



Istituto per la Vigilanza sulle Assicurazioni Private e di Interesse Collettivo

(only the Italian version is authentic)

REGULATION N. 35 OF 26 MAY 2010

REGULATION ON THE INFORMATION OBLIGATIONS AND THE ADVERTISING OF INSURANCE PRODUCTS, REFERRED TO UNDER TITLE XIII OF LEGISLATIVE DECREE N. 209 OF 7 SEPTEMBER 2005 – CODE OF PRIVATE INSURANCE.

AS AMENDED BY ISVAP ORDER N. 2880 OF 25 FEBRUARY 2011, BY ISVAP REGULATION N. 38 OF 3RD JUNE 2011 AND BY IVASS ORDER N. 7 OF 16 JULY 2013. THE AMENDMENTS ARE IN ITALICS.

ISVAP

Istituto per la vigilanza sulle assicurazioni private e di interesse collettivo (Supervisory Authority for Private Insurance Undertakings and Insurance Undertakings of Public Interest)

Having regard to law n. 576 of 12 August 1982 and subsequent modifications and integrations, on the reform of insurance supervision;

Having regard to legislative decree n. 209 of 7 September 2005 as subsequently amended and supplemented, introducing the Code of Private Insurance;

Having regard to legislative decree n. 252 of 5 December 2005, laying down rules on supplementary pension schemes;

Having regard to law n. 262 of 28 December 2005, laying down provisions on the protection of savings and provisions governing financial markets;

Having regard to legislative decree n. 303 of 29 December 2006, on the coordination of the consolidated banking law and of the consolidated law on financial mediation with law n. 262 of 28 December 2005;

Having regard to decree-law n. 223 of 4 July 2006, converted, after amendment, into law n. 248 of 4 August 2006, on urgent measures to promote economic and social recovery and contain and rationalise public spending, on revenue collection measures and measures to prevent tax evasion;

Having regard to decree-law n. 7 of 31 January 2007, converted, after amendment, into law n. 40 of 2 April 2007, on urgent measures to protect consumers, promote competition, develop economic activities and create new undertakings.

adopts the following:

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Part I

General Provisions

Art. 1 (Legislative sources)

1. This Regulation has been adopted in compliance with articles 5 (2), 182 (7), 183, 185 (3 and 4) and 191 (1, a and b) of legislative decree n. 209 of 7 September 2005.

Art. 2 (Definitions)

1. For the purposes of this Regulation, the following definitions shall apply:
 - a) "increasing benefits contract" shall mean: the insurance contract on the length of human life or the capital redemption contract whose benefits increase in relation to the return of a separately managed account;
 - b) "with-profit contract" shall mean: a life assurance or capital redemption contract characterised by mechanisms for increasing benefits, for example by accruing the yield of a separately managed account or profit-sharing with respect to a technical account;
 - c) "capital redemption contract" shall mean: the contract with which an insurer undertakes to pay, irrespective of the duration of human life, predefined amounts after the lapse of an agreed period of time of at least five years as consideration for the payment of single or periodic premiums;
 - d) "pure risk contract" shall mean: an insurance contract whose benefits are exclusively linked to the occurrence of events such as death, disability and incapacity of the policyholder;
 - e) "index-linked contract" shall mean: a life assurance contract whose benefits are directly linked to a share index or other similar reference value;
 - f) "unit-linked contract" shall mean: a life assurance contract whose benefits are directly linked to the value of the assets in an internal fund held by the insurance undertaking or the value of units of a UCITS;
 - g) "decree" shall mean: legislative decree n. 209 of 7 September 2005, introducing the Code of Private Insurance;
 - h) "internal fund" shall mean: the investment portfolio, managed separately from the other assets held by the undertaking and denominated in units;
 - i) "supplementary pension plans" shall mean: the pension plans as referred to in article 1 (3, a and b) of legislative decree n. 252 of 5 December 2005;
 - j) "separately managed account" shall mean: an investment portfolio, managed separately from the other assets held by the insurance undertaking and where the benefits of contracts linked to it are increased on the basis of its return;
 - k) "large risks" shall mean: the risks referred to in article 1 (1) (r), of legislative decree n. 209 of 7 September 2005;
 - l) "undertaking" or "insurance undertaking" shall mean: an insurance company having its head office in Italy and authorised to pursue insurance business, an insurance company having its head office in another EU member State and licensed to pursue insurance business in Italy under the right of establishment or by way of free provision of services and an insurance company having its head office in a third State and licensed to pursue insurance business in Italy under the right of establishment;
 - m) "Community insurance undertaking" shall mean: the undertaking as referred to in article 1 (1, v) of legislative decree n. 209 of 7 September 2005;

- n) "intermediaries" shall mean: any natural or legal person, registered in the single electronic register of insurance and reinsurance intermediaries referred to in article 109 of legislative decree n. 209 of 7 September 2005, who pursues insurance or reinsurance mediation for remuneration;
- o) "ISVAP" or "the Authority": Istituto per la vigilanza sulle assicurazioni private e di interesse collettivo (Supervisory Authority for Private Insurance Undertakings and Insurance Undertakings of Public Interest);
- p) "OICR" shall mean: the undertakings for collective investment in transferable securities referred to under legislative decree n. 58 of 24 February 1998 and subsequent modifications and integrations;
- q) "insurance products" shall mean: life and non-life insurance products;
- r) "non-life insurance products" shall mean: the contracts issued by insurance undertakings in the pursuit of the activities falling within the non-life classes as defined in article 2 (3) of legislative decree n. 209 of 7 September 2005;
- s) "life assurance products" shall mean: the contracts issued by insurance undertakings in the pursuit of the activities falling within the life classes as defined in article 2 (1) of legislative decree n. 209 of 7 September 2005, excluding the financial products issued by insurance undertakings as defined in article 1 (1, *w-bis*) of legislative decree n. 58 of 24 February 1998 and subsequent modifications and integrations, and the insurance products for pension purposes referred to under legislative decree n. 252 of 5 December 2005;
- t) "financial products issued by insurance undertakings" or "financial insurance products": the products referred to in article 1 (1, *w-bis*) of legislative decree n. 58 of 24 February 1998, and subsequent modifications and integrations;
- u) "advertising" shall mean: any message, distributed through any means of communication and arrangements, aimed to promote insurance products;
- v) "insurance class" shall mean: a homogeneous set of risks or operations describing the activities that the undertaking may pursue subject to authorisation;
- w) "multilevel marketing networks" shall mean: the distribution networks operating through multilevel, network marketing or similar marketing techniques under which the seller finds customers who can in their turn become sellers and receives a remuneration both on the contract directly sold and on the contracts sold by the other members of the network that he/she him/herself has hired;
- x) "durable medium" shall mean: any instrument which enables the policyholder to store information addressed personally to him/her in a way accessible for future reference for a period of time adequate for the purposes of the information and which allows the unchanged reproduction of the information stored;
- y) "mean of distance communication" shall mean: any means which, without the simultaneous physical presence of the undertaking and the policyholder, may be used for the conclusion of the contract between those parties.

Art. 3 (Scope)

1. This Regulation shall apply to insurance undertakings and regulate the contents of the Information Dossier and the Model Summary Profile and Information Note.
2. Articles 4 (6, 11 and 12) for the rules governing the publication on the internet site, article 20 (5) except for contracts regarding compulsory insurance against

civil liability in respect of the use of motor vehicles and craft, and articles 22, 23 (2), 24 (2), 26 for the rules governing the publication on the internet site, article 34 (1, 2 and 4), article 38 for the part regarding the filing and conserving of documents, *articles 38bis, 38ter, 38quater and 38quinquies except for contracts regarding compulsory insurance against civil liability in respect of the use of motor vehicles and craft*² and articles 46 and 51 shall not apply to Community insurance undertakings.

