

ARTICLES OF ASSOCIATION
of the
ASSICURAZIONI GENERALI



TRIESTE
1925



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of the
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ARTICLES OF ASSOCIATION
OF THE
ASSICURAZIONI GENERALI
SECTION I.

Name, Registered Office, Objects and Duration.

Art. 1. The Company limited by shares, named

Assicurazioni Generali,

founded under a Memorandum of Association dated December 26th 1831, shall be governed by the following Articles of Association.

Art. 2. The name of the Company, in languages other than Italian, has been fixed as hereinafter set forth, either in a literal translation or in such versions as the usage of the various countries or the necessity for distinguishing the Company from others have rendered appropriate.

The Company is thus named :

in French : Assurances Générales de Trieste & Venise
in English : The General Insurance Company, Ltd., of Trieste & Venice

in German : Allgemeine Assekuranz in Triest

in Spanish : Seguros Generales de Trieste y Venecia

in Greek : Γενικαὶ Ἀσφάλειαι ἐν Τεργέστη

in Roumanian : Asigurări Generale în Triest

in Czecho-Slovakian : Všeobecná pojišťovna v Terstu

in Servian : Свеопће Осигурање у Трсту

in Croatian : Sveopće Osiguranje u Trstu

in Slovenian : Občna zavarovalnica v Trstu

in Bulgarian : Генерално Застрахователно Дружество в Триест

in Polish : Powszechna Asekuracja w Tryeście

in Russian : Генеральное Страхование Триеста, Акц. Об-во

in Hungarian : Triesti Általános Biztosító Társulat

in Arabian : شركة التأمين العمومية في تريستا

in Turkish : س فورطة عممه ريسته

in Hebrew : אהריות כללית - טריסט

in Armenian : Քնդհանուր ապահովագրութիւնք Թրիեստի



Art. 3. The Registered Office of the Company is at Trieste, where it is inscribed in the Commercial Register at the Law Courts for Commercial and Maritime Cases.

The Company has its Central Head Office at Trieste and a Head Office at Venice. It has another Head Office at Rome and shall have power to establish other Head Offices, Branch Offices, Local Offices, General Agencies and Agencies in other towns, both in Italy and abroad.

Art. 4. The object of the Company is to engage, both in Italy and abroad, in all branches of insurance business permissible under the Law, both by way of direct underwriting and by reinsurance and/or retrocession. The Company shall be authorised to participate by shareholdings in other companies and enterprises having similar objects and to represent or manage them.

The Company may further undertake capitalisation and savings operations, assuming the obligation to effect payments or to deliver bonds of the classes enumerated in Art. 15.A) Nos. 1 and 2, against payment which may also be made in instalments, and it may assume the administration of funds and endowments for account of third parties, whether individuals or corporate bodies, whether working on a mutual basis or not.

Art. 5. The administration of the Company is divided into two Sections, A and B.

Section A comprises all the business of the Company except that appertaining to Section B.

Section B comprises Life Insurance and Reinsurance, the assurance of Annuities, of old age and invalid pensions, and all the operations mentioned in Para. 2 of Art 4.

Within the limits laid down by the present Article the Advisory Council shall, upon receipt of a proposal from the Board of Directors, decide to engage in or discontinue any particular class of business.

Art. 6. The duration of the Company is not limited.

Art. 7. The Communications of the Company shall have been duly published in the legal sense of the term when inserted in the Official Gazette of the Kingdom of Italy.

SECTION II.

Share Capital, Shares and Shareholders' Rights.

Investment of Assets.

Art. 8. The Capital of the Company is Lire 13,230.000.— fully paid, divided into 6300 nominative shares of L. 2,100 each.

By the resolution of a General Meeting and without special authority from the Government the Capital may be increased to Lire 40,000.000.— either by a single new issue or by successive smaller issues.

The particulars of any issue of new shares, especially as regards the number and price of issue of such new shares, shall be settled by a General Meeting.

The General Meeting may however delegate its powers in this respect to the Advisory Council. Every increase of Capital shall be duly notified to the Trieste Law Courts (Section for Commercial and Maritime Cases).

Any premium accruing to the Company by the issue of new shares at a higher price than their nominal value, shall, after deduction of the expenses and taxes incurred in connection with the issue of such shares, be added to the Company's reserves, the details of such allotment being fixed at a General Meeting.

Art. 9. One half of the Capital is allotted to Section A and the other to Section B.

The assets of one Section may not be assigned for purposes of the other.

Art. 10. The Shares of the Company shall be issued and registered in the holder's name and may not be subdivided. Shares may be disposed of by the holder by transfer, but such transfer shall not be valid and binding upon the Company until it has been approved by the Board and duly registered in the Company's books.

The Company shall be entitled, but not obliged, to investigate the title on which a demand for registration of a transfer is based.

In case of the death of a shareholder, his heirs or assigns shall arrange for due transfer of the single shares to another name. The Board of Directors may suspend payment of dividends and super-dividends until such transfer has been effected.

