

AMENDED AND RESTATED
TERMS AND CONDITIONS OF THE NOTES
(with effect as of 14 December 2024)

The following is the text of the Terms and Conditions of Notes which (subject to modification) will be endorsed on each Note in definitive form (if issued).

Text set out within the Terms and Conditions of the Notes in italics is provided for information only and does not form part of the Terms and Conditions of the Notes.

The €500,000,000 Fixed/Floating Rate Subordinated Notes due December 2047 callable December 2027 (the **Notes**, which expression shall in these Conditions (the **Conditions**), unless the context otherwise requires, include any further notes issued pursuant to Condition 13 and forming a single series with the Notes) of Società Cattolica di Assicurazione – Società Cooperativa (now Genertel S.p.A., the **Original Issuer**) are issued subject to and with the benefit of a fiscal agency agreement (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 14 December 2017 with BNP Paribas Securities Services, Luxembourg Branch (now BNP Paribas, Luxembourg Branch) as fiscal agent and principal paying agent and as agent bank and the other paying agents named in the Agency Agreement. The fiscal agent and principal paying agent and the agent bank for the time being and the other paying agents are referred to in these Conditions as, respectively, the **Fiscal Agent**, the **Agent Bank** and the **Paying Agents** (which expression shall include the Fiscal Agent and any future paying agent duly appointed by the Issuer in accordance with the Agency Agreement), each of which expression shall include the successors from time to time of the relevant persons, in such capacities, under the Agency Agreement, and are collectively referred to as the **Agents**.

The Noteholders (as defined below) have the benefit of a deed poll (the “**Deed Poll**”) dated [•] 2024 executed by Assicurazioni Generali S.p.A. as substitute debtor (“**Assicurazioni Generali**” and, for the purposes of these amended and restated Conditions, the “**Issuer**”) in relation to the Notes. The Agency Agreement was amended and supplemented by a supplemental agency agreement dated [•] 2024 (the “**Supplemental Agency Agreement**”) pursuant to which (*inter alia*) all the rights and obligations of the Original Issuer as issuer under the Agency Agreement have been transferred to and assumed by Assicurazioni Generali as substitute debtor.

The terms and conditions of the Notes were amended and restated, effective on [•] 2024, in accordance with an extraordinary resolution of the Noteholders passed on [•] 2024, pursuant to which the Noteholders have (*inter alia*) approved, authorised and/or acknowledged (i) the following terms and conditions (the “**Conditions**”); and (ii) the execution of the Deed Poll and the Supplemental Agency Agreement.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Agency Agreement (as amended and supplemented by the Supplemental Agency Agreement and the Deed Poll). Copies of the Agency Agreement, the Supplemental Agency Agreement and the Deed Poll are available for inspection during normal business hours by the holders of the Notes (the **Noteholders**) and the holders of the interest coupons and the talons (**Talons**) for further interest coupons appertaining to the Notes (the **Couponholders** and the **Coupons**, which expressions shall in these Conditions, unless the context otherwise requires, include the holders of the Talons and the Talons respectively) at the specified office of each of the Paying Agents. The Noteholders and the Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them.

References to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Notes are in bearer form, serially numbered, in the denomination of €100,000 with Coupons and one Talon attached on issue.

1.2 Title

Title to the Notes and to the Coupons will pass by delivery.

1.3 Holder Absolute Owner

The Issuer and any Paying Agent may (to the fullest extent permitted by applicable laws) deem and treat the bearer of any Note or Coupon as the absolute owner for all purposes (whether or not the Note or Coupon shall be overdue and notwithstanding any notice of ownership or writing on the Note or Coupon or any notice of previous loss or theft of the Note or Coupon).

2. STATUS OF THE NOTES

2.1 Status

The Notes constitute unconditional and unsecured subordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and at least equally with all other Parity Securities but junior to any unconditional, unsubordinated, unsecured obligations of the Issuer (and the policyholders of the Issuer) (and any other obligations which are less subordinated than the Notes) and senior to any Junior Securities.

For the purposes of these Conditions:

Applicable Regulations means, at any time, any legislation, rules or regulations (whether having the force of law or otherwise) then applicable to the Issuer or the Group relating to own funds, capital resources, capital requirements, financial adequacy requirements or other prudential matters (including, but not limited to, the characteristics, features or criteria of any of the foregoing) and without limitation to the foregoing, includes (to the extent then applying as aforesaid) Solvency II and any legislation, rules or regulations of the Lead Regulator relating to such matters.

Group means the Issuer and its Subsidiaries.

Junior Securities means (A) all classes of share capital (including preference shares – *azioni privilegiate* – and savings shares – *azioni di risparmio*, if any) of the Issuer which rank, or are expressed to rank, junior to the Notes, (B) any obligation (including preferred securities, subordinated notes, bonds or other securities issued by the Issuer) which ranks, or is expressed to rank, junior to the Notes (including any other subordinated obligation of the Issuer which – but for any applicable limitation on the amount of such capital – are eligible for a regulatory treatment as Tier 1 Own Funds, including as a result of grandfathering) and including, for the avoidance of doubt, the €80,000,000 undated subordinated floating rate loan entered into on 30 September 2010 (as subsequently amended)¹ and (C) any guarantee or similar instrument granted by the Issuer which ranks, or is expressed to rank, junior to the Notes.

Lead Regulator means the *Istituto per la Vigilanza sulle Assicurazioni (IVASS)*, or any successor entity of IVASS, or any other competent lead regulator to which the Issuer becomes subject

Minimum Capital Requirement means the Minimum Capital Requirement of the Issuer, the Minimum Capital Requirement of the Group or the Group minimum Solvency Capital Requirement (as applicable) referred to in the Applicable Regulations, where non-compliance with the Minimum Capital Requirement shall be deemed to have occurred if the amount of own fund items eligible to cover the Minimum Capital Requirement of the Issuer, on a solo or, where applicable, consolidated basis, is less than the Minimum Capital Requirement (or, as the case may be, the minimum

¹ as of the effective date of these amended and restated Conditions, the €80,000,000 undated subordinated floating rate loan entered into on 30 September 2010 is no longer outstanding

consolidated group Solvency Capital Requirement) of the Issuer.

