DI UOMO L. 100 MILIONI - 500 MILIONI

Assicurazioni Generali Venezia - Via Venezia 100 - Tel. 041/221111

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# Report of the Board of Directors to the Shareholders' Meeting

## Appointment of a new Member to the Board of Directors

Dear Shareholders,

Last September, Mr. Tito Bastianello, Knight of the Republic of Italy for professional excellence, and Member of the Board of Directors, sadly passed away.

With regard to the above, it must be noted that:

- pursuant to article 31 of the Articles of Association, the Board of Directors shall consist of not less than 11 and not more than 21 members; and
- as directed by the Shareholders' Meeting, the Board of Directors shall include 19 members for the three-year period from 2004 to 2006;

Therefore, such vacancy needs to be filled by passing the appropriate resolutions.

The new Member will hold office for the remaining term of the Board of Directors, which started on 24<sup>th</sup> April 2004 and will expire upon the approval of the financial statement of the year ending on 31<sup>st</sup> December 2006.

Venice, 23 March 2006

THE BOARD OF DIRECTORS





# Report of the Board of Directors to the Shareholders' Meeting

## Appointment of the General Council for the three-year term from 2006 to 2008

Dear Shareholders,

Today's Meeting marks the end of the term of office of the Company's General Council.

This high advisory body is competent for all issues concerning the expansion of the Group in international insurance markets and, in general, for insurance and financial problems concerning the Group's interests.

Pursuant to article 27 of the Articles of Association, the General Council consists of at least 15 and not more than 35 members appointed by the Shareholders' Meeting.

With regard to the above, the Shareholders' Meeting is therefore called upon to vote on the following draft resolutions:

- to establish the number of the General Council elected members to 22 for the 2006/2008 term;
- to confirm as General Council members the current members: Giorgio Davide ADLER, José Ramón ALVAREZ RENDUELES, José Maria AMUSATEGUI de la CIERVA, Raymond BARRE, Claude BEBEAR, Kenneth J. BIALKIN, Giacomo COSTA, Maurizio DE TILLA, Enrico FILIPPI, Carlos FITZ-JAMES STUART y MARTINEZ de IRUJO, Albert FRERE, Roberto GONZALES BARRERA, Georges HERVET, Dietrich KARNER, Khoon Chen KUOK, Stefano MICOSI, Franca ORSINI BONACOSI, Arturo ROMANIN JACUR, Guido SCHMIDT-CHIARI, Theo WAIGEL and Wilhelm WINTERSTEIN;
- to appoint as new member Mr. Francesco Maria ATTAGUILE, President of the Italian Notary Association.

Venice, 23 March 2006

THE BOARD OF DIRECTORS





## Report of Board of Directors to the Shareholders' Meeting

Granting of the mandate for the auditing of financial and consolidated statements for the financial years from 2006 to 2011; for the verification in the course of the above of proper accounting and correct reporting of the financial position and operational results of the Company; for the limited auditing of the half-year reports for such period.

Dear Shareholders,

The Meeting held to approve the 2005 financial statement marks the end of the second three-year auditing mandate that the Shareholders' Meeting had granted to PricewaterhouseCoopers S.p.A. on 26<sup>th</sup> April 2003.

Pursuant to the law and to the regulations in force, the following resolutions need to be passed also to cover the new mandatory auditing tasks, as established by the applicable rules.

With regard to the above, the Shareholders' Meeting is called upon to appoint an auditing firm with the task of auditing the financial and consolidated statements in the six-year period from 2006 to 2011, as required pursuant to article 159 of the Legislative Decree n. 58 of 24<sup>th</sup> February 1998 (*Consolidated Law on Financial Intermediation*) and article 102 of the Legislative Decree n. 209 of 7<sup>th</sup> September 2005 (*Code of Private Insurance*)

The auditing firm must also be charged with the task of the verification of the proper corporate accounting and correct reporting of the financial position and the operational results of the Company, pursuant to article 155 of the Legislative Decree n. 58 of 24<sup>th</sup> February 1998.