Art. 11. Should Share-Certificates be lost or mislaid, the shareholder shall arrange for their cancellation. A duplicate Share-Certificate will be issued after the expiry of six months as from the date of publication of the relative notice, at the shareholder's expense, in the Official Gazette of the Kingdom of Italy, in the Official Journal of Trieste, and in the Journal of Legal Notices of Venice, provided no protest is entered.

Art. 12. Shareholders are not obliged to refund dividends and super-dividends distributed to them in pursuance to resolutions passed by General Meetings.

Art. 13. In case of the transfer of shares to a third party by a shareholder, who is a debtor to the Company, the Company is entitled not to recognize the transfer and to withhold dividends and super-dividends until its claim has been satisfied.

Art. 14. Shareholders participate in the Company's total assets and profits in proportion to the number of shares in their possession.

The ownership and registration of the shares constitute, as such, an act of full acceptance by the shareholder of the Articles of Association and the decisions of the Company, and imply the choice of legal residence at the Company's Head Office for the purpose of all relations, judiciary or extra-judiciary, which the Shareholder, as such, may have with the Company.

The Shareholder or his assigns may not bring actions aiming at the sequester of the Company's property, nor may they demand the division or sale thereof, or directly interfere in the management; the Balance Sheet of the Company and the decisions taken by the General Meeting or by other organs of the Company in conformity with their respective powers shall be exclusively valid and binding upon them.

Art. 15. A) The technical reserves of Section A and all the assets of Section B shall be invested as follows:

- 1) in Bonds issued or guaranteed by the Government, or by Provinces or Municipalities ;
- 2) in Bonds issued by institutions authorised to undertake Land Credit Operations in the Kingdom of Italy ;
- 3) in Purchases, by transfer or subrogation, of Annuities due from the Government ;
- 4) in House Property situate in the Kingdom of Italy ;
- 5) in Loans or First Mortgages on House Property situate in the Kingdom of Italy, in amounts not exceeding one half of the value of such property ;
- 6) in Loans on the Company's Life Insurance Policies within the limits of the policy value ;
- 7) in Cash Deposits with the «Cassa di Depositi & Prestiti», with the Banks of Issue, Credit and/or Savings Banks in the Kingdom of Italy ;
- 8) in Bills discountable at the Banks of Issue ;
- 9) in Loans against the collateral security of the Bonds enumerated sub 1) and 2) above, of not more than 80 % of their market value and in no case more than the price of redemption if redeemable ;
- 10) in such other investments as may be sanctioned by the Law of the country.

B) For the foreign investment of technical reserves in respect of insurances concluded abroad the Laws of the respective countries shall obtain; in the absence of such Laws the provisions of A) of the present Article shall apply.

C) Further assets of Section A may also be invested in such other manner as the Directors of the Company may consider advisable and prudent.

SECTION III.

Administration of the Company.

A) General Meeting.

Art. 16. The General Meeting represents all the Shareholders; Resolutions passed by it in accordance with the terms of the Articles of Association are binding on all the Shareholders, including those absent or dissentient, and are likewise binding upon the Company's Administration.

General Meetings shall be either Ordinary or Extraordinary. They shall be held at Trieste. The Ordinary General Meeting, at which the Balance Sheet and the Report on the Company's business are submitted to the Shareholders, shall take place within the first six months of each year.

Art. 17. General Meetings shall, subject to the rights of the Advisory Council as set forth in Article 40, sub-paragraph *g*), be summoned by the Board of Directors.

The Board of Directors may call an Extraordinary General Meeting, whenever it considers this necessary in the interests of the Company.

An Extraordinary General Meeting shall be called, when demanded by as many shareholders as together possess at least one sixth of the shares issued, and when these submit proposals, which the Board recognizes as relating to matters whose discussion, under the terms of Articles 22 and 23, devolves upon the Meeting. If the Board should not consider such proposals as falling under the competency of the General Meeting, the latter shall nevertheless be submitted to the next Ordinary General Meeting, which shall decide as to its own competency and, if necessary, discuss them.

Art. 18. The convocation of a General Meeting shall be made by publication of a notice convening it in the Official Gazette of the Kingdom of Italy, the Official Journal

of Trieste, and the Journal of Legal Notices of Venice, such notice stating the business to be dealt with at the Meeting.

Publication of the notice of convocation shall take place at least ten days before the General Meeting.

As a rule the Company shall also send special notice to each Shareholder at the address which the latter has had inscribed in the Register of Shares in Trieste.

Proposals formulated by one or more Shareholders together possessing at least one sixth of the shares issued shall, if submitted to the Board of Directors in Trieste before the end of February, be included in the Agenda of the Ordinary General Meeting.

Proposals submitted after such date or at the General Meeting may only be discussed at the next following General Meeting, after being duly notified in the notice of convocation. Such proposals shall, however, relate only to matters enumerated in Articles 22 and 23, as falling under the competency of the General Meeting; the Advisory Council is entitled to express its opinion regarding the admissibility of the individual proposals. If the Advisory Council does not consider them as falling under the competency of the General Meeting, they shall nevertheless be submitted to it, in order that the General Meeting, at the request of the proposers, may decide as to its own competency and, if competent, discuss them.