Parity Securities means any subordinated obligations, guarantees or instruments (including, for the avoidance of doubt, the €100,000,000 Fixed/Floating Rate Subordinated Notes due December 2043 callable December 2023²) issued by the Issuer which rank, or are expressed to rank, equally with the Notes.

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.

Solvency II means the Solvency II Directive and any implementing measures adopted pursuant to the Solvency II Directive (for the avoidance of doubt, whether implemented by way of regulation, implementing technical standards or by further directives, guidelines published by the European Insurance and Occupational Pensions Authority (or any successor entity) or otherwise) including, without limitation, the Solvency II 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).

Solvency II Regulations means Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking up and pursuit of the business of Insurance and Reinsurance (Solvency II).

Solvency Capital Requirement means the Solvency Capital Requirement of the Issuer or the Solvency Capital Requirement of the Group (as applicable) referred to in, or any other capital requirement howsoever described in, the Applicable Regulation, provided that:

(a) non-compliance with the Solvency Capital Requirement shall be deemed to have occurred if the amount of own fund items eligible to cover the Solvency Capital Requirement of the Issuer or the Solvency Capital Requirement of the Group (as applicable), is less than the Issuer's Solvency Capital Requirement or the group Solvency Capital Requirement (as applicable); and

(b) references to the Solvency Capital Requirement shall be read as references to the Minimum Capital Requirement where non-compliance with the Minimum Capital Requirement occurs with respect to the Issuer or the Group, before non-compliance with the Solvency Capital Requirement.

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

- (A) 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
- (B) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person.

Tier 1 Own Funds means own funds which have the necessary features to be classified as Tier 1 under the Applicable Regulations.

Tier 2 Own Funds means own funds which have the necessary features to be classified as Tier 2 under the Applicable Regulations.

² as of the effective date of these amended and restated Conditions, the €100,000,000 Fixed/Floating Rate Subordinated Notes due December 2043 callable December 2023 are no longer outstanding

2.2 Payments on the Notes in the event of the liquidation of the Issuer

Noteholders acknowledge and agree that their claims against the Issuer in respect of Notes are, in the event of the winding-up, dissolution, liquidation or bankruptcy (including, *inter alia*, *Liquidazione Coatta Amministrativa*) of the Issuer, subordinated to all other current and future unsubordinated and unprivileged claims on the Issuer (including the claims of all policyholders of the Issuer and relevant beneficiaries) and any obligations which are less subordinated than the Notes.

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 all preferred and non-preferred unsubordinated obligations and any obligations which are less subordinated than the Notes 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.

3. NEGATIVE PLEDGE

There will be no negative pledge in respect of the Notes.

4. INTEREST AND INTEREST DEFERRAL

4.1 Interest

(a) Fixed Rate

Unless previously redeemed or repurchased and cancelled in accordance with these Conditions and subject to the further provisions of this Condition 4, the Notes will bear interest on their principal amount from (and including) the Issue Date to (but excluding) 14 December 2027 (the **Interest Reset Date**), at the rate of 4.25 per cent. per annum (the **Fixed Rate of Interest**), payable annually in arrear on each Initial Period Interest Payment Date commencing on 14 December 2018, provided that the interest payment on the first Initial Period Interest Payment Date falling on 14 December 2018 will be in respect of the period from (and including) the Issue Date to (but excluding) 14 December 2018.

The interest payment made on each Initial Period Interest Payment Date shall be in the amount of €4,250 for each Note of the specified denomination. Except as set out above, the amount of interest payable in respect of each Note for any period which is not equal to an Initial Interest Period shall be calculated by applying the Fixed Rate of Interest to the principal amount of such Note, multiplying the product by the Fixed Rate Day Count Fraction and rounding the resulting figure to the nearest euro cent (half a euro cent being rounded upwards).

(b) Floating Rate

(I) If the Issuer has not redeemed the Notes in accordance with Condition 5 on the Interest Reset Date, the Notes will bear interest for each Step-Up Interest Period from and including the Interest Reset Date to but excluding the date of redemption of the Notes, at the Floating Rate of Interest (as defined below) payable, subject as provided in these Conditions, quarterly in arrear on each Step-Up Period Interest Payment Date.

(II) The rate of interest applicable to the Notes under this clause 4.1(b) (the **Floating Rate of Interest**) for each Interest Period will be determined by the ~~Calculation~~ Agent Bank on the following basis:

(A) the Agent Bank will determine the rate for deposits in euro for a period equal to the relevant Interest Period which appears on EURIBOR01 as of 11.00 a.m. (Brussels time) on the second Target Settlement Day before the first day of the relevant Interest

Period (the **Floating Rate Interest Determination Date**);

- (B) if such rate does not appear on that page, the Agent Bank will:
- (A) request the Euro-zone office of each of four major banks in the Euro-zone interbank market to provide a quotation of the rate at which deposits in euro are offered by it in the Euro-zone interbank market at approximately 11.00 a.m. (Brussels time) on the Floating Rate Interest Determination Date to prime banks in the Euro-zone interbank market 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
 - (B) determine the arithmetic mean (rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 being rounded upwards) of such quotations; and
- (C) if fewer than two such quotations are provided as requested, the Agent Bank will determine the arithmetic mean (rounded, if necessary, as aforesaid) of the rates quoted by major banks in the Euro-zone market, selected by the Agent Bank, at approximately 11.00 a.m. (Brussels time) on the first day of the relevant Interest Period for loans in euro to leading Euro-zone 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 Floating Rate of Interest for such Interest Period shall be the sum of the rate or (as the case may be) the arithmetic mean so determined and the Margin (as defined below); provided, however, that if the Agent Bank 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 Floating 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) arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period, or, where there has been no such previous determination, the Floating Rate of Interest shall be equal to the Fixed Rate of Interest.

