

**BY-LAWS**

**Article 1 - Business Name - Registered Office - Duration**

THE ITALIAN "NATIONAL MOTOR INSURANCE BUREAU FOR THE CROSS-BORDER CIRCULATION OF MOTOR VEHICLES" (UCI - UFFICIO CENTRALE ITALIANO) is a limited liability consortium pursuant to Article 1615-ter of the Italian Civil Code.

The Company's registered office is in Milan.

The duration of the Company shall be until 31 December 2053, but it may be extended once or several times by a decision taken by the shareholders with the majorities required to amend the By-Laws.

**Article 2 - Membership with the international insurance certificate system (green card system) - Recognition under Legislative Decree No. 209 of 7 September 2005.**

1) The Company is a member of the international insurance certificate (green card system) - which has the purpose of facilitating the cross-border circulation of motor vehicles - established by the insurance Undertakings which are authorised to conduct the business of compulsory insurance against civil liability in respect of the use of motor vehicles by a State adopting Recommendation No.5 by the Road Transport Sub-committee of the Inland Transport Committee of the United Nations Economic Commission for Europe, adopted on 25 January 1949, and confirmed, with supplements, by the consolidated Resolution on the facilitation of road transport, approved by the Inland Transport Committee on 24 June 1984, Annex II.

2) Within the scope of the system outlined in point 1) above, the Company establishes for Italy the professional organisation envisioned, within the meaning of National Insurers' Bureau or Office, under Article 1, point 3, of the above-mentioned UN documents, Article 1, point 3, of Directive 72/166/EEC of 24 April 1972, and Article 6 of Directive 2009/103/EC of the European Parliament and of the Council of 16 September 2009.

As the Company was recognized, under decrees of the Ministry for Industry, Trade, and Crafts of 26 May 1971, of 12 October 1972, and of 11 December 1973, as the sole entity being authorised to conduct the functions attributed to the organisation under Article 6 of Law No. 990 of 24 December 1969, as replaced by Article 1 of Law No. 242 of 7 August 1990, and subsequently with Legislative Decree No. 209 of 7 September 2005 in Articles 125 and 126, for the purpose of damages deriving from the circulation, within the Italian territory or territorial waters subject to the sovereignty of the Italian Republic, of motor

vehicles that are normally based in foreign States, or of watercrafts that are registered abroad.

3) With Article 126, paragraph 1 of Legislative Decree No. 209 of 7 September 2005, the Company was furthermore assigned the functions of National Insurers' Bureau pursuant to the effects of the provisions of Article 2, paragraph 2, and Article 7, paragraph 2, of Directive 72/166/EEC of 24 April 1972.

4) The Company is a member of the Council of Bureaux.

**Article 3 - Object.**

1) The Company's business object is

a) to carry out the tasks assigned to the Company under Articles 125 and 126 of Legislative Decree No. 209 of 7 September 2005. Specifically, the Company

a.1 handles and settles, guaranteeing payment in accordance with the provisions of Italian law in respect of any loss or injury giving entitlement thereto, claims for any damages caused by the circulation, within the territory of the Italian Republic, of the Vatican City State, or of the Republic of San Marino, of motor vehicles that are normally based in a different State, when

- the user of the vehicle that caused the damage is in possession a valid international insurance certificate; or

- the vehicle that caused the damage, even where uninsured, normally resides in one of the member States of the European Union or the European Economic Area (hereinafter simply referred to as "Member States") or in a third country which may be treated as a Member States under the provisions of Article 125, paragraph 4 of Legislative Decree No. 209/2005;

a.2 handles and settles, guaranteeing payment as detailed above in respect of any loss or injury giving entitlement thereto, claims for any damages caused by the circulation, within the territorial waters of the Italian Republic, of water crafts registered abroad and subject to insurance obligations under the law, when the users thereof are in possession of a valid insurance certificate under Article 125, paragraph 3, letter c, of Legislative Decree No. 209 of 7 September 2005;

b) authorises the member insurance Undertakings to issue to their insured parties the international insurance certificates required for the circulation, within the territory of other States, of motor vehicles that normally reside in the Italian Republic, in the Vatican City State, or in the Republic of San Marino, and guarantees, to the National Insurers' Bureaux of the States for which such certificates are issued, compliance with

the obligations arising out of the issuing thereof;

c) guarantees to the national insurers' bureaux of other Member States and to those of third States who are, with the Company, signatories of the multilateral agreement concluded as part of the Council of Bureaux, in application of Article 2 of Directive 72/166/EEC of 24 April 1972 and of Article 2 of Directive 2009/103/EC of the European Parliament and of the Council, reimbursement of the sums paid for claims and the liquidation expenses borne for the compensation of damages caused by the circulation, within the territory of their State, of motor vehicles, including uninsured, that normally reside in the Italian State, in the Vatican City State, or in the Republic of San Marino.

2) The Company stipulates with the other National Insurers' Bureaux, members of the international insurance certificate system, in the context of their reciprocal relations, all the agreements that may be necessary to carry out the activities and comply with the obligations detailed above, abiding, in the stipulation of such agreements, by the provisions contained in the general Regulation concerning dealings between National Insurers' Bureaux, approved by the General Assembly of the aforementioned Council on 30 May 2002, as amended and supplemented.

