



**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)*

**€10,000,000,000**

**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 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**"), (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**"), (vi) more deeply subordinated notes of Assicurazioni Generali which are more deeply subordinated and with, or without, a maturity date as described herein (the "**More Deeply Subordinated Notes of Assicurazioni Generali**"), and (vii) more deeply subordinated notes of Generali Finance which are more deeply subordinated and with, or without, a maturity date as described herein (the "**More 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, the Deeply Subordinated Notes of Assicurazioni Generali, the Deeply Subordinated Notes of Generali Finance and the More Deeply Subordinated Notes of Assicurazioni Generali, the "**Subordinated Notes**").

Notice of the aggregate nominal amount of any tranche 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 to 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 1.**

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 20 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 195.

*Arranger*

*Société Générale Corporate & Investment Banking*

*Dealers*

*Banca Generali S.p.A.*

*Barclays*

*BofA Merrill Lynch*

*Crédit Agricole CIB*

*Commerzbank*

*Goldman Sachs International*

*J.P. Morgan*

*Banca IMI*

*BNP PARIBAS*

*Citigroup*

*Credit Suisse*

*Deutsche Bank*

*HSBC*

*Mediobanca*

*Mizuho Securities*  
*Nomura*  
*Société Générale Corporate &*  
*Investment Banking*

*Morgan Stanley*  
*The Royal Bank of Scotland*  
*UBS Investment Bank*

*UniCredit Bank*

*Dated 8 April 2014*

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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 each of its 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.

### ***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 are being 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.

On 19 January 2011, the European Commission proposed the adoption of a directive (the "**Omnibus II Directive**") to introduce a number of changes to the Solvency II regime. The Omnibus II Directive will also empower the Commission to apply more flexible transitional provisions for insurance undertakings affected by Solvency II and grant extended powers to the new European Insurance and Occupational Pensions Authority (EIOPA, which has replaced CEIOPS, The Committee of European Insurance and Occupational Pensions Supervisors since 1 January 2011). In November 2013, representatives from the European Parliament, the European Commission and the Council of the European Union reached an agreement on the Omnibus II Directive, which was adopted by the European Parliament on 11 March 2014. The agreed text of Omnibus II confirms the implementation date for Solvency II as January 2016, but moves back the transposition date to March 2015.

The Solvency II Directive has been enacted using the EU's Lamfalussy Process as a Level 1 Directive. Under the Lamfalussy Process, the details required for application of the principles set out in the Level 1 Directive will be developed and formulated as part of the implementing measures (Level 2). The European Commission has already initiated the process of developing detailed Level 2 implementation measures that will complement the high level principles set out in the Solvency II Directive. These implementation measures are subject to a consultation process in the context of which EIOPA (formerly CEIOPS) has already published a number of consultation papers covering advice to the European Commission. The Level 2 implementing measures are expected to take the form of a Regulation which will have direct effect in Member States, so will not need to be implemented into national legislation.

The Omnibus II Directive also provides for the development of binding technical implementing standards by EIOPA and to be confirmed, following public consultation, by the European Commission. EIOPA is continuing to develop the detailed rules that will complement the high-level principles of the Solvency II Directive, which are not currently expected to be finalised before late 2014. Level 3 of the Lamfalussy Process envisages the development of the non-binding standards and guidance. While selected European stakeholders will participate in pre-consultations, the formal Level 3

consultation process will not happen until after the Level 2 text has been published by the European Commission.

Although Assicurazioni Generali is actively participating in the various consultation processes through its involvement in industry bodies and trade associations, there remains significant uncertainty regarding the definitive contents of the Solvency II implementation measures, technical implementing standards and guidances. Pending finalisation of these implementation measures, standards and guidances, the potential future impact on available resources and capital requirements of the Generali Group cannot currently be fully assessed. 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 issuance of subordinated instruments, with a view to mitigating any possible effect.

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 could increase the cost of doing business, limit the scope of permissible activities or affect the competitive balance in general.

All financial services groups face the risk that regulators may find that they have failed to comply with applicable regulations or have not undertaken corrective action as required. Regulatory proceedings could result in adverse publicity for, or negative perceptions regarding, the Generali Group, 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.

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

On 18 July 2013, the Financial Stability Board designated a first list of nine global insurance groups, including Assicurazioni Generali, as Global Systemically Important Insurers ("**G-SIIs**"). On the basis of the G-SII criteria adopted by the International Association of Insurance Supervisors ("**IAIS**") that was released on the following day, 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 Backstop Capital Requirement

("BCR") that is designed to act as a minimum group capital requirement and a Higher Loss Absorption ("HLA") requirement 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 currently expects to finalise the BCR and HLA proposals by November 2014 and the end of 2015, respectively. Implementation of the regime is likely to be phased in over a period of years: implementation of the Systemic Risk Management Plans should be completed within 12 months after designation as a G-SII. The BCR is expected to be introduced between 2015 and 2019, while the HLA requirements will not be applied to G-SIIs until 2019.

In addition, on 9 October 2013, the IAIS stated that it will develop a risk-based global insurance capital standard by 2016 to apply to all internationally active insurance groups, with full implementation to begin in 2019.

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.

***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 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 compliance risk.

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 associated with the Generali Group's activities are appropriately monitored. Any failure or weakness in these systems, however, could adversely affect the Generali Group's financial performance and business activities.

***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.

***The European sovereign debt crisis has adversely affected, and may continue to, adversely affect the Generali Group's results of operations, business and financial condition***

The continued deterioration of the merit of credit of various countries, including, among others, Greece, Ireland, Portugal and Cyprus together with the potential for contagion to spread to other countries in Europe, mainly Spain and Italy, has exacerbated the severity of the global financial crisis. Such developments have posed a significant risk to the stability and status quo of the European Monetary Union.

Rising market tensions might affect negatively the funding costs and economic outlook of some euro member countries, like in the case of the four bailed out countries (Greece, Ireland, Portugal and Cyprus). This 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.

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. This trend will likely continue in the coming quarters.

Any further deterioration of the Italian economy would 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 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 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.

### ***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.

Art. 82, paragraph 1, of Law Decree No. 112 of 25 June 2008, as converted into law by Italian Law No. 133 of 23 August 2008, ("**Decree No. 112**"), has introduced new paragraph 5-bis to Art. 96 of Italian Presidential Decree No. 917 of 22 December 1986 (the Italian income tax code, "**Decree No. 917**"), providing for a partial limitation to the deductibility for corporate income tax purposes of interest expenses borne, inter alia, by Italian resident insurance companies.

Based on this provision, 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 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.

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*).

Similarly, Subordinated Notes may be, if the relevant Final Terms specify Optional Cancellation of Interest and/or Mandatory Cancellation 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 cancel payments to Noteholders of interest. See further Condition 6.4 (*Optional Cancellation of Interest*) and Condition 6.5 (*Mandatory Cancellation of Interest*).

Furthermore, the redemption of Subordinated Notes (including Instalment Notes) is subject to the absence of any Regulatory Intervention, 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 a Regulatory Intervention has occurred and is continuing (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*)). 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*).

Noteholders should be aware that the final implementation measures of the Solvency II Directive may lead to, or increase the likelihood of, a deferral (or cancellation) of interest payments under, and/or a postponement of the scheduled maturity date of, and/or an early redemption of, Subordinated Notes.

*Subordinated Notes may be subject to loss absorption mechanisms in certain circumstances*

If Assicurazioni Generali suffers losses which would result in its solvency margin falling below the required solvency margin, Subordinated Notes may be subject to loss absorption mechanisms if so specified in the relevant Final Terms. Should this occur, the obligations of the Issuer to make payments in respect of the Notes will be deferred to the extent necessary to enable Assicurazioni Generali to continue to carry on its activities in accordance with applicable regulatory requirements.

*Availability of shares to implement the Alternative Coupon Satisfaction Mechanism*

In respect of any Subordinated Notes in respect of which the Final Terms specify Alternative Coupon Satisfaction Mechanism (ACSM) to apply, if the Issuer elects, or is required, to defer payment of interest on any such Subordinated Notes, the payment of any Deferred Interest may (or shall) be satisfied in the circumstances set out in Condition 6.5 (Alternative Coupon Satisfaction Mechanism), out of (and to the extent of) funds raised by the alternative coupon satisfaction mechanism set out therein. If the Issuer fails to settle Deferred Interest in full in accordance with the alternative coupon settlement mechanism at the end of the ACSM Period, such portion of Deferred Interest that remains unsettled will not accumulate or compound, and all rights and claims in respect of any such unsettled amounts shall be fully and irrevocably forfeited and definitively cancelled. See further Condition 6.5 (Alternative Coupon Satisfaction Mechanism).

*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, 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.

#### *U.S. Foreign Account Tax Compliance Withholding*

Whilst the Notes are in global form and held within Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme (together, the "ICSDs"), in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the ICSDs (see Taxation – Foreign Account Tax Compliance Act). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. Each of the Issuer's obligations under the Notes are discharged once it has paid the common depository or common safekeeper for the ICSDs (as bearer of the Notes) and the relevant Issuer has therefore no responsibility for any amount thereafter transmitted through hands of the ICSDs and custodians or intermediaries.

#### *EU Savings Tax Directive*

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Tax Directive**"), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entity known as "**residual entities**" as defined in article 4.2 of the EU Savings Tax Directive established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments, deducting tax at a rate of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Luxembourg has announced

that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payments of interest (or similar income) as from this date.

A number of non EU countries and territories (including Switzerland) have adopted similar measures (a withholding system in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Council formally adopted a Council Directive amending the Directive on 24 March 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Directive. The changes made under the Amending Directive include extending the scope of the Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of "interest payment" to cover income that is equivalent to interest.

Investors who are in any doubt as to their position should consult their professional advisers.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent (as defined in the Conditions of the Notes) nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuers are required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the EU Savings Tax Directive.

Investors who are in any doubt as to their position should consult their professional advisers.

*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 Issuer*

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 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 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 Issuer, 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 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.

Assicurazioni Generali has a dual function within the Generali Group, acting as an insurer in its own right, operating through branch offices in Italy and other countries, and also acting as the parent company of the Generali Group. 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.

At the end of the Italian Reorganisation described in "*Description of Assicurazioni Generali S.p.A. – Generali Group*" (the first two phases of which have already been completed), Assicurazioni Generali will become primarily a holding company retaining directly only the reinsurance business activities of the Generali Group, while the Italian insurance business of the Group will be carried out through three subsidiaries wholly owned directly and indirectly by Assicurazioni Generali. See further "*Description of Assicurazioni Generali S.p.A. – Strategy and business developments*".

As at 31 December 2013, before the elimination of intragroup transactions between segments, gross earned premiums of the Generali Group amounted to Euro 62.73 billion (as at 31 December 2012: Euro 62.85 billion), of which Euro 41.39 billion (as at 31 December 2012: Euro 41.29 billion) was attributable to its life insurance business and Euro 21.34 billion (as at 31 December 2012: Euro 21.56 billion) to its non-life insurance business. The consolidated net profit of the Generali Group for the full year 2013 was Euro 2.14 billion (as at 31 December 2012: Euro 0.37 billion). Total investments of the Generali Group as at 31 December 2013 amounted to Euro 384.65 billion (as at 31 December 2012: Euro 374.07 billion). Net insurance provision, net of consolidated adjustments of the Generali

Group as at 31 December 2013 amounted to Euro 340.88 billion (as at 31 December 2012: Euro 330.74 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 of Generali Finance are holding and managing shareholdings and borrowing or lending monies including public and private lending.

For the year ended 31 December 2013, total income amounted to Euro 17.4 million compared to Euro 18.7 million for the same period in 2012, representing decrease of 7 per cent. For the year ended 31 December 2013, total operational expenses amounted to Euro 3.1 million, compared to Euro 3.0 million in 2012. As at 31 December 2013, total assets amounted to Euro 6,092.6 million compared to Euro 6,096.2 million as at 31 December 2012 and consisted of Euro 6,071.5 million of loans to other Generali Group companies (compared to Euro 6,082.6 million in 2012). For the year ended 31 December 2013, Generali Finance recorded a profit of Euro 11.1 million (compared to the profit of Euro 11.8 million in 2012). 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**").

**Arranger:** Société Générale.

**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; (ii) a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Directive; and (iii) if so required by the competent authority of such Member State, a translation into the official language(s) of such Member State of a summary drawn up in accordance with Article 5(2) of the Prospectus Directive.

<b>Clearing Systems:</b>	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.
<b>Initial Programme Amount:</b>	€10,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding and guaranteed at any one time.
<b>Issuance in Series:</b>	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>	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.

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.

For further details of the status of the Notes and the Guarantee, see the Terms and Conditions of the Notes.

**Senior Notes –Cross Default:**

The Senior Notes will have the benefit of a cross default as described in Condition 14.1(C) (*Events of Default of Senior Notes*) of the Terms and Conditions of the Notes.

**Subordinated Notes – Deferral of Interest:**

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 (*Optional Deferral of Interest*) or Condition 6.2 (*Mandatory Deferral of Interest*) of the Terms and Conditions of the Notes.

**Subordinated Notes – Modification following a Regulatory Event, Tax Event, Rating Event or Accounting Event:**

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 (*Modification and/or Exchange following a Regulatory Event, Tax Event, Rating Event or Accounting Event*) of the Terms and Conditions of the Notes.

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 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 11.1A (*Redemption and Purchase – Scheduled Redemption*).

**Unless otherwise permitted by current laws, regulations, directives and/or the requirements of the *Istituto per la Vigilanza sulle Assicurazioni* ("IVASS") applicable as at the date of this Base Prospectus to Senior Dated Subordinated Notes of Assicurazioni Generali, Senior Dated Subordinated Notes of Assicurazioni Generali intended to qualify for regulatory treatment of up to 25% of the Required Solvency Margin in accordance with the Italian Legislation on Solvency Margin before implementation of the Future Regulations must have a minimum maturity of five years.**

**Redemption:**

The relevant Final Terms will specify the 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 as described in Condition 11.11 (*Mandatory suspension of redemption following a Redemption Suspension Event*) of the Terms and Conditions of the Notes if the relevant Final Terms indicate Mandatory suspension of redemption as applicable.

**Loss absorption:**

If the Loss Absorption provisions are specified in the relevant Final Terms as being applicable, the obligations of the Issuer to make payments in respect of the Notes may be subject to deferral and/or reinstatement as described in further detail in Condition 7A (*Loss Absorption Provisions*).

**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 for provisions concerning the status of the Subordinated Notes and of the Guarantee of the Subordinated Notes which are governed by the laws of Italy. 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 8 April 2014 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 Taiwan 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 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 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 €10,000,000,000 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/List-registered-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 2012 and 2013 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 2012 and 2013 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 2012 and 2013 of Generali Finance, in each case together with the accompanying notes and auditors' reports; and
- (4) the base prospectus in respect of the Assicurazioni Generali and Generali Finance Euro Medium Term Note Programme dated 16 April 2013 (the "**2013 Base Prospectus**"),

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 Arranger 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 *Koninklijk Nederlands Instituut van Registeraccountants* (collectively, "**Dutch GAAP**").

The consolidated financial statements of Assicurazioni Generali as at and for the years ended 31 December 2012 and 2013 incorporated by reference herein have been audited by Reconta Ernst & Young S.p.A.

Pursuant to the Italian Civil Code, the non-consolidated financial statements as at and for the year ended 31 December 2013 of Assicurazioni Generali are subject to shareholder approval and a shareholder meeting has been called to approve such financial statements for 30 April 2014. In the event the shareholders do not approve such financial statements, this may have an impact on the 2013 financial information included and incorporated by reference in this Base Prospectus and Assicurazioni Generali will prepare a supplement to the Base Prospectus to incorporate by reference the revised versions of such non-consolidated financial statements as soon as practicable.

The non-consolidated financial statements of Generali Finance as at and for the year ended 31 December 2012 incorporated by reference herein have been audited by PricewaterhouseCoopers Accountants N.V. The non-consolidated financial statements of Generali Finance as at and for the year ended 31 December 2013 incorporated by reference herein have been audited by Ernst & Young Accountants LLP.

The audit reports of Reconta Ernst & Young S.p.A., PricewaterhouseCoopers Accountants N.V. 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>2012</b>	<b>2013</b>
Management Report		
- Significant events after 31 December 2013 .....	-	Pages 24-25
- Outlook for Generali Group.....	-	Page 122
Balance sheet.....	Page 112-113	Pages 140-141
Statement of income .....	Page 114	Page 142
Statement of comprehensive income.....	Page 115	Page 143
Statement of changes in equity.....	Page 116-117	Pages 144-145
Cash flow statement .....	Page 119	Page 146
Accounting policies and explanatory notes.....	Page 120-201	Pages 148-273
Auditors' reports .....	Page 321-322	Pages 324-325

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

	<b>2012</b>	<b>2013</b>
Management Report		
- Part A: Information on operations – Litigation .....	-	Page 62
Balance sheet.....	Page 67-80	Pages 90-101
Statement of income .....	Page 81-89	Pages 104-111
Cash flow statement .....	Page 165-169	Pages 204-207
Accounting policies and explanatory notes.....	Page 91-162	Pages 114-200
Auditors' reports .....	Page 337-338	Pages 372-373

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

	<b>2012</b>	<b>2013</b>
Balance sheet.....	Pages 6-7	Pages 5-6
Statement of income .....	Page 8	Page 7
Accounting policies and explanatory notes.....	Pages 9-22	Page 8-19
Auditors' reports .....	Page 24	Page 20

### *2013 Base Prospectus*

Terms and Conditions of the Notes .....	Pages 38 - 121
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## 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 depositary or a common depositary 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) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163 5(c)(2)(i)(D) (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 specifies 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 €10,000,000,000 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 8 April 2014 (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;

"**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;

"**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 Event**" 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;

"**Dutch Central Bank**" means De Nederlandsche Bank N.V.;

"**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, the amount per Calculation Amount specified in the relevant Final Terms;

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

"**Future Regulations**" means the solvency margin, regulatory capital or capital regulations (if any) 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;

**"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);

**"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);

**"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, 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"**, **"Guarantee of the Deeply Subordinated Notes of Generali Finance"** and **"Guarantee of the More 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, the guarantee of the Senior Dated Subordinated Notes of Generali Finance, the guarantee of the Deeply Subordinated Notes of Generali Finance or the guarantee of the More 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 the 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;

**"Italian Legislation on Solvency Margin"** means provisions of Italian law in force from time to time (including, for the avoidance of doubt, the Future Regulations upon their implementation) governing the instruments or liabilities taken into account in calculating the Solvency Margin;

**"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;

**"Mandatory Cancellation Event"** has the meaning given in Condition 6.5 (*Mandatory Cancellation of Interest*);

**"Mandatory Deferral Event"** has the meaning given in Condition 6.2 (*Mandatory Deferral of Interest*);

**"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"** has the meaning given to in, and shall be calculated in accordance with applicable provisions set forth under, the Solvency II Directive and Future Regulations;

**"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 Cancellation Conditions"** has the meaning given in Condition 6.4 (*Optional Cancellation of Interest*);

**"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 the 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 Standard & Poor's Ratings Services, a division of the McGraw Hill Companies Inc., 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;

**"Redemption Suspension Event"** has the meaning given to it in Condition 11.11 (*Redemption and Purchase - Mandatory suspension of redemption of Subordinated Notes following Redemption Suspension Event*);

**"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*);

"**Regulatory Intervention**" means the occurrence of a Solvency Capital 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;

"**Required Solvency Margin**" means the Solvency Margin(s) required from time to time by the Lead Regulator under Italian Legislation on Solvency Margin;

"**Reserved Matter**" means 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 Capital Requirement**" has the meaning given to in, and shall be calculated in accordance with applicable provisions set forth under, the Solvency II Directive and Future Regulations;

"**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**" is deemed to have occurred if:

- (i) the Solvency Margin of Assicurazioni Generali, on a consolidated or non-consolidated basis as calculated in accordance with applicable laws and regulations, and either (A) reported in Assicurazioni Generali's reporting to the Lead Regulator; or (B) determined by the Lead Regulator and communicated to Assicurazioni Generali, falls below the Required Solvency Margin; or
- (ii) other than in connection with Subordinated Notes in respect of which the Final Terms state the Loss Absorption provisions apply, following the implementation of Future Regulations, the own funds (or whatever the terminology employed by the Future Regulations) of the Issuer and/or the Group is not sufficient to cover its regulatory capital requirements and a deferral (or cancellation) of payments in respect of the Notes is therefore required, on the basis that the Notes are intended to qualify under the Solvency II Directive and Future Regulations as at least Tier 2 Own Funds regardless of any grandfathering; or
- (iii) the Lead Regulator, in its sole discretion, 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 is likely to fall below the Required Solvency Margin in the short term.