(III) **Calculation of Interest Amount**

The Agent Bank will, as soon as practicable after the time at which the Floating 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 Interest Amount will be calculated by applying the Floating Rate of Interest for such Interest Period to the principal amount of each Note and multiplying the product by the relevant Floating Rate Day Count Fraction and rounding the resulting figure to the nearest euro cent. (half a euro cent. being rounded upwards).

(IV) **Publication**

The Agent Bank will cause each Floating 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 listing 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 Floating 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 Agent Bank 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.

(V) **Notifications etc**

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

(c) **Definitions**

For the purposes of these Conditions:

EURIBOR01 means the display designated “EURIBOR01” on Reuters (or such other page as may replace that page on that service or such other service or services as may be nominated as the information vendor for the purposes of displaying comparable rates).

Euro-zone means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty on the functioning of the European Union, as amended.

Fixed Rate Day Count Fraction means in respect of the calculation of an amount for any period of time in an Interest Period when Condition 4.1(a) applies (for the purposes of this definition, the **Calculation Period**), the actual number of days in the Calculation Period divided by the actual number of days in the relevant calendar year.

Floating Rate Day Count Fraction means in respect of the calculation of an amount for any period of time in an Interest Period when Condition 4.1(b) applies (for the purposes of this definition, the **Calculation Period**), the actual number of days in the Calculation Period divided by 365.

Initial Interest Period means each period beginning on (and including) the Issue Date or any Initial Period Interest Payment Date and ending on (but excluding) the next Initial Period Interest Payment Date or the Interest Reset Date, as the case may be.

Initial Period Interest Payment Date means 14 December of each year, beginning 14 December 2018 to and including 14 December 2027.

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 Payment Date means an Initial Period Interest Payment Date or a Step-up Period Interest Payment Date, as the case may be.

Interest Period means an Initial Interest Period or a Step-Up Interest Period, as the case may be.

Issue Date means 14 December 2017.

Margin means 4.455³ per cent. per annum.

Rate of Interest means the Fixed Rate of Interest or the Floating Rate of Interest, as the case may be.

Step-Up Interest Period means each period beginning on (and including) the Interest Reset Date or any Step-Up Period Interest Payment Date thereafter and ending on (but excluding) the next Interest Payment Date or date of redemption, as the case may be.

³ Including a step-up of 100 basis points.

Step-Up Period Interest Payment Date means 14 December, 14 March, 14 June and 14 September of each year beginning on 14 March 2028 up to and including the date of redemption of the Notes.

4.2 Interest Deferral

On each Interest Payment Date, the Issuer shall pay interest on the Notes accrued to that date ending immediately prior to such Interest Payment Date, subject to the provisions of the following paragraphs.

(a) Optional Interest Deferral

On any Interest Payment Date other than a Compulsory Interest Payment Date or a Mandatory Interest Deferral Date (an **Optional Interest Payment Date**), the Issuer may, at its option, elect, by giving notice to the Noteholders pursuant to Condition 4.2(d) below, to defer payment of all (but not some only) of the interest accrued to that Interest Payment Date. If the Issuer makes such an election, the Issuer shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose.

Pursuant to this Condition 4.2(a) (but without prejudice to any other provision of these Conditions), the Issuer may defer payment of interest on each Optional Interest Payment Date but may not defer interest in respect of an Interest Period ending immediately prior to the Maturity Date or any date on which the Notes are redeemed in full pursuant to these Conditions.

(b) Mandatory Interest Deferral

On any Mandatory Interest Deferral Date, the Issuer shall, by giving notice to the Noteholders pursuant to Condition 4.2(d) below, defer payment of all (but not some only) of the interest accrued to that Interest Payment Date (and, if relevant, any Arrears of Interest). If interest is deferred pursuant to this Condition, the Issuer shall have no obligation to make such payment and any such non-payment of interest shall not constitute a default of the Issuer or any other breach of obligations under the Notes or for any other purpose and shall not give the Noteholders or Couponholders the right to accelerate any payments.

(c) Arrears of Interest

Any such unpaid amounts of interest pursuant to Condition 4.2(a) or (b) will constitute **Arrears of Interest**. Arrears of Interest will not itself bear interest. Arrears of Interest may (subject to the fulfilment of the Conditions to Settlement) at the option of the Issuer be paid in whole or in part at any time but all outstanding Arrears of Interest shall become due upon the earliest of:

- (i) the next Interest Payment Date which is a Compulsory Interest Payment Date; or
- (ii) the date of any redemption of the Notes in accordance with the provisions relating to redemption of the Notes; and
- (iii) the commencing of *Liquidazione Coatta Amministrativa* of the Issuer pursuant to the Consolidated Law on Private Insurance Companies or the Issuer becoming subject to a liquidation order.

Conditions to Settlement are satisfied on any day with respect to any payment of Arrears of Interest if such day would not be a Mandatory Interest Deferral Date if such day was an Interest Payment Date.

If amounts in respect of Arrears of Interest become partially payable:

- (A) Arrears of Interest accrued for any Interest Period shall not be payable until full payment has

been made of all Arrears of Interest that have accrued during any earlier Interest Period; and

- (B) the amount of Arrears of Interest payable in respect of any Note shall be *pro rata* to the total amount of all unpaid Arrears of Interest accrued to the date of payment.

(d) **Notice of Interest Deferral**

The Issuer shall give not more than 25 nor less than 10 days prior notice to the Paying Agents and to the Noteholders in accordance with Condition 12:

- (A) of any Optional Interest Payment Date on which the Issuer elects to defer interest as provided in subparagraph (a) above;
- (B) of any Mandatory Interest Deferral Date and specifying that interest will not be paid due to a Regulatory Deficiency continuing on the next Interest Payment Date, provided that if the Regulatory Deficiency occurs less than five (5) Business Days before such Interest Payment Date, the Issuer shall give notice of the interest deferral as soon as practicable under the circumstances before such Mandatory Interest Deferral Date.