3) The Company's business object shall also include

a) the liquidation and settlement, in the capacity of claim representative for Italy acting on behalf of insurance undertakings with registered office in a different Member State, appointed pursuant to Article 21 of Directive 2009/103/EC of the European Parliament and of the Council, of any damages suffered by persons who are residents in the Italian Republic, in consequence of road-traffic accidents occurred in a another State member of the international insurance certificate system and caused by motor vehicles that are insured and are normally based in a Member State other than the state of their residence, falling within the scope of application of Legislative Decree No. 190 of 30 June 2003;

2) the liquidation and settlement, in name and on behalf of Consap - *Concessionaria di Servizi Assicurativi Pubblici* [Insurance Services National Agent] - Independent Handling of the Road Traffic Accident Guarantee Fund - and on the basis of a specific agreement entered into with the same, of damages which compensation is due to be paid by said company, in its capacity as National Compensation Body pursuant to the provisions of Legislative Decree No. 209 of 7 September 2005;

c) the stipulation and handling, in name and on behalf of member undertakings, of "cross-border" insurance covers, as per Article 126, paragraph 2, letter a), of Legislative Decree No. . N. 209

of 7 September 2005, and liquidation and settlement of the relative claims;

d) the issuance, in name and on behalf of member Undertakings, to the users of motorised land vehicles that are normally based in the Italian Republic, in the Vatican City State, or in the Republic of San Marino, who leave the Italian borders, of cross-border insurance certificates valid for circulation in other States;

e) the performance, on the basis of agreements stipulated in the context of the Council of Bureaux with the National Insurers Bureaux of other States, and with the prior approval by resolution of the Board of Directors, of activities aimed at providing assistance

- to persons who are residents of Italy, in the Vatican City State, or in the Republic of San Marino, so that said persons may obtain compensation for the damages suffered in consequence of road traffic accidents occurred abroad and that fall outside the scope of application of Legislative Decree No. 209 of 7 September 2005;

- to persons who are residents of foreign States that are not part of the European Union or the European Economic Area, so that said persons may obtain compensation for the damages suffered in consequence of road traffic accidents occurred in the territory of the Italian Republic, of the Vatican City State, or of the Republic of San Marino;

f) the performance, with the prior resolution, on a case by case basis, of the Board of Directors and on the basis of express treaties, of activities that match those detailed under paragraph 1 in dealings with single undertakings or with organisations of insurer undertakings with registered office in foreign States which did not adhere to, or which did not in any case implement, Recommendation No.5 by the United Nations Economic Commission for Europe;

g) the performance, with the prior resolution, on a case by case basis, of the Board of Directors, of any activity other than those listed in this Article, which may be connected to such activities or useful for the realisation thereof;

4) The Company may acquire shares in other companies which objects include activities that are similar or instrumental to the Company's activities; It may furthermore carry out any other activities that are functionally connected with the Company's objects or that are useful for the attainment thereof.

#### **Article 4 - Members.**

1 ) In line with its consortium purpose, the following can be

members of the Company:

a) insurance undertakings which registered office is in Italy or abroad, in a third-Country which, in line with the provisions laid down under Title II of Legislative Decree No. . 209/2005 have obtained from the Supervisory Authority for Private Insurance Undertakings and Insurance Undertakings of Public Interest (IVASS) the authorisation to conduct in Italy the business of compulsory insurance against civil liability for damages deriving from the circulation of motor vehicles or civil liability for damages arising out of the circulation of water crafts, or both;

b) insurance undertakings with registered office in other Member States which, having complied respectively with the conditions laid down in Articles 60 and 61 of Legislative Decree 209/2005 provide in Italy the insurance services listed above through a branch office or under the freedom to provide services regime.

2) Membership status is acquired by subscribing to the share capital or by purchasing shares from member undertakings.

3) On account of the fact that the Company is organised in the form of a consortium, the undertakings described in paragraph 1, letter a) shall automatically lose their membership status upon revocation of their authorisation, or relinquishment of their right to provide insurance services in the areas therein listed. Any of the Undertakings described under paragraph I, letter b) shall also lose their membership status where, in consequence of an order issued by the competent Supervisory Authority of their State of origin, or due to their own waiver to the right thereto, cease to provide in Italy the aforementioned insurance services. If an undertaking conducts its business under the freedom to provide services regime, through several establishments located in other Member States, its membership status is revoked when all such establishments cease to conduct business in Italy.

4) Revocation of membership status is confirmed by the Board of Directors after hearing the opinion of the Board of Auditors, which notifies all the members and IVASS of such revocation. The undertaking which membership is revoked cannot seek reimbursement of any consortium contributions paid under Article 6, and continues to be under obligation to contribute to any social security expenses and charges due until the closing of the financial year during which membership was revoked.

5) In the event of a loss of membership status, the share capital must be reduced by an amount equivalent to the nominal value of the share owned by the Member whose membership is revoked. To this end, a general meeting of shareholders must be called,

within one year of the resolution passed by the Board of Directors as per paragraph 4 above, to resolve on the reduction of the share capital by allocation of the amount of the reduction to a reserve fund which shall be used to repay the share owned by the member whose membership is revoked.