Finally, the Company must arrange a limited auditing on its half-year report, both for the parent Company and the whole consolidation area (ISVAP provision n. 1207-G, 6<sup>th</sup> July 1999)

Therefore, also with the aim of ensuring compliance with the obligation to appoint a selected firm as the main auditor of the Generali Group and as auditor of the consolidated statements of the Group for the next six-year mandate, attention has been focused on PricewaterhouseCoopers S.p.A., which has accordingly submitted an estimate for such mandate. Taking into account the contribution given by the relevant Company divisions, rates for each financial period have been determined as follows:

- 1) the auditing of the financial statement of the parent Company requires 4.140 hours of work for a total amount of Euro 271.000,00; in this respect, the

- accounting of foreign subsidiaries also need to be audited, requiring 2.794 hours of work for a total amount of Euro 195.806,00;
- 2) the consolidated statement requires 2.940 hours of work for a total amount of Euro 212.500,00;
  - 3) the verification of the proper corporate accounting and the correct reporting of the financial position and operational results of the parent Company requires 640 hours of work for a total amount of Euro 33.000,00;
  - 4) the limited auditing of the half-year report and the consolidated half-year report requires 1.240 and 1.160 hours of work for a total amount of Euro 49.500,00 and Euro 86.000,00 respectively.

Hourly rates will be updated each year starting from 2006 on the basis of the inflation rate, as determined by the Italian Institute of Statistics (ISTAT), the reference being the month of June of the same year, starting with July 2005 for the first year.

Should the amount of hours turn out to be lower, the total amount due will be reduced accordingly. By contrast, should the amount of hours turn out to be higher due to exceptional or unforeseeable circumstances, an increase in the amount due may be applied.

Venice, 23 March 2006

THE BOARD OF DIRECTORS



# Opinion of the Board of Auditors

## Appointment of an external Auditing Company

Dear Shareholders,

in accordance with Article 146, paragraph 1, c) of the Regulation implementing Legislative Decree No. 58 of 24 February 1998 issued by CONSOB with resolution No. 11971 of 14 May 1999, the Board has examined the proposal submitted by the Company PricewaterhouseCoopers S.p.A. to be the Group's external auditing firm. In particular, the proposal envisages the following:

- the audit of the Group's financial statements and consolidated statements as at 31 December 2006/2011;
- verification of the correct recording of operational results in the accounting records and correct reporting of corporate accounts by means of three-month audits in the same financial years;
- the audit of the Company's half-year and consolidated half-year results as at 30 June 2006/2011.

This proposal complies with the new existing regulatory framework following the entry into force of Law No. 262 of 28 December 2005, and takes into account the clarifications given by CONSOB in its recent communications of 23 March 2006. Having said that and keeping in mind the limits of its mandate pursuant to the above-mentioned legislative provisions, the Board of Auditors makes the following remarks.

As to **independence**, no incompatibility with regulations or provisions under the law has been observed in connection with the auditors or the Auditing Firm, nor have any situations or facts arisen capable of compromising the objectivity or autonomy of auditors.

As for **technical eligibility**, the Auditing Firm appears properly prepared to suitably carry out the above-mentioned tasks, also thanks to the experience gathered in the two previous three-year mandates. Furthermore, the Board has observed that the auditing procedures planned and included in the audit programme comply with auditing principles and CONSOB instructions, while taking into account the nature and complexity of Assicurazioni Generali S.p.A. and its Group.

Finally, the criteria used to fix the compensations for the above-mentioned Auditing Firm comply with the provisions currently in force.

For all the above-mentioned reasons, the Board gives **favourable opinion** to the proposal submitted by the Auditing Firm "PricewaterhouseCoopers S.p.A." and to its single components.

Trieste, 4 April 2006

THE BOARD OF AUDITORS







# Report of the Board of Directors to the Shareholders' Meeting

## Authorisation to purchase own shares and to freely decide upon them

Dear Shareholders,

The Shareholders' Meeting is hereby called upon to vote on the draft authorisation to purchase own shares and to freely decide upon them, pursuant to articles 2357 and 2357-ter of the Italian Civil Code and article 132 of the Legislative Decree n. 58 of 24<sup>th</sup> February 1998.