The information contained in any notice given in accordance with this Condition 4.2(d) will be available at the specified office of the Fiscal Agent from the date of the relevant notice.

(e) **Definitions**

In this Condition 4.2 and for the purposes of the Conditions:

Compulsory Interest Payment Date means each Interest Payment Date (other than a Mandatory Interest Deferral Date) prior to which, during the Look Back Period preceding such Interest Payment Date, a Compulsory Interest Payment Event occurred.

Compulsory Interest Payment Event means any of the following event(s):

- (A) dividends or other distributions on any Junior Securities or Parity Securities of the Issuer have been declared or paid, unless such declaration, payment or distribution is itself mandatory in accordance with the terms and conditions of such security; or
- (B) (A) the Issuer or any of its Subsidiaries has redeemed, repurchased or acquired any Junior Securities (other than a Permitted Repurchase) or (B) Parity Securities of the Issuer are redeemed, repurchased or acquired by the Issuer or any of its Subsidiaries, unless redeemed, repurchased or acquired below par or mandatorily in accordance with the terms and conditions of such security.

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

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

Mandatory Interest Deferral Date means each Interest Payment Date in respect of which, notwithstanding the occurrence of a Compulsory Interest Payment Event, a Regulatory Deficiency is continuing on such Interest Payment Date, or such interest payment (and, if relevant, any Arrears of Interest) would itself cause a Regulatory Deficiency provided, however, that the relevant Interest Payment Date will not be a Mandatory Interest Deferral Date in relation to such interest payment (or such part thereof) if, cumulatively:

- (a) such Regulatory Deficiency is of the type described in paragraph (ii) of the definition of Regulatory Deficiency;
- (b) the Lead Regulator has exceptionally waived the deferral of such interest payment (and, if relevant, any Arrears of Interest thereon);
- (c) the Lead Regulator has confirmed to the Issuer that it is satisfied that payment of such interest (and, if relevant, any Arrears of Interest thereon) would not further weaken the solvency position of the Issuer or the Group; and
- (d) the Minimum Capital Requirement will be complied with immediately following such interest payment (and, if relevant, any Arrears of Interest thereon) is made.

Permitted Repurchase means (1) any redemption, repurchase or other acquisition of such Junior Securities of the Issuer held by any member of the Group, (2) a reclassification of the equity share capital of the Issuer 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 the Issuer 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 the Issuer in connection with a levy of execution for the satisfactions of a claim by the Issuer, or (5) any redemption or other acquisition of Junior Securities of the Issuer in connection with the satisfaction by the Issuer or any of its Subsidiaries of its obligations under any employee benefit plan or similar arrangement.

Principal Subsidiary means consolidated subsidiary of the Issuer engaged in insurance business and regulated as such and whose contribution to the consolidated gross premiums or consolidated technical reserves of the Issuer represents 5 per cent. or more of the consolidated gross written premiums or consolidated gross technical reserves, respectively, for the immediately preceding financial year as shown in the most recent audited consolidated financial statements of the Issuer prior to the relevant Interest Payment Date.

Regulatory Deficiency means that:

- (i) payment of the relevant Interest payment would result in the Issuer becoming insolvent in accordance with the provisions of the relevant insolvency laws and rules and regulations thereunder (including any applicable decision of a court) applicable to the Issuer from time to time;
- (ii) there is non-compliance with the Solvency Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Solvency Capital Requirement would occur immediately following, and as a result of making, such Interest Payment; and/or
- (iii) there is non-compliance with the Minimum Capital Requirement at the time for payment of such Interest Payment, or non-compliance with the Minimum Capital Requirement would occur immediately following, and as a result of making, such Interest Payment,

or such other event that would, under the Applicable Regulations at the relevant time, prevent the payment of Interest Payment.

4.3 Interest Accrual

The Notes will cease to bear interest from and including the due date for redemption unless payment of the principal in respect of the Notes is improperly withheld or refused on such date or unless default is otherwise made in respect of the payment. In such event, the Notes will continue to bear interest at

the relevant rate as specified in this Condition 4.3 on their remaining unpaid amount until the day on which all sums due in respect of the Notes up to that day are received by or on behalf of the relevant Noteholders.

5. REDEMPTION, PURCHASE, EXCHANGE AND VARIATION

5.1 Conditions for Redemption and Purchase

- (a) Any redemption of Notes on the Maturity Date or on any date fixed for optional redemption pursuant to Condition 5.3, 5.4, 5.5 or 5.6, and any purchase of the Notes pursuant to Condition 5.8, is subject to satisfaction of the Conditions for Redemption and Purchase on the relevant redemption or, as the case may be, purchase date.

Conditions for Redemption and Purchase means each of the following conditions:

- (i) the relevant date of any redemption or purchase of the Notes pursuant to Condition 5.3, 5.4, 5.5, 5.6 or 5.8 is after the fifth anniversary of the Issue Date, unless such redemption or purchase is funded out of the proceeds of a new issuance of, or the Notes are exchanged into, own funds of the same or higher quality than the Notes;
- (ii) the Solvency Capital Requirement is met immediately prior to the redemption or purchase of the Notes (as applicable) and the redemption or purchase (as applicable) would not cause the Solvency Capital Requirement to be breached;
- (iii) the Minimum Capital Requirement is met immediately prior to the redemption or purchase of the Notes (as applicable) and the redemption or purchase (as applicable) would not cause the Minimum Capital Requirement to be breached;
- (iv) the prior approval of the Lead Regulator has been obtained and such approval has not been revoked as at the relevant date; and
- (v) redemption or purchase of the Notes does not result in the Issuer becoming insolvent in accordance with the provisions of the relevant insolvency laws and rules and regulations thereunder (including any applicable decision of a court) applicable to the Issuer from time to time; and
- (vi) where any insurance or reinsurance undertaking included in the scope of group supervision of the Issuer under the Applicable Regulations (a **Relevant Undertaking**) is subject to a Relevant Proceeding (as defined below) at the time of the proposed redemption, all claims owed by the Relevant Undertaking to its policyholders and beneficiaries have been met. unless, in each case, such Condition for Redemption is no longer a requirement under the Applicable Regulations at such time in order for the Notes to be recognised in the determination of at least Tier 2 Own Funds.