Resolutions shall not be passed in regard to business which was not included in the Agenda. This provision does not apply however to proposals for the convocation of an Extraordinary General Meeting.

Art. 19. Shareholders are entitled to attend in person at General Meetings or to be represented by other Shareholders; in order to attend personally or by proxy Shareholders shall have been inscribed in the Company's registers at least one month before the date of the General Meeting.

Persons under guardianship or curatorship and Corporate Bodies shall attend General Meetings and shall vote through their legal or statutory representatives, who need not themselves be Shareholders.

The register of Shareholders entitled to attend the General Meetings is open to inspection by Shareholders at the Head Offices in Trieste and Venice during the six days preceding the General Meeting. Powers of Attorney for representation of Shareholders at a General Meeting shall be presented and deposited at the Central Head Office not later than noon on the day before the General Meeting; after expiry of such term they are no longer admitted.

Art. 20. Each share entitles the holder to one vote. No Shareholder or representative of Shareholders may, however, poll more than 100 votes in all. Shares belonging to one person or firm cannot be represented by more than one person.

Art. 21. The General Meeting shall be presided over by the Chairman of the Board of Directors (Article 27).

In case of the absence of the Chairman, or of his inability to attend, the General Meeting shall be presided over by such member of the Board as the latter shall have designated, or, in the absence of such designation, by the oldest member of the Board in point of seniority of service and if several have been elected contemporaneously by the senior in years amongst them. Seniority of service shall be reckoned as from original election to the Board and not from subsequent re-election.

Art. 22. The Ordinary General Meeting shall be competent to deal with the following matters :

- a) decisions concerning the Annual Balance Sheets, to be discussed on the basis of the report and the proposals put forward by the Advisory Council ;
- b) decisions concerning distribution of the net profits, except in so far as otherwise provided by Article 49 of these Articles.

c) election of members to the Board and to the Advisory Council, and of Auditors and Deputy Auditors.

Members of the Board shall not participate, either in person or as representing other Shareholders, in the polling on the matters indicated sub a), but for the purpose of determining the presence of a quorum at General Meeting, the shares owned or represented by them shall be taken into consideration.

Art. 23. The following further matters fall under the Competency of the General Meeting :

- a) Modifications of these Articles of Association ;
- b) Increase or reduction of the Company's Share-Capital ;
- c) Suppression of one of the two Sections (Article 5) by amalgamation with another Company ;
- d) Suppression of a Section ;
- e) Dissolution of the Company by amalgamation with another Company ;
- f) Dissolution of the Company ;
- g) Appointment of liquidators and fixation of their remuneration ;
- h) Procedure for the liquidation of the Company.

The resolutions of a General Meeting on the matters indicated sub a), b), c), e) and h) of this Article shall, except in so far as covered by the first paragraph of Article 8, be communicated to the competent Authorities for approval.

Art. 24. As a rule a General Meeting shall be legally constituted if at least one half of the shares issued are represented and its resolutions shall be binding upon the Company and the Shareholders if passed by simple majority; proposals which obtain an equal number of votes for and against shall be considered to have been rejected.

For the decisions sub a), b), e) and f) of the preceding Article, however, at least two thirds of the shares shall be represented and such decisions shall be approved by at least two thirds of the votes.

If at a General Meeting, convened to discuss the items enumerated sub *a*), *b*), *e*) and *f*) of the preceding Article, the shares represented do not amount to two thirds of the issued shares, a new General Meeting shall be held for the same purpose after an interval of at least fifteen days as from the General Meeting which was dissolved. The resolutions passed by such second General Meeting shall be valid if at least one half of the issued shares are represented and if such resolutions are passed by at least a two thirds majority.

Should the necessary number of shares not be represented at such second General Meeting a new General Meeting shall be held after the expiry of at least ten days, and its resolutions shall be valid even though passed by a simple majority and without regard to the number of shares represented.

The same shall apply to any second General Meeting, convened to discuss any other of the items named in Articles 22 and 23, if at the first General Meeting the number of shares represented has not reached at least one half of the shares issued.

Art. 25. Resolutions shall as a rule be passed by show of hands or by a division, due account being taken of the number of votes to which each shareholder is entitled. In case of doubt or if either the Chairman or ten Shareholders shall require it, the Shareholders present shall be called upon by name, one by one, to record their votes.

Unless elections to the offices of the Company are unanimous and by acclamation, polling shall be secret.

If the first vote does not result in an absolute majority for the leading nominees, a new poll shall be held in respect of those who received the greatest number of votes at the first ballot, two nominees being put up for election for each office in question.

In the ballot thus limited, an absolute majority shall be decisive. If two nominees obtain an equal number of votes, the candidate holding the greater number of shares shall be considered elected. In case of equality, a decision shall be taken by drawing lots.