"**Solvency Margin**" means:

- (a) Assicurazioni Generali's consolidated and non-consolidated solvency margins (*marginie di solvibilità*); or
- (b) other than in connection with Subordinated Notes in respect of which the Final Terms state the Loss Absorption provisions apply, with effect from the implementation of Future Regulations, Assicurazioni Generali's consolidated and non-consolidated Solvency Capital Requirement and/or, as the case may be, Minimum Capital Requirements (each such term as defined under the Solvency II Directive and Future Regulations), *provided that* for the purposes of determining whether a Solvency Capital Event has occurred for the purpose of any deferral (or cancellation) of interest or suspension of redemption of principal, as applicable, the Solvency Margin shall be the breach of such requirement which would require, under the Future Regulations, a deferral (or cancellation) of interest or suspension of redemption of principal, as applicable, in order for the Notes to qualify as at least Tier 2 Own Funds, and the terms "**Required Solvency Margin**" and "**Solvency Capital Event**" shall be interpreted accordingly,

in each case, as determined pursuant to the rules of a 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 a Note specified as a Senior Dated Subordinated Note of Assicurazioni Generali, a Deeply Subordinated Note of Assicurazioni Generali, a More Deeply Subordinated Note of Assicurazioni Generali, a Senior Dated Subordinated Note of Generali Finance, a Deeply Subordinated Note of Generali Finance or a More Deeply Subordinated Note of Generali Finance, in the relevant Final Terms;

"**Subordinated Notes of Assicurazioni Generali**" means the Senior Dated Subordinated Notes, the Deeply Subordinated Notes of Assicurazioni Generali and the More Deeply Subordinated Notes of Assicurazioni Generali;

"**Subordinated Notes of Generali Finance**" means the Senior Dated Subordinated Notes of Generali Finance, the Deeply Subordinated Notes

of Generali Finance and the More 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 (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 instruments (or whatever the terminology employed by the Future Regulations) for capital adequacy purposes in respect of the relevant company, either on a consolidated or on a non-consolidated basis, pursuant to laws, legislation, rules or regulations or published interpretation of, or guidance or guidelines in respect of, such laws, legislation, rules or regulation;

"**Tier 2 Own Funds**" means own funds which have the necessary features to be classified as Tier 2 (or whatever the terminology employed by the Future Regulations) under the Future 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 23 (*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 Senior Dated Subordinated Notes of Assicurazioni Generali 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 Deeply Subordinated Notes of Assicurazioni Generali, 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 Senior Dated Subordinated Notes of Assicurazioni Generali 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.

Senior Dated Subordinated Notes of Assicurazioni Generali 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 Senior Dated Subordinated Notes of Generali Finance 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 Deeply Subordinated Notes of Generali Finance, 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 Senior Dated Subordinated Notes of Generali Finance 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.

Senior Dated Subordinated Notes of Generali Finance 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 Deeply Subordinated Notes of Assicurazioni Generali 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 Deeply Subordinated Notes of Assicurazioni Generali, 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 Deeply Subordinated Notes of Assicurazioni Generali 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 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.

Deeply Subordinated Notes of Assicurazioni Generali 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 Deeply Subordinated Notes of Generali Finance 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 Deeply Subordinated Notes of Generali Finance, to the 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 Deeply Subordinated Notes of Generali Finance 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 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.

Deeply Subordinated Notes of Generali Finance 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.

#### 4.4 **Status – More Deeply Subordinated Notes**

*Condition 4.4.1 below is applicable only to More Deeply Subordinated Notes issued by Assicurazioni Generali.*

##### 4.4.1 ***Status – More Deeply Subordinated Notes issued by Assicurazioni Generali***

- (a) *Status of More Deeply Subordinated Notes of Assicurazioni Generali*: The More Deeply Subordinated Notes of Assicurazioni Generali constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and:
- (i) equally with any Hybrid Obligations of Assicurazioni Generali and all other More Deeply Subordinated Notes

of Assicurazioni Generali which are expressed to be more deeply subordinated obligations of the Issuer;

- (ii) junior to any unconditional, unsubordinated, unsecured obligations of the Issuer (including any Senior Notes of Assicurazioni Generali), to any Senior Dated Subordinated Notes of Assicurazioni Generali and to any Deeply Subordinated Notes of Assicurazioni Generali; and
  - (iii) senior in right of payment to any Junior Securities of Assicurazioni Generali.
- (b) *Winding-up etc. of the Issuer*: The claims of the Noteholders against the Issuer in respect of More Deeply Subordinated Notes of Assicurazioni Generali 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, all Senior Dated Subordinated Notes of Assicurazioni Generali and all Deeply 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, all Senior Dated Subordinated Notes of Assicurazioni Generali and Deeply 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.

More Deeply Subordinated Notes of Assicurazioni Generali rank *pari passu* with holders of any Hybrid Obligations of Assicurazioni Generali, in priority to the shareholders the Issuer and to the Junior Securities of Assicurazioni Generali and rank junior to the claims of holders of any Senior Dated Subordinated Notes of Assicurazioni Generali and holders of any Deeply 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 4.4.2 below is applicable only to Deeply Subordinated Notes issued by Generali Finance.*

4.4.2 **Status – More Deeply Subordinated Notes issued by Generali Finance**

- (a) *Status of More Deeply Subordinated Notes of Generali Finance:* The More Deeply Subordinated Notes of Generali Finance constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and:
- (i) equally with any Hybrid Obligations of Generali Finance and all other More Deeply Subordinated Notes of Generali Finance which are expressed to be more deeply subordinated obligations of the Issuer;
  - (ii) junior to all unconditional, unsubordinated, unsecured obligations of the Issuer (including any Senior Notes of Generali Finance), to any Senior Dated Subordinated Notes of Generali Finance and to any Deeply Subordinated Notes of Generali Finance; and
  - (iii) senior in right of payment to all classes of share capital of the Issuer and any other obligation of the Issuer expressed by its terms to rank junior to the More Deeply Subordinated Notes.
- (b) *Winding-up etc. of the Issuer:* The claims of the Noteholders against the Issuer in respect of More Deeply Subordinated Notes of Generali Finance 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, all Senior Dated Subordinated Notes of Generali Finance and all Deeply 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, all Senior Dated Subordinated Notes of Generali Finance and Deeply 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.

More Deeply Subordinated Notes of Generali Finance rank *pari passu* with holders of any Hybrid Obligations of Generali Finance, in priority to the shareholders of the Issuer and rank junior to the claims of holders of any Senior Dated Subordinated Notes of Generali Finance and holders of any Deeply Subordinated Notes of Generali Finance.

- (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 Senior Dated Subordinated Notes of Generali Finance. This Guarantee of the Subordinated 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 or Cancellation of Interest*) and Condition 7 (*Conditions for Redemption*) - will at all times rank equally with all other unsecured and subordinated 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), 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, the 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 Deeply Subordinated Notes of Generali Finance of Generali Finance. This Guarantee of the Deeply Subordinated 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 or Cancellation of Interest*) and Condition 7 (*Conditions for Redemption*) - will at all times rank equally with all other unsecured and subordinated 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), 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 (B) after the Guarantee of the Senior Dated Subordinated Notes of Generali Finance (C) 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 (D) in priority to the 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.

*Condition 5.4 below is applicable only to More Deeply Subordinated Notes issued by Generali Finance and specified in the applicable Final Terms as having the benefit of the Guarantee of the Notes.*

#### 5.4 **Status of the Guarantee of More 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 More Deeply Subordinated Notes of Generali Finance of Generali Finance. This Guarantee of the More Deeply Subordinated Notes constitutes direct, unsecured and subordinated obligations of the Guarantor which - subject to Condition 5.4(b) (*Winding-up, etc. of the Guarantor*) below, Condition 6 (*Deferral or Cancellation of Interest*) and Condition 7 (*Conditions for Redemption*) - will at all times rank equally with all other unsecured and subordinated 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), junior to any guarantee of the Senior Dated Subordinated Notes of Generali Finance and junior to any guarantee of the Deeply Subordinated Notes of Generali Finance, *pari passu* with any Hybrid Obligations of Assicurazioni Generali and senior to any Junior Securities 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 More 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 by the Guarantor and their respective Coupons) of the Guarantor (B) after the Guarantee of the Senior Dated Subordinated Notes of Generali Finance and the Guarantee of the Deeply Subordinated Notes of Generali Finance (C) 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 with any Hybrid Obligations of Assicurazioni Generali, and (D) in priority to the claims of shareholders of the Guarantor and the Junior Securities of Assicurazioni Generali.

If any More Deeply Subordinated Note 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 More Deeply Subordinated Note prior to the original date upon which such amounts would otherwise have been due and payable.

## 6. DEFERRAL OR CANCELLATION 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

#### 6.1A *Optional Deferral of Interest – Option A*

- (a) This Condition 6.1A shall apply if the relevant Final Terms state Optional Deferral Option A applies.
- (b) The Issuer may elect, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, to defer payment of all (or some only) 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.
- (c) "**Optional Deferral Conditions**" 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 and to the extent that 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,

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 nonetheless be deemed to be met) irrespective of any declaration, payment or distribution on, or redemption, repurchase or acquisition of, any security which is itself mandatory in accordance with the terms and conditions of such security or any redemption, repurchase or acquisition made below par.

**"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*).

#### 6.1B *Optional Deferral of Interest – Option B*

- (a) This Condition 6.1B shall apply if the relevant Final Terms state Optional Deferral Option B applies.

- (b) The Issuer may elect, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, to defer payment of all (or some only) 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.
- (c) "**Optional Deferral Conditions**" 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 and to the extent that 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,

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 nonetheless be deemed to be met) irrespective of any declaration, payment or distribution on, or redemption, repurchase or acquisition of, any security which is itself mandatory in accordance with the terms and conditions of such security or any redemption, repurchase or acquisition made below par, *provided however that* following implementation of the Future Regulations, the Issuer shall nonetheless be entitled to defer payment of interest on the Notes if and to the extent that inability of the Issuer to elect not to pay interest as a result of the failure to satisfy any of the aforementioned conditions will result in the Notes not qualifying as at least Tier 2 own funds (or whatever the terminology employed by the Future Regulations), regardless of any grandfathering, in which case satisfaction of the Optional Deferral Conditions (and the receipt by the Fiscal Agent of written

notice from the Issuer confirming that the Optional Cancellation Conditions are met) shall no longer be required.

**"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*).

#### 6.1C *Optional Deferral of Interest – Option C*

- (a) This Condition 6.1C shall apply if the relevant Final Terms state Optional Deferral Option C applies.
- (b) The Issuer may elect, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, to defer payment of all (or some only) of the interest accrued to an Interest Payment Date in respect of the Notes.

*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, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, 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 Mandatory Deferral Event, *unless* the then applicable regulations provide that the Lead Regulator may give (and the Lead Regulator has then given, and has not withdrawn by the relevant Interest Payment Date) its prior consent to the

payment of the relevant interest (or, as applicable, waiver of the interest deferral), *provided that* payment of the relevant interest amount does not further weaken the solvency position of Assicurazioni Generali and, following implementation of the Future Regulations, the Minimum Capital Requirement (or such other requirement required to be complied with under Future Regulations in order for the deferral of interest to be waived) is complied with even after the interest payment is made.

**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, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, defer payment of all (or some only) of the interest accrued to an Interest Payment Date in respect of the Notes upon the occurrence of a Mandatory Deferral Event, *unless* the then applicable regulations provide that the Lead Regulator may give (and the Lead Regulator has then given, and has not withdrawn by the relevant Interest Payment Date) its prior consent to the payment of the relevant interest (or, as applicable, waiver of the interest deferral), *provided that* payment of the relevant interest amount does not further weaken the solvency position of Assicurazioni Generali and, following implementation of the Future Regulations, the Minimum Capital Requirement (or such other requirement required to be complied with under Future Regulations in order for the deferral of interest to be waived) is complied with even after the interest payment is made, and *provided further that* in the case where the payment of interest or arrears of interest would itself result in a Mandatory Deferral Event to occur, the Issuer shall defer the portion of the interest amount that would cause the Mandatory Deferral Event to occur.

*The following sub-paragraph (c) applies to Notes in respect of which the relevant Final Terms state (a) Mandatory Deferral Option A or Mandatory Deferral Option B applies; and (b) Condition 6.2(c) applies.*

- (c) "**Mandatory Deferral Event**" means, in relation to an Interest Payment Date, any one of the following events:
  - (A) (i) a Regulatory Intervention has occurred and such Regulatory Intervention will be continuing on such Interest Payment Date, or would be caused by the payment by the Issuer (or the Guarantor) of interest and/or arrears of interest on the relevant date; and (ii) no dividend has been declared on any ordinary shares of Assicurazioni Generali since the date on which such Regulatory Intervention occurred; or

- (B) payment of the relevant interest and/or arrears of interest would result in 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,

"**Regulatory Intervention**" has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

*The following sub-paragraph (d) applies to Notes in respect of which the relevant Final Terms state (a) Mandatory Deferral Option A or Mandatory Deferral Option B applies; and (b) Condition 6.2(d) applies.*

- (d) "**Mandatory Deferral Event**" means, in relation to an Interest Payment Date, any one of the following events:
  - (A) (i) a Regulatory Intervention has occurred and such Regulatory Intervention will be continuing on such Interest Payment Date, or would be caused by the payment by the Issuer (or the Guarantor) of interest and/or arrears of interest on the relevant date; and, subject to the proviso below, (ii) no dividend has been declared on any ordinary shares of Assicurazioni Generali since the date on which such Regulatory Intervention occurred; or
  - (B) payment of the relevant interest and/or arrears of interest would result in 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,

*provided that* following implementation of the Future Regulations, the Issuer shall nonetheless defer payment of interest on the Notes if and to the extent that any such non-deferral as a result of the failure to satisfy the condition set out in sub-(A)(ii) will result in the Notes not qualifying as at least Tier 2 own funds (or whatever the terminology employed by the Future Regulations), in which case the condition set out in sub-(A)(ii) shall be disapplied.

"**Regulatory Intervention**" has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

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

- (a) This Condition 6.2C shall apply if the relevant Final Terms state Mandatory Deferral Option C applies.
- (b) The Issuer shall, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, 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 Mandatory Deferral Event.

- (c) For the purposes of this Condition 6.2C:

**"Mandatory Deferral Event"** means, in relation to an Interest Payment Date, any one of the following events:

- (A) a Regulatory Intervention has occurred and such Regulatory Intervention will be continuing on such Interest Payment Date; or
- (B) if the Final Terms state that Mandatory Deferral Event sub-(B) definition applies, (i) the aggregate Net Income of Assicurazioni Generali for two consecutive Reporting Periods ending on the Lagged Reporting Date is less than zero; and (ii) the Adjusted Equity Amount of Assicurazioni Generali as at the Lagged Reporting Date has declined by more than 10 per cent. as compared to the Adjusted Equity Amount as at the Reporting Date that is 24 months prior to such Lagged Reporting Date; and (iii) the Adjusted Capital Amount of Assicurazioni Generali as at the Current Reporting Date has declined by more than 10 per cent. as compared to the Adjusted Equity Amount as at the Reporting Date that is 30 months prior to such Current Reporting Date.

**"Adjusted Capital Amount"** means the Adjusted Equity Amount plus the New Capital Amount, in each case as determined in accordance with Applicable Accounting Standards.

**"Adjusted Equity Amount"** means, as at the relevant date, total shareholders' equity before minorities as shown in the consolidated balance sheet of Assicurazioni Generali, as at the end of any Reporting Period of Assicurazioni Generali, minus/plus foreign currency translation adjustments and minus/plus net unrealised gains/losses included in the consolidated balance sheet of Assicurazioni Generali, as determined in accordance with Applicable Accounting Standards.

**"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.

**"Current Reporting Date"** means the most recent Reporting Date.

**"Lagged Reporting Date"** means the Reporting Date immediately prior to the Current Reporting Date.

**"Net Income"** means, for the relevant period, reported net income as shown in the consolidated income statement of Assicurazioni

Generali, for any Reporting Period of Assicurazioni Generali, as determined in accordance with Applicable Accounting Standards.

"**New Capital Amount**" means the net proceeds received by Assicurazioni Generali or any other member of the Group from the external issuance and/or sale of ordinary shares and/or saving shares from the Lagged Reporting Date up to the relevant Interest Payment Date.

"**Regulatory Intervention**" has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

"**Reporting Date**" means 30 June or 31 December in any year.

"**Reporting Period**" means a six month period ending on a Reporting 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 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 Interest Payment Date following the occurrence of a Deferred Interest Payment Event, provided that - to the extent necessary in order for the Subordinated Notes to qualify as regulatory capital – if a Regulatory Intervention has occurred or will be continuing (or will be caused by the payment of Deferred Interest) on such Interest Payment Date, the provisions of Condition 6.2 above shall apply;
    - (y) 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 any of the following events:

- (a) Assicurazioni Generali makes payment in part or 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 such declaration, payment or distribution is itself mandatory in accordance with the terms and conditions of such security;
- (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 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;
- (f) in relation to those Notes in respect of which the Final Terms state that Mandatory Deferral of Interest is applicable, where the relevant deferral event is Regulatory Intervention, the Fiscal Agent receives written notice from the Issuer stating that no Regulatory Intervention is or will be continuing on such Interest Payment Date; or
- (g) 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, the Fiscal Agent receives written notice from the Issuer stating that no Mandatory Deferral Event is or will be continuing on such 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*).

*Condition 6.4 below is applicable only to Subordinated Notes in respect of which the applicable Final Terms state that Optional Cancellation of Interest is applicable.*

#### 6.4 **Optional Cancellation of Interest**

##### 6.4A **Optional Cancellation of Interest – Option A**

- (a) This Condition 6.4A shall apply if the relevant Final Terms state Optional Cancellation Option A applies.
- (b) The Issuer may elect, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, to cancel payment of all (or some only) 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 Cancellation Conditions are met on such Interest Payment Date.
- (c) "**Optional Cancellation Conditions**" 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 and to the extent that 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,

save that in the case of sub-(i) and sub-(ii) above, the Issuer shall nonetheless be entitled to cancel interest on the Notes (and the Optional Cancellation Conditions shall nonetheless be deemed to be met) irrespective of any declaration, payment or distribution on, or redemption, repurchase or acquisition of, any security which is itself mandatory in accordance with the terms and conditions of

such security or any redemption, repurchase or acquisition made below par.