3. This Regulation shall also lay down rules on the advertising of insurance products.

PART II **Information requirements**

Title I **Information requirements regarding life assurance products**

Chapter I **Pre-contractual information**

Art. 4

(Documents and publication on the internet site)

1. Undertakings shall draw up the Information Dossier to be delivered to potential policyholders before underwriting a life assurance proposal.
2. The Information Dossier shall be draw up in Italian or in another language agreed by the parties. The above shall in no way compromise the provisions in force in the field of bilingualism in Special-Status Regions.
3. The Information Dossier shall contain only the following pre-contractual and contractual documents:
 - a) Summary Profile;
 - b) Information Note;
 - c) Terms of insurance, including the Regulation governing the separately managed account;
 - d) Glossary;
 - e) Proposal form or, where otherwise provided, Policy Form.
4. The single documents making up the Information Dossier shall be numbered on each page, with an indication of the total number of the pages of each document (1 of 6, 2 of 6 ...) and, in the first page or at the end, the date of the last update of their contents.
5. The cover of the Information Dossier shall only state:
 - a) the name, logo and symbol of the undertaking and the parent group. The name, logo and symbol of the undertaking shall be indicated in bolder type than that of the parent group;

² The words "*articles 38bis, 38ter, 38quater and 38quinquies except for contracts regarding compulsory insurance against civil liability in respect of the use of motor vehicles and craft*" have been inserted by article 1 of IVASS Order n. 7 of 16 July 2013.

- b) the heading: "... contract (insert the type of contract and the commercial name)";
 - c) the phrase in bold type: "The present Information Dossier, containing (insert the list of documents as referred to under paragraph 3) must be delivered to the policyholder before he or she underwrites the insurance proposal";
 - d) the warning: "Read the Summary Profile and the Information Note carefully before signing the contract" in bold type.
6. As soon as a new individual product is marketed undertakings shall publish the Information Dossier on their internet sites and for the lifetime of the contract underwritten in relation to such product.
7. With reference to collective contracts in which the insured parties either bear all or part of the economic costs of the premiums or are – directly or indirectly – vested with an interest in benefits, insurance undertakings shall include in the agreement stipulated with the policyholder a contractual clause to regulate the obligations and arrangements for delivering the terms of insurance to insured parties by the policyholder before applying for the insurance cover. The agreement must also envisage that the insurance application form shows the costs for insured parties, including the average percentage paid to intermediaries. For policies linked to loans and to other loan contracts the agreement shall also envisage that the Information Dossier be delivered to the debtor/insured person before applying for the insurance cover and that the insurance application form shows the amount of costs actually borne by the debtor/insured person, showing the amount received by the intermediary. Should the application for the insurance cover not be made through a form, the agreement envisages that the Information Dossier and a document illustrating the costs referred to under the previous paragraph be delivered to the debtor/insured person.
8. Should the collective contracts referred to under paragraph 7 envisage a cover ancillary to a product or service and the total amount of premiums due for the cover, independently of their scheduling, does not exceed 100 euro, instead of the documents envisaged by paragraph 7 the insurance undertaking shall prepare a document with the name of the undertaking, the subject-matter of the insurance cover, how to obtain the terms of insurance and the information on the settlement procedure retarding the insured benefit. The undertaking shall write down in the agreement with the policyholder the obligation for the latter to deliver said document to the insured parties when the product or service is bought.

Art. 5
(Drafting criteria)

1. When drafting the Information Dossier undertakings shall:
- a) use clear and concise expressions so that the policyholder can understand the contents of the contract that he/she will sign, together with the relative benefits or insurance covers offered, the guarantees and any financial risk that he/she must bear;
 - b) use a typeset and graphic, layout and editing arrangements that will facilitate the reading of the documents;
 - c) use bold characters for those clauses that state possibilities of risks, charges and obligations to which the policyholder and the insured person may be liable, exclusions, limitations and periods during which the cover is

suspended, voidness, forfeitures as well as the information called "Warnings" by this Regulation;

- d) ensure consistency of the information contained in the pre-contractual and contractual documents;
- e) only use terms such as "guarantee, guaranteed, guarantees" or similar terms with reference to contracts for which the undertaking has directly committed to providing that specific guarantee, and shall avoid using such terms in the event of commitments made by third parties to pay predetermined sums;
- f) only use the term "protected capital" with reference to contracts for which the adoption of particular management techniques aimed at minimising the possibility of the loss of invested capital is required; in these cases it must be stressed that protection does not represent the guarantee of conservation of capital or of a minimum return;
- g) not include expressions or wordings of an advertising or promotional nature.

Art. 6

(Insurance proposal)

1. Where required, the proposal form shall be made up of a number of detachable sheets of self-copying paper. If undertakings use IT procedures for issuing contracts, alternative procedures can be used for the proposal form on condition that the information acquired by the company and that stated in the copy given to the policyholder can be guaranteed as identical.
2. For contracts that provide for benefits in case of death or other coverage that will, in any case, require the acquisition of information on the state of health of the insured, the undertakings shall state, using bold characters, the following warning in the proposal regarding the compilation of the health questionnaire:
 - a) untruthful, inexact or incomplete declarations made by the subject authorised to provide the information requested for the conclusion of the contract can compromise the right to benefits;
 - b) before signing the questionnaire, the subject indicated under a) must verify that the statements made in the questionnaire are exact;
 - c) even in cases not expressly provided for by the undertaking, the insured party can request that he/she undergo a medical examination to certify his/her actual state of health, with all costs for his/her account.
3. The insurance proposal shall provide a special declaration, with appropriate typographic characters in terms of size and graphic format, that the policyholder must sign to attest to the receipt of each single document contained in the Information Dossier.
4. In the insurance proposal undertakings shall also provide for a special area describing the frequency and means of premium payment.
5. Should undertakings use multilevel marketing techniques and the members of the network have the power to collect insurance premiums the proposal shall contain the warning referred to in article 44 (2, d) of ISVAP Regulation n. 5 of 16 October 2006.
6. Should undertakings adopt procedures for issuing contracts not providing for the underwriting of the proposal, the provisions of this article shall apply to the policy.

7. The warnings on how to fill in the questionnaire referred to under paragraph 2 must also be shown in the application form of collective contracts.

Art. 7
(Summary Profile)

1. For with-profit contracts undertakings shall draw up a Summary Profile based on the standard profile set out under annex 1.
2. In case of policies consisting in a combination of the various contracts types regarding the classes I, II and IV referred to under article 2 (1) of the decree, for purposes of an adequate representation of the characteristics of the contract, undertakings shall draw up the Summary Profile adequately supplemented with the characteristics of the combined contracts.
3. The rate of return to be used in the calculation of the “Annual average percentage cost” indicator shall be indicated by ISVAP, which shall also update it, where necessary, through a subsequent order. The rate of return is fixed at 4% per annum. The indications for the calculation of the Annual average percentage cost shall be provided in the Methodological note referred to under annex 2.
4. It is forbidden to use expressions in the Summary Profile to indicate, even indirectly, that ISVAP has given its approval to its contents.