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

- (b) In case the Conditions for Redemption and Purchase are not satisfied, redemption of the Notes shall be suspended and, unless Condition 5.11 applies:

- (i) the Maturity Date (in the case of a redemption of the Notes on the scheduled maturity date) shall be postponed in accordance with the provisions set forth in Condition 5.2(b); and
- (ii) the date fixed for optional redemption, in the case of an optional redemption pursuant to Condition 5.3, 5.4, 5.5 or 5.6, shall be postponed in accordance with the provisions set forth in Condition 5.10,

in each case, regardless of any prior notice of redemption that may already have been delivered to the Noteholders and interest will – subject to the applicable interest deferral provisions of these terms and conditions – continue to accrue on the principal amount outstanding of the Notes in accordance with Condition 4 until such Notes are redeemed in full pursuant to this Condition 5.

- (c) Failure to redeem the Notes on the original Maturity Date or the date fixed for any optional redemption pursuant to Condition 5.3, 5.4, 5.5 or 5.6 shall not constitute a default of the Issuer or any other breach of obligations under the Conditions or for any purpose.
- (d) The Issuer shall give not less than 5 Business Days prior notice to the Paying Agents and to the Noteholders in accordance with Condition 12 of any date on which redemption of the Notes is to be suspended and the Maturity Date will be postponed, provided that if it is not practicable to deliver such notice at least 5 Business Days prior to the Maturity Date, the date fixed for any optional redemption pursuant to Condition 5.3, 5.4, 5.5 or 5.6, such notice shall be delivered as soon as practicable thereafter; provided further that failure to deliver such notice shall not invalidate the suspension of redemption of the Notes.

5.2 Redemption on the Maturity Date

- (a) Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem the Notes on the Maturity Date at their principal amount, together with any interest accrued to (but excluding) the Maturity Date and any outstanding Arrears of Interest, subject to satisfaction of the Conditions for Redemption and Purchase.
- (b) If the Conditions for Redemption and Purchase are not satisfied, redemption of the Notes will be suspended and (unless Condition 5.11 applies) the Maturity Date will be postponed to the earlier of:
 - (A) the date notified by the Issuer on giving at least 5 Business Days' notice to the Noteholders in accordance with Condition 12 following the day on which the Conditions for Redemption and Purchase are satisfied (and provided that the Conditions for Redemption and Purchase continue to be satisfied on the date of redemption); or
 - (B) the date on which voluntary or involuntary winding up proceedings are instituted in respect of the Issuer in accordance with, as the case may be, (aa) a resolution of the shareholders' meeting of the Issuer; (bb) any provision of the by-laws of the Issuer (currently, the duration of the Issuer is set at 31 December 2100 although, if this is extended, redemption of the Notes will be equivalently adjusted); or (cc) any applicable legal provision, or any decision of any jurisdictional or administrative authority.

5.3 Redemption at the option of the Issuer

The Issuer may, subject to satisfaction of the Conditions for Redemption and Purchase, redeem all of the Notes (but not some only) on the Interest Reset Date and on any Interest Payment Date thereafter,

in each case at their principal amount together with any accrued interest up to (but excluding) the date fixed for redemption and any outstanding Arrears of Interest, on giving not less than 30 and not more than 60 calendar days' notice to the Noteholders in accordance with Condition 12.

5.4 Optional Redemption for Taxation Reasons

- (1) If, at any time, by reason of a change in any Italian law or regulation, or any change in the official application or interpretation thereof, becoming effective after the Issue Date, the Issuer would, on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified in Condition 7 (a **Gross-Up Event**), the Issuer may, subject to satisfaction of the Conditions for Redemption and Purchase, on any Interest Payment Date, subject to having given not more than 60 nor less than 30 days' prior notice to the Noteholders in accordance with Condition 12 (which notice shall be irrevocable), redeem the Notes in whole, but not in part, at their principal amount, together with all interest accrued (including any Arrears of Interest) to the date fixed for redemption.
- (2) If, an opinion of a recognised law firm of international standing has been delivered to the Issuer and the Fiscal Agent, stating that by reason of a change in Italian law or regulation, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in a material reduction in the deductibility of payments of interest by the Issuer in respect of the Notes (a **Tax Deductibility Event** and, together with a Gross-Up Event, a **Tax Event**), so long as this cannot be avoided by the Issuer taking reasonable measures available to it at the time, the Issuer may, subject to satisfaction of the Conditions for Redemption and Purchase, redeem the Notes in whole, but not in part, at their principal amount together with all interest accrued (including any Arrears of Interest) to the date fixed for redemption, on the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible in Italy or, if such date has past, as soon as practicable thereafter. The Issuer shall give the Fiscal Agent notice of any such redemption not less than 30 nor more than 60 days before the date fixed for redemption and the Fiscal Agent shall promptly thereafter publish a notice of redemption in accordance with Condition 12.

5.5 Optional Redemption for Regulatory Reasons

If at any time, the Issuer determines that a Regulatory Event has occurred with respect to the Notes on or after the Issue Date, the Issuer may, subject to satisfaction of the Conditions for Redemption and Purchase, redeem the Notes in whole, but not in part, subject to having given not more than 60 nor less than 30 days' prior notice to the Noteholders in accordance with Condition 12, at their principal amount plus any accrued interest (including Arrears of Interest) to the date fixed for redemption.

For the purpose of these Conditions, **Regulatory Event** means that, as a result of any replacement of or change to (or change to the interpretation by the Relevant Regulator or any court or authority entitled to do so of) the ~~Relevant Rules~~ Applicable Regulations after the Issue Date, the whole or any part of the Notes are no longer capable of counting as Tier 2 Own Funds, for the purposes of the Issuer or the Group, whether on a solo, group or consolidated basis, except where such non-qualification is only as a result of any applicable limitation on the amount of such capital.