Art. 26. As soon as opened, the General Meeting shall appoint two scrutinizers from amongst the Shareholders present. The scrutinizers shall verify the polling, take part in drafting the minutes with the Secretary appointed by the Chairman, sign them with the Chairman and, with him, draft an extract of the minutes, which shall be communicated to all the Shareholders.

If and when stipulated by Law, the minutes of the proceedings of a General Meeting shall be compiled by a Notary Public.

B) Board of Directors.

Art. 27. The Board of Directors (Consiglio Direttivo) shall administer the affairs of the Company and legally represent it. It shall be composed of not fewer than 9 or more than 15 members, elected by the General Meeting, and of the General Managers.

The Board shall elect its Chairman from amongst its Members.

Members of the Board appointed by the General Meeting shall be elected for three years and shall retire on the date of the General Meeting called to approve the last balance sheet of such triennial period.

During the business year the Board [Art. 40, sub-par. e)] shall have power to fill any vacancies that may occur and in general to complete the Board up to the maximum number provided for by the present Article, by means of appointments which shall provisionally remain in force until the next Ordinary General Meeting. This shall then proceed to supplementary elections for office during the unexpired portion of the current triennial period. At the expiry of this period, the entire Board shall retire.

Should the number of members of the Board for any reason fall below the minimum provided for by the present Article, the Advisory Council shall elect new Members up to the said minimum in the manner hereinbefore set forth.

Art. 28. Each Member of the Board shall within one month of his election deposit eight shares of the Company at the Central Head Office of the Company, such shares being bonded as an exclusive guarantee of his administration during his entire tenure of office and until the General Meeting shall have approved the Balance Sheet for the last business year included in such tenure of office. Failure to deposit the shares shall be considered as refusal to accept office.

Art. 29. The Board shall deal with all general business and shall decide any questions not expressly reserved for decision by the General Meeting or the Advisory Council.

The Board shall, in particular, be empowered:

- a) to establish internal regulations for its own functioning;
- b) to carry into effect the resolutions of General Meetings;
- c) to decide upon the purchase, sale or transfer of properties, upon mortgage operations, as mortgagor or mortgagee, and in general upon the investment of the Company's funds;
- d) to sue and be sued in all Courts and Tribunals;
- e) to appoint, discharge or suspend the executive personnel, and to fix its emoluments and remuneration;
- f) to confer the power to sign for the Company;
- g) to decide upon the establishment or suppression of Special Head Offices, Branch Offices and Local Offices, General Agencies or Agencies;
- h) to establish rules governing the official publication of notices relating to Special Head Offices, Branches, Offices, General Agencies or Agencies abroad and to issue all the instruments necessary for such purposes;
- i) to decide upon the financial operations inherent in the management of the Company;
- l) to compile the Balance Sheet and to propose the distribution of profits to the Advisory Council.

Art. 30. The Board shall each year from among its own members appoint an Executive Committee, to which it may delegate its powers.

The Board may further delegate to one or more of its members the office of Managing Director (Amministratore delegato), fixing his functions and emoluments.

Art. 31. The Board shall, when convened by the Chairman, meet at the Central Head Office, or, in special cases, at other Head Offices. It may be convened at any time at the request of three of its members.

In case of the absence of the Chairman or of his inability to attend, the Chair shall be taken by the oldest elected member of the Board. In case of equality of service as between two Members, the senior by age shall preside.

As a rule, notice of the meeting shall be served four days before the date fixed for it. In case of urgency this notice may be reduced to two days, but notice to absent Members shall then be given by telegram.

In order that the meeting of the Board shall be legally valid at least one half of its Members shall be present.

Resolutions shall be passed by an absolute majority. In case of equal numbers of votes being cast, the vote of the Chairman of the meeting shall decide.

Minutes of meetings shall be kept, and shall be signed by the Chairman and either one General Manager or another Member of the Board attending the Meeting.

Art. 32. Every Member of the Board is entitled to an annual remuneration amounting to one half per cent of the net profits shown in the general profit and loss account, after deduction of an amount equal to 4% of the paid up capital and the profit reserves (Article 46), with an annual minimum of ten thousand Lire.

The members of the Board are entitled to the reimbursement of travelling expenses incurred in attending Meetings.

Art. 33. The Board may, after consulting the Advisory Council, appoint special Committees at the individual Head Offices, Branches and Agencies, both in Italy and abroad, fixing their powers, functions and emoluments. It may further entrust special charges to one or more of its members.

The members of the said Committees may also be chosen outside the Board of Directors and the Advisory Council.

C) Executive Committee.

Art. 34. The Executive Committee shall have the powers and functions conferred upon it by the Board of Directors under the terms of Article 30.

It shall be composed of the Chairman of the Board of Directors, and of at least three but not more than five other members of the Board of Directors, and of the General Managers.

The Executive Committee shall be presided over by the Chairman of the Board, or, in case of his inability to attend, by a member of the Committee appointed by him.

The Executive Committee shall meet periodically when convened by the Chairman, or as often as required by two members.