Art. 8
(Information note)

1. The Information note shall contain the information, other than advertising, which is necessary for the policyholder and the insured person to come to a reasoned conclusion about contract rights.
2. For with-profit contracts undertakings shall draw up the Information Note based on the standard note set out under annex 3. For pure risk contracts the Information Note shall be drawn up according to the standard note set out under annex 4. The latter standard note shall be adapted to take account of the covers offered.
3. The insertion of supplementary information with respect to that envisaged by the models must be limited to the need to make the characteristics of the contract fully understandable.
4. In case of policies consisting in a combination of the various contracts types regarding the classes I, II and IV referred to under article 2 (1) of the decree, for purposes of an adequate representation of the characteristics of the contract, undertakings shall draw up the Information Note adequately supplemented with the characteristics of the combined contracts.
5. It is forbidden to use expressions in the Information Note to indicate, even indirectly, that ISVAP has given its approval to their contents.

Art. 9
(Exemplifying Scheme)

1. The Information Note of with-profit contracts provides an Exemplifying Scheme of the development of premiums, insurance benefits and surrender and paid-up values based on specific combinations of age, duration and premium amount, chosen by the undertaking according to criteria that ensure the example is adequately representative of the existing portfolio. The projections shall be made according to the minimum rate of return guaranteed by contract and an assumption of financial return set by ISVAP, which will update it where necessary. Said rate of return is fixed at 4% per annum.
2. The undertakings shall prepare an Exemplifying Scheme drawn up in a customised manner according to the insured person's data, which shall be subsequently submitted to the policyholder no later than the date on which the latter is informed that the contract is concluded.
3. The delivery of the Exemplifying Scheme a drawn up in a customised manner shall not be obligatory for collective contracts.

Art. 10
(Historical comparison data)

1. By 15 February of each year ISVAP shall communicate the rate of inflation based on ISTAT's consumer price index referred to families of clerical and manual workers as well as the average gross rate of return on government bonds to be included in the Summary Profile. For contracts whose benefits are denominated in foreign currencies ISVAP shall, at the same time, provide the update on the interest rates of long-term securities as well as the annual percentage variations in the rates of exchange of the principal foreign currencies against the euro.

Art. 11
(Updating of pre-contractual documents)

1. By 31 of May of each year the undertakings shall update both the Summary Profile and the Information Note. If during the period prior to the annual update, changes referring to the information contained in the foregoing documentation take place, the undertakings will appropriately supplement the information documents in circulation and immediately post the news of such modifications on their internet site.

Chapter II
Information during the term of the contract

Art. 12
(Publication in daily newspapers and on the internet)

1. *With regard to increasing benefits contracts, the undertakings publish the summary report of the separately managed account, the prospectus of the composition of the separately managed account and the six-monthly prospectus of the composition of the separately managed account in at least two national newspapers and on its website. The publication of the summary report on the*

separately managed account and the prospectus of the composition of the separately managed account occurs within sixty days of the end of the observation period. The publication of the six-monthly prospectus of the composition of the separately managed account occurs within thirty days after the end of the first half of each observation period.

2. *The prospectus of the composition of the separately managed account and the six-monthly prospectus of the composition of the separately managed account must remain posted on the website of the undertaking for at least six months. The summary report of the separately managed account must remain posted on the undertaking's website at least until the publication of the report relating to the subsequent observation period³.*

Art. 13

(Changes to the information contained in the Information dossier)

3. On the first communication to be sent in compliance with the obligations envisaged by current regulations undertakings shall communicate to the policyholder in writing any variations in the information contained in the Information dossier also as a result of changes to regulations subsequent to the conclusion of the contract.

Art. 14

(Annual statement of account)

1. In case of with-profit contracts undertakings must send the policyholder, in writing, the annual statement of account of his/her insurance position within sixty days from the end of each solar year or from the date envisaged in the policy conditions for the increase of insured benefits. Such statement must contain, at least, the following information:
 - a) the total amount of premiums paid from the execution of the contract to the reference date of the preceding statement of account and the value of the benefits accrued at the reference date of the preceding statement of account;
 - b) details of premiums paid in the reference year, illustrating any unpaid premiums and stating the results of the non-payment;
 - c) value of partial surrenders in the reference year;
 - d) value of accrued benefits at the reference date of the statement of account;
 - e) surrender value accrued at the reference date of the statement of account;
 - f) for contracts connected to separately managed accounts, the gross annual rate of financial return achieved by the separately managed account, the percentage of the rate of return retroceded to policyholders, the net annual rate of return to policyholders, with indications of any levies applied by the undertaking, and the annual rate for increasing benefits. For with-profit contracts other than those specified above, the statement of account will state the profits allocated to the contract in the reference year.

As concerns single premium contracts and contracts with paid-up value the undertakings shall submit the information stated under this paragraph within the same time-limits.

³ As amended by article 16 of ISVAP Regulation n. 38 of 3 June 2011.

Art. 15

(Variation in the guaranteed interest rate)

1. With respect to with-profit contracts with recurrent single premiums that contemplate guaranteed interest rates which may vary on the basis of mechanisms defined in the policy conditions and in compliance with article 33 of the decree, undertakings shall communicate variations in the rate in writing in advance to the policyholder, specifying that the new rate is exclusively applied to premiums falling due after the date on which the variation was communicated.

Art. 16

(Replies to inquiries)

1. Undertakings shall reply in writing to any inquiry made by the policyholder or by those entitled on the evolution of the insurance relationship and on how the insurance benefit is determined within twenty days from receiving the inquiry.
2. The reply to the inquiries on the verification of the amounts of the benefits settled shall contain the information necessary to allow to the party concerned assess that the calculations comply with the terms of insurance and shall also contain the calculations on the development of benefits.

Art. 17

(Notice of the expiry)

1. Undertakings shall send to the policyholder at least thirty days before the expiry date of the contract a written communication with the indication of the expiry date and of the documents to be sent for the payment of benefits.
2. The communication to be sent to the policyholder shall contain a warning of limitation period envisaged by current regulations and of the consequences in case the application for payment of benefits is not submitted within the said time-limits, taking also account of the provisions on dormant relationships contained in law n. 266 of 23 December 2005 and subsequent modifications and integrations.

Art. 18

(Communications in case of exercise of contractual options)

1. If the contract envisages the possibility to exercise options undertakings must provide policyholders/beneficiaries with a written summary description of all the options exercisable – no later than sixty days before the scheduled date for exercising the option – illustrating the relative costs and economic conditions whenever not predetermined in the original terms of insurance. This description must also envisage the commitment of the undertaking to transmit, before the exercise of the option, the Information Dossier on the life assurance products for which those entitled expressed an interest, or the information documents envisaged by current regulations for insurance financial products and for supplementary pension plans.

Art. 19
(Transformation of the contract)

1. The undertakings, in every transformation operation that entails the change – whatever the form taken – of benefits accruing from the original contract, shall provide the policyholder with the necessary evaluation elements so as to enable him/her to compare the characteristics of the new contract with the existing contract. For this purpose the undertakings, before transforming the contract, shall furnish the policyholder with an information document drawn up on the basis of the indications stated in annex 5, as well as, for the new contract, the Information Dossier or the information documents envisaged by current regulations for insurance financial products and for supplementary pension plans, and shall retain proof that the foregoing delivery has taken place.
2. The instructions referred to under paragraph 1 also apply in the event that the transformation actually takes place through the surrender of the preceding contract and the taking out of a new policy, or when the circumstances and the arrangements of the operations are such as to indicate that there has been a transformation.