### 1. Reasons for the request to authorise the purchase of own shares and subsequent transactions

The 2006-2008 Strategic Plan requires some corporate actions to be taken with a view to implementing the capital optimization programme.

It must be noted that this programme aims not only to enhance the efficient use of excess capital, but also to improve the capital structure, striking the right balance between equity and debts. Within this context, the overarching objective is to safeguard the Company and the Group financial standing in line, on one hand, with the regulations on surveillance and, on the other, with the reference standards set by rating agencies.

In this respect, the proposal on the purchase of own shares, in the opinion of the Board of Directors, is a good opportunity for investment as well as a measure aimed at boosting the Company's capital profitability.

Such authorisation is also needed with the purpose of providing the Company with an important tool to enhance flexibility at strategic and operational levels, while allowing the Company to freely decide upon such own shares, besides those previously acquired, for acquisition/exchange and/or assignment transactions. Finally, it must be noted that purchase may not be used instrumentally to reduce the share capital.

### 2. Maximum number and nominal value of shares set in the authorisation; compliance with the provisions of article 2357, paragraph 3, of the Italian Civil Code.

The purchase for which authorization is sought may take place in one or several transactions and involves the Company's ordinary shares having a nominal value of Euro 1,00 each. In compliance with the limits set in article 2357, paragraph 3,

of the Italian Civil Code, the total nominal value of the maximum number of shares to be purchased may not exceed one tenth of the share capital (including shares that may be held by subsidiaries).

In this respect, the Company and its subsidiaries to date have a portfolio of 5.618.229 Generali shares, equal to 0,44% of the Company's share capital.

Purchase will be carried out within the extent permitted by distributable profits and available provisions, as shown in the latest approved statement, for a total maximum amount of 1.800 millions Euro.

As provided in article 2357-ter, paragraph 3, of the Italian Civil Code, the Company will set up a closed provision, equal to the amount of the purchased own shares, by transferring such amount from available provisions. Such provision will be maintained until the own shares so purchased will actually be transferred.

In the event of transfer of such own shares, the above provision will be transferred back to the original provisions.

### **3. Authorisation Duration**

The authorization for the purchase is required for a period of 18 months as from the date of the resolution of the Shareholders' Meeting, while authorisation to decide freely on the shares has no time limit.

### **4. Lowest and Highest Price**

The minimum price for the purchase of ordinary shares may not be lower than the nominal value of the shares, i.e. Euro 1,00 each, while the maximum price may not exceed 5% of the Stock Exchange quotation of the shares on the previous day of each purchase operation.

Shares purchased under the Shareholders' Meeting authorisation may be the object of individual transactions and in that case they may be transferred, also before the maximum number of shares to be purchased is reached, in one or several transactions, without time limits, as deemed most appropriate in the Company's interests, including trading in the Stock Exchange and/or outside the Stock Exchange, block trading, institutional placing, placing of structured securities of any kind, or in consideration of acquisition of shareholdings and/or assets and/or business of other companies.

The transfer consideration must be not be lower than 5% of the Stock Exchange quotation of the shares on the day before each purchasing transaction.



## 5. Purchasing Procedures

Transactions for the purchase of own shares are regulated by article 132 of the Legislative Decree n. 58, dated 24<sup>th</sup> February 1998, and article 144-bis, paragraph 1, letters b) and c) of the regulations for issuers, adopted by CONSOB with resolution n. 11971 of 14<sup>th</sup> May 1999, including subsequent amendments, and must be implemented following the procedures established in the market internal regulations so as to insure equal treatment to shareholders. Therefore, purchase transactions will be carried out on an “exclusive” basis and also several times for each procedure:

- on regulated markets organised and managed by Borsa Italiana S.p.A., according to the practices set by the latter, preventing direct matching of demand and offer, or
- by purchasing and selling derivatives on the relevant regulated market under the responsibility of Borsa Italiana S.p.A., whose rules requires practices to comply with article 144-bis, paragraph 1, letters b) and c) of the regulation for issuers.