**"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*).

#### 6.4B ***Optional Cancellation of Interest – Option B***

- (a) This Condition 6.4B shall apply if the relevant Final Terms state Optional Cancellation Option B applies.
- (b) The Issuer may elect, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, to cancel payment of all (or some only) 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 Cancellation Conditions are met on such Interest Payment Date.
- (c) **"Optional Cancellation Conditions"** 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 and to the extent that 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,

save that in the case of sub-(i) and sub-(ii) above, the Issuer shall nonetheless be entitled to cancel interest on the Notes (and the Optional Cancellation Conditions shall nonetheless be deemed to be met) irrespective of any declaration, payment or distribution on, or redemption, repurchase or acquisition of, any security which is itself mandatory in accordance with the terms and conditions of such security or any redemption, repurchase or acquisition made below par, *provided however that* following implementation of the Future Regulations, the Issuer shall nonetheless be entitled to cancel payment of interest on the Notes if and to the extent that inability of the Issuer to elect not to pay interest as a result of the failure to satisfy any of the aforementioned conditions will result in the Notes not qualifying as at least Tier 2 own funds (or whatever the terminology employed by the Future Regulations), regardless of any grandfathering, in which case satisfaction of the Optional Cancellation Conditions (and the receipt by the Fiscal Agent of written notice from the Issuer confirming that the Optional Cancellation Conditions are met) shall no longer be required.

**"Look Back Period"** means, as indicted 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*).

#### 6.4C ***Optional Cancellation of Interest – Option C***

- (a) This Condition 6.4C shall apply if the relevant Final Terms state Optional Cancellation Option C applies.
- (b) The Issuer may elect, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest or Cancellation*) below, to cancel payment of all (or some only) of the interest accrued to an Interest Payment Date in respect of the Notes.

*The following subparagraph (c) applies to all Subordinated Notes in respect of which Optional Cancellation of Interest applies.*

- (c) If the Issuer elects to cancel an interest payment pursuant to this Condition 6.4 (*Optional Cancellation 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 6.5 below is applicable only to Subordinated Notes in respect of which the applicable Final Terms state that Mandatory Cancellation of Interest is applicable.*

#### 6.5 **Mandatory Cancellation of Interest**

##### 6.5A ***Mandatory Cancellation of Interest – Option A***

- (a) This Condition 6.5A shall apply if the relevant Final Terms state Mandatory Cancellation Option A applies.
- (b) The Issuer shall, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, cancel 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 Mandatory Cancellation Event, *unless* the then applicable regulations provide that the Lead Regulator may give (and the Lead Regulator has then given, and has not withdrawn by the relevant Interest Payment Date) its prior consent to the payment of the relevant interest (or, as applicable, waiver of the interest cancellation), *provided that* payment of the relevant interest amount does not further weaken the solvency position of Assicurazioni Generali and, following implementation of the Future Regulations, the Minimum Capital Requirement (or such other requirement required to be complied with under Future Regulations in order for the cancellation of interest to be waived) is complied with even after the interest payment is made.

6.5B ***Mandatory Cancellation of Interest – Option B***

- (a) This Condition 6.5B shall apply if the relevant Final Terms state Mandatory Cancellation Option B applies.
- (b) The Issuer shall, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, cancel payment of all (or some only) of the interest accrued to an Interest Payment Date in respect of the Notes upon the occurrence of a Mandatory Cancellation Event, *unless* the then applicable regulations provide that the Lead Regulator may give (and the Lead Regulator has then given, and has not withdrawn by the relevant Interest Payment Date) its prior consent to the payment of the relevant interest (or, as applicable, waiver of the interest cancellation), *provided that* payment of the relevant interest amount does not further weaken the solvency position of Assicurazioni Generali and, following implementation of the Future Regulations, the Minimum Capital Requirement (or such other requirement required to be complied with under Future Regulations in order for the cancellation of interest to be waived) is complied with even after the interest payment is made, and *provided further that* in the case where the payment of interest or arrears of interest would itself result in a Mandatory Cancellation Event to occur, the Issuer shall cancel the portion of the interest amount that would cause the Mandatory Cancellation Event to occur.

*The following sub-paragraph (c) applies to Subordinated Notes in respect of which the relevant Final Terms state (a) Mandatory Cancellation Option A or Mandatory Cancellation Option B applies; and (b) Condition 6.5(c) applies.*

- (c) "**Mandatory Cancellation Event**" means, in relation to an Interest Payment Date, any one of the following events:
  - (A) (i) a Regulatory Intervention has occurred and such Regulatory Intervention will be continuing on such Interest Payment Date, or would be caused by the payment by the Issuer (or the Guarantor) of interest and/or arrears of interest on the relevant date; and (ii) no dividend has been declared on any ordinary shares of Assicurazioni Generali since the date on which such Regulatory Intervention occurred; or
  - (B) payment of the relevant interest and/or arrears of interest would result in 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,

**"Regulatory Intervention"** has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

*The following sub-paragraph (d) applies to Subordinated Notes in respect of which the relevant Final Terms state (a) Mandatory Cancellation Option A or Mandatory Cancellation Option B applies; and (b) Condition 6.5(d) applies.*

- (d) **"Mandatory Cancellation Event"** means, in relation to an Interest Payment Date, any one of the following events:
- (A) (i) a Regulatory Intervention has occurred and such Regulatory Intervention will be continuing on such Interest Payment Date, or would be caused by the payment by the Issuer (or the Guarantor) of interest and/or arrears of interest on the relevant date; and, subject to the proviso below, (ii) no dividend has been declared on any ordinary shares of Assicurazioni Generali since the date on which such Regulatory Intervention occurred; or
  - (B) payment of the relevant interest and/or arrears of interest would result in 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,

*provided that* following implementation of the Future Regulations, the Issuer shall nonetheless cancel payment of interest on the Notes if and to the extent that any such non-cancellation as a result of the failure to satisfy the condition set out in sub-(A)(ii) will result in the Notes not qualifying as at least Tier 2 own funds (or whatever the terminology employed by the Future Regulations), in which case the condition set out in sub-(A)(ii) shall be disapplied.

**"Regulatory Intervention"** has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

#### **6.5C *Mandatory Cancellation of Interest – Option C***

- (a) This Condition 6.5C shall apply if the relevant Final Terms state Mandatory Cancellation Option C applies.
- (b) The Issuer shall, by giving notice to the Noteholders pursuant to Condition 6.7 (*Notice of Interest Deferral or Cancellation*) below, cancel 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 Mandatory Cancellation Event.
- (c) For the purposes of this Condition 6.5C:

**"Mandatory Cancellation Event"** means, in relation to an Interest Payment Date, any one of the following events:

- (A) a Regulatory Intervention has occurred and such Regulatory Intervention will be continuing on such Interest Payment Date; or
- (B) if the Final Terms state that Mandatory Cancellation Event sub-(B) definition applies, (i) the aggregate Net Income of Assicurazioni Generali for two consecutive Reporting Periods ending on the Lagged Reporting Date is less than zero; and (ii) the Adjusted Equity Amount of Assicurazioni Generali as at the Lagged Reporting Date has declined by more than 10 per cent. as compared to the Adjusted Equity Amount as at the Reporting Date that is 24 months prior to such Lagged Reporting Date; and (iii) the Adjusted Capital Amount of Assicurazioni Generali as at the Current Reporting Date has declined by more than 10 per cent. as compared to the Adjusted Equity Amount as at the Reporting Date that is 30 months prior to such Current Reporting Date.

**"Adjusted Capital Amount"** means the Adjusted Equity Amount plus the New Capital Amount, in each case as determined in accordance with Applicable Accounting Standards.

**"Adjusted Equity Amount"** means, as at the relevant date, total shareholders' equity before minorities as shown in the consolidated balance sheet of Assicurazioni Generali, as at the end of any Reporting Period of Assicurazioni Generali, minus/plus foreign currency translation adjustments and minus/plus net unrealised gains/losses included in the consolidated balance sheet of Assicurazioni Generali, as determined in accordance with Applicable Accounting Standards.

**"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.

**"Current Reporting Date"** means the most recent Reporting Date.

**"Lagged Reporting Date"** means the Reporting Date immediately prior to the Current Reporting Date.

**"Net Income"** means, for the relevant period, reported net income as shown in the consolidated income statement of Assicurazioni Generali, for any Reporting Period of Assicurazioni Generali, as determined in accordance with Applicable Accounting Standards.

**"New Capital Amount"** means the net proceeds received by Assicurazioni Generali or any other member of the Group from the external issuance and/or sale of ordinary shares and/or saving

shares from the Lagged Reporting Date up to the relevant Interest Payment Date.

**"Regulatory Intervention"** has the meaning given to such term in Condition 2(a) (*Interpretation – Definitions*).

**"Reporting Date"** means 30 June or 31 December in any year.

**"Reporting Period"** means a six month period ending on a Reporting Date.

*The following Condition 6.5(e) applies to all Subordinated Notes in respect of which Mandatory Cancellation of Interest applies.*

- (e) If the Issuer is required to cancel an interest payment pursuant to this Condition 6.5 (*Mandatory Cancellation 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.

*Conditions 6.6 below is applicable only to Subordinated Notes in respect of which the applicable Final Terms state that Optional Cancellation of Interest and/or Mandatory Cancellation of Interest is applicable.*

## 6.6 **Cancellation of Interest - Arrears of Interest**

- (a) Any unpaid amounts of interest cancelled pursuant to Condition 6.4 (*Optional Cancellation of Interest*) and/or Condition 6.5 (*Mandatory Cancellation of Interest*) ("**Optionally Cancelled Interest**" and "**Mandatorily Cancelled Interest**" respectively, and together, "**Cancelled Interest**") will not accumulate or compound further interests and all rights and claims in respect of any such amounts shall be fully cancelled and forfeited.
- (b) The provisions of Condition 6.6(a) are without prejudice to the Issuer's discretion to make a Discretionary Payment in accordance with Condition 6.6(c) below.
- (c) If the Final Terms state that Optional Payment of Cancelled Interest is applicable, following the cancellation of any interest payment pursuant to Condition 6.4 (*Optional Cancellation of Interest*) or Condition 6.5 (*Mandatory Cancellation of Interest*), the Issuer may, at its discretion, elect to pay an amount up to the amount of the Optionally Cancelled Interest or, as the case may be, Mandatorily Cancelled Interest (such payment to be referred to herein as a "**Discretionary Payment**"), provided that the Lead Regulator has given and has not withdrawn its 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).

## 6.7 Notice of Interest Deferral or Cancellation

- (a) The relevant Issuer shall give not less than 5 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 Condition 6.1 (*Optional Deferral of Interest*), Condition 6.2 (*Mandatory Deferral of Interest*), Condition 6.4 (*Optional Cancellation of Interest*) or Condition 6.5 (*Mandatory Cancellation of Interest*) above, interest will not be paid;
  - (ii) of any date on which amounts in respect of any Deferred Interest shall become due and payable or any Deferred Interest or Discretionary Payment will be paid at the Issuer's option.

provided that in the case of a Mandatory Deferral of Interest or Mandatory Cancellation of Interest, if the relevant Mandatory Deferral Event or Mandatory Cancellation Event occurs less than 5 days before the relevant Interest Payment Date, the Issuer shall give notice of the interest deferral (or cancellation) as soon as practicable under the circumstances before the relevant Interest Payment Date.

The information contained in any notice given in accordance with this Condition 6.7 will be available at the Specified Office of the Fiscal Agent from the date of the relevant notice.

*Condition 6.8 below is applicable only to Subordinated Notes in respect of which the applicable Final Terms state that (A)(a) Optional Deferral of Interest and/or Mandatory Deferral of Interest; or (b) Optional Payment of Cancelled Interest; and (B) ACSM are applicable.*

## 6.8 Alternative Coupon Satisfaction Mechanism

### 6.8.1 Settlement of Deferred Interest or Discretionary Payment via ACSM

- (a) Deferred Interest to be paid pursuant to Condition 6.3(b) shall be paid, and any Discretionary Payment that the Issuer elects to make pursuant to Condition 6.6(c) shall be made, in each case in accordance with this Condition 6.8 during the ACSM Period, only out of (and to the extent of) funds raised by the Issuer (or the Guarantor) by way of the ACSM in accordance with this Condition 6.8, provided that the Lead Regulator has given and has not withdrawn its prior consent to settlement of the relevant amounts by way of ACSM (to the extent required at the time in accordance with then applicable regulations in order for the Notes to qualify as regulatory capital).

"**ACSM Period**" means any one-year period after the date Deferred Interest is payable pursuant to sub-paragraph (b)(i) or (b)(ii) of Condition 6.3 (*Deferral of Interest - Arrears of Interest*) or, as applicable, Discretionary Payment is to be paid pursuant to sub-paragraph (c) of Condition 6.6 (*Cancellation of Interest - Arrears of Interest*).

- (b) Deferred Interest (or, as the case may be, Discretionary Payment) may be settled (or paid) by the Issuer (or the Guarantor) out of funds raised by issuing or selling ACSM Eligible Shares during the applicable ACSM Period, subject to the following conditions:
- (i) the Lead Regulator has given and has not withdrawn its prior consent to payment of the relevant amounts out of funds raised by way of the ACSM (to the extent such consent is required at the time in accordance with then applicable regulations in order for the Notes to qualify as regulatory capital);
  - (ii) Assicurazioni Generali shall not be obliged to issue new shares or sell treasury shares in circumstances where it is restricted to do so by provisions of applicable Italian law;
  - (iii) any funds raised by the Issuer by way of the ACSM shall be applied by the Issuer (or the Guarantor) to settle the relevant Deferred Interest or to pay the relevant Discretionary Payment *pro rata* and *pari passu* with all other amounts that the Issuer (or the Guarantor) is, at the time of such settlement, entitled or required to settle out of such funds;
  - (iv) the relevant Deferred Interest or, as applicable, Discretionary Payment shall be paid by the Issuer on the first Interest Payment Date following the date funds have been raised by the ACSM (or, at the Issuer's discretion, an earlier date elected by the Issuer), and the Issuer shall give not more than 25 nor less than 15 days prior notice of any such payment to the Paying Agents and to the Noteholders in accordance with Condition 20 (*Notices*) and such notice shall include a confirmation of the amount of interest to be paid on such date; and
  - (v) as soon as reasonably practicable (and in any event no later than 10 days) after the end of the applicable ACSM Period, the Issuer shall give notice to the Noteholders in accordance with Condition 20 (*Notices*) of the aggregate amount of Deferred Interest (or Discretionary Payment) settled (or paid) pursuant to this Condition 6.8.
- (c) (i) If the Issuer fails to settle Deferred Interest in full in accordance with the ACSM at the end of the applicable ACSM Period, such portion of Deferred Interest that remain unsettled will not accumulate or compound, and all rights and claims in respect of any such unsettled amounts shall be fully and irrevocably forfeited and definitively cancelled.

- (ii) If, at the end of the ACSM Period, the amount of Discretionary Payment paid by the Issuer by way of the ACSM falls short of the amount of the relevant Cancelled Interest, the Issuer shall be under no further obligation to make any further Discretionary Payment to settle any such shortfall, whether by way of ACSM or otherwise.

"**ACSM Eligible Shares**" means new shares of Assicurazioni Generali or treasury shares of Assicurazioni Generali, save that (i) if the relevant Final Terms state that ACSM Eligible Shares Limit applies, Assicurazioni Generali shall not, in any year, issue new ordinary shares or sell treasury shares for the purposes of the ACSM in excess of the ACSM Eligible Shares Limit; and (ii) for the purposes of selling treasury shares, no treasury shares can be sold that have been purchased within the preceding six months, subject to the existence of the appropriate necessary corporate powers applicable to Assicurazioni Generali at the time of the issuance or the disposal of the shares;

"**ACSM Eligible Shares Limit**" means 2 per cent. of the market value of Assicurazioni Generali's ordinary share capital, such market value to be determined by the Calculation Agent as at the end of each financial year of Assicurazioni Generali on the basis of the *Prezzo Ufficiale* of Assicurazioni Generali's ordinary shares.

*Condition 6.8.2 below applies to Subordinated Notes in respect of which the Final Terms state (a) ACSM; and (b) No repurchase of Junior Securities of Assicurazioni Generali apply.*

6.8.2 ***No repurchase of Junior Securities of Assicurazioni Generali***

Neither Assicurazioni Generali nor any of its Subsidiaries shall redeem, repurchase or acquire any Junior Securities of Assicurazioni Generali (other than a Permitted Repurchase) during the 12-month period following settlement of any Deferred Interest or payment of Discretionary Payment, in accordance with the ACSM pursuant to Condition 6.8.1 (*Settlement of Deferred Interest or Discretionary Payment via ACSM*).

*Condition 6.8.3 below applies to Subordinated Notes in respect of which the Final Terms state (a) ACSM and (b) Capital restriction apply.*

6.8.3 ***Capital restriction***

- (a) Until such time as:
  - (i) an amount equal to the relevant Deferred Interest has been settled pursuant to Condition 6.8.1 (and any amount of Deferred Interest that has not been so settled shall constitute "**unsettled Deferred Interest**" for the purpose of this Condition 6.8.3); or
  - (ii) Discretionary Payment in an amount equal to the relevant Cancelled Interest has been made pursuant to Condition

6.8.1 (the excess of the amount of Cancelled Interest over the amount of Discretionary Payment paid shall constitute "**unsettled Cancelled Interest**"),

upon approval of the financial results of the preceding financial year and in determining whether or not to propose to the annual general meeting of the shareholders payment of a dividend in respect of its ordinary shares, the board of directors of Assicurazioni Generali shall assess the appropriateness of any such proposal to pay a dividend taking into account the position of the Noteholders.

- (b) Any amount of Deferred Interest cancelled in accordance with Condition 6.8.1(c)(i) shall not be considered as unsettled Deferred Interest, and the amount of the Cancelled Interest shortfall referred to in Condition 6.8.1(c)(ii) shall not be considered as unsettled Cancelled Interest, in each case for the purpose of this Condition 6.8.3.

*Condition 7 below is applicable only to Subordinated Notes for which the Final Terms state Condition 7 applies.*

## 7. **CONDITIONS FOR REDEMPTION**

7.1 The redemption of the Subordinated Notes that have a specified maturity date on the Maturity Date is subject to the following conditions:

- (a) no Regulatory Intervention has occurred and/or is continuing, and such redemption would not itself result in a Regulatory Intervention, unless the then applicable regulations provide that the Lead Regulator may give (and the Lead Regulator has then given, and has not withdrawn) its permission to such redemption on terms imposed by it (which may include the exchange or conversion of the Notes for, or into, an own-fund item of the same or higher quality and compliance with the Minimum Capital Requirement); and
- (b) the prior approval of the Lead Regulator has been obtained if so required under legislation applicable to the Notes at the relevant time.

In case the conditions (to the extent applicable) set out above are not satisfied, the Maturity Date shall be postponed in accordance with the provisions set forth in Condition 11.1A (*Scheduled redemption*).