Art. 20
(Transfer of agency and extraordinary operations)

1. Undertakings shall inform the policyholder and those entitled of any agency termination or allocation of the portfolio to a new intermediary. The written communication, to be given within ten days from the effective date of the change, shall show the data regarding the new head office (address and phone) and the name of the new intermediary.
2. In case of changes to the articles of association regarding the change in the corporate name or transfer of the head office the undertaking shall, within ten days from the effective date of the change, communicate the change in writing to the policyholder and to those entitled to the irrevocable benefit.
3. In case of portfolio transfers, mergers and divisions the undertaking which has acquired the contract shall furnish policyholders and those entitled with specific information. The written communication, to be given within 10 days of the date of publication of the ISVAP measure or notice, shall furnish information on the new corporate name and head office the undertaking which has acquired the contract, on the intermediary to which the contract has been assigned and – if envisaged – on policyholders' right of withdrawal. The withdrawal shall be effective on the date when the extraordinary operation is completed.
4. In case of collective contracts the information referred to under the previous paragraphs shall be furnished to the policyholder. Insurance undertakings shall insert a contractual clause on the obligation for the policyholder to inform insured persons.
5. The information envisaged by paragraphs 1, 2 and 3 shall be published in the home page of the website of the undertaking which has acquired the contract under the terms referred to under paragraphs 2 and 3 and for at least six months. For the operations referred to under paragraph 3 the undertakings which have been ceded, incorporated and divided shall publish a notice of the operation in

the home page of their website, for at least six months, and insert a link to the site of the undertaking which has acquired the contract.

Art. 21

Distance communication techniques

1. Undertakings shall comply with their communication duties towards the policyholder during the term of the contract by also using distance communication techniques on condition that such communications are received on a durable medium and that the policyholder has priorly and expressly authorised their use.

Art. 22

(Filing and conserving documents)

1. Undertakings shall adopt internal methods for the filing and conservation of documents, including the proof of having acquitted the submission obligations and, where required, the information delivery obligations pursuant to this Regulation, also through the use of information technology devices, in accordance with the terms set out in ISVAP Regulation n. 27 of 14 October 2008. The foregoing procedures must provide for the orderly and expedite management of the communications notified to policyholders and insured parties, also through the use of distance communication techniques in both the pre-contractual and contractual phases as well as the communications issued by insured parties and policyholders in the framework of relations with the intermediaries and the undertaking.

Chapter III

Provisions on ethical and socially responsible finance

Art. 23

(Information requirements)

1. In the Information Note the insurance undertakings shall furnish the following information as regard insurance contracts qualified as "ethical" or "socially responsible":
 - a) the objectives and characteristics based on which an insurance contract is qualified as "ethical" or "socially responsible";
 - b) the general selection criteria of financial instruments in virtue of the objectives and characteristics referred to under a);
 - c) any strategies and objectives pursued in the exercise of the voting rights connected with the financial instruments in the portfolio;
 - d) the use - if any - for socially-oriented or environmental purposes to which the income from the contracts offered is put, and the relevant amount;
 - e) any procedures used to ensure the pursuit of the purposes referred to under a), including the presence of specialized bodies within the undertakings and their functions;
 - f) adherence to self-regulatory codes promoted by specialized subjects.
2. Undertakings shall make available on their website a summary description the information referred to under paragraph 1.

Art. 24
(Reporting obligations)

1. When sending the annual statement of account the undertakings offering products qualified as "ethical" or "socially responsible" shall furnish, with reference to the twelve preceding months:
 - a) a description of the management activity in relation to the general selection criteria of the financial instruments referred to under article 23 (1, b);
 - b) the information on the exercise of the voting rights - if any - connected with the financial instruments in the portfolio;
 - c) the information on the use - if any - for socially-oriented or environmental purposes to which the income from the contracts offered is put, and the relevant amount.
2. Undertakings shall make available on their website a summary description the information referred to under paragraph 1.

Title II
Obligation information during the term of the contract
for unit linked and index linked contracts and for capital redemption operations

Art. 25
(Information requirements)

1. The provisions of articles 12 and 14 shall apply to capital redemption operations
2. The provisions of articles 15, 16, 17, 18, 19, 20, 21 and 22 shall apply to unit linked and index linked contracts and to capital redemption operations

Art. 26
(Publication in daily newspapers and on the internet)

1. Undertakings shall have the value of the unit of the internal fund or of the unit or share of the UCITS used to represent the basis for the calculation of benefits in unit linked contracts, and the relevant valuation date, published daily in at least one daily newspaper with nation-wide circulation and on their internet sites. The publication must take place no later than the third working day after the value quantification date of the unit. The obligation to publish the value of the unit or share of the UCITS unit shall be deemed complied with when the publication is already made in compliance with current regulations.
2. As to index linked contracts issued before the entry into force of ISVAP Regulation n. 32 of 11 June 2009 undertakings shall have the following elements published daily in at least one daily newspaper with nation-wide circulation and on their internet sites:
 - a) the value of the index and/or the reference value (e.g. structured financial instrument ...) which represents the basis for the calculation of benefits in index-linked contracts, with the relevant valuation date;
 - b) the name and the updated rating of the issuer (or of any guarantor) of the financial instrument, with the indication of the rating agency.

3. The values published must represent the only reference basis for the quantification of benefits and of the surrender value as well as for the possible re-purchase of the financial instrument by the issuer or by other subjects.
4. As to index linked contracts issued after the entry into force of ISVAP Regulation n. 32 of 11 June 2009 undertakings shall have the surrender values calculated on the basis of a notional insured capital of 100 euro published daily in at least one daily newspaper with nation-wide circulation and on their internet sites. The values shall be updated at intervals consistent with the value quantification envisaged in the policy, and at least weekly.

Art. 27

(Letter confirming the investment of premiums for unit-linked contracts)

1. The undertakings shall communicate to the policyholder in writing no later than ten working days after the value quantification date of the units, the amount of the gross premium paid in for executing the contract and that for investment, the contract's commencement date, the number of units attributed, their unit value and the value quantification date. For contracts that convert premiums into units according to the date on which the proposal is received and/or the premium collected, the relative dates must be stated.
2. As regards successive premiums, the undertakings shall communicate to the policyholder in writing no later than 10 working days after the value quantification date of the units, the amount of the gross premium paid in and the amount invested, the number of units attributed further to the new payment, their unit value and their value quantification date. In the case of recurrent premium contracts that obey a predefined payment plan, the undertakings can send a cumulative confirmatory letter for the premiums paid over a six-monthly period.

Art. 28

(Annual statement of account)

1. In case of unit-linked contracts undertakings must send the policyholder, in writing, the annual statement of account of his/her insurance position within sixty days from the end of each solar year. Such statement must contain, at least:
 - a) the total amount of premiums paid from the execution of the contract until 31 December of the preceding year, the number and equivalent value of the units as at 31 December of the preceding year;
 - b) details of premiums paid in, those invested, the number and value of the units assigned in the reference year;
 - c) number and value of the units transferred and of those assigned following switch operations;
 - d) number of the units that may have been cancelled during the reference year for the premium relating to pure risk coverage and for the guarantee of conservation of capital and/or of return;
 - e) number and counter-value of the units reimbursed as a result of a partial surrender in the reference year;
 - f) number of the units cancelled for management commissions in the reference year (only for contracts directly linked to UCITS);
 - g) overall number of the units and their value at the end of the reference year;
 - h) value of the guaranteed benefit (only for contracts with financial guarantees).