Transfers may be carried out in one or several transactions, also before the end of the purchasing operations, by trading in the Stock Exchange, in block trading, by public tender, or as a consideration for the purchase of shareholdings, and for assignments to shareholders, and will be disclosed in the accounts in compliance with the law and the applicable accounting standards.

Venice, 23 March 2006

THE BOARD OF DIRECTORS





## Report of the Board of Directors to the Shareholders' Meeting

### Stock Option Plan concerning the Chairman and the Managing Directors of the Company: relevant and ensuing resolutions.

Dear Shareholders,

The Shareholders' Meeting is called upon to decide how to implement the Stock Option Plan concerning the President and the Managing Directors of the Company.

Such action is required not only in consideration of the extremely good results achieved by the Generali Group over recent years thanks to the valuable contribution of its top management, but also in view of boosting motivation, while protecting and aligning the financial interests of the shareholders with the management's vision towards the common goal of further increasing the value of the shares.

Therefore, the performance of the beneficiaries of the Plan will be further enhanced and driven towards the results defined in the 2006/2008 Generali Group Strategic Plan with the aim of ensuring economic, financial and asset-related development of the Company and the Group.

Against this background, the draft Stock Option Plan covers the same period as the Strategic Plan (three years: from 2006 to 2008), providing the Chairman and the Managing Directors with up to 4.500.000 pre-emptive rights.

Such rights, which the Board of Directors will assign from time to time with the relevant vesting periods, may be exercised within three years starting from the expiry of each vesting period and, the Chairman and the Managing Directors will accordingly acquire the right to subscribe/buy Assicurazioni Generali ordinary shares at a price resulting from the arithmetic average closing share price on the Telematic Stock Market run by Borsa Italiana S.p.A., recorded during the period from the assignment date back to the same date of the previous calendar year.

In particular, the pre-emptive rights assigned to the Chairman are connected to the purchase of own shares and to the transactions that the Company may carry out on such shares – pending the prior authorization of the Shareholders' Meeting pursuant to articles 2357 and 2357-ter of the Italian Civil Code – in compliance with the buy-back rules and limits referred to in item n. 5 of today's Meeting agenda.

As Managing Directors are also employees of the Company, their pre-emptive rights will accrue from an increase of the share capital, as established by the Board

of Directors pursuant to article 2443 of the Italian Civil Code; therefore, the share capital will be increased by 3 million shares from the special provision that the Board of Directors may use to this end pursuant to article 8.3 of the Company's Articles of Association.

Finally, in the light of the above, the Shareholders' Meeting is called upon to vote on the authorisation to purchase own shares and to freely decide upon them, according to the above terms and conditions (therefore, up to a maximum of 1.500.000 Generali shares), on the one hand, and, to increase up to \_ 5.400.000,00 the amount set in the powers to be assigned to the Board of Directors and to increase the share capital by issuing a corresponding number of new shares with a nominal value of Euro 1,00 each. In this respect, article 8.3 of the Company's Articles of Association needs to be amended as follows:

### Article 8.3

8.3 The Board of Directors is empowered to increase the share capital by one or more issues within five years as from the date of resolution – namely until 30 April 2010 – up to an aggregate nominal value, at present, of **Euro 2.400.000,00** by issuing a corresponding number of new ordinary shares with a nominal value of Euro 1,00 to be assigned to the Company's employees or employees of subsidiary companies in accordance with the procedures and principles established by the Board of Directors and in compliance with the provisions of the law.

8.3 The Board of Directors is empowered to increase the share capital by one or more issues within five years as from the date of resolution – namely until 30 April 2010 – up to an aggregate nominal value, at present, of **Euro 5.400.000,00** by issuing a corresponding number of new ordinary shares with a nominal value of Euro 1,00 to be assigned to the Company's employees or employees of subsidiary companies in accordance with the procedures and principles established by the Board of Directors and in compliance with the provisions of the law.