7.2 The redemption of Instalment Amounts in respect of Subordinated Notes that are Instalment Notes on each due date therefor is subject to the following conditions:

- (a) no Regulatory Intervention has occurred and/or is continuing, and such redemption would not itself result in a Regulatory Intervention, unless the then applicable regulations provide that the Lead Regulator may give (and the Lead Regulator has then given, and has not withdrawn) its permission to such redemption on terms imposed by it; and

- (b) the prior approval of the Lead Regulator has been obtained if so required under legislation applicable to the Notes at the relevant time.

In case the conditions set out above are not satisfied, redemption of the relevant Instalment Amount on the relevant due date shall be postponed in accordance with Condition 11.9 (*Redemption by Instalments*), and interest will continue to accrue on the principal amount outstanding of the Notes in accordance with Condition 9 (*Interest*).

- 7.3 The Issuer shall give not less than 5 days prior notice to the Paying Agents and to the Noteholders in accordance with Condition 20 (*Notices*) of any date on which the Maturity Date will be postponed pursuant to the provisions of Condition 7.1 or any Instalment Amount will not be paid pursuant to Condition 7.2 above, provided that if the Regulatory Intervention occurs less than 5 days before the Maturity Date, the Issuer shall give notice as soon as practicable under the circumstances before the Maturity Date. The information contained in any notice given in accordance with this Condition 7.3 will be available at the Specified Office of the Fiscal Agent from the date of the relevant notice.

*Condition 7A below is applicable only to Notes in respect of which the Final Terms state that Loss Absorption provisions applies.*

## **7A LOSS ABSORPTION PROVISIONS**

To the extent that Assicurazioni Generali at any time suffers losses (also taking into account profits and losses relating to previous financial years) which would result in the Solvency Margin being reduced below the Required Solvency Margin (a "**Solvency Margin Event**"), the obligations of the Issuer to make payments in respect of the Notes will be deferred to the extent necessary to enable Assicurazioni Generali to continue to carry on its activities in accordance with applicable regulatory requirements. In any such case, interest will continue to accrue on the nominal value of the Notes. The obligations of the Issuer to make payments in respect of the Notes will, subject to the provisions of Condition 6 (*Deferral or Cancellation of Interest*), be reinstated (in priority to any Junior Securities of Assicurazioni Generali and on a *pari passu* basis with any Parity Securities of Assicurazioni Generali), as if such obligations of the Issuer had not been so deferred:

- (i) in whole, in the event of winding up, dissolution, liquidation or bankruptcy (including, inter alia, *liquidazione coatta amministrativa*) of the Issuer or, where relevant, the Guarantor and with effect immediately prior to the commencement of such winding up, dissolution, liquidation or bankruptcy (including, inter alia, *liquidazione coatta amministrativa*); and
- (ii) in whole, in the event of early redemption of the Notes pursuant to Condition 11.2 (*Redemption for tax reasons*), Condition 11.3 (*Redemption at the option of the Issuer*), Condition 11.5 (*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(b) (*Redemption by Instalments*); and

- (iii) in whole or in part, from time to time, to the extent that the Solvency Margin Event is no longer continuing and, therefore, the Solvency Margin is again at least equal to the Required Solvency Margin.

The Issuer shall forthwith give notice of any such deferral and/or reinstatement to the Noteholders in accordance with Condition 20 (*Notices*) below and such notice shall include a confirmation of the Issuer's entitlement to such deferral and/or reinstatement, together with details of the amounts to be so deferred and/or reinstated.

*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 one 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:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{EONIA_1 \times n_1}{360} \right) - 1 \right] \times \frac{360}{d}$$

"**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.

" $n_1$ " 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.

" $r_i$ " 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.

" $d_i$ " 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 ***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.5 **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.6 **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.7 **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.8 **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.

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, Deeply Subordinated Notes and More Deeply Subordinated Notes which, as stated in the Final Terms, have a specified maturity date.*

### 11.1A Scheduled redemption

*Sub-paragraphs (a) and (b) below apply if the relevant Final Terms state Scheduled redemption Option A applies.*

- (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, subject as provided in Condition 12 (*Payments*).
- (b) The redemption in accordance with Condition 11.1 of Subordinated Notes on the Maturity Date is subject to satisfaction of the condition(s) (to the extent applicable) set out in Condition 7 (*Conditions to Redemption*). If the condition(s) (to the extent applicable) set out in Condition 7.1 is/are not satisfied, the Maturity Date will be postponed to the earlier of:
  - (A) the date notified by the Issuer on giving 30 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) following the day on which the condition(s) set out in Condition 7.1 is/are satisfied; 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.

*The paragraph below applies to Subordinated Notes only and if the relevant Final Terms state Scheduled redemption Option B applies.*

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date in accordance with the provisions of article 45 of Legislative Decree No. 209 of 7 September 2005 and article 15 of ISVAP Regulation No. 19 of 14 March 2008, subject as provided in Condition 12 (*Payments*).

*Condition 11.1B below applies to Deeply Subordinated Notes or More 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 or More 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 mature and will be redeemed at their Final Redemption Amount together with accrued interest 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.
- (c) Any redemption in accordance with this Condition 11 (*Redemption and Purchase*), save in accordance with sub-paragraph (a) above to the extent permitted by applicable laws and regulations, is subject to prior approval of the Lead Regulator (if so required under applicable legislation at the relevant time in order for the Notes to qualify as regulatory capital of the Issuer).

**11.2 Redemption for tax reasons**

- (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, 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

- (iii) on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:
- (A) (1) the Issuer 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.
- (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 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) If the Call Option is specified in the relevant Final Terms as being applicable, 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 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).
- (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.

*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 with respect to any of the Subordinated Notes, such Notes will be redeemable in whole or in part at the option of the relevant 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):
- (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
  - (iii) on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable),

at their Early Redemption Amount (Regulatory) together with interest accrued (if any) to the date fixed for redemption.

*The following sub-paragraph (b) applies to Subordinated Notes in respect of which the relevant Final Terms state Regulatory Event Option A applies.*

- (b) For the purposes of this Condition 11.5, "**Regulatory Event**" means that:
- (i) Assicurazioni Generali is no longer subject to the consolidated regulatory supervision of the Lead Regulator;
  - (ii) Assicurazioni Generali is subject to the consolidated regulatory supervision of the Lead Regulator and is not permitted under the applicable rules and regulations adopted by the Lead Regulator,

or an official application or interpretation of those rules and regulations including a decision of any court or tribunal at any time whilst any of the Notes are outstanding to treat the Subordinated Notes (in whole or in part) as own funds for the purposes of the determination of its Required Solvency Margin (for the avoidance of doubt, including as own funds available to meet up to 25% of the solvency margin) under Italian Legislation on Solvency Margin prior to implementation of Future Regulations;

- (iii) the Lead Regulator issues new or amended Tier 2 Capital Requirements (whether or not as a consequence of implementation of the Future Regulations) and subsequently notifies Assicurazioni Generali that the Subordinated Notes (in whole or in part) do not (or no longer) qualify (or can no longer be treated) as at least Tier 2 Own Funds (including, for the avoidance of doubt, where the Lead Regulator has previously notified Assicurazioni Generali that (x) the Subordinated Notes do meet the Tier 2 Capital Requirements); or (y) the Subordinated Notes are grandfathered as Tier 2 Own Funds); or
- (iv) under Italian Legislation on Solvency Margin following implementation of the Future Regulations, the Subordinated Notes (in whole or in part) do not qualify (or fail to be grandfathered) as at least Tier 2 Own Funds,

except where, in each case (ii), (iii), (iv) or (v) 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;

*The following sub-paragraph (b) applies to Subordinated Notes in respect of which the relevant Final Terms state Regulatory Event Option B applies.*

- (b) For the purposes of this Condition 11.5, "**Regulatory Event**" means that:
  - (i) Assicurazioni Generali is no longer subject to the consolidated regulatory supervision of the Lead Regulator; or
  - (ii) Assicurazioni Generali is subject to the consolidated regulatory supervision of the Lead Regulator and is not permitted under the applicable rules and regulations adopted by the Lead Regulator, or an official application or interpretation of those rules and regulations including a decision of any court or tribunal at any time whilst any of the Notes are outstanding to treat the Subordinated Notes (in whole or in part) as own funds for the purposes of the determination of its Required Solvency Margin under Italian Legislation on Solvency Margin prior to implementation of Future Regulations; or
  - (iii) the Lead Regulator issues new or amended requirements for available own funds eligible to meet up to 50% of solvency margin and subsequently notifies Assicurazioni Generali that the

Subordinated Notes (in whole or in part) do not meet such requirements (including, for the avoidance of doubt, where the Lead Regulator has previously notified Assicurazioni Generali that the Subordinated Notes do meet such requirements); or

- (iv) under Italian Legislation on Solvency Margin following implementation of the Future Regulations, the Subordinated Notes (in whole or in part) fail to be grandfathered as Tier 1 basic own-funds,

except where, in each case (ii), (iii) or (iv) this is merely the result of exceeding any then applicable limits on the inclusion of the Notes as own funds to meet up to 50% of the Solvency Margin or as Tier 1 basic own-funds, as the case may be;

*The following sub-paragraph (c) applies to both Regulatory Event Option A and Regulatory Event Option B.*

- (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.

*The following sub-paragraph (d) applies to Subordinated Notes with a specified maturity date in respect of which the relevant Final Terms state Condition 11.5(d) applies.*

- (d) In relation to those Subordinated Notes in respect of which the relevant Final Terms state this Condition 11.5(d) applies, the Issuer shall not exercise its option to redeem the Subordinated Notes on the basis of sub-(iv) of the definition of Regulatory Event after 1 January 2026.

*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**

*The following sub-paragraph (a) applies to Subordinated Notes in respect of which the relevant Final Terms state Rating Event Option A applies.*

### *Option A*

- (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 (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):
- (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
  - (iii) on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable),

at their Early Redemption Amount (Rating Event), together with interest accrued (if any) to the date fixed for redemption.

*The following sub-paragraph (a) applies to Subordinated Notes in respect of which the relevant Final Terms state Rating Event Option B applies.*

### *Option B*

- (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 (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):
- (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
  - (iii) on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable),

at their Early Redemption Amount (Rating Event), together with interest accrued (if any) to the date fixed for redemption, provided however that any such redemption in respect of a Rating Event shall not occur prior to the fifth anniversary of the Issue Date if the right to such early redemption before such date would prevent the Notes from qualifying as at least Tier 2 Own Funds.

*The following sub-paragraphs (b) to (d) (inclusive) apply to both Rating Event Option A and Rating Event Option B.*

- (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 Issue Date (the "**current methodology**"), and as a consequence of such change, the capital treatment of the Notes as intended upon issuance 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**

*The following sub-paragraph (a) applies to Subordinated Notes in respect of which the relevant Final Terms state Accounting Event Option A applies.*

##### *Option A*

- (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 in part at the option of the relevant 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):

- (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
- (iii) on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable),

at their Early Redemption Amount (Accounting Event), together with interest accrued (if any) to the date fixed for redemption.

*The following sub-paragraph (a) applies to Subordinated Notes in respect of which the relevant Final Terms state Accounting Event Option B applies.*

*Option B*

- (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 in part at the option of the relevant 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):
  - (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
  - (iii) on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) (which notice shall be irrevocable),

at their Early Redemption Amount (Accounting Event), together with interest accrued (if any) to the date fixed for redemption, provided however that any such redemption in respect of an Accounting Event shall not occur prior to the fifth anniversary of the Issue Date if the right to such early redemption before such date would prevent the Notes from qualifying as at least Tier 2 Own Funds.

*The following sub-paragraphs (b) to (d) (inclusive) apply to both Accounting Event Option A and Accounting Event Option B.*

- (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 paragraph (A), "**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.

#### 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 satisfaction of the condition(s) set out in Condition 7 (*Conditions to Redemption*). If the condition(s) set out in Condition 7.2 is/are not satisfied, the Instalment Amount Payment Date will be postponed to the earlier of:
  - (A) the date notified by the Issuer on giving 30 days' notice to the Noteholders in accordance with Condition 20 (*Notices*) following the day on which the condition(s) set out in Condition 7.2 is/are satisfied; 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 is applicable to Subordinated Notes only and if the relevant Final Terms specify Mandatory suspension of redemption is applicable.*

#### 11.11 **Mandatory suspension of redemption of Subordinated Notes following Redemption Suspension Event**

- (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 - subject to any waiver by the Lead Regulator on terms to be imposed by it (which may include the exchange or conversion of the Notes for, or into, an own-fund item of the same or higher quality and compliance with the Minimum Capital Requirement) - 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 Fiscal Agent has received written notice from the Issuer and, where relevant, the Guarantor confirming that:
- (i) a Redemption Suspension Event regarding Assicurazioni Generali has occurred and is continuing; or
  - (ii) a Redemption Suspension Event would occur if the Issuer redeems the Notes (in whole or in part) on the relevant redemption date.
- (b) For the purpose of this Condition 11.11, "**Redemption Suspension Event**" means, following implementation of the Future Regulations, breach of the Solvency Margin in such manner, or insufficiency of own funds regulatory capital (or whatever the terminology employed by Future Regulations) of the Issuer and/or the Group to cover its capital requirements, such as to trigger a mandatory suspension of redemption, or require the deferral of (or otherwise prohibit) the redemption or repayment of principal, of Subordinated Notes under the Tier 2 Capital Requirements.
- (c) Any redemption of the Notes (or of the relevant part thereof) that has been notified to the 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, and no notice for redemption pursuant to the Conditions may be given by the Issuer, until such time that the Redemption Suspension Event is cured and is no longer outstanding.

Interest shall – subject to the applicable interest deferral provisions of these terms and conditions – continue to accrue on the Subordinated Notes until such Subordinated Notes are redeemed in full pursuant to Condition 11 (*Redemption and Purchase*).

#### 11.12 **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 11.12 or, if none is so specified, a Day Count Fraction of 30E/360.

#### 11.13 **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.

#### 11.14 **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.

## 11.15 Authorisation

- (a) Any redemption provided for by 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*) and Condition 11.9 (*Redemption by Instalments*) and any purchase provided for by Condition 11.13 (*Purchase*) above shall be subject to any prior authorisation which may be required by any applicable law then in force, including authorisation from any authority supervising the business of the Issuer.
- (b) In particular, if the Italian Legislation on Solvency Margin provides that subordinated debt securities may be taken into account for the calculation of any relevant solvency margin, solvency requirement or adjusted solvency only if the terms and conditions of the relevant subordinated debt securities include a provision to the effect that authorisation from a supervisory authority must be obtained prior to the redemption or purchase of the relevant debt securities, such authorisation shall be a condition precedent to the redemption or repurchase of the Subordinated Notes of Assicurazioni Generali and, if applicable, of Generali Finance.
- (c) In this Condition 11.15:
- "**authorisations**" means consent, authorisation, approval, leave or permit; and
- "**law**" includes any law, act of Parliament, regulation, ruling, circular, letter or any official application or interpretation of the above, including a holding of a court of competent jurisdiction.

## 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) where such withholding or deduction is imposed on a payment to an individual or certain limited types of entity and is required to be made pursuant to European Council Directive 2003/48/EC or any other law implementing or complying with, or introduced in order to conform to, such Directive; or
- (vii) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the EU; or
- (viii) 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
- (ix) 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

- (x) any combination of items (i) through (ix).
- (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 11.12 (*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 11.12 (*Early redemption of Zero Coupon Notes*)) together with accrued interest (if any) 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, subject to approval of the Dutch Central Bank (if required), become immediately due and payable at its principal amount (or, in the case of Zero Coupon Notes, at the amount indicated at Condition 11.12 (*Early redemption of Zero Coupon Notes*)) together with accrued interest (if any) 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) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (c) 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
- (d) 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
- (e) 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.

- (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 (as defined below) 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 all 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 Event or Accounting Event Modification 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 stated in the relevant Final Terms as applicable, for the purposes of this Condition 18.4, to the Subordinated Notes 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;
  - (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 securities 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, 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, at least the same interest rates (including applicable margins), the same interest payment dates and first call date (if any) (except for any early redemption rights analogous to redemption rights under the existing Notes (if any) for Regulatory Event, Tax Event, Rating Event or Accounting Event), the same existing rights to any accrued interest, any arrears of 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, to the extent the terms and conditions of the existing Notes provide for loss absorption on principal of the Notes, do not contain any terms providing for loss absorption through principal write-down or conversion into ordinary shares unless the triggers at which the principal loss absorption should take place are objective and measurable and could not be hit before the triggers on the existing Notes; 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 (if such approval is required) 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 prior to their stated maturity 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 the Issuer. 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**");

- (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 and (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;

- (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 the Notes, the Deed of Covenant and the Agency Agreement shall thereupon be deemed to be amended to give effect to the 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 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 for the enforcement of any of the Notes, Documents or Substitution Guarantee.
- (d) Not later than 20 days after the execution of the Documents, 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 provisions concerning the status of the Subordinated Notes and of the Guarantee of the Subordinated Notes are governed by the laws of the Republic of Italy. Condition 18.1 (*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

**€10,000,000,000**

**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 Senior Notes and the Subordinated Notes (the "**Conditions**") set forth in the base prospectus dated 8 April 2014 (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 2013 Base Prospectus]*

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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.)

[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 2013 (the "**2013 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 8 April 2014 (the "**2014 Base Prospectus**") [and the supplement[s] to the 2014 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 2013 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 2013 Base Prospectus and the 2014 Base Prospectus [and the supplement[s] to the 2014 Base Prospectus dated [date] [and [date]]. The 2014 Base Prospectus [and the supplement[s] to the 2014 Base Prospectus] [is/are] available for viewing at [address] and [website] and copies may be obtained from [address]. The 2014 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*)].

*[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 sub-paragraphs. 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 [The notes will be consolidated and form a single
   
              Notes will be Series with [*identify earlier Tranche(s)*] on
   
              consolidated and form [*insert*]].
   
              a single series:]

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 denominations: [ ] [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 and More Deeply*

*Subordinated Notes with no specified maturity date):]*

[Condition 7 (*Conditions for Redemption*)  
[applies / does not apply.]

[Condition 11.1A (*Redemption and Purchase – Scheduled Redemption*) applies.] [Scheduled redemption Option A/Scheduled redemption Option B applies.]

[*For Deeply Subordinated Notes and More Deeply Subordinated Notes with no specified maturity date: Not Applicable. Condition 11.1B (Redemption and Purchase – Redemption of Deeply Subordinated Notes with no specified maturity date or More Deeply Subordinated Notes with no specified maturity date) applies.*]

[*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]  
Condition 11.5 (*Optional Redemption due to a Regulatory Event*) [Redemption for tax reasons]  
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/More Deeply Subordinated]  
Condition 4 (*Status of the Notes*)
- (ii) Status of the Guarantee: [Senior/[Dated]/Subordinated/Deeply Subordinated/More 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(ICMA/ISDA)/Actual 360/Bond Basis/30E/360/Eurobond Basis/30E/360(ISDA)]

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(ICMA/ISDA)/Actual 360/Bond Basis/30E/360/Eurobond Basis/30E/360(ISDA)]

- (iv) Reset Date(s): [ ]
- (v) Reset Reference Reset Reference Rate: [Mid Swaps/Reference  
Date(s) and Relevant Bond]  
Financial Centre:  
  
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** [Applicable/Not Applicable.]  
**Provisions**

Condition 9C (*Interest – (If not applicable, delete the remaining Interest on Floating Rate sub-paragraphs of this paragraph.) Notes*)

- (i) [Initial] Interest [ ]  
Payment Dates:
- (ii) Business Day [Floating Rate Convention/Following Business  
Convention: Day Convention/Modified Following Business  
Day Convention/Preceding Business Day  
Convention]
- (iii) Additional Business [Not Applicable/*give details.*]  
Centre(s):
- (iv) Manner in which the [Screen Rate Determination/ISDA  
Rate(s) of Interest Determination]  
is/are to be  
determined:  
  
[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 [ ] [*Name*] shall be the Calculation Agent

calculating the Rate(s) of Interest and Interest Amount(s) (if not the Fiscal 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]
  - Relevant 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) Margin(s) [(Pre-Call)]: [+/-][ ]% per annum.
- (ix) Minimum Rate of Interest: [Not applicable/[ ]% per annum.]
- (x) Maximum Rate of Interest: [Not applicable/[ ]% per annum.]