2. In case of index linked contracts undertakings shall send the policyholder, in writing, the annual statement of account of his/her insurance position within sixty days from the end of each solar year or from the date envisaged for the indexation of insured benefits. Such statement must contain, at least:
 - a) the total amount of premiums paid from the execution of the contract at the reference date of the preceding statement of account;
 - b) details of premiums paid in and invested in the reference year;
 - c) details of the sums paid to those entitled in the reference year (periodic payments, partial surrender ...);
 - d) for index linked contracts issued before the entry into force of ISVAP Regulation n. 32 of 11 June 2009 undertakings shall indicate the value of the reference indices at the periodical value quantification dates envisaged in the contract for the determination of benefits as well as, for contracts whose benefits are directly linked to the value of representative assets, indication of the relevant value as at 31 December of the reference year at the reference date of the statement of account. As to index linked contracts issued after the entry into force of ISVAP Regulation n. 32 of 11 June 2009 undertakings shall indicate the surrender values calculated on the basis of a notional insured capital of 100 euro at the reference date of the statement of account;
 - e) value of the guaranteed benefit (only for contracts with financial guarantees).
3. Undertakings must transmit, along with the annual statement of account, the updating of the periodic data envisaged by current regulations.

Art. 29

(Communication in the event of loss)

1. If during the term of a unit-linked contract the undertakings ascertain that the equivalent value of all the units held by the policyholder has fallen by more than 30% with respect to the overall amount of the premiums invested, taking due account of any surrenders, the policyholder will be duly informed in writing within ten working days from the ascertainment of the event. A similar communication is given in the same manner in the event of a further reduction of 10% or more.
2. If during the term of an index-linked contract the undertakings ascertain that a fall in the value of the indices or reference values has led to a reduction of the surrender value of more than 30% with respect to the overall amount of the premiums invested, the policyholder will be duly informed in writing within ten working days from the ascertainment of the event. A similar communication is given in the same manner in the event of a further reduction of 10% or more.

Title III

Obligation to provide information for non-life insurance products

Chapter I

Pre-contractual information

Art. 30

(Documentation)

1. Undertakings shall draw up the Information dossier to be delivered to the potential policyholder before he/she underwrites the non-life insurance contract

or, if envisaged, the relevant proposal. For contracts covering large risks and collective contracts covering insurance against various agricultural risks as per legislative decree 102/2004 undertakings shall deliver the terms of insurance to the policyholder before he/she underwrites the contract.

2. The Information Dossier shall be draw up in Italian or in another language agreed by the parties. The above shall in no way compromise the provisions in force in the field of bilingualism in Special-Status Regions.
3. The Information Dossier shall contain only the following pre-contractual and contractual documents:
 - a) Information note, including the glossary;
 - b) the Terms of insurance;
 - c) the Proposal form, where required .
4. For contracts against civil liability in respect of the use of motor vehicles and craft undertakings shall draw up separated Information dossiers for cars, mopeds and motorcycles, and for craft, containing only the relevant information and terms of insurance.
5. The single documents making up the Information Dossier shall be numbered on each page, with an indication of the total number of the pages of each document (1 of 6, 2 of 6 ...) and, in the first page or at the end, the date of the last update of their contents.
6. The cover of the Information Dossier shall only state:
 - a) the name, logo and symbol of the undertaking and the parent group. The name, logo and symbol of the undertaking shall be indicated in bolder type than that of the parent group;
 - b) the heading: "... contract (insert the type of contract and the commercial name)";
 - c) the phrase in bold type: "The present Information Dossier, containing (insert the list of documents as referred to under paragraph 3) must be delivered to the policyholder before he or she underwrites the insurance proposal";
 - d) the warning: "Read the Information Note carefully before signing the contract" in bold type.
7. With reference to collective contracts in which the policyholders either bear all or part of the economic costs of the premiums or are – directly or indirectly – vested with an interest in benefits, insurance undertakings shall include in the agreement stipulated with the policyholder a contractual clause to regulate the obligations and arrangements for notifying the terms of insurance to the insured persons by the policyholder before applying for the insurance cover. For policies linked to loans and to other loan contracts the agreement shall also envisage that the Information Dossier be delivered to the debtor/insured person before applying for the insurance cover and that the insurance application form shows the amount of costs actually borne by the debtor/insured person, showing the amount received by the intermediary. Should the application for the insurance cover not be made through a form, the agreement envisages that the Information Dossier and a document illustrating the costs referred to under the previous paragraph be delivered to the debtor/insured person.

8. Should the collective contracts referred to under paragraph 7 envisage a cover ancillary to a product or service and the total amount of premiums due for the cover, independently of their scheduling, does not exceed 100 euro, instead of the documents referred to under paragraph 7 the insurance undertaking shall prepare a document with the name of the undertaking, the subject-matter of the insurance cover, how to obtain the terms of insurance and the information on the settlement procedure retarding the insured benefit. The undertaking shall write down in the agreement with the policyholder the obligation for the latter to deliver said document when the product or service is bought.

Art. 31
(Drafting criteria)

1. When drawing up pre-contractual and contractual documents undertakings shall:
 - a) use clear and concise expressions so that the policyholder can understand the contents of the contract that he/she will sign, together with the relative insurance covers offered;
 - b) use a typeset and graphic, layout and editing arrangements that will facilitate the reading of the documents;
 - c) use bold characters for those clauses that state possibilities of charges and obligations to which the policyholder and the insured person may be liable, voidness, forfeitures, exclusion, suspension and limitation of the cover, recourse as well as the information called "Warnings" by this Regulation;
 - d) ensure consistency of the information contained in the pre-contractual and contractual documents;
 - e) not include expressions or wordings of an advertising or promotional nature.

Art. 32
(Insurance contract)

1. Undertakings shall state in the policy, using bold characters, the warning that untruthful, inexact or incomplete declarations made by the subject authorised to provide the information requested for the conclusion of the contract can compromise the right to benefits.
2. The policy shall provide a special declaration, with appropriate typographic characters in terms of size and graphic format, that the policyholder must sign to attest to the receipt of the single documents contained in the Information dossier.
3. In the insurance policy undertakings shall also provide for a special area describing the frequency and means of premium payment required by the undertaking.
4. Should undertakings use multilevel marketing techniques and the members of the network have the power to collect insurance premiums the proposal shall contain the warning referred to in article 44 (2, d) of ISVAP Regulation n. 5 of 16 October 2006.
5. In case of sickness insurance contracts insert the warning that before signing the health questionnaire the subject entitled must verify that the statements made in the questionnaire are exact.

6. Should undertakings adopt procedures for issuing contracts requiring that the insurance proposal be signed the provisions of this article shall apply to the proposal.

Art. 33
(Information note)

1. The information note shall contain the information, other than advertising, which is necessary for policyholders and insured persons to come to a reasoned conclusion about contract rights and obligations.
2. Undertakings shall draw up the Information Note drawn up according to the standard note set out under annex 6. The standard note shall be adapted to take account of the covers offered.
3. For accident and sickness contracts undertakings shall use the standard notes set out under annex 7 and 8 respectively.
4. For contracts against civil liability in respect of the use of motor vehicles and craft undertakings shall draw up the Information Note according to the standard note set out under annex 9 separated for cars, mopeds and motorcycles, and for craft, containing only the relevant information.
5. For motor vehicles other than those referred to under paragraph 4 undertakings shall use one single Information Note drawn up pursuant to the model set out under annex 9. Undertakings may draw up the standard note separately for each certain categories of vehicles.
6. In the case of policies comprising the combination of different contract types, and for purposes of an adequate representation of the characteristics of the contract, the undertakings shall draw up the Information Note by combining the models of the various contract types.
7. It is forbidden to use expressions in the Information Note to indicate, even indirectly, that ISVAP has given its approval to their contents.