#### **Article 5 - Temporary membership with the Company**

1) Insurance Undertakings with registered office in Italy or abroad, which have submitted to IVASS an application for authorisation to provide the insurance services listed under Article 4, paragraph I, and the insurance Undertakings with registered office in other Member States which, having informed IVASS of their intention to conduct such insurance business in Italy through a branch exercising the freedom of establishment or under the freedom to provide services regime, which must submit to the aforementioned Institute the declaration required respectively under Articles 60 and 61 of Legislative Decree 209/2005, can become members of the Company on a temporary basis, pending attainment of the authorisation, or acquisition of the right to commence their activity in Italy in accordance with the provisions laid down in the aforementioned Articles 60 and 61 of Legislative Decree No. 209 of 2005.

2) Membership becomes permanent upon occurrence of the events listed above; up until such time the exercise of the rights and the performance of the obligations pertaining to members' relationship with the Company are suspended. An undertaking loses its temporary membership status when it is denied authorisation, or, in case of an undertaking intending to carry out activities by exercising the freedom of establishment or under the freedom to provide services regime, when such undertaking declares to relinquish its right to exercise the above insurance services or where an order is issued that prevents such undertaking from starting such activity, or in any case after one year from the membership application, during which time such undertaking failed to open a branch in Italy or obtain the declaration of compliance as per Article 81, paragraph 3, of Law-Decree No. 175 of 17 March 1995.

3) In case of revocation of temporary membership status, the provisions contained in Articles 4, 5, and 6 apply.

#### **Article 6 - Share Capital and Shares**

1) The share capital shall be € 525,148.44 (five-hundred and twenty-five hundred, one-hundred and forty-eight Euro and forty-four cents), divided into shares pursuant to Article 2468 of the Civil Code. In case of increase of the share capital, the option right as per Article 2441 of the Civil Code may be limited or excluded for the purpose of facilitating admission into the Company of new members who meet the requirement provided for in

Article 4.

On 15 April 2020 the general meeting of shareholder resolved to increase the share capital by a nominal amount of Euro 20,400 (twenty-thousand and four-hundred Euro), divisible, to be carried out, including in several instalments, by the 31st (thirty-first) of December of 2030 (twenty-thirty), reserved for subscription to third-parties (pursuant to Article 2481-bis of the Civil Code), with the exclusion of the option right provided for under Article 2441 of the Civil Code, as established under Article 6, paragraph 1, of the By-Laws.

On 24 November 2022 the general meeting of shareholders resolved - subject to the expiry of the time-limit set out under Article 2482 of the Civil Code, without any objections being filed against such resolution - to reduce the share capital by a nominal amount of Euro 7,160.40 (seven-thousand, one-hundred and sixty Euro and forty cents), to be implemented by allocating the amount of the reduction to a reserve fund.

2) Shares may be sold exclusively when such sale thereof becomes necessary due to admission of new shareholders.

**Article 7 - Contributions**

1) Undertakings with full membership are under obligation to pay to the Company

a) the ordinary annual contributions needed to cover running costs and the commitments of the Company, net of revenues;

b) any additional contributions as may be requested over the course of the financial year, needed to provide for any expenses should ordinary contributions prove insufficient;

c) the contributions for covering the costs incurred in the management of frontier insurance policies and relative claims, and the costs incurred for the management of claims where accidents are caused by non-insured vehicles or vehicles insured by insurance companies declared under compulsory administrative liquidation, and for covering the costs incurred for the settlement of, and for any legal costs and independent expert fees for claims not managed by Carta Verde.

2) The amount of contributions due by each member Undertaking shall be determined as follows:

1) for Undertakings with registered offices in the territory of the Republic, contributions are determined based on the ratio between the amount of the premiums for conducting the business of insurance against civil liability in respect of motor vehicles and craft, direct domestic business, as shown in the latest

approved financial statements, with the exclusion of the premiums acquired for any business conducted under the freedom to provide services regime in a different State of the European Union or the European Economic Area, and the total amount of premiums of all the member Undertakings which, under this Article, must be taken into consideration for the purposes of determining contributions. Where an Undertaking conducts its business in the territory of the Republic, under the freedom to provide services regime, through a branch established in a different the European Union or European Economic Area member State, for the purpose of determining the amount of contributions the premiums acquired on account of such business are added to the direct domestic business premiums.

b) for Undertakings with registered office in a different European Union or European Economic Area member State which conduct business in the territory of the Republic by exercising their freedom of establishment, or, even where they conduct such business from branches established in a member State other than the State where the Undertaking has its registered office, under the freedom to provide services regime, their contributions are determined based on the ratio between the amount of premium of insurance against civil liability in respect of motor vehicles and craft acquired over the previous financial year arising out of the activity carried out in the territory of Italy, and the total amount of premiums of all the Undertakings which, under this Article, must be taken into consideration for the purposes of determining the amount of contributions;

3) for Undertakings with registered offices in a third Country, outside the European Union or the European Economic Area, that conduct their business in the Republic through their branches therein established, contributions are established based on the ratio between the premiums acquired by the branch for insurance against civil liability in respect of motor vehicles and craft, from direct domestic business, as resulting from the latest approved financial statements, and the total amount of the premiums of all the member Undertakings which, under this Article, must be taken into consideration for the purposes of determining the amount of contributions.

d) the contributions under Article 7, paragraph 1, letter a) shall be required of Shareholders in proportion to the market share, as set out in Article 7, paragraphs 3, 4, 5, and 6, in a minimum amount to be resolved upon by the Board of Directors.