- (xi) Day Count Fraction: [Actual/Actual]  
 [Actual/Actual (ISDA)]  
 [Actual/Actual (ICMA)]  
 [Actual/365 (Fixed)]  
 [Actual/360]  
 [30/360]  
 [360/360]  
 [Bond Basis]  
 [30E/360]  
 [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 11.12(b): [Actual/Actual]  
 [Actual/Actual (ISDA)]  
 [Actual/Actual (ICMA)]  
 [Actual/365 (Fixed)]  
 [Actual/360]  
 [30/360]  
 [360/360]  
 [Bond Basis]  
 [30E/360]  
 [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]  
[Eurobond Basis]

18. **Floating Rate Note Provisions** [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph.)*

- (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 (*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) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- [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]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- Reference Rate: [[ ] month [LIBOR/EURIBOR/SIBOR/HIBOR]]/[Bank of England Base Rate]/[EONIA]/[SONIA]/[Federal Funds Rate]/[CMS Reference Rate]
  - Relevant Time: [ ]/Not Applicable]
  - Relevant Financial Centre: [ ]/Not Applicable]
  - Relevant Currency: [ ]/Not Applicable]
  - Interest Determination [ ]/Not Applicable]

- Date(s):
- 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]
- [Eurobond Basis]

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

Condition 6 (*Deferral or Cancellation of Interest*)

19. (i) Optional Deferral of Interest: [Applicable/Not Applicable]
- Condition 6.1 *[If applicable:]*
- (Deferral or Cancellation of Interest – Optional Deferral of Interest)* [Optional Deferral Option A applies: Look Back Period [A/B]]/

- [Optional Deferral Option B applies: Look Back Period [A/B]]/  
 [Optional Deferral Option C applies]
- (ii) Mandatory Deferral of Interest [Applicable/Not Applicable]
- Condition 6.2 [If applicable:]  
 (Deferral or Cancellation of Interest – Mandatory Deferral of Interest) [Mandatory Deferral Option A/Mandatory Deferral Option B/Mandatory Deferral Option C applies]
- [If Mandatory Deferral Option A or Mandatory Deferral Option B applies: Condition 6.2[(c)]/[(d)] applies/does not apply]
- [If Mandatory Deferral Option C applies: Mandatory Deferral Event sub-(B) definition [Applicable/Not Applicable]]
- (iii) Optional Cancellation of Interest: [Applicable/Not Applicable]
- Condition 6.4 [If applicable:]  
 (Deferral or Cancellation of Interest – Optional Cancellation of Interest) [Optional Cancellation Option A applies: Look Back Period [A/B]]/  
 [Optional Cancellation Option B applies: Look Back Period [A/B]]/  
 [Optional Cancellation Option C applies]
- (iv) Mandatory Cancellation of Interest: [Applicable/Not Applicable]
- [If applicable:]
- Condition 6.5 [Mandatory Cancellation Option A/Mandatory Cancellation Option B/Mandatory Cancellation Option C applies]  
 (Deferral or Cancellation of Interest – Optional Cancellation of Interest) [if Mandatory Cancellation Option A or Mandatory Cancellation Option B applies: Condition 6.2[(c)]/[(d)] applies/does not apply]
- [if Mandatory Cancellation Option C applies: Mandatory Cancellation Event sub-(B) definition [Applicable/Not Applicable]]
- (v) Optional Payment of Cancelled Interest (Condition 6.6(c) - [Applicable/Not Applicable]

*Cancellation of Interest - Arrears of Interest)*

**PROVISIONS RELATING TO ALTERNATIVE COUPON SATISFACTION MECHANISM (SUBORDINATED NOTES ONLY)**

20. (i) ACSM: [Applicable/Not Applicable]  
Condition 6.8 [If applicable:]  
(*Deferral or Cancellation of Interest – Alternative Coupon Satisfaction Mechanism*) ACSM Eligible Shares Limit [apply/does not apply]
- (ii) No repurchase of Junior Securities of Assicurazioni Generali: [Applicable/Not Applicable]  
Condition 6.8.2  
(*Deferral or Cancellation of Interest – Alternative Coupon Satisfaction Mechanism – No repurchase of Junior Securities of Assicurazioni Generali*)
- (iii) Capital restriction: [Applicable/Not Applicable]  
Condition 6.8.3  
(*Deferral or Cancellation of Interest – Alternative Coupon Satisfaction Mechanism – Capital Restriction*)

**PROVISIONS RELATING TO LOSS ABSORPTION**

21. Loss Absorption provisions [Applicable/Not Applicable]  
Condition 7A (*Loss Absorption*)

**PROVISIONS RELATING TO REDEMPTION**

22. **Call Option** [Applicable/Not Applicable]
- Condition 11.3 (*Redemption and Purchase – Redemption at the option of the Issuer*) (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: [ ]
23. **Put Option (Senior Notes only)** [Applicable/Not Applicable]
- Condition 11.4 (*Redemption and Purchase – Redemption at the option of Noteholders*) (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) Optional Redemption Date(s) (Put): [ ]
- (ii) Optional Redemption Amount(s) (Put): [ ] per Calculation Amount
24. **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:] [Regulatory Event Option A /Regulatory Event Option B applies]  
[Condition 11.5(d) applies/does not apply]
25. **Optional Redemption due to a Rating Event:** [Applicable/Not Applicable]
- Condition 11.6 (*Redemption and Purchase – Optional Redemption due to a Rating*) [If applicable:] [Rating Event Option A/Rating Event Option B applies]

- Event)
26. **Optional Redemption due to an Accounting Event:** [Applicable/Not Applicable]
- Condition 11.7 (*Redemption and Purchase – Optional Redemption due to an Accounting Event*) [If applicable:] [Accounting Event Option A /Accounting Event Option B applies]
27. **Mandatory suspension of redemption** [Applicable/Not Applicable]
- Condition 11.11 (*Redemption and Purchase – Mandatory suspension of redemption of Subordinated Notes following Redemption Suspension Event*)
28. **Final Redemption Amount** [[ ] per Calculation Amount.]
- Condition 2(a) (*Interpretation – Definitions – Final Redemption Amount*) (where Notes are Instalment Notes, cross refer to paragraph 34 (Details relating to Instalment Notes) including detail of Instalment Amounts and Instalment Amount Payment Dates and indicate whether Condition 7.2 is applicable. Note that the first instalment amount cannot be payable prior to 18 months from Issue Date.)
29. **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*
- 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]

*Regulatory Event)*

*If the Issuer's Call Option is not applicable:*  
[principal amount outstanding of the Notes] /  
[Make Whole Amount] / [other amount]

- (iii) Early Redemption Amount (Rating Event):  
Condition 11.6  
*(Redemption and Purchase – Optional Redemption due to a Rating Event)*
- If the Issuer's Call Option is applicable:* (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]
- If the Issuer's Call Option is not applicable:*  
[principal amount outstanding of the Notes] /  
[Make Whole Amount] / [other amount]
- (iv) Early Redemption Amount (Accounting Event):  
Condition 11.5  
*(Redemption and Purchase – Optional Redemption due to an Accounting Event)*
- If the Issuer's Call Option is applicable:* (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]
- If the Issuer's Call Option is not applicable:*  
[principal amount outstanding of the Notes] /  
[Make Whole Amount] / [other amount]
- (v) Make Whole Amount: [Applicable/Not Applicable]
- Redemption Margin: [[ ]/Not Applicable]
  - Reference Bond: [[ ]/Not Applicable]
  - Quotation Time: [[ ]/Not Applicable]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

30. Form of Notes: [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.]
- Condition 3 *(Form, denomination and title)*
- [Temporary Global Note exchangeable for Definitive Notes on [ ] days' notice.]
- [Permanent Global Note exchangeable for Definitive Notes on [ ] days' notice/at any

time/in the limited circumstances specified in the Permanent Global Note.]

*[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; and (2) default of the Issuer.]*

31. New Global Note: [Applicable/Not Applicable]
32. 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))*
33. 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: [ ]]
34. 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)* [Condition 7.2 *(Conditions for Redemption)* applies.]
35. 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]]
36. 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:

[S & P: [     ]]

[Moody's: [     ]]

[DBRS: [     ]]

[[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) New Global Note intended to be held in a manner which would allow Eurosystem eligibility [Not Applicable/Yes/No]

*[Note that the designation "Yes" simply means that the Notes are intended upon issue to be deposited with Euroclear or Clearstream 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 satisfaction of the Eurosystem eligibility criteria.]*

*[Include this text if "Yes" selected in which case the Notes must be issued in NGN form]*

- (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 8 April 2014 (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 a summary 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 depository or a common depository 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**") 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.

Assicurazioni Generali has a dual function within the Generali Group, acting as an insurer in its own right, operating through branch offices in Italy and other countries, and also acting as the parent company of the Generali Group (the "**Parent Company**"). 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 2013, Assicurazioni Generali had a market capitalisation of approximately Euro 26.6 billion.

### Generali Group

At 31 December 2013, the Generali Group fully consolidated 433 companies, a decrease compared to 451 at 31 December 2012.

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.

At a board meeting held on 14 December 2012, the Board of Directors of Assicurazioni Generali approved a new structure for its insurance businesses in Italy (the "**Italian Reorganisation**") as well as a three-year investment plan of approximately Euro 300

million to strengthen the Generali brand and sales networks, and to simplify its business model.

The Italian Reorganisation involves a new Italian organisational structure based on a multi-channel model to reduce current fragmentation by consolidating businesses and brands with similar customers, product ranges and distribution models. The 10 existing brands – Generali, Ina, Assitalia, Alleanza, Toro, Genertel, Genertel Life, Augusta, Lloyd Italico and Fata – will be integrated through the Italian Reorganisation into three companies by 2015, which will manage their respective brands, business areas and distribution channels. Each brand will have a clear proposition and distinct market positioning.

The first phase of the Italian Reorganisation has been completed. Under this first phase, the “Direzione per l’Italia” business unit of Assicurazioni Generali - including the Italian insurance activities and the Parent Company’s participations in the Italian insurance companies (AlleanzaToro S.p.A., Fata Assicurazioni Danni S.p.A., Genertel S.p.A., Genertellife S.p.A.) as well as in Banca Generali S.p.A., Generali Properties S.p.A. and Genagricola S.p.A. - was transferred to Ina Assitalia S.p.A. (a wholly owned subsidiary of Assicurazioni Generali, which then changed its name to Generali Italia S.p.A., “**Generali Italia**”) in July 2013.

The second phase of the Italian Reorganisation has also been completed with the contribution in kind, with effect as of 31 December 2013, by Alleanza Toro S.p.A. of the business represented by its distribution network of employed underwriters (including the networks operating under the brands “Toro”, “Lloyd Italico” and “Augusta”) to Alleanza Assicurazioni S.p.A. (“**Alleanza Assicurazioni**”, a newco wholly owned by Generali Italia).

The final phase of the Italian Reorganisation involves the incorporation of Genertel S.p.A. and Genertel Life S.p.A. into a newco, to be named Genertel S.p.A. (“**Genertel**”) that will be wholly owned by Generali Italia.

See further the paragraph below headed “- *Strategy and business developments*”.

**Following completion of the Italian Reorganisation, Assicurazioni Generali will become a combined holding and regulated reinsurance company, while the primary insurance business activities in Italy will be operated through Generali Italia, Alleanza Assicurazioni and Genertel. The reinsurance business carried out by Assicurazioni Generali will be mainly linked to intra group reinsurance business.**

## **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 2013 and 2012 have been prepared in accordance with IFRS.

As at 31 December 2013, before the elimination of intragroup transactions between segments, gross earned premiums of the Generali Group amounted to Euro 62.73 billion (as at 31 December 2012: Euro 62.85 billion), of which Euro 41.39 billion (as at 31 December 2012: Euro 41.29 billion) was attributable to its life insurance business and

Euro 21.34 billion (as at 31 December 2012: Euro 21.56 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 2013 was Euro 2.14 billion (as at 31 December 2012: Euro 0.37 billion).

Total investments of the Generali Group as at 31 December 2013 amounted to Euro 384.65 billion (as at 31 December 2012: Euro 374.07 billion).

Net insurance provision, net of consolidated adjustments of the Generali Group as at 31 December 2013 amounted to Euro 340.88 billion (as at 31 December 2012: Euro 330.74 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 2013 and 2012. 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 2013 and 2012.

	As at and for the years ended 31 December	
	2013	2012
	<i>IFRS</i>	
	<i>(Audited)</i>	
	<i>(billions of Euro)</i>	
Gross earned premiums.....	62.73	62.85
Total income .....	85.04	86.02
Total expenses.....	-82.72	-84.55
Investments .....	384.65	374.07
Net insurance provisions (net of consolidated adjustments) .....	340.88	330.74
Shareholders' equity (group) .....	19.78	19.01
Net profit (group).....	1.92	0.09
Loss ratio (non-life, net of consolidated adjustments).....	68.5%	68.7%
Combined ratio (non-life, net of consolidated adjustments).....	95.6%	95.8%

### Strategy and business developments

As part of its strategy aimed at achieving a streamlined geographical footprint through the strengthening of its position in key, high-growth potential markets, in January 2014 the Generali Group signed an agreement to purchase 25% of Generali PPF Holding B.V. ("**Generali PPF Holding**"), representing the first tranche of the acquisition of the entire company from the PPF Group. Accordingly, the Group now holds 76% of Generali PPF Holding. At the same time, Generali PPF Holding transferred to the PPF

Group the insurance operations in Russia and other countries of the Commonwealth of Independent States. The Group will have the possibility to acquire the second tranche, equal to the remaining 24% of Generali PPF Holding in 2014.

In line with the Group strategy to have complete control of core activities, in November 2013 Assicurazioni Generali completed the acquisition of the minority shareholding held by the KuoK group in Generali Asia, the holding company that controls the insurance operations of the Group in the Philippines, Thailand and Indonesia, for a value of Euro 40 million. Generali Asia operates in Indonesia in the life segment with a multichannel distribution system. In the Philippines it is active in the life segment, mainly via bancassurance channels. In Thailand, Generali Asia operates in both the life and property&casualty segments via direct distribution channels and brokers. As a confirmation of the great potential of these markets total premiums from these three markets has grown by 44% in 2013 with respect to the prior year.

With the aim of optimizing the Group's presence in mature markets, in July 2013 the Generali Group concluded an agreement for the purchase of 3% of Generali Deutschland Holding, Germany's second-largest insurance group, in which a 93% stake was held at the time. Following this transaction, the Group initiated a squeeze-out procedure for the outstanding 4% stake, at a price of approximately Euro 228 million, in order to take full equity control of the company. Considering the synergies achieved by the transaction and the following delisting, the Group will obtain a return on investment in line with the strategic plan. In support of the transaction, Assicurazioni Generali completed the placement of 15.5 million own shares, corresponding to approximately 1% of its share capital. On 4 December 2013, the shareholders meeting of Generali Deutschland Holding approved the squeeze-out procedure requested by Assicurazioni Generali.

In line with the organisational restructuring of the Group, with effect from 1 November 2013, the Generali Group completed its territorial simplification into seven geographical areas, which will permit greater coordination between local markets and the Head Office. The structure will consist of the business units for the three major markets — Italy, France and Germany — and four regional organisations: CEE (Central Eastern European countries belonging to the EU), EMEA (Austria, Belgium, Greece, Guernsey, Ireland, the Netherlands, Portugal, Spain, Switzerland, Tunisia, Turkey and Dubai), Asia and LatAm (Argentina, Brazil, Columbia, Ecuador, Guatemala and Panama).

The restructuring of the business in Italy continued during the year, in a market affected by the current national economic situation and currently subject to a process of concentration and consolidation by many local insurance companies. In July 2013, Assicurazioni Generali's business unit named "Direzione per l'Italia" was transferred to Ina Assitalia. This business unit includes the Italian insurance activities and the main Italian companies, such as AlleanzaToro, Genertel, Genertellife, Banca Generali, Generali Properties and Genagricola. Subsequently, Ina Assitalia assumed the name of Generali Italia S.p.A. At the end of 2103, Alleanza Toro was incorporated into Generali

Italia S.p.A.. With respect to this operation, Alleanza Toro conferred to Alleanza Assicurazioni a line of business named “Ramo Alleanza”.

During 2013, the process of centralising the purchase of contractual reinsurance cover for all operating entities within the Parent Company was completed. In addition to maximizing capital allocation, such centralization allowed an ulterior efficiency with regards to the terms and conditions of the reinsurance programs and the better management and control of counterparty risks. As part of the organisational restructuring and capital optimization process, the centralization of the Group's treasury function is currently underway in order to strengthen the financial analysis which is fundamental for the Group.

With respect to the organisational restructuring of the Group, in November 2013, Assicurazioni Generali concluded an agreement with Allianz to acquire full control of Citylife, an investment property located in Milan, for a total value of approximately Euro 109 million. The agreement also provided for the sale of the Isozaki Tower and part of the residential component for Euro 367 million. The agreement is subject to suspension clauses.

In April 2013, in accordance with its strategy of optimizing its capital solidity, the Group successfully concluded the placement of 12% of Banca Generali, thereby improving the Group's Solvency I ratio.

As part of the process of increasing capital efficiency by optimizing the debt structure, in May 2013, Assicurazioni Generali contracted revolving credit facilities for a total amount of Euro 2 billion, which may be used by the Group within a period of 2 to 3 years. The transaction will have an impact on the Group's financial debt only if the facility is drawn upon and allows Generali to improve its financial flexibility in order to manage future liquidity needs.

In line with its objective of strengthening its capital position, in September 2013 the Group entered into an agreement amending the shareholders' agreement governing Telco S.p.A. that permits, among other, the possible future sale in addition to establishing the conditions for the redemption of the bond issued by Telco S.p.A. and held by the Group.

With reference to the measures aimed at divesting non-core and non-strategic operations, in October 2013 the Group completed the sale of its life reinsurance operations in the United States (for a value of approximately Euro 680 million) and a 49% stake in the Group's Mexican companies, after authorizations were obtained from the competent authorities. These transactions are consistent with the strategy of enhancing the Group's capital strength and yielded improvements in its Solvency I ratio.

In the same context and with respect to the objective of optimizing the Private Equity investments portfolio, in October 2013 the Generali Group sold its participation in Agorà Investimenti S.p.A., a holding company which has indirect control of Save S.p.A.

for Euro 60 million. In November 2013, the Group concluded the agreement for the sale of 100% of Fata Assicurazioni Danni S.p.A for Euro 179 million. The transaction allowed the Group to further strengthen its liquidity profile and capital structure with an improvement in its Solvency I ratio. The finalization of the sale is subject to the necessary regulatory approvals.