Art. 34
(Publication on the internet site)

1. Undertakings shall publish in their internet site the Information Dossier of the individual policies of accident and sickness insurance, of the products covering home insurance with reference to theft, fire, householder's liability and of the policies linked to loans and to other loan contracts.
2. As soon as a new product is marketed, the undertakings will make the publication referred to under paragraph 1 and the documents shall be kept on the internet site until the marketing finishes.
3. For contracts against civil liability in respect of the use of motor vehicles and craft undertakings shall publish in their internet site the Information Note and the terms of insurance in accordance with the instructions provided by ISVAP Regulation n. 23 of 9 May 2008. A list of the claims settlement departments and

their addresses shall also be published in the website, stating their competence area and the days and hours when they are open.

4. For health contracts where the cover is provided in the form of direct assistance, undertakings shall publish in their internet site an up-to-date list of the contracted establishments and panel doctors.

Chapter II

Information during the term of the contract

Art. 35 (Replies to inquiries)

1. Undertakings shall provide a written reply to each inquiry on the insurance relationship submitted by the policyholder or by the persons entitled within twenty days of receiving the inquiry.
2. The reply to an application to check the amount of benefits paid shall contain the information necessary to allow that the person concerned checks compliance of the payment with the legal provisions and terms of insurance.

Art. 36 (Transfer of agency and extraordinary operations)

1. In case of transfer of agency and extraordinary operations the provisions of article 20 shall apply.

Art. 37 (Updating of pre-contractual documents and changes in the information contained in the Information Dossier)

1. In case of update in the information contained in the Information Dossier undertakings shall submit the policyholder the Information Dossier along with a supplementary appendix.
2. Undertakings shall communicate in writing to the policyholder any variation in the information contained in the Information Dossier also as a result of changes in the law after the conclusion of the contract. As an alternative, undertakings can envisage that the Information Note contains a specific reference to their website for consultation of the updates of the Information Dossier not deriving from regulatory innovations.

Art. 38 (Distance communication techniques – filing and conserving documents)

1. For distance communication techniques and the filing and conserving of the documents the provisions of article 21 and 22 shall apply respectively.

TITLE IV
Information via the web to the policyholder⁴

Art. 38bis
(Restricted areas on the websites)

1. *Undertakings shall provide in their websites appropriate restricted areas through which each policyholder can access their insurance position and consult at least:*
 - a) *their existing insurance covers;*
 - b) *the contract terms underwritten;*
 - c) *the status of premium payments and the relevant payment schedule;*
 - d) *for life assurance policies, including unit-linked and index-linked policies, and for capital redemption operations, also the surrender value of the policy;*
 - e) *for unit-linked and index-linked life assurance policies, also the value of the position based on the current value of the units or the reference value;*
 - f) *for contracts covering insurance against civil liability in respect of the use of motor vehicles and craft, also the certificate of claims experience.*
2. *The information referred to in paragraph 1 shall include the indication of the minimum amounts of cover, the value of the asset qualifying for cover, the date and the amount of premiums due as well as any other useful element to provide policyholders with complete and customised information on their specific insurance position.*
3. *For contracts concluded before 1 September 2013 the information about the contract terms referred to in paragraph 1 (b) may also be provided by means of a synthetic representation of such terms. The policyholder may in any case require full disclosure of the contract terms stipulated.*
4. *Undertakings shall update the information contained in the restricted areas based on a schedule consistent with the characteristics of the insurance coverage to which they refer and shall clearly indicate the date of the update.*
5. *Undertakings shall guarantee the accuracy, clarity and transparency of the information contained in restricted areas by using a simple and easy-to-understand language.*

Art. 38ter
(Special risks)

1. *Undertakings may refrain from activating restricted areas for covers relating to:*
 - a) *risks regarding fleet business;*
 - b) *large risks;*
 - c) *agricultural risks underwritten as per legislative decree n. 102 of 29 March 2004 and the relevant additional contracts;*
 - d) *risks associated with specific events limited to a certain time period;*
 - e) *risks ancillary to a product or service in which the total amount of premiums due for the coverage, regardless of the mode of payment by instalments, does not exceed 100 euro.*
 - f) *risks insured with collective contracts concluded "for the benefit of others" under article 1891 of the Civil Code.*

⁴ Title inserted by article 2 of IVASS Order n. 7 of 16 July 2013.

2. *The exclusions referred to in paragraph 1 shall not apply to individual and collective insurance contracts linked to loans and to other loan contracts .*

*Art. 38quater
(Access to restricted areas)*

1. *Restricted areas shall be easy to find on the home page of the undertaking's website.*
2. *Access shall be granted to the policyholder through personal identification credentials issued by the undertaking.*
3. *In case of collective contracts in which the policyholders either bear all or part of the economic costs of the premiums, or are vested with an interest in benefits, access to restricted areas shall be granted not only to the policyholder but also to the insured.*
4. *Undertakings shall ensure the protection of confidentiality and data and of the information made available in the dedicated areas. The security level shall be proportionate to the functions made available to policyholders, which are also additional to the minimum information functions referred to in article 38bis.*
5. *Undertakings shall ensure that the service is provided on a free and continuous basis and that the connection can be used from any access point, and shall indicate in their site how users can obtain timely assistance in the event of difficulties in accessing or consulting the area.*
6. *Undertakings can insert advertising or promotional messages in restricted areas, provided that policyholders have given their prior and express consent, and shall ensure that such messages are recognisable by using a graphic line that does not interfere with the contents of the restricted area.*

*Art. 38quinquies
(Information about the activation of the service)*

1. *Undertakings shall disclose the possibility of requesting the credentials to access the restricted area, and give details on how to do that, by publishing a specific notice on the home page of their website.*
2. *The information referred to in paragraph 1 shall also be made in writing at the time of signing the insurance contract.*
3. *For contracts concluded before 1 September 2013 the information about restricted areas referred to in paragraph 2 shall be given with the first communication to be sent in compliance with the disclosure obligations envisaged by existing provisions or by contractual specifications.*

*Art. 38sexies
(Notifications during the term of the contract made via restricted areas)*

1. *Undertakings may satisfy disclosure obligations during the term of the contract referred to in articles 2 and 4 of ISVAP Regulation n. 4 of 9 August 2006 and in*

articles 13, 14, 15, 24, 27, 28 and 37 of this Regulation by means of publication in the restricted area. The notifications and documents published in that area shall be receivable through a durable medium.

2. This shall be without prejudice to the right of the policyholder to require undertakings to send the information referred to in paragraph 1 on paper.

PART III

Advertising of insurance products

Art. 39

(General characteristics of advertisements)

1. Insurance products shall be advertised by taking into account the principles of clarity, fairness and compliance with the contents of the information Dossier to which products refer.
2. The advertising message shall be so designed as not to be misleading with respect to the characteristics, nature, guarantees and risks of the product offered. Clear forms of expression shall be used along with clearly visible and readable types.
3. Advertising shall be immediately recognisable and readily distinguishable with respect to any other form of communication.

Art. 40

(Advertising elements)

1. The advertising message shall clearly and evidently indicate the name of the insurance product and the characteristics of the relevant product.
2. The advertising message shall show, in easily readable characters, the following warning: "Read the Information Dossier before signing the contract".
3. The advertising message shall indicate the places where the Information Dossier can be obtained, as well as any other means through which it can be consulted, including the website where it is published.
4. In radio and television advertising the warning referred to under paragraph 2 shall be expressed verbally and easy to listen.
5. Expressions such as "guarantees", "guaranteed" or similar terms which suggest that there is a right to a certain benefit for the insured person or for the person having an interest in the insurance benefit can be used only if the guarantee is issued by the insurance undertaking.
6. The qualification of a contract as "ethical" or "socially responsible" can be used only for the contracts regulated by articles 23 and 24.