3) The Undertakings with registered office in the territory of the Republic, as per Article 7, paragraph 2, letter a), must provide the Company with a copy of their financial statements relative to the financial year within one month of approval thereof. In order to take advantage of the deductions of the



premiums acquired on account of the business conducted in a different European Union or European Economic Area member State under the freedom to provide services regime, such Undertakings must also send, together with their financial statements for the financial year, a statement of the amount of the aforementioned premiums, drawn up in the form and with the criteria established by the Board of Directors. A similar statement, also drawn up in the form and according to the criteria established by the Board of Directors, must be sent by the Undertaking, together with the financial statements, relative to the premiums acquired on account of the business conducted, under the freedom to provide services regime, in the territory of the Republic from the Undertaking's branch established in a different European Union or European Union or European Economic Area member State.

4) the Undertakings with registered office in a different European Union or European Economic Area member State as per Article 7, paragraph 2, letter b), must provide the Company, within one month of approval of the financial statements, with a statement of the premiums on which contributions are calculated. The statement must be drawn up in the form and with the criteria established by the Board of Directors.

5) The Undertakings with registered office in a third State outside the European Union or the European Economic Area must send to the Company, within a month of approval, a copy of the financial statements' accompanying documentation which such Undertakings are under obligation to fill in and submit to IVASS..

6) Where there is no availability of the data as per Article 7, paragraphs 3, 4, and 5 for determining the contributions under Article 7, paragraph 1, letters a), b), and c), a "minimum market share" shall be applied. The value of the minimum market share shall be established annually by the Board of Directors.

7) During approval of the final financial statement, on the proposal of the Board of Directors, the general Meeting of Shareholders establishes the amount of ordinary annual contributions as per Article 7, paragraph 1, letter a).

8) Over the course of the financial year, the General Meeting of Shareholders may order, on the proposal of the Board of Directors, member Undertakings - except those that have their registered office in other European Union or European Economic Area member States and that operate in the territory of the Republic exclusively under the freedom to provide services regime - to pay provisional contributions, it being understood that such amounts may be adjusted upon approval of the final financial statement.

9) Supplementary contributions, as per Article 7, paragraph 1, letters b) and c), are established, when they become necessary,

by the General Meeting of Shareholders on the proposal of the Board of Directors.

10) The Board of Directors sees to split the amount of contributions resolved upon by the General Meeting of Shareholders between the member Undertakings, following the criteria detailed in Article 7, paragraph 2. The contributions must be paid by the sixtieth day after the date in which the Undertaking has received a request therefor, in the manners established by the Board of Directors. In case of delays, interest for late payment shall be charged at the legal rate.

11) Where the General Meeting of Shareholders should decide for the Payment of provisional contributions, for the purposes of the apportionment of the relative amounts between the member undertakings which are under obligation to pay such contributions, the premiums acquired by said undertakings on account of business conducted in the Republic under the freedom to provide services regime shall not be taken into account.

#### **Article 8 - Shareholders' Loans**

1) On the proposal of the Board of Directors, the Shareholders may grant loans to the Company, whether interest-bearing and non-interest bearing.

2) The Shareholders' loans shall be repaid in compliance with the conditions laid down in Article 1467, first paragraph, of the Civil Code.

#### **Article 9 - Penalties**

1) A member undertaking that is subject to a financial penalty - which measure shall be established, on a case-by-case basis, by the Board of Directors from a minimum of € 1,000.00 (one thousand Euro/00) and a maximum of € 50,000.00 (fifty-thousand Euro/00) based on the severity of the violation, where such undertaking

a) fails to provide, within the time-limits provided, the documents as per Article 7, paragraphs III, IV, and V;

b) fails to pay the contributions due under Article 7 within the sixtieth day following the date in which such undertaking received a request thereof;

c) puts the Company in the condition to take action in its capacity as guarantor pursuant to Article 3, paragraph I, letters a 1), a 2), b) and c), and fails to reimburse any sums advanced by the Company within sixty days of the date in which a request therefor was received by said undertaking;

d) fails to reimburse the Company, within sixty days of the

relative request, the sums advanced by the Company for the payment of penalties imposed on account of violations, committed by the member Undertaking, of laws and regulations relative to obligations pertaining to damage compensation;

e) repeatedly violates the regulations set out in the articles of incorporation and in these By-Laws or any resolutions lawfully adopted by the General Meeting of Shareholders and by the Board of Directors;

2) The Board of Directors imposes a penalty after sending a notice the undertaking, via registered letter, detailing the infringement committed by the undertaking and assigning a reasonably sufficient period by which the undertaking is to present its observations.

3) In the cases set out under paragraph I, letters b) and c), the Board of Directors may ask the undertaking to lodge a security, establishing the manners thereto and the amount thereof.

4) All the decisions taken in accordance with the above paragraphs are notified to the Italian supervisory authority.