In line with its objective of increasing its Property&Casualty business, in April 2013 the Group established the Global Corporate & Commercial Unit, a platform that will be charged with integrating and developing the property&casualty business and the insurance services aimed at medium-sized and large enterprises at an international level.

As part of the enhancement of the Group's governance, the Group Management Committee has been expanded and strengthened with the appointment of four new members:

- in February - Nikhil Srinivasan joined as Group Chief Investment Officer;
- in April - Carsten Schildknecht was nominated Group Chief Operating Officer; and
- in October - Philippe Donnet as Country Manager Italy and Eric Lombard as Country Manager France.

### **Generali Group Insurance Business**

The Generali Group's gross earned premiums, prior to reinsurance and after consolidated adjustments, amounted to Euro 62.73 billion for the year ended 31 December 2013 (for the year ended 31 December 2012, Euro 62.85 billion).

#### ***Life***

Life gross earned premiums of the Generali Group amounted to Euro 41.39 billion in 2013, an increase of 0.2 per cent., compared to Euro 41.29 billion in 2012.

The following table sets out certain selected figures for the Generali Group's life operations for the years ended 31 December 2013 and 2012.

	<b>For the years ended 31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>IFRS</i>	
	<i>(Audited)</i>	
	<i>(billions of Euro)</i>	
Gross earned premiums.....	41.39	41.29
Net earned premiums .....	40.97	40.95
Net income from financial instruments at fair value .....	4.81	5.96
Total income of life segment.....	59.72	61.18
Net insurance benefit and claims .....	-49.70	-47.96
Total expenses of life segment.....	-57.70	-59.64
Result of the period gross of income taxes and minorities interests.....	2.02	1.55

## 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 2013 and 2012.

	For the years ended 31 December			
	2013			2012
	<i>IFRS</i>			
	<i>(Audited)</i>			
		<i>%</i>		<i>%</i>
		<i>change</i>		<i>change</i>
		<i>from</i>		<i>from</i>
	<i>(millions</i>	<i>previous</i>	<i>(millions</i>	<i>previous</i>
	<i>of Euro)</i>	<i>year</i>	<i>of Euro)</i>	<i>year</i>
<b>Gross direct premiums written</b>				
Italy .....	13,312	8.0	12,324	0.3
France .....	7,266	-21.2	9,221	4.8
Germany.....	14,989	4.7	14,309	5.7
Central and Eastern Europe.....	1,568	-4.5	1,642	0.0
Spain .....	1,005	-15.0	1,183	12.5
Austria.....	1,137	0.9	1,127	-4.3
Switzerland .....	1,062	-8.2	1,157	5.0

## Non-Life

Non-life gross earned premiums of the Generali Group amounted to Euro 21.34 billion for the year ended 31 December 2013, representing a decrease of 1 per cent. compared to Euro 21.56 billion for the same period in 2012.

The following table sets out certain selected figures for the Generali Group's non-life operations for the years ended 31 December 2013 and 2012.

	For the years ended 31 December	
	2013	2012
	<i>IFRS</i>	
	<i>(Audited)</i>	
	<i>(billions of Euro)</i>	
Gross earned premiums.....	21.34	21.56
Net earned premiums .....	19.83	19.78
Net income from financial instruments at fair value .....	-0.13	0.11
Total income of non life sector .....	23.46	23.18
Net Insurance benefits and claims	-13.60	-13.60
Total expenses of non life sector.....	-22.11	-22.49
Result of the period gross of income taxes and minorities interests.....	1.35	0.69

## 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 2013 and 2012.

For the years ended 31 December	
2013	2012
<i>IFRS</i>	
<i>(Audited)</i>	

	(millions of Euro)	% change from previous year	(millions of Euro)	% change from previous year
Gross direct premiums written				
Italy	6,218	-8.1	6,764	-2.2
of which motor premiums	2,612	-11.0	2,936	-3.7
France	2,654	-4.8	2,788	-11.4
of which motor premiums	990	-8.1	1,077	-3.2
Germany	3,430	4.8	3,272	7.0
of which motor premiums	1,304	10.0	1,185	8.4
Central and Eastern Europe	1,884	-0.6	1,895	5.1
of which motor premiums	931	-0.5	936	-8.9
Spain	1,262	-6.3	1,347	0.6
of which motor premiums	356	-7.6	385	4.7
Austria	1,383	2.2	1,353	2.1
of which motor premiums	541	1.4	534	1.5
Switzerland	682	-0.6	686	4.5
of which motor premiums	317	-4.3	331	5.0

\* 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 2013 and 2012.

	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	
	2013	2012	2013	2012	2013	2012
Italy.....	92.4	95.7	70.7	74.6	21.7	21.2
France.....	105.5	101.4	77.9	74.0	27.7	27.4
Germany.....	95.7	94.5	67.2	65.6	28.5	28.9
Central and Eastern Europe.....	88.8	88.5	56.7	57.3	32.1	31.2
Spain.....	94.3	94.5	65.9	66.3	28.4	28.2
Austria.....	94.6	94.8	67.7	67.7	26.9	27.1
Switzerland.....	94.4	95.1	69.3	69.5	25.1	25.6

<sup>(\*)</sup> CAT claims impacted on the Group combined ratio for 2.3 pps, of which 0.5 pps in Italy, 2.8 pps in France, 4.1 pps in Germany and 4.1 pps in European Eastern Countries (at 31 December 2012 CAT claims impacted on the Group combined ratio for 1.4 pps, of which 2.8 pps in Italy, 1.0 pps in France and 0.8 pps in Germany).

### Asset and Financial Management

Asset management accounts for most of the Generali Group's financial activity and focuses mainly on the management of the Generali Group companies' financial instruments.

At 31 December 2013, Total asset under management amounted to Euro 508,386 million (on a like for like basis up for 5.4 per cent. compared to 31 December 2012). Third parties assets under management amounted to Euro 104,346 million (up 3.8 per cent. on a like for like basis).

In the Financial Segment intermediation margin increased from Euro 1,387 million to Euro 1,480 million (up 6.7 per cent.) at the end of 2013.

### *Financial segment investments breakdown*

The following table sets forth the Generali Group's financial segment investment breakdown as at 31 December 2013 and 2012.

	As at 31 December			
	2013		2012	
	Total book value	Impact (%)	Total book value	Impact (%)
	<i>(millions of Euro)</i>			
Equity instruments .....	748	2.4	564	1.8
Fixed income instruments .....	15,464	49.4	15,585	50.3
Held to maturity investments .....	2,653	8.5	3,002	9.7
Loans .....	7,836	25.0	7,519	24.3
Available for sale financial assets .....	4,171	13.3	4,065	13.1
Financial assets at fair value through profit or loss .....	804	2.6	999	3.2
Land and buildings (investment properties) .....	18	0.1	24	0.1
Other investments .....	8,637	27.6	9,644	31.2
Cash and cash equivalents .....	6,452	20.6	5,125	16.6
<b>Total investments - financial segment .....</b>	<b>31,320</b>	<b>100.0</b>	<b>30,941</b>	<b>100.0</b>

### **Regulatory**

Italian insurance companies are subject to a comprehensive regulatory scheme determined by law and supplemented by guidelines issued by the Interministerial Committee for Economic Planning ("CIPE") and administered primarily by the *Ministero delle Attività Produttive* (the "**Ministry of Industry and Commerce**") and the *Istituto per la Vigilanza sulle Assicurazioni* ("IVASS", formerly *Istituto per la Vigilanza sulle Assicurazioni Private e di Interesse Collettivo* ("ISVAP")). The most important insurance laws are consolidated into the Code of Private Insurance (*Codice delle Assicurazioni Private*) (Legislative Decree No. 209/2005). The provisions of the Code of Insurance *inter alia*: (i) regulates access to insurance activities; (ii) requires the maintenance of certain solvency margins, in part through a guarantee fund; (iii) determines the form of financial statements for insurance companies; and (iv) regulates the activities of insurance intermediaries. In addition, the Italian Civil Code contains certain provisions applicable to insurance contracts. Provisions concerning solvency margin are set out in the Code of Private Insurance together with ISVAP Regulation no. 19 of 14 March 2008 (Regulation concerning the solvency margin of insurance undertakings as referred to in Title III, Chapter IV and in article 233 of the Code of Private Insurance).

Under the regulatory scheme currently in force, with the exception of certain powers specifically reserved for the Ministry of Industry and Commerce, all control and supervisory power in respect of the insurance industry is exercised autonomously by IVASS. IVASS's role includes: (i) monitoring technical, financial and asset and liability management and monitoring solvency ratios; (ii) the review of financial statements; (iii) supervision of the activities of insurance brokers and agencies; (iv) authorisation to conduct insurance activities; (v) proposing disciplinary measures, including revocation of authorisations; (vi) approving restructuring plans; (vii) advising the Ministry of Industry and Commerce with respect to admission to the forced liquidation procedure for financially troubled entities; and (viii) communicating and collaborating with other

EU insurance regulatory bodies. IVASS has the power to request information from insurance companies, conduct audits of their activities and question their legal representatives, managing directors and statutory auditors and to convene shareholders', directors' and statutory auditors' meetings in order to propose measures necessary to conform the management of the insurance company to the requirements of the law.

The acquisition by insurance companies of controlling interests or interests which exceed certain limits in companies other than insurance companies, are subject to IVASS authorisation. IVASS has the power to order a reduction in such holdings if they do not satisfy conditions prescribed by law and IVASS also has the power to apply sanctions. In certain cases, IVASS may also recommend that the Ministry of Industry and Commerce revoke certain authorisations to conduct insurance activities.

### **Corporate Governance Rules**

To the best of Assicurazioni Generali's knowledge and belief, it is 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 30 April 2013 (save for Jean-René Fourtou who was co opted by the Board of Directors on 6 December 2013 following the resignation of Vicent Bollore) for a term expiring on approval of the financial statements for the year ending 31 December 2015. The Board of Directors of Assicurazioni Generali as at the date of this Base Prospectus is constituted as follows:

<u>Principal Occupation</u>	<u>Name</u>	<u>Principal activities performed by the Directors outside the Assicurazioni Generali Group</u>
Chairman	Gabriele Galateri di Genola	Member of the Board of Directors of Telecom Italia (Chairman from 2007 to 2011) and a non-executive member of the Board of Directors of Italmobiliare S.p.A., Azimut-Benetti SpA, SAIPEM SpA, Lavazza SpA, the Giorgio Cini charitable foundation, and Edenred S.A..
Vice-Chairman	Francesco Gaetano Caltagirone	Chairman 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., .
Vice-Chairman	Clemente Rebecchini	Central manager in charge of the Principal Investing Department 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 Chairman of the Board of Directors of Telco S.p.A.
Group CEO	Mario Greco	
Directors	Ornella Barra	Chief Executive Wholesale and Brands in Alliance Boots, Head of Boots International and Chairman of

Principal Occupation	Name	Principal activities performed by the Directors outside the Assicurazioni Generali Group
		the Corporate Social Responsibility Committee in Alliance Boots; Special Professor of the University of Nottingham's School of Pharmacy, Deputy Chairman of the Italian Pharmaceutical Distributors Association (ADF) and Board member of the International Federation of Pharmaceutical Wholesalers (IFPW) in New York.
	Alberta Figari	Partner at Clifford Chance (law firm), member of the supervisory board of Nice S.p.A. and Landi Renzo S.p.A.
	Lorenzo Pelliccioli	Managing Director of De Agostini S.p.A., Chairman of Lottomatica S.p.A., Chairman of DeA Capital S.p.A., Chairman of Zodiak Media S.p.A.. member of the Board of De Agostini Editore and Atlas; Vice Chairman of the Supervisory Board of Général de Santé and member of the Board of Directors of B&D Holding di Marco Drago & C. S.A.P.A..
	Sabrina Pucci	Full Professor of Business Economics at the Department of Economics of Roma Tre University; member of the Insurance Accounting Working Group at 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
	Paolo Scaroni	Managing Director of ENI S.p.A., non-executive Vice Chairman of the Board of the London Stock Exchange and member of the Board of Directors of Veolia Environnement
	Jean-René Fourtou <sup>(1)</sup>	Chairman of the Supervisory Board of Vivendi and Joint Chairman of the France-Morocco Economic Development Group. He is also a Director of Maroc Télécom and Sanofi-Aventis.

- (1) The shareholders' meeting convened for 30 April 2014 will confirm the office of Mr. Fourtou (co-opted by the Board of Directors on 6 December 2013) pursuant to article 2386 of the Italian Civil Code.

The business address of each of the Directors is Piazza Duca degli Abruzzi, 2, 34132 Trieste, Italy.

Paolo Scaroni, an independent member of the Board of Directors, has received a first instance conviction from a regional Italian Court on 31 March 2013 relating to inadequate environmental standards at Enel, a company of which he was chief executive between 2002 and 2005. Mr. Scaroni has announced publicly that he is appealing the decision as unfounded. Under Italian law the decision is suspended and conditional pending appeal.

Assicurazioni Generali is currently evaluating the situation. Decisions (if any) to be taken in relation to Mr. Scaroni's office as member of the Board of the Directors will be promptly disclosed by Assicurazioni Generali by press release available on its website [www.generali.com](http://www.generali.com).

### **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 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.

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 chairman of the Board of Statutory Auditors.

The Board of Statutory Auditors in office at the date of this Base Prospectus was appointed at an Ordinary General Meeting of Assicurazioni Generali held on 30 April 2011 for a term expiring on approval of the financial statements for the year ending 31 December 2013. The Board of Statutory Auditors is currently made up of the following members:

Name	Office held
Eugenio Colucci.....	Chairman
Gaetano Terrin .....	Statutory Auditor
Giuseppe Alessio- Verni .....	Statutory Auditor
Maurizio Dattilo.....	Substitute Statutory Auditor
Francesco Fallacara.....	Substitute Statutory Auditor

The business address of the Statutory Auditors is Piazza Duca degli Abruzzi 2, 34132 Trieste, Italy.

The Ordinary General Meeting of Assicurazioni Generali will convene on 30 April 2014 to approve the 2013 financial statements and to appoint the new Board of Statutory Auditors who are to be 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.

### **Conflicts of Interest of members of the Board of Statutory Auditors**

There are no conflicts of interest between any of the Statutory Auditors' duties to Assicurazioni Generali and their private interests or other duties other than that Giuseppe Alessio-Verni is a Statutory Auditor of Banca Generali S.p.A., who act as Arranger to the EMTN Programme.

### **Independent Auditors**

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 2013 the Generali Group's consolidated companies had 77,185 employees compared to 79,454 at 31 December 2012.

### **Assicurazioni Generali shares and shareholders**

As at the end of 2013, the share capital of Assicurazioni Generali totalled Euro 1,556,873,283.00 divided into an equal number of ordinary shares with a nominal value of Euro 1 each. Assicurazioni Generali has not issued any participation certificates (*Partizipationsscheine*) or profit sharing certificates (*Genussscheine*).

As at 31 December 2013, 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, 13.266 per cent.), Cassa Depositi e delle Prestiti (holding, indirectly 4.482 per cent.), Delfin S.à. r.l. (Leonardo Del Vecchio

Group (holding, indirectly 3.006 per cent.)), Gruppo De Agostini B&D Holding (holding, directly and indirectly, 2.434 per cent.), Gruppo Caltagirone (holding, directly and indirectly, 2.001 per cent.), Effeti S.p.A., (holding, directly 2.232 per cent) and Effeti S.p.A. (holding, directly and indirectly, 2.151 per cent.).

### **Cash Dividend**

Dividend per share of Assicurazioni Generali amounted to (i) Euro 0.45 in 2013, (ii) Euro 0.20 in 2012, (iii) Euro 0.20 in 2011 and iv) Euro 0.45 in 2010. The payment of a dividend for each share of Euro 0.45, for the 2013 financial year is being submitted for approval by the shareholders at the Annual General Meeting of Assicurazioni Generali that is convened for 30 April 2014.

### **Shareholders' funds**

In 2013 Assicurazioni Generali's shareholders' funds amounted to Euro 19.78 billion (compared to Euro 19.01 billion in 2012). Minority shareholders' interest in capital and reserves totalled Euro 1.63 billion for 2013, compared to Euro 2.71 billion in 2012.

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 2013. 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 2013 and 2012, 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 2013 and 2012 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**

#### ***Board of approval of 2013 financial statements***

On 12 March 2014, the Board of Directors of Assicurazioni Generali approved the consolidated and non-consolidated financial statements of Assicurazioni Generali as at and for the year ended 31 December 2013, which financial statements are incorporated by reference into this Base Prospectus.

Pursuant to the Italian Civil Code, the non-consolidated financial statements as at and for the year ended 31 December 2013 of Assicurazioni Generali are subject to shareholder approval and a shareholder meeting has been called to approve such financial statements for 30 April 2014. In the event the shareholders do not approve

such financial statements, this may have an impact on the 2013 financial information included and incorporated by reference in this Base Prospectus and Assicurazioni Generali will file revised versions of such non-consolidated financial statements incorporated by reference as soon as practicable.

### *Shareholders' meeting of Assicurazioni Generali*

The following extract is taken from a press release of Assicurazioni Generali dated 31 March 2014:

\* \* \*

The Board of Directors has called both the ordinary and the extraordinary Shareholders' Meetings on April 28-29-30, 2014.

The ordinary Meeting will resolve on:

- The approval of the Consolidated Annual Report as of December 31, 2013, the net result allocation and the dividend distribution;
- The appointment of the Board of Statutory Auditors and its Chairman and the definition of the Auditors' annual remuneration;
- The appointment of a member of the Board of Directors;
- The approval of the Remuneration Report;
- The approval of the new 2014 Long Term Incentive Plan to the benefit of the Group CEO and the Company or Group managers. The Plan has the purpose of strengthening the link between the variable component of remuneration which relates to medium-long term goals and the creation of value for shareholders, with regard to Group sustainability and achieved goals;
- The authorization to purchase and dispose a maximum of 7 million treasury shares in accordance to the Long Term Incentive Plan. The authorization is requested for a period of 18 months from the date of the adoption of the Meeting resolution. The minimum price of the shares shall not be lower than its nominal value (€1), while the maximum price shall not be more than 5% higher than the reference price of the stock on the day before each single purchase transaction. Purchases of treasury shares will be made in compliance with article 144-bis, paragraph 1, letters b) and c) of the Issuers' Regulations, according to the operating procedures defined by the markets' organizational and management regulations, in order to ensure an equal treatment among shareholders.

The extraordinary Meeting will resolve on the proposal to delegate to the Board of Directors a free and divisible capital increase in accordance to the new Long Term Incentive Plan to a maximum of €7 million, for a period of 5 years from the date of the Meeting. Please note that up to this date the Company and its subsidiaries currently own 593,582 Generali shares, equal to 0.038% of the Company's share capital.

\* \* \*

The full text of the proposed deliberations and the reports of the Board of Directors relating to the items on the agenda of the meeting and all related documents will be

made available, as legally required, at the company head office, on the company website ([www.generali.com](http://www.generali.com)) and on the website of Borsa Italiana S.p.A. ([www.borsaitaliana.it](http://www.borsaitaliana.it)).