Art. 41

(Advertising of the return of life assurance products)

1. The advertising message of the return paid for life assurance products shall specify the reference period used for the calculation of the advertised return. The return shall be represented net of any charges envisaged by the procedures for profit sharing in terms of not paid shares of return over contractual positions or of commissions or other charges, taking account of any retained minimum return levels.
2. In the cases where the return to be paid depends on certain variables, such as, for example, the amount of premium paid, the total premiums paid, the mathematical provisions set aside in relation to the policy, the advertising message shall refer to the average return on the portfolio of contracts to which the product refers, to be calculated on the basis of the capitalisation rule envisaged by the profit-sharing clause of the terms of insurance. In case the undertaking intends to advertise the maximum return to be paid the message shall be supplemented by information on the minimum attributed rate of return.
3. If the advertising message refers to returns paid by a separately managed account, the average return on the portfolio of contracts to which the separately managed account refers shall be advertised, to be calculated on the basis of the capitalisation rule envisaged by the profit-sharing clause of the terms of insurance. In case the undertaking intends to advertise the maximum return to be paid the message shall be supplemented by information on the minimum attributed rate of return for that separately managed account.
4. The return shown for a multi-year period shall be the average annual return of the reference period. Undertakings shall indicate how the average is calculated. As an alternative, it shall be possible to indicate the return referred to each of the years considered without annualising the returns on any yearly fractions.
5. The advertising message shall contain the following warning: "Attention: past performance is not indicative of future performance".
6. An advertising message showing the results of statistics, studies or data processing, or anyhow referring to them, shall indicate the sources.

Art. 42

(Advertising of insurance products by intermediaries)

1. Insurance undertakings shall ensure that the intermediaries they use comply with the provisions referred to under article 182 of the decree and under this Regulation.
2. The advertising messages on insurance products drawn up by intermediaries shall be subject to prior authorisation by the principal undertakings.

PART IV
Specific provisions

Chapter I
Language to be used in insurance contracts

Art. 43
(Language)

1. The insurance contract, any document attached to it and the communications during the term of the contract shall be drawn up in Italian or in any other language agreed upon by parties. The above shall in no way compromise the provisions in force in the field of bilingualism in Special-Status regions.

Chapter II
With-profit contracts

Art. 44
(Profit-allocation rates on the yield of the internal separately managed account)

1. Insurance undertakings may not, in the documentation on increasing benefit contracts, including capital redemption contracts, indicate rates referring to the allocation of the return of a separately managed account if the indication is such as to generate an erroneous information on the amount of the accrual actually accrued, such as in case of the charges on returns regardless of the reason for the charge, by way of example management commission, minimums retained by the undertaking.

Chapter III
Unit linked contracts

Art. 45
(Withdrawal)

1. If for the calculation of the repayable value in case of withdrawal insurance undertakings intend to take account of the trend in the value of the units attributed, they will refund the counter-value of the units in the case of both increases and decreases in value, uprated by all the costs referring to the premium and net of the costs sustained for the issue of the contract and the premium for the risk run.

Art. 46
(Costs applied by cancelling units)

1. Insurance undertakings shall not be permitted to cover any kinds of cost by reducing the number of units attributed to the single contract, excepting management commissions applied in the case of contracts directly linked to units in UCITS. However, in the latter case, such commissions may be allowed only if there is a specific management activity described as such among the terms of insurance.

Chapter IV
Accident and health insurance contracts

Art. 47
(Place of the arbitration and insurable age)

1. In accident and health insurance contracts insurance undertakings shall indicate the Forensic Institute closest to the insured person as the place of arbitration, without prejudice to any more favourable contract terms for the insured person. Such provision shall also apply in case the insured person is not the policyholder.
2. In accident and health insurance contracts providing for a maximum insurable age undertakings may not provide for automatic termination of the insurance cover if the insured person reaches that age during the term of the contract. As to current contracts containing clauses on the automatic termination of the insurance cover, undertakings shall consider that the risk is covered in case the insured person has continued to regularly pay the premium beyond the limit of the insurable age and the premium has not been returned by the undertaking.

Art. 48
(Withdrawal in the event of accident)

1. Without prejudice to the provisions of article 37 (8) of the decree, in health insurance contracts undertakings shall not provide for withdrawal in the event of accident.

Chapter V
Policies linked to loans and to other loan contracts

Art. 49
(Premium reimbursement)

1. For policies linked to loans and to other loan contracts for which a single premium has been paid whose cost is borne by the debtor/insured, in case of early extinction or transfer of the loan undertakings shall return to the debtor/insured the part of the premium paid relating to the remaining period of insurance with respect to the original expiry. It shall be calculated for the pure premium on the basis of the years and yearly fractions remaining before the expiry date of the cover and of the residual capital insured; for loadings on the basis of the years and yearly fractions remaining before the expiry date of the cover. The terms of insurance shall indicate the criteria and arrangements for the calculation of the reimbursement. Insurance undertakings shall have the right to retain the costs actually sustained for the issue of the contract and the premium reimbursement, on condition that these are identified and quantified in the proposal, in the policy and in the insurance application form. Those costs must not be such to represent a limit to the portability of loans/loan contracts or an unjustified charge in case of repayment.
2. As an alternative to the provisions of paragraph 1 undertakings shall, upon a request by the debtor/insured, provide the insurance coverage to the new appointed beneficiary until the expiry date of the insurance contract.

Art. 50
(Costs disclosure)

1. In the Information Note of insurance contracts linked to loans and to other loan contracts the undertaking shall show all the costs to be borne by the debtor/insured, with the indication of the average part paid to the intermediary in absolute value and as a percentage. The Information Note of collective contracts shall also show the costs to be borne by the debtor/insured person, with the indication of the average part paid to the intermediary in absolute value and as a percentage.
2. In the policy of a contract linked to loans and to other loan contracts or in the insurance application form of collective contracts the undertaking shall show the amount of costs actually borne by the policyholder, with the indication of the amount paid to the intermediary. The provisions under article 4 (8) and 30 (8) shall remain unchanged.

PART V
Other provisions

Art. 51
(Conflict of interest)

1. In proposing and executing insurance contracts, undertakings must avoid performing operations that, directly or indirectly, will lead to conflicts of interest, including those deriving from group relations, own business relations or from relations with companies of the group. If the conflict is inevitable undertakings must take care not to prejudice the interests of policyholders.
2. At any rate undertakings shall, in relation to the type of contracts offered:
 - a) carry out operations in the interest of policyholders offering the best conditions currently possible in relation to the time, size and nature of such operations;
 - b) endeavour to limit the costs borne by policyholders and obtain the best possible result, given the insurance objectives;
 - c) abstain from carrying out operations with a frequency unnecessary for the achievement of the insurance objectives;
 - d) refrain from every form of behaviour than can advantage one particular separately managed account or internal fund to the detriment of another.
3. The undertakings shall carry out procedures appropriate for identifying and managing conflicts of interest in order to guarantee compliance with paragraphs 1 and 2.
4. The undertakings shall identify the cases in which the contractual conditions agreed upon with third parties conflict with the interests of policyholders and ensure that the assets of separately managed accounts, of internal funds and the assets representing index-linked contracts or single contracts are not liable to otherwise avoidable charges or excluded from receiving the gains or discounts due to them. In particular the undertakings shall ensure that the policyholders benefit, directly or indirectly, from any revenues obtained from the rebate of

commissions or other revenues received from the undertakings in virtue of agreements with third parties.

5. The undertakings are liable for the application of the provisions regulating conflicts of interest even when specific investment choices are entrusted to other intermediaries authorised to provide asset management services.