It may pass valid resolutions when at least three of its members are present. Its resolutions shall be passed by an absolute majority; in case of equality of votes, the vote of the Chairman shall decide.

The members of the Executive Committee, with the exception of the General Managers, are entitled to a special annual remuneration to be fixed by the Advisory Council.

D) Management.

Art. 35. For the execution of the decisions of the Board of Directors and the Executive Committee and for the current administration of the Company's business, the Advisory Council shall, on the proposal of the Board of Directors, appoint one or more General Managers and, if necessary, one or more Assistant General Managers, to assist them.

At least one and not more than three General Managers with the above functions shall have charge of the Head Office in Trieste. These, assisted if necessary

by not more than three Assistant General Managers, appointed to the said Head Office, shall constitute the Managing Body of the Central Head Office. The Board of Directors may further appoint one or more Joint Managers, Sub-Managers, or Attorneys (Procuratori) to assist the Central Management in the performance of its duties, fixing in each case their functions and powers.

One General Manager or one Assistant General Manager may be appointed by the Board of Directors to the Venice Head Office. The Board of Directors shall further appoint at least one but not more than three Managers to assist the aforesaid General Manager or Assistant General Manager in the administration of the Venice Head Office or to direct the Head Office in their absence. The officials holding the above appointments shall constitute the Managing Body of the Head Office at Venice.

The Board of Directors may further appoint one or more Joint Managers, Sub-Managers or Attorneys (Procuratori) to assist the Managing Body of the Venice Head Office in the performance of its duties, fixing their functions and powers in each case.

Should the Board of Directors in accordance with the provisions of the last paragraph of Article 30 appoint one or more Managing Directors (Amministratori Delegati), these shall, ipso facto, form part of the Managing Body of the Central Head Office.

The spheres of activity and the functions of the Managing Bodies of the Central Head Office and of the Venice Head Office and the special relations existing between them shall be settled by the Board of Directors by the issue of Standing Orders.

The Managing Body of the Central Head Office and the Managing Body of the Venice Head Office are granted joint signature under the terms of Article 42 and the powers necessary for the ordinary administration of the Company's business without special authorisation from the Board of Directors, with further power:

- a) to engage in litigation and law-suits in all the ordinary Courts and consequently also in all Courts of Appeal

of whatever degree, and to defend the Company in actions brought against it, to agree upon arbitration or amicable mediation or to effect friendly settlements and ;

- b) to undertake any form of collection of Funds or withdrawal of securities or bonds from the Administration of the Public Debt, from the «Cassa di Depositi & Prestiti», from the Revenue Office, from the Postal, Telegraph and Railway Administrations, and in general from public, governmental, provincial and communal administrations ;
- c) to accord and grant inscriptions, reductions, cancellments, transcriptions, subrogations and endorsements of mortgages ;
- d) to grant, within the limits of their powers, special Authority for particular operations and also general powers of attorney for legal actions.

The members of the Head Offices are responsible for the rigorous observance of the Law, of the Articles of Association and of the Standing orders and resolutions of the Advisory Council, the Board of Directors and the Executive Committee.

E) Auditors.

Art. 36. For the examination of the annual Balance Sheets three Auditors and three Deputy Auditors, not in the employ of the Company, shall every three years be elected at the General Meeting from amongst shareholders who are not members of the Board of Directors.

If any one of the Auditors should be absent or for any reason whatsoever be prevented from exercising the duties of his office, his place shall be taken by a Deputy Auditor in order of precedence of election or in case of contemporaneous election by seniority in age.

In case of supplementary elections the new Auditors or Deputy Auditors shall remain in office until expiry of the current triennial period.

Should it be necessary, in the course of any triennial period, to appoint an Auditor, the Advisory Council shall make such appointment with validity until the next General Meeting (Article 40, sub-par. *f*).

The Auditors shall examine the annual Balance Sheets compiled by the Board of Directors and shall transmit same, together with their report, to the Board of Directors for presentation to the Advisory Council.

The Auditors may at any moment be removed from office by the General Meeting.

Art. 37. Besides the participation in the profit to which he is entitled as a member of the Advisory Council (Article 41), each Auditor shall receive an annual remuneration of Lire 2,000 and each Deputy Auditor of Lire 1,500.

F) Advisory Council.

Art. 38. The Advisory Council (Consiglio di Amministrazione) shall be composed of

- a) the members of the Board of Directors elected by the General Meeting (Article 27);
- b) the General Managers;
- c) the Auditors and the Deputy Auditors;
- d) not less than fifteen but not more than thirty other shareholders, elected by the General Meeting.

The members of the Advisory Council indicated sub *d*) remain in office for a period of three years and may be re-elected.

In case of supplementary elections the new members shall only remain in office until the expiry of the current triennial period.

Art. 39. The Advisory Council shall be convened by the Board of Directors, when necessary. It shall be convened as often as required by six members of the Advisory Council, failing which the Advisory Council may convene itself by an invitation signed by six of its members.