5) The amounts paid by undertakings by way of financial penalty are taken into account when making the general determination of the ordinary annual contributions as per Article 7, due by each Member.

#### **Article 10 - Financial Year - Final and Estimated Financial Statement**

1) Financial years are closed on the thirty-first of December of every year.

2) At the end of every financial year the Board of Directors drafts and approves, in compliance with the provisions of law, the estimated financial statement for the financial year, which include the balance sheet, the income statement, and the explanatory notes, and is accompanied by a report on the Company's operating performance. The financial statements must be presented to the general meeting of shareholders within the periods set out under Article 2364, second paragraph, of the Civil Code. Where any special circumstances require it, and in any case within the limit and under the conditions established by law, the general meeting of shareholders called to approve the financial statement may be called within the longer period prescribed under Article 2364 of the Civil Code.

3) Within the 30th of November of each year the Board of Directors drafts the estimated financial statement for the following financial year, which must be presented to the general meeting of shareholders

by the 31st of December.

#### **Article 11 - Decisions taken by Shareholders**

1) Shareholders decide on the matters that fall within the remit of the general meeting of shareholders under the law and pursuant to the articles of association and the by-laws. They also decide on any matters that are submitted to their approval by the Board of Directors or by a number of members representing at least one-fifth of the Company's share capital. At any rate, the remit of the shareholders shall include any decision concerning

a) the appointment of the President and the other members of the Board of Directors;

b) the appointment of two Vice-Presidents, who are to be selected from among the members of the Board of Directors;

c) the appointment of the President and of the other members of the Board of Auditors, and the determination of their remuneration;

d) approval of the financial statement for the financial year and the estimated financial statement, and the allocation of any profit gained;

e) the determination, on the proposal of the Board of Directors, of the contributions to be required from the member Undertakings under Article 7;

f) the exercise of the option to waive any liability actions brought by one or more member undertakings against the directors, or to settle such liability actions;

g) authorisation to purchasing or selling real property;

h) authorisation to acquire shares in other companies;

i) the performance of operations that entail substantive changes to the Company's object or relevant changes to the rights of shareholders;

j) changes to the articles of association and to the by-laws;

k) the dissolution of the Company, the appointment, revocation of appointment, and the powers of liquidators, the criteria by which the liquidation is to be conducted, and the allocation of the residual assets following such liquidation;

l) the appointment of the Auditor or Auditing Firm, and their relative compensation;

m) extension of the term of office of the President, the Vice-Presidents, and the directors for a period not exceeding three years.

2) The shareholders adopt all their decisions by resolution taken collectively within a meeting of shareholders pursuant to Article 12.

#### **Article 12 - Meeting of Shareholders**

1) The general meetings of shareholders, when regularly called or constituted, represent all the shareholders.

Their resolutions are binding upon all shareholders, including when absent, abstaining, or objecting, within the limitations of law and these by-laws.

2) The general meeting of shareholders is called by the Board of Directors, who sends a notice of call to the member undertakings via registered letter or facsimile or certified electronic mail or any other means ensuring acknowledgement of receipt, at least 8 days prior to the meeting.

The notice of call must include information as to the place, date, and time of the meeting, and on the orders of business set to be discussed. It must also indicate an additional date for a second call in the event the general meeting of shareholders should not be lawfully constituted on first call. The place for the meeting may be other than the Company's registered office, but it cannot be outside the territory of the Italian Republic.

3) In the absence of the above formalities, the meeting of the shareholders is deemed to be regularly constituted when the entirety of the share capital is represented and with the participation of the majority of the members of the administrative body and of the auditing body. In this case, each of the participants may object to the discussion and to voting on any of the orders of business on which they believe to have insufficient information. In the case described in the paragraph above, the resolutions taken must immediately be notified to the directors and auditors not in attendance.

4) The general meeting of shareholders is called at least once a year to approve the financial statement for the financial year within 120 days of the closing of the financial year or no later than 180 days when any of the special circumstances envisioned by law apply.

5) The general meeting of shareholders must be called every time a written request thereof is submitted, indicating the orders of business to be discussed, by a number of member Undertakings representing at least one-fifth of the share capital.

6) All the shareholders with voting rights can take part in the general meeting of shareholders. Each shareholder has as many votes as the number of shares held.

7) Each member Undertaking may be represented at the general meeting of shareholders by another member Undertaking via written proxy, which must be kept in accordance with the provisions set out in Article 2372, paragraph 1, of the Civil Code. No directors, auditors, or employees of the Company may be given a proxy to represent any of the shareholders.

8) The general meeting of the shareholders is presided over by the President of the Board of Directors, or, when absent, by one of the Vice-Presidents in order of seniority in terms of age, or, where such Vice Presidents were absent, by the person being designated to such task by the majority of the persons in attendance. The President ascertains that the general meeting of shareholders is duly constituted, verifies the identity of the persons in attendance and their right to attend the meeting, conducts the meeting and verifies voting results. The President is assisted by a secretary, which may also be a non-shareholder, elected by the majority of the attendees, who drafts the minutes of the general meeting of shareholders, unless the law requires this task to be performed by a notary public.