## 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 2013 and 2012. This information has been extracted from and should be read in conjunction with, and is qualified in its entirety by reference to, the audited consolidated financial statements of Assicurazioni Generali as at and for the year ended 31 December 2013 and 2012 which are incorporated by reference herein.

There has been no material change in the consolidated capitalisation of Assicurazioni Generali since 31 December 2013.

	<b>As at 31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>(Data from audited consolidated statements )</i>	
	<i>IFRS (in millions of Euro)</i>	
<b>Liabilities</b>		
Insurance liabilities .....	345,752	336,369
Other liabilities and debts.....	82,499	83,916
Total Liabilities.....	428,251	420,285
<b>Shareholders' equity</b>		
Share capital (authorised and paid-up, ordinary shares, Euro 1.00 par value).....	1,557	1,557
Reserves .....	12,573	11,578
Revenue reserves and other reserves.....	7,275	8,591
Total shareholders' equity <sup>(1) (2)</sup> .....	21,405	21,726
<b>Total capitalisation</b> .....	<b>449,656</b>	<b>442,011</b>

<sup>(1)</sup> Includes minority interest equal to Euro 2,713 million at December 2012.

<sup>(2)</sup> Includes minority interest equal to Euro 1,627 million at December 2013.

## 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 2013 (presented in accordance with IFRS) and 31 December 2012 (presented in accordance with IFRS). The audited consolidated financial statements of Assicurazioni Generali as at and for the years ended 31 December 2012 and 2013 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, and is qualified in its entirety by reference to, such financial statements, reports and the notes thereto. See also "*Information incorporated by reference*".

Pursuant to the Italian Civil Code, the non-consolidated financial statements as at and for the year ended 31 December 2013 of Assicurazioni Generali are subject to shareholder approval and a shareholder meeting has been called to approve such financial statements for 30 April 2014. In the event the shareholders do not approve such financial statements, this may have an impact on the 2013 financial information included and incorporated by reference in this Base Prospectus and Assicurazioni Generali will file revised versions of such non-consolidated financial statements incorporated by reference as soon as practicable.

### Annual Consolidated Balance Sheets of Assicurazioni Generali S.p.A.

	As at 31 December	
	2013	2012
	<i>Audited IFRS</i>	
	<i>(millions of Euro)</i>	
<b>INTANGIBLE ASSETS</b> .....	<b>9,352</b>	<b>9,902</b>
Goodwill .....	7,163	7,222
Other intangible assets .....	2,189	2,681
<b>TANGIBLE ASSETS</b> .....	<b>4,786</b>	<b>5,018</b>
Land and buildings (self used) .....	2,879	3,002
Other tangible assets .....	1,907	2,016
<b>AMOUNTS CEDED TO REINSURERS FROM INSURANCE</b>		
<b>PROVISIONS</b> .....	<b>4,875</b>	<b>5,624</b>
<b>INVESTMENTS</b> .....	<b>384,645</b>	<b>374,074</b>
Land and buildings (investment properties).....	12,828	12,899
Investments in subsidiaries, associated companies and joint ventures .....	1,407	1,692
Held to maturity investments .....	4,115	7,538
Loans and receivables .....	63,371	71,063
Available for sale financial assets .....	230,031	212,459
Financial assets at fair value through profit or loss .....	72,893	68,423
of which financial assets where the investment risk is borne by the policyholders and related to pension funds.....	59,116	53,842
<b>RECEIVABLES</b> .....	<b>10,915</b>	<b>11,143</b>
Receivables arising out of direct insurance operations.....	7,584	8,230
Receivables arising out of reinsurance operations .....	1,082	976
Other receivables .....	2,249	1,938
<b>OTHER ASSETS</b> .....	<b>15,651</b>	<b>14,603</b>
Non-current assets or disposal groups classified as held for sale .....	653	15
Deferred acquisition costs .....	1,957	2,323
Deferred tax assets .....	2,807	2,624
Tax receivables .....	2,866	2,686
Other assets .....	7,368	6,956

	<b>As at 31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>Audited IFRS</i>	
	<i>(millions of Euro)</i>	
<b>CASH AND CASH EQUIVALENTS</b> .....	<b>19,431</b>	<b>21,647</b>
<b>TOTAL ASSETS</b> .....	<b>449,656</b>	<b>442,011</b>

### Annual Consolidated Balance Sheets of Assicurazioni Generali S.p.A. (cont.)

	<b>As at 31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>Audited IFRS</i>	
	<i>(millions of Euro)</i>	
<b>SHAREHOLDERS' EQUITY</b> .....	<b>21,405</b>	<b>21,726</b>
<b>Shareholders' equity attributable to the Group</b> .....	<b>19,778</b>	<b>19,013</b>
Share capital .....	1,557	1,557
Other equity instruments .....	0	0
Capital reserves .....	7,098	7,098
Revenue reserves and other reserves .....	7,275	8,591
(Own shares) .....	-11	-403
Reserve for currency translation differences .....	298	596
Reserve for unrealized gains and losses on available for sale financial assets .....	2,513	2,482
Reserve for other unrealized gains and losses through equity .....	-867	-1,002
Result of the period .....	1,915	94
<b>Shareholders' equity attributable to minority interests</b> .....	<b>1,627</b>	<b>2,713</b>
Share capital and reserves .....	1,434	2,308
Reserve for unrealized gains and losses through equity .....	-34	128
Result of the period .....	227	278
<b>OTHER PROVISIONS</b> .....	<b>1,768</b>	<b>1,471</b>
<b>INSURANCE PROVISIONS</b> .....	<b>345,752</b>	<b>336,369</b>
of which insurance provisions for policies where the investment risk is borne by the policyholders and related to pension funds .....	45,809	41,068
<b>FINANCIAL LIABILITIES</b> .....	<b>62,016</b>	<b>63,907</b>
Financial liabilities at fair value through profit or loss .....	16,084	15,553
of which financial liabilities where the investment risk is borne by the policyholders and related to pension funds .....	13,227	12,602
Other financial liabilities .....	45,932	48,354
of which subordinated liabilities .....	7,612	7,833
<b>PAYABLES</b> .....	<b>8,129</b>	<b>8,033</b>
Payables arising out of direct insurance operations .....	3,190	3,314
Payables arising out of reinsurance operations .....	572	646
Other payables .....	4,367	4,073
<b>OTHER LIABILITIES</b> .....	<b>10,586</b>	<b>10,504</b>
Liabilities directly associated with non-current assets and disposal groups classified as held for sale .....	648	0
Deferred tax liabilities .....	2,338	2,996
Tax payables .....	1,607	1,639
Other liabilities .....	5,993	5,869
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b> .....	<b>449,656</b>	<b>442,011</b>

## Annual Consolidated Profit and Loss Accounts of Assicurazioni Generali S.p.A.

	For the years ended 31 December	
	2013	2012
	<i>Audited IFRS</i>	
	<i>(in millions of Euro)</i>	
Net earned premiums .....	60,796	60,734
Gross earned premiums .....	62,726	62,848
Earned premiums ceded .....	-1,930	-2,114
Fee and commission income and income from financial service activities .....	1,359	1,299
Net income from financial instruments at fair value through profit or loss .....	4,763	6,143
of which net income from financial instruments where the investment risk is borne by the policyholders and related to pension funds .....	4,103	4,565
Income from subsidiaries, associated companies and joint ventures .....	180	126
Income from other financial instruments and land and buildings (investment properties) .....	15,613	15,604
Interest income .....	10,024	9,971
Other income .....	1,891	1,899
Realized gains .....	3,486	3,511
Unrealized gains and reversal of impairment losses .....	212	223
Other income .....	2,332	2,113
<b>TOTAL INCOME</b> .....	<b>85,043</b>	<b>86,018</b>
Net insurance benefits and claims .....	-63,295	-61,567
Claims paid and change in insurance provisions .....	-64,433	-62,919
Reinsurers' share .....	1,137	1,352
Fee and commission expenses and expenses from financial service activities .....	-544	-534
Expenses from subsidiaries, associated companies and joint ventures .....	-296	-423
Expenses from other financial instruments and land and buildings (investment properties) .....	-3,299	-7,486
Interest expense .....	-1,377	-1,318
Other expenses .....	-445	-438
Realized losses .....	-514	-2,529
Unrealized losses and impairment losses .....	-964	-3,200
Acquisition and administration costs .....	-11,036	-11,218
Commissions and other acquisition costs .....	-7,976	-8,034
Investment management expenses .....	-74	-114
Other administration costs .....	-2,986	-3,070
Other expenses .....	-4,249	-3,322
<b>TOTAL EXPENSES</b> .....	<b>-82,720</b>	<b>-84,550</b>
<b>EARNINGS BEFORE TAXES</b> .....	<b>2,323</b>	<b>1,468</b>
Income taxes .....	-742	-1,154
<b>EARNINGS AFTER TAXES</b> .....	<b>1,582</b>	<b>314</b>
<b>RESULT OF DISCONTINUED OPERATIONS</b> .....	<b>560</b>	<b>58</b>
<b>CONSOLIDATED RESULT OF THE PERIOD</b> .....	<b>2,142</b>	<b>371</b>
Result of the period attributable to the Group .....	1,915	94
Result of the period attributable to minority interests .....	227	278
<b>EARNINGS PER SHARE:</b>		
Earnings per share (in Euro) .....	1.24	0.06
from continuing operation .....	0.89	0.04
Diluted earnings per share (in Euro) .....	1.24	0.06
from continuing operation .....	0.89	0.04

## 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 2013 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 2013 comprise the following:

<u>Name, registered office</u>	<u>Share in equity %</u>	<u>Share in capital (x€1,000)</u>
Generali Belgium S.A., Brussels.....	0.282	700
Generali Holding Vienna AG, Vienna .....	0.051	800
Generali Capital Finance B.V., Amsterdam.....	75	6,141
Generali PanEurope Ltd., Dublin.....	0.610	332
<b>Total .....</b>		<b>7,973</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 2013 and 2012.

The following table sets out certain selected non-consolidated financial information of Generali Finance as at and for the years ended 31 December 2013 and 2012.

	<b>As at and for the years ended 31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>Dutch GAAP</i>	
	<i>(Audited)</i>	
	<i>(millions of Euro)</i>	
Total income .....	308.5	311.8
Total expenses (exc. income tax) .....	-294.1	-296.2
Result for the year .....	11.1	11.8
Investments in group companies .....	8.0	8.0
Loans incl. accrued income .....	6,071.5	6,082.6
Total assets .....	6,092.6	6,096.2
Equity .....	247.9	236.8
Total liabilities and debts .....	5,844.7	5,859.4

## **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 or lending monies including public and private lending. Generali Finance operates in The Netherlands.

## **Investments 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.

## **Generali Finance's activities during 2013**

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 2013, interest from loans to Generali Group companies amounted to Euro 308.4 million (compared to Euro 311.7 million for the same period in 2012) whereas total interest paid and due amounted to Euro 291.0 million (compared to Euro 293.1 million for the same period in 2012). The slight decrease in interest income and interest expense is 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. Interest paid and due mainly relates to securities issued by Generali Finance. For the year ended 31 December 2013, Generali Finance received dividends from investments in Generali Group companies in an amount of Euro 69,474 (compared to Euro 41,940 for the year ended 31 December 2012).

For the year ended 31 December 2013, total operating and other expenses amounted to Euro 3.1 million, compared to Euro 3.0 million in 2012.

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 2013 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 2013, guarantee fees amounted to Euro 2.7 million, which is similar to 2012. As Generali Finance did not issue any securities in 2013, the costs of issue, listing and rating like the same period in 2012, amounted to nil.

As at 31 December 2013, total assets amounted to Euro 6,092.6 million compared to Euro 6,096.2 million as at 31 December 2012 and consisted of Euro 6,071.5 million of loans to other Generali Group companies including accrued income (compared to Euro 6,082.6 million in 2012). 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 5,844.7 million (compared to Euro 5,859.4 million in 2012).

As at 31 December 2013, 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 147.9 million (compared to Euro 136.8 million in 2012).

During 2013 no dividends were distributed.

For the year ended 31 December 2013 Generali Finance recorded a profit of Euro 11.1 million (compared to a profit of Euro 11.8 million in 2012).

### **Distributable Reserves**

On 27 March 2014, Generali Finance's Board of Directors approved its financial statements as at and for the year ended 31 December 2013. As at 31 December 2013, Generali Finance had a general reserve of Euro 91.2 million and a share premium reserve of Euro 45.6 million, whereas the profit for the year 2013 amounted to Euro 11.1 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 2009, 2010, 2011, 2012 and 2013.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
			<i>(Euro)</i>		
Per share dividend.....	0	14.0	15.0	15.0	7.5

## 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.; Participatie Maatschappij Transhol B.V.; B.V. Algemene Holding en Financieringsmaatschappij and Generali Turkey Holding B.V. Managing Director of: Generali Asia N.V. Generali Capital Finance B.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.; Participatie Maatschappij Transhol B.V.; Redoze Holding N.V.; Generali Capital Finance B.V.; Generali Asia N.V.; CP Strategic Investments N.V.; Iberian Structured Investments B.V.; CZI Holding N.V.; Saxon Land B.V.; and Generali Turkey Holding B.V..
Aart G. Olivier .....	Director	Schiedam, 08-09-1954	Managing Director of: Participatie Maatschappij Graafschap Holland N.V.; Participatie Maatschappij Transhol B.V.; Redoze Holding N.V.; Generali Capital Finance B.V.; Genirland Ltd.; CP Strategic Investments N.V.; Iberian Structured Investments B.V.; CZI Holding N.V.; Saxon Land B.V.; Generali Horizon B.V.; Generali Turkey Holding B.V.; B.V. Algemene Holding en Financieringsmaatschappij; Lion River I N.V.; and Lion River II N.V.
Jozef Bala.....	Director	Shijak, 02-10-1979	Head of Debt Management of Assicurazioni Generali S.p.A Director of Citylife S.p.A

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 it 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 2013. This information has been extracted from and should be read in conjunction with, and is qualified in its entirety by reference to, the audited non-consolidated financial statements of Generali Finance for the year ended 31 December 2013. There has been no material change in the capitalisation of Generali Finance since 31 December 2013.

	<b>As at</b> <b>31 December 2013</b> <i>(Data from audited</i> <i>financial</i> <i>statements)</i> <i>Dutch GAAP</i> <i>(millions of Euro)</i>
<b>Short term liabilities</b> .....	<b>1,693.2</b>
<b>Long term liabilities</b>	
Insurance liabilities .....	N.A.
Other liabilities and debts .....	4,151.5
	<b>5,844.7</b>
<b>Shareholders' equity</b>	
Share capital .....	100.0
Reserves <sup>(1)</sup> .....	45.7
General reserve .....	91.2
Profit for the year	11.1
<b>Total shareholders' equity</b> .....	<b>247.9</b>
<b>Total capitalisation</b> .....	<b>6,092.6</b>

<sup>(1)</sup> 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 2013 and 2012, in each case presented in accordance with Dutch GAAP. The 2013 non-consolidated financial statements have been audited by Ernst & Young Accountants LLP. The 2013 and 2012 non-consolidated financial statements are incorporated by reference into this Base Prospectus.

The financial information below should be read in conjunction with, and is qualified in its entirety by reference to, 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.

## Annual Non-Consolidated Balance Sheets of Generali Finance B.V.

	As at 31 December	
	2013	2012
	<i>(Audited)</i>	
	<i>Dutch GAAP</i>	
	<i>(millions of Euro)</i>	
<b>ASSETS</b>		
<b>Fixed assets</b>		
Financial fixed assets		
Investments in group companies .....	7.9	7.9
Loans to group companies .....	4,353.4	5,870.0
	4,361.3	5,877.9
<b>Current assets</b>		
Receivables		
Loans to group companies .....	1,523.5	20.0
Accrued income .....	194.6	192.6
Other accounts receivable .....	-	0.0
Deferred tax asset.....	0.3	0.1
	1,718.4	212.7
<b>Cash and cash equivalents .....</b>	<b>12.9</b>	<b>5.6</b>
<b>TOTAL ASSETS.....</b>	<b>6,092.6</b>	<b>6,096.2</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.....	102.3	91.2
	247.9	236.8
<b>Non-current liabilities</b>		
Long-term loans .....	3,856.5	5,369.6
Loans from group companies.....	295.0	295.0
	4,151.5	5,664.6
<b>Current liabilities</b>		
Short- term		
loan.....	1,499.5	-
Loans from group companies.....	7.7	7.7
Accruals and deferred income.....	185.9	186.6
Other payables .....	0.1	0.5
	1,693.2	194.8
<b>TOTAL LIABILITIES .....</b>	<b>6,092.6</b>	<b>6,096.2</b>

## Annual Non-Consolidated Profit and Loss Accounts of Generali Finance B.V.

	For the year ended 31 December	
	2013	2012
	<i>(Audited)</i>	
	<i>Dutch GAAP</i>	
	<i>(millions of Euro)</i>	
<b>Income</b>		
Interest income from:		
loans to group companies.....	308.4	311.7
cash and cash equivalents.....	0.0	0.0
	308.4	311.7
<b>Interest expenses on:</b>		
Long-term loans .....	213.6	285.3
Short-term loan	72.5	0.0
Loans from group	5.0	7.8
companies.....		
	17.3	
		18.6
Other income		
- dividends .....	0.1	0.0
- currency results .....	0.0	0.0
- other benefits .....	0.0	0.1
	0.1	0.1
		0.1
Total income .....	17.4	18.7
<b>Operational and other expenses</b>		
Guarantee fee .....	2.7	2.7
Personnel.....	0.0	0.0
Audit/tax services.....	0.1	0.1
Other costs .....	0.3	0.2
Total operational and other expenses .....	3.1	3.0
Operational result before tax .....	14.3	15.7
Corporate income tax .....	3.2	3.9
<b>Result of the year.....</b>	<b>11.1</b>	<b>11.8</b>

**Unaudited Annual Non-Consolidated Cash Flow Statements of Generali Finance  
B.V.**

	<b>For the years ended 31 December</b>	
	<b>2013</b>	<b>2012</b>
	<i>(Unaudited)</i>	
	<i>(millions of Euro)</i>	
Interest received .....	297.2	308.6
Interest paid.....	-283.1	-289.4
Expenses .....	-3.1	-3.0
Corporate income tax.....	-3.7	-3.5
Dividends paid .....	0.0	-14.0
Other .....	0.0	0.1
Net cash flow .....	7.3	-1.2
<b>Movement in cash &amp; cash equivalents .....</b>	<b>7.3</b>	<b>-1.2</b>

At the request of Generali Finance, the independent auditor of Generali Finance has compared the amounts included in the table above not derived from the audited non-consolidated financial statements with the corresponding amounts in the schedules and analyses prepared by Generali Finance from its accounting records and found them to be in agreement after giving effect to rounding if applicable.

## TAXATION

*The following is a general summary 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 summary 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 summary to reflect changes in law and, if any such change occurs, the information in this summary 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. 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. For these purposes, notes qualify as "bonds" or "debentures similar to bonds" if they incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value and that 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, are included in the category of "bonds and debentures similar to bonds" referred to in Decree No. 239, subject to the above regime. The Italian tax authorities have clarified (Revenue Agency Circular 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.

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.) 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 20 substitute tax ("*imposta sostitutiva*") if the recipient is included among the following categories of Italian residents: individuals, non-commercial partnerships, non-profit organisations, the Italian State and public entities or entities that are exempt from IRES.