5.6 Optional Redemption for Rating Reasons

If at any time the Issuer determines that a Rating Methodology Event has occurred with respect to the Notes, such Notes will, subject to satisfaction of the Conditions for Redemption and Purchase, be redeemable in whole, but not in part, at the option of the Issuer having given not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12 on any Interest Payment Date

at their principal amount plus any accrued interest (including Arrears of Interest if any) to the date fixed for redemption.

For the purposes of these Conditions:

Equity Credit shall include such other nomenclature as any Rating Agency may use from time to time to describe the degree to which an instrument exhibits the characteristics of an ordinary share;

Rating Agency means any of Moody's Investor Service Limited, Standard & Poor's Ratings Services, Fitch Ratings Ltd and any other rating agency substituted for ~~either~~ any of them by the Issuer and, in each case, any of their respective successors to the rating business thereof; and

a **Rating Methodology Event** will be deemed to occur upon a change in the methodology of a Rating Agency (as defined above) (or in the interpretation of such methodology) as a result of which the Equity Credit previously assigned by such Rating Agency to the Notes is, in the reasonable opinion of the Issuer, materially reduced when compared to the Equity Credit first assigned by such Rating Agency.

5.7 Exchange and/or Variation for Taxation Reasons, Regulatory Reasons or Rating Reasons

If at any time the Issuer determines that a Tax Event, a Regulatory Event or a Rating Methodology Event has occurred on or after the Issue Date, the Issuer may, as an alternative to, as appropriate, Condition 5.4, Condition 5.5 or, as appropriate, Condition 5.6 above, on any Interest Payment Date, without the consent of the Noteholders, (i) exchange the Notes for new notes replacing the Notes (the **Exchanged Notes**), or (ii) vary the terms of the Notes (the **Varied Notes**), so that in any case (i) in the case of a Tax Event, the Exchanged Notes or Varied Notes (as the case may be) no longer trigger the relevant Tax Event, (ii) in the case of a Regulatory Event, the aggregate nominal amount of the Exchanged Notes or Varied Notes (as the case may be) is treated under the Applicable Regulations as Tier 2 Own Funds of the Issuer and/or the Group for the purposes of the determination of the Issuer's regulatory capital or, as appropriate, (iii) in the case of a Rating Methodology Event, the Exchanged Notes or the Varied Notes receive (or continue to receive) the Equity Credit first assigned to the Notes by the relevant Rating Agency. Any such exchange or variation is subject to the following conditions:

- (A) the Issuer giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 12;
- (B) the Exchanged Notes or Varied Notes containing terms which comply with the then current requirements of the Lead Regulator in relation to Tier 2 Own Funds;
- (C) the prior approval of the Lead Regulator being obtained;
- (D) the Issuer being in compliance with Applicable Regulations on the date of such exchange or variation, and such exchange or variation not resulting directly or indirectly in a breach of Applicable Regulations;
- (E) the Issuer complying with the rules of any stock exchange (or any other relevant authority) on which the Notes are for the time being listed or admitted to trading and the Exchanged or Varied Notes continue to be listed or admitted on the same stock exchange as the Notes if they were listed immediately prior to the relevant exchange and/or variation;
- (F) the Exchanged Notes or Varied Notes should maintain the same ranking in liquidation, the same interest rate and interest payment dates; the same Interest Reset Date and early redemption rights (provided that the relevant exchange or variation may not itself trigger any early redemption right); the same rights to accrued interest or Arrears of Interest; the same rights to principal; and the Exchange Notes or Varied Notes do not

contain any terms providing for contractual loss absorption through principal write-down or conversion into ordinary shares;

- (G) the terms of the exchange or variation not being prejudicial to the interests of the Noteholders, provided that, any exchange or variation made in compliance with paragraphs (i) through (iv) shall not breach this paragraph (G); and
- (H) the issue of legal opinions addressed to the Fiscal Agent from one or more law firms of good reputation confirming (x) that, in respect of Italian law, the Issuer has capacity to assume all rights and obligations under the Exchanged Notes or Varied Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations and (y) in respect of English law, the legality, validity and enforceability of the Exchanged Notes or Varied Notes.

Any such exchange or variation shall be binding on the Noteholders and shall be notified to them in accordance with Condition 12 as soon as practicable thereafter.

5.8 Purchases

The Issuer or any of the Issuer's Subsidiaries may at any time, subject to satisfaction of the Conditions for Redemption and Purchase being met, purchase Notes (provided that all unmatured Coupons appertaining to the Notes are purchased with the Notes) in any manner and at any price. Such Notes may be held, reissued or resold or at the option of the Issuer, surrendered to the Fiscal Agent for cancellation.

5.9 Cancellation

All Notes which are (a) redeemed or (b) purchased by or on behalf of the Issuer or any of the Issuer's Subsidiaries and surrendered for cancellation and any unmatured Coupons attached to the Notes or surrendered with them, shall be cancelled and may not be reissued or resold.

5.10 Postponement of optional redemption dates

- (a) Any redemption of Notes notified to Noteholders pursuant to Condition 5.3, 5.4, 5.5 or 5.6 shall be suspended (in whole or in part), and the Issuer shall not be entitled to give any notice of redemption pursuant to the aforementioned Conditions, if the Conditions for Redemption and Purchase are not satisfied.
- (b) Following any suspension of redemption in accordance with the provisions of sub-paragraph (a) above, the date originally fixed for redemption of the Notes pursuant to Condition 5.3, 5.4, 5.5 or 5.6 shall (unless Condition 5.11 applies) be postponed to the earlier of:
 - (i) the date notified by the Issuer on giving at least 5 Business Days' notice to the Noteholders in accordance with Condition 12 following the day on which the Conditions for Redemption and Purchase are satisfied (and provided that the Conditions for Redemption and Purchase continue to be satisfied on the date of redemption); or
 - (ii) the date on which voluntary or involuntary winding up proceedings are instituted in respect of the Issuer in accordance with (a) a resolution of the shareholders' meeting of the Issuer; (b) any provision of the by-laws of the Issuer (currently, the duration of the Issuer is set at 31 December 2100 although, if this is extended, redemption of the Notes will be equivalently adjusted), as applicable; or (c) any applicable legal provision, or any decision of any jurisdictional or administrative authority.