9) The meeting of shareholders is intended to be duly constituted when the member undertakings in attendance represent more than one-half of the share capital, and in second call when the member Undertakings are present to represent at least one-third of the share capital. The meeting of shareholders adopts resolutions when approved by the absolute majority of the votes cast by the attendees, except for any resolutions concerning the matters detailed under Article 11, paragraph I, letters i), j), k), and l), which are adopted when approved by a number of shareholders representing at least one-half of the share capital. The above shall be without prejudice to any provisions of these by-laws requiring specific majorities for certain resolutions.

10) In any case, the resolutions of the meeting of shareholders shall be intended as adopted when the resolutions are attended by the entire share capital, all the members of the Board of Directors and of the Board of Auditors are present or informed, and no-one opposes the discussion of the relative order of business, in compliance with the last paragraph of Article 2479 of the Civil Code.

11) The resolutions of the meeting of shareholders shall be reported in minutes, signed by the President and the secretary or notary public, and transcribed in the register of shareholders' decisions as per Article 2478 of the Civil Code. The minutes must include the date of the meeting, the attendees, and the portion of share capital being represented by each, the methods and the results of the votes, and must also include a summary, where requested by the shareholders, of the statements rendered by the same pertaining to the agenda. As to any resolutions not

being adopted unanimously, the minutes must also allow to identify the abstaining or objecting shareholders. The minutes recording resolutions relating to amendments of the articles of association or of these by-laws must be drafted by a notary public.

12) General meetings of shareholders may also be held when all of its attendees are present in different locations, connected via audio-video conferencing.

### **Article 13 - Board of Directors**

1) The Company is managed by a Board of Directors comprising 9 to 15 members, including the President and the Vice-Presidents. Except for the President, all the members of the Board of Directors must be appointed from among persons who hold, within a member Undertaking, a management position in the sector of insurance against civil liability arising out of the circulation of land motor vehicles and water craft, or who have held such positions in the past and they have a collaboration relationship currently in place with a member Undertaking. The President may be appointed, other than from among said persons, also from among persons who have held, within member Undertakings or within association bodies operating in the sector of insurance against civil liability in respect of motor vehicles and water craft, the office of President, Vice-President or Chief Executive Officer, or the office of General Manager.

2) No more than one member of the Board of Directors can be elected and/or appointed from within the same Undertaking or the same group of Undertakings, except for the President.

3) The members of the Board of Directors shall be in office for three years, and their term of office expires upon approval of the financial statements relative to the last financial year of their term of office, except for the case of resignation, revocation of appointment, or disqualification from office before said date. Any members of the Board of Directors who, for any reason whatsoever, were to no longer be associated with member undertaking with which they were originally affiliated, or who no longer carry out, within said member Undertaking, the functions detailed in paragraph I, shall be disqualified from the office of Director. All directors can be re-appointed, and provide their services free-of-charge, without prejudice to the option for the Board of Directors to grant a compensation to the President - after hearing the opinion of the Board of Auditors - when the President is delegated by the Board of Directors to carry out the functions thereof, and to any of the Directors to whom the Board of Directors gave specific assignments. The term of office of the President, the Vice Presidents and the directors may be extended, in the event of special circumstances, for one additional year, by resolution of the Meeting of Shareholders,

approved under Article 11, paragraph I, letter l), on condition that one-third of the shareholders and the total votes they are entitled to do not object to such resolution.

4) The Meeting of the Board of Directors is called by the President any time the latter should deem it necessary or when at least one-third of the Board members submit a written request thereof. The President calls the Meeting by sending a notice of call to each of the directors and the standing auditors, via registered letter or facsimile or certified electronic mail or any other means that ensure acknowledgement of receipt. The notice of call shall contain the Meeting's Agenda and must indicate the method - selected from among the methods listed in paragraph VI - by which the Meeting shall be held. The notice of call must be disclosed to the *pro-tempore* president of the technical Section for motor vehicles insurance of the Italian National Association of Insurance Companies - ANIA - and the *pro-tempore* General Manager of ANIA, who can both take part in the meeting, albeit without any voting rights.

5) The meetings of the Board of Directors are chaired by the President, who is assisted by a secretary, who is designated by the attendees. In the absence of the President, the meeting is chaired by the Vice-Presidents, in order of seniority in terms of age, or, where these should also be absent, by the director who is most senior in terms of age.

6) The Board of Directors adopts its decisions when the members thereof meet as a body, or alternatively - unless one or more directors expressly request to meet as a body, or expressly request not to resolve upon any of the matters listed in the last paragraph of Article 2475 of the Civil Code - on the basis of the consent expressed in writing or pursuant to a written consultation.

7) When the Board of Directors is called to meet as a body, such meeting is normally held within the Company's registered office. However, where necessary, Board meetings may be convened to be held at a different location, as long as such location is within the territory of the Italian Republic. The notice of call must be sent at least eight days prior to the meeting, and must also contain the indication of the date and the time in which the meeting is to be held. In cases of urgency, the above eight-day period is reduced to two days, and the notice of call may be sent via fax or e-mail; in this last case, the call shall be deemed valid where confirmation of the call is given.