The Chairman at any meeting of the Advisory Council shall be the Chairman of the Board of Directors, and in case of his absence, or inability to attend, that member

of the Board of Directors who in accordance with the terms of Article 31 would have presided over the Board of Directors.

The Advisory Council shall be convened at least six days before the date of the meeting by registered letter, containing a copy of the Agenda, or in urgent cases by telegram at least two days before the meeting.

The Advisory Council is empowered to pass resolutions when all its members have been duly invited to attend and when five members of the Board of Directors and ten other members are present.

Resolutions shall be passed by a simple majority. In case of equality of votes the vote of the Chairman shall decide. In polling for elections and appointments the rules laid down in Art. 25 shall obtain.

Minutes shall be kept of every meeting of the Advisory Council, and shall be signed by the Chairman and two members of the Advisory Council.

Art. 40. The Advisory Council is empowered:

- a) to discuss and decide upon the conclusions of the Auditors concerning the Balance Sheets;
- b) to formulate proposals to be submitted to the General Meeting concerning the approval of the Balance Sheets and the distribution of the profits;
- c) to take cognizance of all that is generally concerned with the administration and in particular with the House Property of the Company;
- d) to appoint or discharge the General Managers and Assistant General Managers upon a proposal of the Board of Directors;
- e) to proceed, when proposed by the Board of Directors, to the provisional appointment or substitution of members of the Board of Directors (Article 27) and, similarly, of the members of the Advisory Council;
- f) to proceed, in case of necessity, to the provisional appointment of Auditors in the terms of Article 36;

- g) to express an opinion on the proposals of the Board of Directors concerning the appointment of Special Committees (Article 33);
- h) to pass resolutions affecting the internal regulations and the modifications thereof;
- i) to decide as to the regulations governing pensions and the modifications thereof;
- l) to discuss the report submitted by the Board of Directors regarding proposals which a member of the Advisory Council may have placed before the Board of Directors before the publication of the Agenda;
- m) to express an opinion on the cases covered by Articles 17 and 18, whether the proposals submitted by Shareholders for presentation to the General Meeting relate to matters subject to decision by the latter body in accordance with the terms of Articles 22 and 23;
- n) to decide upon the proposals of the Board of Directors concerning engagement in or discontinuance of the various classes of the Company's business (Article 5);
- o) to express an opinion on the proposals of the Board of Directors for the increase of the share capital or the dissolution of the Company;
- p) to express an opinion on the proposals of the Board of Directors for changes in the Company's Articles of Association;
- q) to decide as to the convening of the General Meeting and to convene it if the Board of Directors should have failed to do so within the time limit fixed by the Advisory Council (Article 17).

Art. 41. Each member of the Advisory Council, in the categories indicated under the letters *c*) and *d*) of Article 38 is entitled to an annual remuneration representing one per mille of the net profit as shewn in the General Profit and Loss Account, after deduction of a sum representing four percent of the paid-up capital and profit reserves (Article 46), with a minimum of Lire 4,000 per annum.

The members of the Advisory Council in the above categories shall further, for each meeting in which they participate, receive a voucher for thirty Lire if they reside in Trieste and for one hundred Lire if they reside outside Trieste.

The travelling expenses of all members of the Advisory Council residing outside Trieste shall be refunded.

SECTION IV.

The Representation and Legal Signature of the Company.

Art. 42. The power to bind the Company and to sign jointly for it is conferred upon:

- a) the members of the Board of Directors;
- b) the General Managers and the Assistant General Managers;
- c) the officials upon whom the titles of Manager, Joint Manager or sub-Manager have been conferred, with Authority to sign;
- d) the officials upon whom has been conferred the Authority to sign as Attorneys (Procuratori), subject to the following restrictions.

The signature binds the Company when, under the name of the Company, whether written, printed or stamped, two of the persons indicated above have affixed their signatures, but with the restriction that the officials indicated sub. *d*) may only sign together with one of the persons indicated sub. *a*), *b*) and *c*) of this Article.

Authority to sign for the Company in all the Head Offices of the Company shall be extended to the members of the Board of Directors, the Managing Directors (Amministratori Delegati), General Managers and Assistant General Managers; for the officials indicated sub *c*) and *d*) the Authority is limited to the Head Offices to

which they are appointed or the Branch Offices, Agencies or Representations depending therefrom.

In order to facilitate the administration of the Agencies and local Representations, collective or single agents may be appointed, with special powers of attorney fixing their authority.

SECTION V.

The Balance Sheet.

Art. 43. The Company's business year is concurrent with the calendar year. The Books and Accounts shall be kept and the Balance Sheets and Annual Statement be compiled in accordance with the law, separately for the two Sections, A & B.

The report to the General Meeting may, however, be compiled jointly for the two Sections.

From the Profit and Loss Accounts and the Annual Statements of the two Sections A and B a general Profit and Loss Account and a general Balance Sheet shall be also compiled.

Art. 44. The Annual Statements shall be submitted to the Auditors and the Advisory Council at least ten days before the General Meeting.