The regulations governing the Stock Option Plan is hereby enclosed.

Venice, 23 March 2006

THE BOARD OF DIRECTORS



## Regulations on the Stock Option Plan for the Chairman and the Managing Directors

### 1. Definitions

Besides the terms and expressions defined in other articles of these Regulations, the terms and expressions listed hereunder shall have the meaning ascribed to them as follows:

- 1.1. **BENEFICIARIES:** the Generali Chairman and Managing Directors in office from 29<sup>th</sup> April 2006, severally;
- 1.2. **SHARES:** “Assicurazioni Generali S.p.A. ordinary shares”, each with a nominal value of Euro 1,00;
- 1.3. **ASSIGNMENT DATE:** the date when the GENERALI Board of Directors assigns the OPTIONS to the BENEFICIARIES;
- 1.4. **RELEVANT FINANCIAL YEARS:** the financial years ending on 31<sup>st</sup> December 2006, 31<sup>st</sup> December 2007 and 31<sup>st</sup> December 2008;
- 1.5. **GENERALI:** Assicurazioni Generali S.p.A., having its registered office in Trieste, piazza Duca degli Abruzzi 2; fiscal code and Trieste company register number 00079760328;
- 1.6. **WORKING DAYS:** weekdays from Monday to Friday, except for Italian bank holidays;
- 1.7. **OPTIONS:** the pre-emptive rights to subscription or purchase of SHARES;
- 1.8. **DELEGATED BODY:** the Remuneration Committee, set up and appointed by the GENERALI board of Directors;
- 1.9. **PLAN:** the Plan aimed at assigning the OPTIONS to the GENERALI Chairman and Managing Directors under these REGULATIONS;
- 1.10. **REGULATIONS:** these Regulations, approved by the Generali Shareholders’ Meeting with the resolution of 29<sup>th</sup> April 2006;
- 1.11. **PARTY IN CHARGE:** Banca Generali S.p.A., having its registered office in Trieste, Via Niccolò Machiavelli 4, Fiscal Code and Trieste Company number 00833240328.

### 2. Object

- 2.1. The object of the REGULATIONS concerns the regulation of the PLAN.
- 2.2. The object of the PLAN is to assign OPTIONS to the BENEFICIARIES, for each RELEVANT FINANCIAL YEAR, under the terms and conditions set out in these REGULATIONS.
- 2.3. The Board of Directors, also through the DELEGATED BODY, shall set the performance objectives; if they are not achieved, the assignment shall be terminated forthwith.
- 2.4. In the meeting on the approval of the consolidated statement for the RELEVANT FINANCIAL YEARS or in some later meeting, the Board of Directors shall also determine whether such objectives have been achieved.

### 3. The OPTIONS

- 3.1. OPTIONS are granted on a personal basis and may not be transferred, except in the event of the BENEFICIARY'S death.
- 3.2. Each OPTION carries the right to subscribe to one Share upon payment of the applicable price.
- 3.3. The OPTION applicable price is set as a unit value, equivalent to the arithmetic average closing price of the quotation of "Assicurazioni Generali S.p.A. ordinary shares" on the Telematic Stock Exchange run by Borsa Italiana S.p.A., recorded from the date of OPTION assignment back to the same day of the previous calendar month.
- 3.4. The assignment of the OPTIONS shall be deemed completed as of the date of assignment.