The 20 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 20 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**").

If the holder of the Notes are individuals or non-profit organisations engaged in an entrepreneurial activity and the Notes are connected to such entrepreneurial activity, the 20 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"), *società di investimento a capitale variabile* ("SICAV") is not subject to such *imposta sostitutiva* but is included in the aggregate income of the investment funds, SICAV. A withholding tax of 20 per cent. will be levied on proceeds distributed by the investment funds or the SICAV 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 11 per cent.

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 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 are

subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a real estate investment fund.

Pursuant to Decree No. 239, *imposta sostitutiva* is levied by banks, 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 *imposta sostitutiva* is applied and withheld by any entity paying Interest to the Noteholder.

Non-resident holders are not subject to such 20 per cent. *imposta sostitutiva* according to Article 6, paragraph 1, Decree No. 239, provided that:

- (a) they are either (i) resident for tax purposes in a State which allows an adequate exchange of information with Italy as listed in the Italian Ministerial Decree dated 4 September 1996, as amended from time to time, or as from the tax year in which the decree pursuant to article 168-bis of Decree No. 917 is effective, in the list of States allowing an adequate exchange of information with the Italian tax authorities as per the decree issued to implement Article 168-bis, paragraph 1 of Decree No. 917 or, in the case of institutional investors not subject to tax, they are established in such a State, or (ii) supranational entities set up in accordance with an international treaty executed by Italy, or (iii) 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, which states that the beneficial owner is a resident 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 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 of the deposited Notes, and all the necessary information in order to determine the amount of Interest that such beneficial owner is entitled to receive.

Non-resident holders are subject to the 20 per cent. *imposta sostitutiva* on Interest if any of the above conditions (a), (b), (c) or (d) is not satisfied.

Holders 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 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 20 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, the Italian State and public entities or entities that are exempt from IRES.

The 20 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 20 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 461/1997.

Interest accrued on the Notes held by Italian open-ended or closed-ended investment funds ("investment funds"), *società di investimento a capitale variabile* ("SICAV") is not subject to such *imposta sostitutiva* but is included in the aggregate income of the investment funds, SICAV. A withholding tax of 20 per cent. will be levied on proceeds distributed by the investment funds or the SICAV 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 11 per cent.

Where a holder is an Italian resident real estate investment 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 real estate investment fund.

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 issued 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.

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.

Interest on the Notes received by non-Italian resident beneficial owners are not subject to taxation in Italy.

### **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*) may be subject to a withholding tax, levied at the rate of 20 per cent. For this purpose, debentures similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value, other than securities other than shares and similar securities issued by Assicurazioni Generali to comply with Italian and/or EU capital adequacy requirements (which are subject to the tax regime provided for bonds or debentures similar to bonds).

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 20 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 20 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), (ii) a commercial partnership or (iii) a commercial private or public institution.

### **Fungible issues**

Pursuant to Article 11, paragraph 2 of Decree 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 amount 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 20 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 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.

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.

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 20 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. 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 and SICAVs are included in the annual accrued increase of the net asset value of such investment funds and SICAVs. A withholding tax of 20 per cent. will be levied on proceeds distributed by the investment funds or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Capital gains on the Notes held by real estate investment funds 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.

Capital gains realised by non-residents not having a permanent establishment in Italy to which the Notes are connected from the sale of the Notes issued by Assicurazioni Generali are in principle subject to a 20 per cent. tax. However, such gains are exempt from tax in Italy if:

- (a) the Notes are listed on a regulated market;
- (b) the Notes are not listed on a regulated market but the Noteholder is entitled to the exemption from the 20 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 to certain Italian resident Noteholders 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 20 per cent. levied as a provisional tax, pursuant to Presidential Decree No. 600 of 29 September 1973, as amended. Double taxation

conventions entered into by Italy may apply allowing for a lower (or in certain cases nil) rate of withholding tax.

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.

### **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 a tax of 0.1% for the year 2012, 0.15% for the year 2013 and 0.20% from the year 2014. The maximum amount due is set at Euro 14,000 (Euro 4,500 for the year 2013) 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.

### **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% (0.15% for year 2013).

This tax is calculated on the fair market value of the Notes 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 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 or civil partner, 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 with severe disabilities, the tax applies on the value exceeding Euro 1,500,000.

Moreover, an anti-avoidance rule is provided for by Law No. 383/2001 for any gift of assets (such as the Notes) which, if sold for consideration, would give rise to capital gains to the "*imposta sostitutiva*" provided for by Italian Decree No. 461/1997. In particular, if the donee sells the Notes for consideration within 5 years from the receipt thereof as a gift, the donee is required to pay the relevant "*imposta sostitutiva*" on capital gains as if the gift was not made.

### **Tax monitoring obligations**

Pursuant to Italian Legislative Decree No. 167 of 28 June 1990, as recently amended by Law No. 97 of 6 August 2013, Italian resident individuals, non-profit entities and certain partnerships (in particular, società semplici or similar partnerships in accordance with Article 5 of Decree No. 917) 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.

Furthermore, the above reporting requirement is not required to comply with respect to Notes deposited for management with qualified Italian financial intermediaries and with respect to contracts entered into through their intervention, upon condition that the items of income derived from the Notes have been subject to tax by the same intermediaries.

The implementing provisions of Law No. 97/2013 have been adopted by Measure of the Director of Italian Revenue Agency No. 2013/151663 of 18 December 2013 and the explanations of the Italian Tax Authorities have been provided in Circular n. 38/E of 23 December 2013.

### **THE NETHERLANDS**

*The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary is included for general information only and does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of a Note, and does not*

*purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. For the purpose of this summary it is assumed that the Notes will not be redeemable in exchange for, convertible into, linked to or subordinated to shares or other equity instruments issued or to be issued by the Issuer or by any Dutch tax resident entity that is affiliated to the Issuer. For the purpose of this summary, the term "entity" means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes. Where this summary refers to "The Netherlands" or "Dutch" it refers only to the European part of the Kingdom of the Netherlands. Where this summary refers to a holder of a Note, an individual holding a Note or an entity holding a Note, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Note or otherwise being regarded as owning a Note for Dutch tax purposes. It is noted that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settlor, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.*

## **TAX TREATMENT OF NOTES ISSUED BY GENERALI FINANCE**

### **Withholding Tax**

All payments by the Issuer of interest and principal under the Notes or Coupons can 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, unless the Notes qualify as debt that effectively functions as equity for tax purposes as referred to in Article 10, paragraph 1, sub d of the Dutch Corporate Income Tax Act (*Wet op de vennootschapsbelasting 1969*). According to Supreme Court case law, the Notes may effectively function as equity if (a) the Notes are subordinated to all non-subordinated creditors of the Issuer, (b) the Notes do not have a fixed maturity or have a maturity of more than 50 years, and (c) payments under the Notes are entirely or almost entirely dependent on the Issuer's profits.

### **Taxes on Income and Capital Gains**

A holder of a Note who derives income from a Note or who realises a gain on the disposal or redemption of a Note will not be subject to Dutch taxation on such income or capital gains unless:

- (a) the Noteholder is, or is deemed to be, resident in The Netherlands or, where the Noteholder or Couponholder is an individual, the Noteholder has elected to be treated as a resident of The Netherlands; or
- (b) such income or gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands and the holder derives profits from such enterprise other than by way of securities; or
- (c) the Noteholder is an entity (i.e. a corporation or any other person that is taxable as a corporation for Dutch corporate tax purposes) and the Noteholder has a substantial interest (*aanmerkelijk belang*) or a deemed substantial interest in the Issuer and such interest does not form part of the assets of an enterprise; or

- (d) the Noteholder is an individual and the Noteholder either has a substantial interest in the Issuer or such income or gain otherwise qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in The Netherlands as defined in the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*).

An individual holding a Note has a substantial interest in the Issuer if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have, or (b) certain relatives of such individual or his partner directly or indirectly have, or is deemed to have, (I) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent. or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (II) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of the Issuer.

An entity holding a Note has a substantial interest in the Issuer if such entity directly or indirectly has (I) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent. or more of either the total issued and outstanding capital of the Issuer or the issued and outstanding capital of any class of shares of the Issuer, or (II) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of the Issuer. An entity holding a Note has a deemed substantial interest in the Issuer if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

### **Gift, Estate or Inheritance Taxes**

Dutch gift, estate or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a Noteholder, unless:

- (a) the Noteholder is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions; or
- (b) the transfer is construed as an inheritance or as a gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in The Netherlands for the purpose of the relevant provisions.

### **Value Added Tax**

There is no Dutch 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 Dutch registration tax, stamp duty or any other similar tax or duty payable in The Netherlands by a holder of a Note in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgement in the courts of The Netherlands) of the Notes or the performance of the Issuer's obligations under the Notes.

## **Residence**

A holder of a Note will not be, or deemed to be, resident in The Netherlands for Dutch tax purposes by reason only of the holding of a Note or the execution, performance, delivery and/or enforcement of the Notes.

## **EU SAVINGS TAX DIRECTIVE**

Under EC Council Directive 2003/48/EC on the taxation of savings income (the "**EU Savings Tax Directive**"), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entity known as "**residual entities**" as defined in article 4.2 of the EU Savings Tax Directive established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments, deducting tax at a rate of 35 per cent. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments. Luxembourg has announced that it will no longer apply the withholding tax system as from 1 January 2015 and will provide details of payments of interest (or similar income) as from this date.

A number of non EU countries and territories (including Switzerland) have adopted similar measures (a withholding system in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or certain limited types of entity established in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident or certain limited types of entity established in one of those territories.

The European Council formally adopted a Council Directive amending the Directive on 24 March 2014 (the "**Amending Directive**"). The Amending Directive broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Directive. The changes made under the Amending Directive include extending the scope of the Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of "interest payment" to cover income that is equivalent to interest.

Investors who are in any doubt as to their position should consult their professional advisers.

## **Implementation in Italy of the EU Savings Tax Directive**

Italy has implemented the EU Savings Tax Directive through Legislative Decree No. 84 of 18 April 2005 (Decree No. 84). Under Decree No. 84, subject to a number of important conditions being met, with respect to interest paid starting from 1 July 2005 (including the case of interest accrued on the Notes at the time of their disposal) to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another EU Member State or in a dependent or associated territory

under the relevant international agreement (currently, Jersey, Guernsey, Isle of Man, Netherlands Antilles, British Virgin Islands, Turks and Caicos, Cayman Islands, Montserrat, Anguilla and Aruba), Italian paying agents (i.e. banks, SIMs, fiduciary companies, SGRs resident for tax purposes in Italy, permanent establishments in Italy of non-resident persons and any other economic operator resident for tax purposes in Italy paying interest for professional or commercial reasons) shall report to the Italian tax authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian tax authorities to the competent foreign tax authorities of the State of residence of the beneficial owner. In certain circumstances, the same reporting requirements must be complied with also in respect of interest paid to an entity established in another EU Member State, other than legal persons (with the exception of certain Finnish and Swedish entities), whose profits are taxed under general arrangements for business taxation and, in certain circumstance, UCITS recognised in accordance with Directive 85/611/EEC.

Either payments of interest on the Notes or the realisation of the accrued interest through the sale of the Notes would constitute "payments of interest" under Article 6 of the Directive and, as far as Italy is concerned, Article 2 of Decree No. 84. Accordingly, such payment of interest arising out of the Notes would fall within the scope of the Directive being the Notes issued after 1 March 2001.

Noteholders who are individuals and receive Interest on the Notes should note that additional amounts which, at present, may become due as described in Condition 13 (*Taxation*) of the Terms and Conditions of the Notes above should not be due in respect of withholding tax imposed under or pursuant to the EU Savings Tax Directive, or any law implementing or complying with, or introduced in order to conform to the EU Savings Tax Directive.

#### **Implementation in Luxembourg of the EU Savings Tax Directive**

The EU Savings Tax Directive was implemented in Luxembourg by the laws of 21 June 2005.

#### **Implementation in The Netherlands of the EU Savings Tax Directive**

The EU Savings Tax Directive was implemented in The Netherlands by Act (no. 29 979) of 26 May 2005 (*Staatsblad 2005*, 292) and Decree of 28 June 2005 (*Staatsblad 2005*, 332).

#### **THE PROPOSED FINANCIAL TRANSACTIONS TAX ("FTT")**

The European Commission has published a 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**").

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. The issuance and subscription of Notes should, however, be exempt.

Under 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.

The FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any 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**

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to (i) any non U.S. financial institution (a "**foreign financial institution**", or "**FFI**" (as defined by FATCA)) that does not become a "Participating FFI" by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA and (ii) any investor (unless otherwise exempt from FATCA) that does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "**United States Account**" of the Issuer (a "**Recalcitrant Holder**"). The Issuer does not expect to be classified as an FFI that is subject to withholding under FATCA.

The new withholding regime will be phased in beginning 1 January 2014 for payments from sources within the United States and will apply to "**foreign passthru payments**" (a term not yet defined) no earlier than 1 January 2017. This withholding would potentially apply to payments in respect of (i) any Notes characterised as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or after the "**grandfathering date**", which is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date and (ii) any Notes characterised as equity or which do not have a fixed term for U.S. federal tax purposes, whenever issued. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an "**IGA**"). Pursuant to FATCA and the "**Model 1**" and "**Model 2**" IGAs released by the United States, an FFI in an IGA signatory country could be treated as a "**Reporting FI**" not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being "**FATCA Withholding**") from payments it makes (unless it has agreed to do so under the U.S. "**qualified intermediary**," "**withholding foreign partnership**," or "**withholding foreign trust**" regimes). The Model 2 IGA leaves open the possibility

that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments and payments that it makes to Recalcitrant Holders. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Italy have initiated an agreement (the "**US Italy IGA**") based largely on the Model 1 IGA. The United States and the Netherlands entered into an agreement on 18 December 2013 (the "**US Netherlands IGA**") based largely on the Model 1 IGA.

While not expected, if either Issuer or, as the case may be, the Guarantor, is treated as an FFI that is subject to withholding under FATCA, the relevant Issuer or, as the case may be, the Guarantor, would expect to be treated as a Reporting FI pursuant to the US Italy IGA or the US Netherlands IGA, respectively, and does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that either Issuer or, as the case may be, the Guarantor, will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, each Issuer or, as the case may be, the Guarantor, and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if (i) any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA or (ii) an investor is a Recalcitrant Holder.

If an amount in respect of FATCA Withholding were to be deducted or withheld from interest, principal or other payments made in respect of the Notes, neither the Issuers or, as the case may be, the Guarantor, nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

Whilst the Notes are in global form and held within the clearing systems, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the relevant Issuer or, as the case may be, the Guarantor, any paying agent, the depository, common depository or common safekeeper, given that each of the entities in the payment chain beginning with the relevant Issuer or, as the case may be, the Guarantor, and ending with the clearing systems is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the clearing systems. If this were to happen, then a non FATCA compliant holder could be subject to FATCA Withholding. However, definitive notes will only be printed in remote circumstances.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH

TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

## 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 summary 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:

- (a) the application of the Luxembourg laws of 21 June 2005, as amended, implementing the EU Savings Directive (Council Directive 2003/48/EC) (see, paragraph "EU Savings Tax Directive" above) and agreements concluded with certain dependant or associated territories (the "**Territories**"), which provide that payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, in the meaning of article 4.2 of the EU Savings Directive, which are resident of, or established in, an EU member state (other than Luxembourg) or one of the Territories (that request reciprocity) will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax exemption certificate issued by the fiscal authorities of his/her country of residence in the required format for EU Savings Directive purposes to the relevant paying agent. Where withholding tax is applied, it will be levied at a rate of 35 per cent. as from 1 July 2011. The Luxembourg government officially announced on 10 April 2013 that Luxembourg will give up the withholding tax system as from 1 January 2015 and apply the automatic exchange of information system under the EU Savings Directive; and

- (b) 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 (within the meaning of the EU Savings Tax Directive) (i.e. with certain exemptions, savings income within the meaning of the Luxembourg laws of 21 June 2005, as amended, implementing the EU Savings Directive). 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 (defined in the same way as in the EU Savings Tax Directive), i.e. paying agents located in an EU member state other than Luxembourg, a member state of the European Economic Area or in a State which has concluded an international agreement directly related to the EU Savings Directive.

Responsibility for the withholding of tax in application of the above-mentioned Luxembourg laws of 21 June 2005, as amended, and 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 laws of 21 June 2005, as amended, and 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 of the only holding of Notes or the execution, performance, delivery and/or enforcement of that or any other Notes.

## 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 8 April 2014 (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. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code 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 100 offerees*: at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 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 and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU and includes any relevant implementing measure in each 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 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, Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007, as amended and any other applicable laws and regulations; and
- (b) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

### **The Netherlands/Global**

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. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution 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.

### **Taiwan**

Each Dealer has represented and warranted that the offer of the Notes has not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and the Notes may not be sold, issued or offered within Taiwan through a public offering or in a circumstance which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan requiring registration or approval of the Financial Supervisory Commission of Taiwan. Each Dealer has represented and warranted that no person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Notes in Taiwan.

### **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 China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws 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 18 December 2008, 5 November 2009, 24 February 2012, 26 June 2012 and 22 February 2013; and Generali Finance on 11 April 2013 and 28 March 2014. 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. The issuance of any Subordinated Notes to be issued by Assicurazioni Generali and the granting by Assicurazioni Generali of any Guarantee pursuant to a Deed of Guarantee are subject to the prior submission to and authorisation by IVASS, or such other approval (if any) as may be required by then prevailing applicable rules.

### 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 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 2013 and 2012 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 2013*" 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 2013, incorporated by reference in this Base Prospectus, since 31 December 2013 (being the last day of the financial period in respect of which the most recent audited annual financial statements of the Issuer and of the Guarantor have been published, there has been no significant change to the financial or trading position of the Issuer and, if applicable, its 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 the paragraphs headed "*Significant events after 31 December 2013*" 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 2013, 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 2013.

### **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 Dealer Agreement;
- (d) the by-laws of each of Assicurazioni Generali and Generali Finance;
- (e) the Programme Manual (which contains the forms of the Notes in global and definitive form);
- (f) 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
- (g) 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 2012 and 31 December 2013 (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 2012 and 31 December 2013;
- (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 registered on the special register of accounting firms held by CONSOB. 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, Moody's Investors Service Ltd and Standard & Poor's Credit Market Services Europe 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 provided financing to, Assicurazioni Generali, Generali Finance and their affiliates in the ordinary course of business. 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 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.

Mediobanca – Banca di Credito Finanziario S.p.A. has designated one or more members of the Board of Directors of Assicurazioni Generali. Assicurazioni Generali has a significant equity stake in Intesa Sanpaolo S.p.A., the parent company of Banca IMI S.p.A. 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.**

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**REGISTERED OFFICE OF GENERALI FINANCE B.V.**

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Diemen

The Netherlands

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**Barclays Bank PLC**

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**BNP PARIBAS**

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United Kingdom

**Crédit Agricole**

**Corporate and Investment Bank**

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**Nomura International plc**

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United Kingdom

**Société Générale**

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**Morgan Stanley & Co. International plc**

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**UniCredit Bank AG**

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**PAYING AGENT**

**BNP Paribas Securities Services, London Branch**

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*To the Dealers as to English and Italian  
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**Associato**  
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*To the Dealers as to Dutch Law:*

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