5.11 Waiver of redemption suspension

- (a) Notwithstanding the provisions of Condition 5.1 and of Condition 5.10, the Notes may be redeemed even though there is non-compliance with the Solvency Capital Requirement or if redemption or repayment would lead to such non-compliance, where all of the following conditions are met:
- (i) all of the Conditions to Redemption and Purchase are met other than that described in 5.1(a)(iii);
 - (ii) the Lead Regulator has exceptionally waived the suspension of redemption of the Notes;
 - (iii) all, but not some only of the Notes are exchanged for, or replaced by, a new issue of own funds of the same or higher quality than the Notes; and
 - (iv) the Minimum Capital Requirement will be complied with immediately following such redemption,
- (together, **the Conditions for Waiver of Redemption Suspension**).
- (b) The Issuer shall give at least 5 Business Days' notice to the Noteholders in accordance with Condition 12 informing the Noteholders of the day on which any redemption that has been suspended may take place following satisfaction of the Conditions for Waiver of Redemption Suspension. For the avoidance of doubt, if the Conditions for Waiver of Redemption Suspension have been satisfied before any suspension of redemption has been notified to the Noteholders in accordance with these Conditions, no notice needs to be given by the Issuer under this Condition 5.11.

6. PAYMENTS AND EXCHANGES OF TALONS

Provisions for payments in respect of Global Notes are set out under "Summary of Provisions Relating to the Notes while represented by the Global Notes" below.

6.1 Payments in respect of Notes

Payments of principal and interest in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the Note, except that payments of interest due on an Interest Payment Date will be made against presentation and surrender (or, in the case of part payment only, endorsement) of the relevant Coupon, in each case at the specified office outside the United States of any of the Paying Agents.

6.2 Method of Payment

Payments will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

6.3 Missing Unmatured Coupons

Upon the date on which any Note becomes due and repayable, all unmatured Coupons appertaining to the Note (whether or not attached) shall become void and no payment shall be made in respect of such Coupons.

6.4 Payments subject to Applicable Laws

Payments in respect of principal and interest on the Notes are subject in all cases (i) to any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of Condition 7 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 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.

6.5 Payment only on a Presentation Date

A holder shall be entitled to present a Note or Coupon for payment only on a Presentation Date and shall not, except as provided in Condition 4, be entitled to any further interest or other payment if a Presentation Date is after the due date for payment of any amount in respect of any Note or Coupon.

Presentation Date means a day which (subject to Condition 8):

- (a) is or falls after the relevant due date for payment of any amount in respect of any Note or Coupon;
- (b) is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the place of the specified office of the Paying Agent at which the Note or Coupon is presented for payment; and
- (c) in the case of payment by credit or transfer to a euro account as referred to above, is a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

6.6 Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon comprised in the Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (including any appropriate further Talon), subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

6.7 Initial Paying Agents

The names of the initial Paying Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents provided that:

- (a) there will at all times be a Fiscal Agent;
- (b) so long as the Notes are listed on any stock exchange or admitted to trading by any relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated.

Notice of any termination or appointment and of any changes in specified offices will be given to the Noteholders promptly by the Issuer in accordance with Condition 12.

7. TAXATION

7.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed or levied by or on behalf of any of the Relevant Jurisdictions, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders and Couponholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes or, as the case may be, Coupons in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note or Coupon:

- (a) presented for payment in the Republic of Italy; or
- (b) presented for payment by or on behalf of, a holder who is liable to the Taxes in respect of the Note or Coupon by reason of his having some connection with any Relevant Jurisdiction other than the mere holding of the Note or Coupon; or
- (c) by, or on behalf of, a holder who is entitled to avoid such withholding or deduction in respect of the Note or Coupon by making a declaration or any other statement to the relevant tax authority, including, but not limited to, a declaration of residence or non-residence or other similar claim for exemption; or
- (d) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts are paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Italian authorities; or
- (e) in relation to any payment or deduction of any interest, premium or other proceeds of any Note, Receipt or Coupon on account of *imposta sostitutiva* pursuant to Italian Legislative Decree No. 239 of 1 April 1996, as amended from time to time; or
- (f) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Presentation Date (as defined in Condition 6).

7.2 Interpretation

In these Conditions:

- (a) **Relevant Date** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 12; and
- (b) **Relevant Jurisdiction** means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax.

7.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition.

7.4 FATCA

Notwithstanding any other provision of these Conditions, in no event will the Issuer be required to pay any additional amounts in respect of the Notes for, or on account of, any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof or any law implementing an intergovernmental approach thereto.

8. PRESCRIPTION

Notes and Coupons (which for this purpose shall not include Talons) will become void unless presented for payment within periods of 10 years (in the case of principal) and five years (in the case of interest) from the Relevant Date in respect of the Notes or, as the case may be, the Coupons, subject to the provisions of Condition 6. There shall not be included in any Coupon sheet issued upon exchange of a Talon any Coupon which would be void upon issue under this Condition or Condition 6.

9. ENFORCEMENT EVENTS

There will be no events of default in respect of the Notes. However, each Note shall become immediately due and payable at its principal amount, together with accrued interest thereon, to the date of payment and any Arrears of Interest, in the event that (i) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Issuer or (ii) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in (i) above.