8) The resolutions of the Board of Directors shall be valid when adopted collectively with the majority of the members thereof being actually present. The Board's resolutions are adopted when approved by the favourable vote of the majority of the attendees. In case of a tie, the chairperson's vote shall be decisive. The



meeting of the Board of Directors must be recorded in minutes, signed by the President and the secretary.

9) The Board of Directors can also hold meetings as a body when all of its attendees are present at different locations, connected via audio-video conferencing.

10) Where the Board opts to hold its meeting by one of the alternative methods listed at paragraph VI, as opposed to meeting collectively as a body, if the method chosen is that of consent expressed in writing, the President shall send to each of the directors, together with the notice of call, a document containing a resolution proposal for each of the orders of business in the agenda, with a request to communicate to the Company whether their vote is in favour or against such resolution proposals, or whether they opt to abstain from casting a vote. Where the Board opts to hold its meeting using the method of written consultation, the President sends, together with the notice of call, a document containing a request addressed to each member of the Board to inform the Company as to the decisions to be adopted relative to each of the orders of business in the agenda, accompanied by any information and documents deemed useful for evaluating said orders of business.

In both the first and second cases, the President gives the directors a time-limit to provide their reply, which must be in writing using any means or communication system that allows for the acknowledgement of dispatch and receipt, including facsimile and electronic mail.

11) When the meeting of the Board of Directors is held with the method of consent expressed in writing, the resolutions proposals transmitted by the President and for which the majority of the directors expressed their consent within the given time-limit shall be deemed approved, it being understood that any failure to communicate a vote shall be counted as a dissenting vote. Where the meeting is held with the method of written consultation, the decisions for which there is an alignment between the wills expressed by the majority of the directors shall be deemed as approved. The decisions adopted by the Board of Directors must be recorded in written minutes, signed by the President and by the secretary; they must be communicated to the auditors and be recorded in the register of directors' decisions, as per Article 2478 of the Civil Code.

12) Without prejudice to the provisions of Articles 2420-ter and 2443 of the Civil Code, the Board of Directors shall be responsible for all resolutions, which shall be taken in compliance with Article 2436 of the Civil Code, relating to

- the establishment and closing of secondary offices;

- the transfer of the Company's registered office to a different municipality within the national territory;

- reductions of the share capital in the event of withdrawal of a shareholder;

- amendments to the by-laws to comply with statutory regulations. The Company shall be legally represented, before third parties and in legal proceedings (for the purpose of instituting judicial and administrative proceedings at any level of jurisdiction, and thus also including actions to reopen final judgements and actions of appeal before the Supreme Court of Cassation, and for the purpose of defending the Company in any legal proceedings instigated against the Company), by the President of the Board of Directors. Such authority to legally represent the Company may be delegated, in accordance with the methods established by the Board of Directors, to the Vice President, and, if appointed, to the Chief Executive Officer or the executive officers or the Company's Managers or Officers.

13) In addition to the functions expressly assigned in other provisions of these by-laws, the Board of Directors

a) implements the resolutions adopted by the meeting of shareholders;

b) confirms that the Undertakings acquiring shares of the Company meet the set requirements, and verifies that the acquisition was regularly carried out;

c) authorises the stipulation, renewal, or termination of the agreements listed under Article 3, paragraph II;

d) appoints the Managing Director and the other senior officers of the Company, establishing their compensation and emoluments, and terminates their employment;

e) appoints the members of the technical Committee;

f) has the powers to manage the Company and is authorised to carry out any business, including extraordinary administration, which may be necessary to implement the Company's object and which are not, by law, under the articles of association or the by-laws, reserved to the meeting of shareholders.

14) The Board of Directors may delegate some of its powers to an executive Committee, formed by the President, the Vice-Presidents, and two more directors, or to the President, laying down the limits of such delegated powers. The Board of Directors may also give specific assignments to one or more of its members.

15) The powers listed in Article 2475, last paragraph, of the Civil Code cannot be delegated.

**Article 14 - Replacement of Directors**

1) If, over the course of the financial year, one or more directors should leave their office within the Board of Directors, the remaining members will see to their replacement. The directors thus appointed will remain in office until the next meeting of shareholders.

2) If the majority of the Board of Directors leave office, the members still in office must call the meeting of shareholders so that the latter may fill the vacant positions. The term of office of the directors thus appointed shall expire at the same time as that of the directors who are in office at the time of their appointment.

**Article 15 - Shareholders' Control, and Liability Actions Against Directors**

1) The shareholders who do not take part in the management of the Company have the right to receive from the Board of Directors, through the President, information on the progress of the Company's business, and to have access, including with the assistance of professionals they trust, to the Company's books and the documents pertaining to management.

2) Each shareholder may instigate, when the conditions apply, liability actions against the directors. If the application is granted, the Company reimburses claimants all legal costs and any other costs incurred by said shareholders to establish the facts of the case.

3) Liability actions may be waived or settled by the Company. The relative resolution is adopted by the meeting of shareholders when approved by the affirmative vote of a number of shareholders representing at least two-thirds of the Company's share capital, on condition that such resolution is not opposed by a number of shareholders representing at least one-tenth of the share capital.