### 4. Terms and Conditions for Exercising the Options

- 4.1. Applications to exercise the OPTIONS must be submitted to the PARTY IN CHARGE.
- 4.2. The applicable price shall be paid without any commission or charge to the applicants, and the value date shall be the same as the transfer day of the SHARES.
- 4.3. SHARES shall be transferred within five working days from the day the application is submitted to the PARTY IN CHARGE.
- 4.4. Applications to exercise the OPTIONS may not be submitted between the day the Shareholders' Meeting is convened to approve the financial statement and the day when the Shareholders' Meeting is actually held, both days are deemed included. In the event the Shareholders' Meeting have decided on the dividend distribution, the suspension period will end the day following the payment date. Any other limit to the exercise of the OPTIONS and to the availability of shares connected to such exercise under the regulations adopted by the Board of Directors on internal dealing shall remain valid.
- 4.5. BENEFICIARIES shall have to re-invest at least 50% of the capital gains deriving from the sale of SHARES connected to the exercise of the OPTIONS in the purchase of Assicurazioni Generali S.p.A. ordinary share and to refrain from transferring such shares for at least twelve months from the purchase. Such purchase operations shall be implemented by the PARTY IN CHARGE on the same day it receives the OPTION exercise order. To this end, the BENEFICIARIES shall provide an irrevocable order to the PARTY IN CHARGE to carry out these purchase operations.

### 5. Exercise Period

- 5.1. BENEFICIARIES may exercise the OPTIONS, in one or several transactions, within three years starting from the OPTIONS ASSIGNMENT DATE, and at the end of the vesting period, as the Board of Directors may determine from





time to time; OPTIONS which are not exercised within such deadline shall become null and void, and will have no validity whatsoever.

- 5.2. BENEFICIARIES may exercise their OPTIONS pursuant to paragraph 5.1 in the event they leave their office under paragraph 1.1 – with the sole exception of the revocation of the position of Director under article 2383, paragraph 3 of the Italian Civil Code and termination without agreement, entailing the forfeiture of all such rights.
- 5.3. In case of death, heirs may exercise the OPTIONS assigned to the deceased BENEFICIARY as they become executable under paragraph 5.1.
- 5.4. The DELEGATED BODY may make exceptions in favour of the BENEFICIARIES regarding the provisions of the preceding paragraph, provided that such course of action is justified.

## 6. Rights of the BENEFICIARIES in transactions involving GENERALI share capital

- 6.1. Should GENERALI perform, within the period covered by the PLAN, transactions involving its capital, or should any other circumstances arise, making it necessary, the DELEGATED BODY shall submit any relevant draft amendment of the PLAN to the Board of Directors, with the aim of ensuring that the position of the BENEFICIARIES is fair as compared to the position established on 29<sup>th</sup> April 2006.

## 7. SHARES

- 7.1. SHARES shall be transferred with full availability and are not subject to any restriction.
- 7.2. Their accrual period is the same as that of “Assicurazioni Generali S.p.A. ordinary shares” already issued at the exercise date of the OPTIONS and are provided with coupons referring to the same date.

## 8. Party in charge

- 8.1. BENEFICIARIES shall confer an irrevocable mandate to the PARTY IN CHARGE for the exercise of the rights connected to the OPTIONS.

## 9. Final Provisions

- 9.1. OPTION ownership is subject to full acceptance of all the provisions of these REGULATIONS.
- 9.2. Notices to be served to the BENEFICIARIES under these REGULATIONS shall be in writing and shall be sent to their office addresses or to their home addresses that they will notify.

## 10. Exclusive Jurisdiction

10.1. GENERALI, the BENEFICIARIES and all parties having rights and/or obligations arising out or in connection to these REGULATIONS agree that any legal proceeding connected to the PLAN and/or the REGULATIONS shall be under the exclusive jurisdiction of the Court of Trieste.

Venice, 23 March 2006

THE BOARD OF DIRECTORS



## Report of the Board of Directors to the Shareholders' Meeting

Stock Grant Plan. Authorisation to the Board of Directors to increase the share capital in compliance with the Stock Grant Plan for Company's employees and employees of its subsidiaries. Required Amendments to article 8 of the Company's Articles of Association: relevant and ensuing resolutions.

Dear Shareholders,

Last March, an agreement was reached with the Trade Unions on the renewal of the Generali Group's Supplementary Corporate Contract, providing for *inter alia* a stock grant under article 2349 of the Italian Civil Code (hereinafter referred to as "*stock grant*") to Company's employees and to employees of some Italian companies of the Group.