10. REPLACEMENT OF NOTES AND COUPONS

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

11. MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER, AUTHORISATION AND DETERMINATION

11.1 Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification or abrogation by Extraordinary Resolution of any of these Conditions. Any such meeting may be convened by the directors of the Issuer or the Noteholders' Representative (as defined below) at their discretion and by the Issuer, subject to mandatory provisions of Italian law applicable from time to time, upon a requisition in writing signed by the holders of not less than one-twentieth in aggregate principal amount of the Notes for the time being outstanding. If the Issuer defaults in convening such a meeting following such request or requisition by the Noteholders representing not less than one-twentieth in aggregate principal amount of the Notes outstanding, the same may be convened by decision of the President of the competent court upon request by such Noteholders in accordance with the provisions of Article 2367 of the Italian Civil Code. Every such meeting shall be held at such time and place as provided pursuant to Article 2363 of the Italian Civil Code.

The constitution of meetings and the validity of resolutions thereof shall be governed by the provisions of the Italian Civil Code, the Issuer's by-laws in force from time to time and, as long as the Issuer has its shares listed on a regulated market in Italy or another EU member country, by the Italian Financial

Act. A Meeting may be validly held as a single call meeting (*assemblea in unica convocazione*) (a **Single Call Meeting**) or as a multiple call meeting (a **Multiple Call Meeting**) if:

- (a) in the case of a Single Call Meeting, there are one or more persons present, being or representing Noteholders, holding in the aggregate at least one-fifth of the principal amount of the Notes for the time being outstanding or such other majority as may be provided for in the Issuer's By-laws, or
- (b) in the case of a Multiple Call Meeting, it is attended by one or more persons present, being or representing Noteholders, holding:
 - (i) in the case of an Initial Meeting, at least one-half of the principal amount of the Notes for the time being outstanding or such higher majority as may be provided for in the Issuer's By-laws,
 - (ii) in the case of a Second Meeting, more than one-third of the principal amount of the Notes for the time being outstanding or such higher majority as may be provided for in the Issuer's By-laws,
 - (iii) in the case of a Further Meeting, at least one-fifth of the principal amount of the Notes for the time being outstanding or such higher majority as may be provided for in the Issuer's By-laws,

provided, however, that Italian law and/or the by-laws of the Issuer may from time to time (to the extent permitted under applicable Italian law) require a different quorum at any of the above meetings. For the avoidance of doubt, each meeting will be held as a Single Call Meeting or as a Multiple Call Meeting depending on the applicable provisions of Italian law and the Issuer's by-laws as applicable from time to time.

The majority required to pass an Extraordinary Resolution at any Meeting (including any Meeting convened following adjournment of the previous Meeting for want of quorum) will be:

- (a) for voting on any matter other than a Reserved Matter, at least two thirds of the aggregate principal amount of the Notes represented at the Meeting;
- (b) for voting on a Reserved Matter, at least one half of the aggregate principal amount of the outstanding Notes (as provided under Article 2415, first paragraph, number 2, of the Italian Civil Code), unless a different majority is required pursuant to Article 2369, paragraph 3 or paragraph 7, of the Italian Civil Code,

provided, however, that the by-laws of the Issuer may require, in each case under (a) and (b) above (to the extent permitted under applicable Italian law), a different majority.

Any resolution duly passed at any such meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting, and on all Couponholders.

11.2 Noteholders' Representative

A representative of the Noteholders (*rappresentante comune*) (the **Noteholders' Representative**), subject to applicable provisions of Italian law, may be appointed pursuant to Articles 2415 and 2417 of the Italian Civil Code in order to represent the Noteholders' interests under these Conditions and to give effect to resolutions passed at a meeting of the Noteholders. If the Noteholders' Representative is not appointed by an Extraordinary Resolution of such Noteholders, the Noteholders' Representative shall be appointed by a decree of the court where the Issuer has its registered office at the request of one or more Noteholders or at the request of the directors of the Issuer. The Noteholders'

Representative shall remain appointed for a maximum period of three years but may be reappointed again thereafter.

11.3 Modification

The Fiscal Agent may agree, without the consent of the Noteholders or Couponholders, to any modification of any of these Conditions or any of the provisions of the Agency Agreement either (i) for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein or (ii) in any other manner which is not materially prejudicial to the interests of the Noteholders. Any modification shall be binding on the Noteholders and the Couponholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12.

Any modifications of any of these Conditions shall be subject to the prior approval of the Lead Regulator.

12. NOTICES

All notices to the Noteholders will be valid if published in a leading English language daily newspaper published in London or such other English language daily newspaper with general circulation in Europe as the Issuer may decide and, so long as the Notes are listed on the Irish Stock Exchange and the rules of that exchange so require, if filed at the Companies Announcements Office of the Irish Stock Exchange. It is expected that newspaper publication will normally be made in the *Financial Times*. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange or the relevant authority on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this paragraph.

13. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes or bonds having terms and conditions the same as those of the Notes, or the same except for the amount of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

15. GOVERNING LAW AND JURISDICTION

15.1 Governing Law

The Agency Agreement, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with, English law, other than the provisions of Condition 2 which shall be governed by, and construed in accordance with, Italian law and provided that Condition 11 and the provisions of the Agency Agreement concerning meetings of Noteholders and the appointment of the *rappresentante comune* are subject to compliance with Italian law.

15.2 Jurisdiction of English Courts

- (a) Subject to Condition 15.2(c) below, the courts of England have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Agency Agreement, the Notes or the Coupons including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Agency Agreement, the Notes or the Coupons (a Dispute) and accordingly each of the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.
- (b) For the purposes of this Condition 15, each of the Issuer and any Noteholders or Couponholders in relation to any Dispute waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum to settle Disputes.
- (c) This Condition 15.2(c) is for the benefit of the Noteholders and the Couponholders only. To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court of competent jurisdiction and (ii) concurrent proceedings in any number of jurisdictions.

15.3 Appointment of Process Agent

The Issuer irrevocably appoints Law Debenture Corporate Services Limited currently at Fifth Floor, 100 Wood Street, London EC2V 7EX or at its registered office for the time being to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent. Nothing shall affect the right to serve process in any manner permitted by law.

15.4 Other Documents

The Issuer has in the Agency Agreement submitted to the jurisdiction of the English courts and appointed an agent in England for service of process, in terms substantially similar to those set out above.