**Article 16 - Representation of the Company.**

1) The general authority to represent the Company before third parties and in legal proceedings, with the right to bring any action in any venue and level of jurisdiction, including supranational and international, and to retain, for such purpose, lawyers and attorneys with the power to act on behalf of the Company in litigation, shall be upon the President, or, in case of absence or impediment, the most senior Vice President in terms of age.

2) The General Manager and the other Officials shall also represent the Company within the limits of the authorities and powers granted unto them by the Board of Directors.

**Article 17 - Board of Auditors.**

1) The ordinary meeting of shareholders appoints the Board of Auditors and establishes the compensation payable to such Board. Any individuals who are in one of the situations of incompatibility established by law cannot be appointed as auditors, and where already appointed, they shall be disqualified from said office.

The President of the Board of Auditors shall also have - in addition to the above requirements - specific experience in the sector of insurance, as demonstrated by having held similar positions in the past, authored publications in the insurance-financial sector, held specialised courses, or equivalent professional experience at national and international level.

2) The Board of Auditors monitors the Company's compliance with the law and these by-laws, the principles of proper administration, and particularly the adequacy of the organisational, administrative, and accounting systems adopted by the Company and their concrete operation, It also audits the Company's accounts, by carrying out the functions listed in Article 2409-ter of the Civil Code.

3) The Board of Auditors consists of three standing members and two alternate members, which may also be non-shareholders, selected from among the individuals registered with the Register of Auditors held with the Ministry of Justice.

4) Auditors remain in office for three financial years, and may be re-appointed. Their appointment expires on the date of the Meeting of Shareholders called to approve the financial statements for the last year of their term of office. The end of the Auditors' terms of office takes effect when the Board of Auditors is reconstituted.

5) The Board of Auditors may meet via video- or audio-conferencing, in compliance with the provisions of Article 13, paragraph 9, of the By-Laws as applicable.

6) The provisions applicable to companies limited by shares shall also apply to the Company.

7) The statutory audit of the Company's accounts shall be carried out by an independent auditor or an auditing firm registered with the dedicated register pursuant to Article 2409-bis of the Civil Code.

**Article 18 - Statutory Auditing**

Unless the Meeting of Shareholders entrusted the task of conducting the statutory auditing to the Board of Auditors, such

task shall be carried out by an independent auditor or an independent auditing firm enrolled in the relevant register pursuant to Article 2409-bis of the Civil Code.

Based on a reasoned proposal submitted by the supervisory body, the meeting of shareholders confers the appointment to carry out the statutory auditing of the Company's account, and establishes the consideration payable to the independent auditing firm or independent auditor valid for the entire duration of their appointment, and the criteria to adjust such consideration over the course of the appointment, where applicable.

The auditing firm or independent auditor must meet the requirements of independent and objectivity set out in the applicable laws and regulations.

At any rate, the auditing firm or the independent auditor conducting the statutory auditing of the Company's accounts cannot be associated with the Company or the shareholders thereof by virtue of any on-going agreement for the provision of advisory services or paid work or any other relationship of a financial nature that could undermine their independence.

Their assignment shall be valid for three financial years, expiring on the date of the Meeting of Shareholders called to approve the financial statements relative to the last financial year in which they performed their assignment.

**Article 19 - Technical Committee.**

1) The Technical Committee shall be formed by three members appointed by the Board of Directors.

2) The Technical Committee expresses non-binding opinions on the technical matters submitted to the Committee by the President.

3) The meeting of the Technical Committee are attended by the President and the General Manager.

**Article 20 - Express Termination Clause**

1) Any dispute concerning any alienable rights which may arise between the shareholders or between the shareholders and the Company in consequence of company business or in respect of the interpretation and application of these by-laws, shall be settled by three arbitrators appointed by the President of the Court of Milan.

2) The arbitrators shall judge in accordance with the law, pursuant to Articles 34, 35, and 36 of Legislative Decree No. 5 of 17 January 2003.

**Article 21 - Committee for the Appointment of Directors and Officers.**

1) In the meeting called to approve the budget for the year in which the appointment of directors and officers is scheduled to be renewed, the Meeting of Shareholders shall appoint a committee formed by three people selected from among the shareholders, which task shall be to generally consult with the member Undertakings to collect their proposals with respect to the composition of the Board of Directors, and to the appointment of the President and the Vice-Presidents.

2) The Committee selects a Coordinator from among its members, and establishes the procedures to be followed to perform the task received. After consulting with the member Undertakings, the Committee drafts a report for the Meeting of Shareholders. After presenting said report, the Committee expires.

**Article 22 - Financial Years.**

Financial years close on the 31st of December of every year.

**Article 23 - Liquidation.**

1) In addition to the cases established by law, the Company may be dissolved by resolution of the extraordinary meeting of shareholders.

2) In the event of dissolution of the Company, the meeting of shareholders establishes the methods for its liquidation, and appoints one or more liquidators, establishing their powers.

**Article 24 - Domicile of Shareholders.**

The domicile of Shareholders, their fax number, e-mail address or other addresses and contact details valid for the service of any communications or notices under the by-laws or any communications or notices sent by the Company, are those listed in the register of shareholders and which have been to such end communicated to the Company by the relative interested parties.

**Article 25 - Final Provisions.**

For anything not being provided for in the by-laws, the provisions of law shall apply.

Signed by Angelo Busani