Art. 45. The Annual Statement with the Auditors' Report and the proposals of the Advisory Council shall be open for inspection by the Shareholders at the Central Head Office three days before the General Meeting and shall be subsequently communicated to them, together with any decisions relating thereto, by printed circulars.

Art. 46. A Profit Reserve shall be established for each of the two Sections, A & B. This reserve shall aim at increasing the assets of the Company and shall be maintained by the allocations established under Article 49.

Should a draft upon the Profit Reserve occur, the replenishment of same shall be effected in the following years by allocating thereto not less than 15 % of the annual profits.

Art. 47. Besides the profit reserves as stated in Article 46 a Reserve against Fluctuations in the Value of Securities shall be established; the same shall be maintained from the book profit (not realized) on the quotations of public securities and shall serve to cover the book losses on the market value of such securities.

Art. 48. With the allocations as stated in Article 49, the following further reserves are established:

a) a Supplementary Reserve against Fluctuations in the value of Government Securities, which is also destined to serve the purposes indicated in the preceding Article;

b) a House Property Reserve, destined to cover the depreciation of the Company's House Property.

Art. 49. If a Credit Balance results under the General Profit and Loss Account, such credit balance shall be distributed in the following manner:

I. First shall be taken an amount sufficient for the payment of a dividend of four percent on the paid up capital and the profit reserves (Article 46). From the balance shall be allocated:

a) 10% or, if the case be as set forth in Article 46, second paragraph, 15% to the profit reserve of each Section, in proportion to the profit resulting from their respective Balance Sheets;

b) the remunerations of the Board of Directors and the Advisory Council in the terms of Articles 32 and 41.

II. The remainder of the profit shall be distributed as follows:

A) 12 $\frac{1}{2}$ % of the said remainder shall be assigned:

a) as to two thirds to the Supplementary Reserve against Fluctuations in the Value of Government Securities, until such time as the reserve provided for in Article 47 and this supplementary reserve together reach an amount representing the percentage hereinafter stated of the market value of the Government public securities owned by the Company as on December 31st of any one year:

- 1) on Mortgages, Land Credit Certificates and Railway Bonds, 5⁰/₀;
 - 2) on Government Loans, 10⁰/₀;
 - 3) on Shares and Securities, others than those mentioned in the preceding sub-paragraphs 1 and 2, 15⁰/₀;
- b) as to one third to the House Property Reserve.
- B) The remaining 87¹/₂ % shall be distributed as may be decided by the General Meeting in each instance.

III. When the Ordinary (Article 47) and Supplementary Reserves (Article 48, a) against Fluctuations in the Value of Government Securities have together reached the limit provided for in sub-paragraph II, A, a, of this Article, 10 % of the remaining profit, dealt with in sub-paragraph II, shall be assigned to the House Property Reserve, and the remaining 90 % shall be distributed as may be decided by the General Meeting in each instance.

Art. 50. When the joint credit balances of the two Profit and Loss Accounts are insufficient for the distribution of a dividend of four percent on the paid-up capital and the profit reserve (Article 46), the amount lacking shall be drawn from the profit reserve of Section A.

When the joint accounts represent a loss, such loss shall be covered by the profit reserves of the two Sections in the proportion of the losses sustained by the respective Sections. In such case the dividend shall be paid through a draft on the profit reserve of Section A.

In no case shall the reserves of Section B be reduced for the purpose of distributing dividends.

SECTION VI.

Disputes.

Art. 51. Any disputes arising between Shareholders, as such, or between them, in their capacity of Shareholders, and the Company, shall be submitted to the decision of a Board composed of three Arbitrators.

The party demanding Arbitration shall notify the other party of his action and shall also notify the latter of the name of the Arbitrator appointed by him.

If the party so notified does not appoint its own Arbitrator or does not notify such appointment to the other party within fourteen days, the appointment of the said Arbitrator shall be made by the judiciary Authority in Trieste, competent to deal with the dispute.

The two first Arbitrators shall appoint an Umpire. Should they fail to agree as to this appointment, it shall be made by the competent judiciary Authority in Trieste.

The Arbitrators shall not be obliged to observe the procedure and limits established for civil litigation before the judiciary authorities; they shall decide as amicable mediators and their award shall therefore have the same effect for the parties as a sentence pronounced in Court.

For all matter not covered by the present Article the civil procedure in force at Trieste shall obtain.

SECTION VII.

State Supervision.

Art. 52. The Company shall submit to the supervision of the State in the terms of the Law and of existing Regulations.

SECTION VIII.

Dissolution of the Company.

Art. 53. In addition to the cases provided for by Law, the Company or one of its Sections may be dissolved by a resolution of the General Meeting.

The dissolution of the Company shall be resolved upon if at the end of any one business year it shall result that the Company has lost, over and above the reserve funds, one half of its share capital, always provided that

replenishment be not decided upon and effected promptly. Once the resolution to dissolve the Company has been passed no new insurances shall be accepted and the liquidation of the Company shall commence.