The number of shares granted to each employee of the Company and some of the Group companies will be equal to the rounded off ratio between the reference value in Euro, applicable to each beneficiary, and the subscription price of "Assicurazioni Generali S.p.A. ordinary shares", set as the arithmetic average closing price of the quotations of "Assicurazioni Generali S.p.A. ordinary shares" on the Telematic Stock Exchange run by Borsa Italiana S.p.A., recorded from the granting date back to the same day of the previous calendar month.

Shares granted to each employee will have a regular accrual period starting from 1st January 2006 and may not be transferred for three years since the granting date.

With a view to implement the Stock Grant Plan, the Shareholders' Meeting is hereby called upon to vote on the proposal to authorise the Board of Directors, pursuant to article 2443 of the Italian Civil Code, to increase the share capital, in one or several transactions, within five years from the date of the Shareholders' resolution, i.e. within 29<sup>th</sup> April 2011, up to Euro 500.000,00, by issuing a corresponding number of new shares with a nominal value of Euro 1,00 each, which in turn requires article 8.4 of the Company's Articles of Association to be amended as follows.

The other items on the agenda

#### Article 8.4

The Board of Directors is empowered to increase the share capital by one or more issues within five years as from the date of resolution – namely until **28 April 2006** – up to an aggregate nominal value of Euro **180.000,00** by issuing a corresponding number of new ordinary shares with a nominal value of Euro 1,00 to be individually assigned to the Company's employees or employees of subsidiary companies in compliance with article 46 of the Company's Articles of Association.

The Board of Directors is empowered to increase the share capital by one or more issues within five years as from the date of resolution – namely until **29 April 2011** – up to an aggregate nominal value of Euro **500.000,00** by issuing a corresponding number of new ordinary shares with a nominal value of Euro 1,00 to be individually assigned to the Company's employees or employees of subsidiary companies in compliance with article 46 of the Company's Articles of Association.

The regulations governing the Stock Grant Plan is hereby enclosed.

Venice, 23 March 2006

THE BOARD OF DIRECTORS



## Regulations on the Share Grant to employees for the 2006 financial year

### 1. Object

- 1.1. The Board of Directors, empowered with the authorisation given by the Shareholders' Meeting of 29<sup>th</sup> April 2006, has decided to grant "Assicurazioni Generali S.p.A. ordinary shares" (hereinafter referred to as the "Shares") to employees pursuant to articles 2349 and 2443 of the Italian Civil Code.
- 1.2. The Grant implements the provisions of the labour agreement signed on 3<sup>rd</sup> March 2006 by the parent Company, Assicurazioni Generali S.p.A., and the Italian representatives of corporate Generali Group trade union councils.
- 1.3. This agreement also applies to the employees of Generali Vita S.p.A., G.G.L. S.p.A., GSA S.r.l., GSI S.r.l., INA Vita S.p.A., Assitalia – Le Assicurazioni d'Italia S.p.A., F.A.T.A. – Fondo Assicurativo tra Agricoltori S.p.A., Consorzio Agenzia Generale INA/Assitalia, La Venezia Assicurazioni S.p.A., Risparmio Assicurazioni S.p.A., S.I.A. – Società di Ingegneria delle Assicurazioni S.p.A., Datel S.r.l..
- 1.4. Shares thus granted shall have an accrual period starting from 1<sup>st</sup> January 2006.

### 2. Beneficiaries

- 2.1. Shares are deemed granted, as from the date of the resolution of the Board of Directors, to employees having a subordinate labour contract without time limits signed before such date with:
  - a) Assicurazioni Generali S.p.A.
  - b) Generali Vita S.p.A.
  - c) G.G.L. S.p.A.
  - d) GSA S.r.l.
  - e) GSI S.r.l.
  - f) INA Vita S.p.A.
  - g) Assitalia – Le Assicurazioni d'Italia S.p.A.
  - h) F.A.T.A. – Fondo Assicurativo tra Agricoltori S.p.A.
  - i) Consorzio Agenzia Generale INA-Assitalia
  - j) La Venezia Assicurazioni S.p.A.
  - k) Risparmio Assicurazioni S.p.A.
  - l) S.I.A. – Società di Ingegneria delle Assicurazioni S.p.A.
  - m) Datel S.r.l.

### 3. Terms and Conditions of the Grant

- 3.1. The grant shall be notified to employees by special notice disclosing details of the operation, the value of the shares granted to them, the three-year limit, and custody terms.

#### 4. Number of shares to be granted

4.1. The share grant is subject to the following amounts (to be decreased proportionally for part-time staff):

	Value in Euro up to
<u>Managers</u>	2.060
<u>Administrative Staff (National Collective Labour Contract dated 18.7.2003)</u>	
- 7° wage level – III category executives	2.060
- 7° wage level - II category executives	1.950
- 7° wage level - I category executives	1.820
- 6° wage level	1.140
- 5° wage level	1.020
- 4° wage level	900
- 3° wage level	780
- 2° wage level	670
- 1° wage level	600
<u>Staff in the production organization and production areas (National Collective Labour Contract dated 18.7.2003)</u>	
- 4° wage level	800
- 3° wage level	700
- 2° wage level	620
- 1° wage level	550
<u>Staff subject to special rules – part III (section I) of the National Collective Labour Contract dated 18.7.03:</u>	600
<u>Staff under the National Collective Labour Contract for “employees of real estate owners”:</u>	550

4.2. The number of shares actually granted to each employee will be equal to the rounded off ratio between the reference value in Euro, applicable to each beneficiary, and the subscription price of the "Assicurazioni Generali S.p.A. ordinary shares", set as the arithmetic average closing price of the quotations of “Assicurazioni Generali S.p.A. ordinary shares” on the Telematic Stock Exchange run by Borsa Italiana S.p.A., recorded from the granting date back to the same day of the previous calendar month.



## 5. Limits

- 5.1. Shares may not be transferred for three years since the granting date.
- 5.2. Such limit is deemed valid for groups, divisions or free issues of share, if any, pursuant to article 2442 of the Italian Civil Code, which may be decided by the competent corporate bodies during the period of validity of such limit.
- 5.3. Shares shall be issued with the following restriction. “Shares may not be transferred, mortgaged, assigned in beneficiary ownership, assigned by proxy, and must be free from any other encumbrance relating to their property right for a period of three years from the granting date, save as otherwise provided by the law.”

## 6. Custody Terms and Conditions

- 6.1. Until the end of the three-year limit and with a view to implementing such limit, shares shall be held in custody, without any charge for the beneficiaries, according to terms and conditions as that Assicurazioni Generali may set.

## 7. Personal Data Processing: information in compliance with article 13 of the Legislative Decree n. 196 of 30<sup>th</sup> June 2003

- 7.1. The processing of personal data of the employees involved in the grant operation, already held by or notified to the Company, aims at implementing all necessary procedures to grant the shares under these regulations with the limits imposed on them. Data processing is mandatory to ensure that shares are granted properly, and it is carried out with partly computerized procedures and practices which are strictly necessary to attain the above objectives; certain services are provided to the holders by companies belonging to the Generali Group, having technical, organisational and operational tasks as sole holders or independent holders.
- 7.2. Beneficiaries are entitled to be informed at any time of the data filed by the Company and how they are used; they are also entitled (article 7 of the Legislative Decree, n. 196 of 30<sup>th</sup> June 2003) to have them updated, supplemented, changed, cancelled, blocked and to oppose to their processing.
- 7.3. Assicurazioni Generali S.p.A. is responsible for the data processing and operate through its representatives; its representative under article 7 of the Legislative Decree n. 196 of 30<sup>th</sup> June 2003 is the Group Privacy Service. Every information pertaining the recipients or category of recipients of data, or other subject that may have them as representatives or officials in charge to carry out the above processing may be required to the Privacy Service.

## 8. Competent Jurisdiction

- 8.1. All parties having rights and/or obligations arising out or in connection to these Regulations agree that any legal proceeding connected to the Regulations shall be under the exclusive jurisdiction of the Court of Trieste.

Venice, 23 March 2006

THE BOARD OF DIRECTORS





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