The General Meeting shall decide what form the liquidation shall take and shall appoint the Liquidators.

The Liquidators shall have the necessary powers for the purpose and shall be authorized to transfer, totally or partially, the rights and obligations of the Company to others within the limits and according to the terms of the Law.

With the appointment of the Liquidators the functions of the Board of Directors and the Advisory Council shall cease. The functions of the General Meeting shall continue, and such Meeting shall be convened by the Liquidators.

Should only one Section be dissolved, the assets of the same shall, after the extinction of all obligations or after their transfer to other Companies, devolve upon the other Section.

SECTION IX.

Temporary Proviso.

Art. 54. The elected members of the Managing Bodies, the Auditors and members of the Advisory Council, appointed in accordance with the terms of the former Articles of Association, shall remain in office until the first following General Meeting, which shall proceed to the election of the new Board of Directors, the Auditors and the Advisory Council in accordance with the terms of the present Articles of Association.

Civil Commissariat General
for the Venezia Giulia

Office VI - No. 634/1155.

The present Articles of Association of the Company, limited by shares, named «Assicurazioni Generali», modified in pursuance to a resolution of the Extraordinary General Meeting of Shareholders of March 14th 1922, are approved in virtue of the Powers conferred upon this Civil Commissariat General by Royal Decree dated July 22nd 1920 No. 1233.

Trieste, March 22nd 1922.

for the Civil Commissary General
(signed) **CRISPO MONCADA.**

Certified to be a correct
and accurate copy:

(signed) **SUPPAN.**

Seal

MODIFICATIONS

of the Articles of Association of the Company, limited by shares, named «Assicurazioni Generali», Trieste, passed by the Extraordinary General Meeting of October 27th 1923.

Modified Text.

Art. 8. The Company's capital is Lire 40,000.000, fully paid, divided into 80,000 nominative shares of Lire 500 each, issued in single and multiple share certificates.

Second paragraph cancelled.

In case of future increases in the capital, the various kinds of issue of Shares and especially the amount and the price of issue shall be fixed by the General Meeting.

Fourth paragraph unaltered.

Fifth paragraph unaltered.

Sixth paragraph unaltered.

Art. 20. Each share entitles the holder to one vote. No Shareholder or Proxy for a Shareholder may however cast more than 1200 votes. The shares belonging to one person or one firm cannot be represented by more than one person.

Art. 23. *First paragraph, unaltered.*

The resolutions of the General Meeting relating to the matters enumerated sub. a), b), c), e) and h) of the present Article shall be submitted to the competent Authorities for approval.

Art. 28. Each member of the Board of Directors shall within one month of his election deposit one hundred shares of the Company at the Central Head Office of the Company, such shares being bonded as an exclusive guarantee of his administration during his entire tenure of office and until the General Meeting shall have approved the Balance sheet for the last business year included in such tenure of office. Failure to deposit the shares shall be considered as refusal to accept office.

MODIFICATIONS

to Article 38 of the Articles of Association of the Company, limited by shares, «ASSICURAZIONI GENERALI», passed by the Ordinary General Meeting of May 19th 1924.

Modified Text.

Art. 38. The Advisory Council is composed of

a) *unaltered*

b) *unaltered*

c) *unaltered*

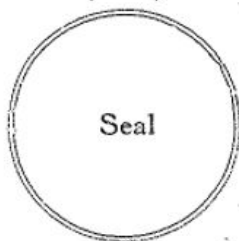
d) not less than twenty and not more than thirtyfour other Shareholders, elected by the General Meeting.

ROYAL PREFECTURE
for the Province of Trieste

It is hereby certified that the above text of Articles 8, 20, 23, 28 and 38 of the Articles of Association of the Company, limited by shares, named «Assicurazioni Generali» of Trieste, approved by the Extraordinary General Meeting of Shareholders of October 27th 1923, and by the Ordinary General Meeting of Shareholders of May 19th 1924, corresponds literally to the original documents deposited with this Royal Prefecture, and officially ratified by the Ministry of National Economy under Document No. 11911, dated May 23rd 1924, as regards the first four above-mentioned Articles, and under Document No. 19981, dated July 31st 1924, for the modified text of Article 38.

Trieste, October 9th 1924.

For the Prefect
(signed) **DELLI SANTI.**



MODIFICATIONS

to the Articles of Association of the Company, limited by shares, „ASSICURAZIONI GENERALI“, passed by the Ordinary and Extraordinary General Meeting of Shareholders of May 9th 1925.

Modified Text.

- Art. 8. The Company's Capital is Lire 60.000.000.— fully paid, divided into 120.000 nominative shares of Lire 500.— each, issued in single and multiple share certificates.
- Art. 20. Each share entitles the voter to one vote. No shareholder or proxy for a shareholder may, however, cast more than 1800 votes. The shares belonging to one person or one firm cannot be represented by more than one person.

Seen and approved:
for The Minister of National Economy
(signed) **PUGLIESE**