Art. 52

(Amendments to article 48 of ISVAP Regulation 5 of 16 October 2006)⁵

1. The following paragraph shall be placed after article 48 (1) of ISVAP Regulation n. 5 of 16 October 2006: “1 bis. *At any rate it shall be prohibited to directly or indirectly become, even through one of the relations referred to under paragraph 1, first sentence, beneficiary or lien-holder of insurance benefits and intermediary of the relevant individual or collective contract at the same time.*”

PART VI
Transitional and final provisions

Art. 53

(Insurance contracts designed to implement individual pension plans)

1. For the contracts concluded between 1 September 2005 and 31 December 2006 and not adjusted to the rules introduced by legislative decree n. 252 of 5 December 2005 and the relative provisions for its implementation, to guarantee the effective exercise of the right to the transfer of a pension position and the right of surrender, guaranteed by law, undertakings, in those cases in which they pay the acquisition costs together at once, must abide by the following provisions. If the tariff envisages the recovery of the deferral acquisition costs upon the payment of the first annual premium, the undertakings are required to increase the capital sums accruing to the pension position, whenever the right to transfer and surrender is exercised, by the share of the non-accrued costs calculated on the basis of the years and yearly fractions remaining before the conclusion of the accumulation phase with respect to all the years provided for, net of any refunds already made for this purpose. The same criterion must apply in cases in which the recovery involves the first annual premium by attributing higher costs with respect to a fixed levy applied to all the premiums.

Art. 54

(Repeals)

1. The following are repealed from 1 December 2010:
 - a) point 4 (d) of ISVAP Circular n. 71 of 26 March 1987;
 - b) ISVAP Circular 303 dated 2 June 1997;
 - c) ISVAP Circular 347 dated 5 November 1998;
 - d) ISVAP Circular n. 403 of 16 March 2000, except for points 2, 3, 4, 5 and 8;
 - e) ISVAP Circular 417 dated 28 September 2000;
 - f) ISVAP Circular 533 dated 4 June 2004;

⁵ Article declared void by the judgements n. 33044, 33133, 33033 and 33031 of TAR Lazio, Rome, of 27 October 2010.

- g) ISVAP circular n. 551 of 1 March 2005, *except for articles 22, 30, 34, 35 and 36 and, for the drafting of the pre-contractual documents of the products which are a combination of class I and class III and V insurance referred to under article 2 (1) of the decree, for the provisions of the same circular regarding the pre-contractual documents of class III and V insurance*⁶;
- h) article 36 of ISVAP Regulation n. 14 of 18 February 2008;
- i) article 12 of ISVAP Regulation n. 32 of 11 June 2009.

Art. 55
(Publication)

1. This Regulation shall be published in the Official Gazette of the Italian Republic, in the Bulletin and on the ISVAP website.

Art. 56
(Entry into force)

1. This Regulation shall enter into force on 1 December 2010 and apply to the contracts marketed after that date.
2. From 1 December 2010 the provisions referred to under articles 4 (6), 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 25, 26, 27, 28, 29, 39, 40, 41, 42, 44, 45, 46 and 51 shall apply to the life assurance contracts concluded after the issue date of ISVAP circular n. 551 of 1 March 2005 which are still in force as at the date this Regulation enters into force.
3. From 1 December 2010 the provisions referred to under articles 12, 15, 16, 17, 18, 19, 20, 21, 22, 25 (1 – with reference to the quotation of article 12 – and 2) 26, 27, 29, 39, 40, 41, 42, 44, and 51 (1, 2 and 3) shall apply to the life assurance contracts concluded before the issue date of ISVAP circular n. 551 of 1 March 2005 which are still in force as at the date this Regulation enters into force. For the above contracts reference to the Information Dossier shall be intended as reference to the Information Note.
4. From 1 December 2010 the provisions referred to under articles 34, 35, 36, 38, 39, 40, 41, 42, and 47 (2) shall apply to the non-life insurance contracts concluded before the date this Regulation enters into force.

the Special Commissioner
(Giancarlo Giannini)

⁶ Letter amended by ISVAP Order n. 2880 of 25 February 2011.

Annex 1

MODEL SUMMARY PROFILE WITH-PROFIT LIFE ASSURANCE CONTRACTS

Insert the following sentence: **“The present Summary profile has been drawn up pursuant to the model proposed by ISVAP, but its contents are not subject to prior approval by ISVAP”.**

Insert the following warning: **“ATTENTION: READ THE INFORMATION NOTE CAREFULLY BEFORE UNDERWRITING THE CONTRACT”.**

The present Summary Profile aims to provide the policyholder with concise information on the characteristics, guarantees, costs and any risks pertaining to the contract and must be read along with the Information Note.”

1. General Information

1.a) Insurance undertaking

Indicate the undertaking's corporate name and parent group.

1.b) About the undertaking's financial position¹

Indicate, in million euro, the amount of the assets, specifying the part pertaining to the corporate capital and to the capital provisions.

Indicate the solvency index for life business, specifying that it represents the ratio between the amount of the available solvency margin and the amount of the solvency margin required by regulations in force.

1.c) Name of the contract

Indicate the commercial name of the contract.

1.d) Type of contract

In the case of increasing benefits contracts linked to the performance of a separately managed account, indicate that: ***“The benefits insured by the contract are contractually guaranteed by the undertaking, and they are increased*** (indicate the periodicity for this: annual, monthly, etc.) ***based on the yield of a separately managed account.”***

In the presence of terms and procedures for profit sharing different from those stipulated above (profit sharing of a technical account, specific assets ...), suitably adapt the previous statement.

1.e) Duration

Indicate the minimum and maximum duration of the contract or the fixed duration if stated in the contract.

State whether the right to surrender may be exercised and provide indications on any minimum number of years starting from which this right may be exercised.

¹ The data regard the last approved balance sheet.

1.f) Premium payment

State the frequency of premium payments (single premium, recurrent single premiums, annual premiums,...) and illustrate any mechanisms for automatically adjusting premiums. State any minimum premium amounts contemplated by contract.

2. Contract features

Briefly describe the insurance and savings requirements to be covered by the contract, so as to clarify its objectives to the potential policyholder. In any case, all statements or formulations that may attribute a promotional or advertising nature to the description, or that may induce the policyholder to underwrite predefined contractual terms, must be avoided.

State that part of the premium paid will be used by the undertaking to cover demographic risks provided for by the contract (death, disability ...) and that, therefore, this part, along with that withheld to cover contractual costs, will not be counted in calculating any capital to be paid at contract maturity.

Refer to the scheme exemplifying the development of benefits, paid-up and surrender values contained in Section E of the Information Note for comprehension of profit sharing mechanisms. State that *“The undertaking is required to hand over to the policyholder the customised Exemplifying Scheme, at the latest, as soon as the policyholder is informed that the contract has been concluded”*.

3. Insurance benefits and guarantees offered

Insert the following phrase ***“The contract contemplates the following types of benefits:”***

Outline briefly all types of insurance benefits proposed by the contract as main or supplementary benefit, or through options exercised by the policyholder.

Subdivide benefit types on the basis of the following outline (only insert those present in the contract):

- a) **Benefits in case of survival**
- b) **Benefits in case of death**
- c) **Disability benefits**
- d) **Long-term serious illness/dependency/disability benefits**
- e) **Supplementary covers**
- f) **Contractual options**

Specify if there are any guarantees of payment of a minimum interest, and indicate the relevant amount and the periodic consolidation – if any; if not, specify that the contract envisages a guaranteed minimum interest only at contract maturity.

For contracts with recurrent single premiums state if they contemplate guaranteed interest rates that may vary according to predefined mechanisms. In this case, refer to the Information Note for details.

Specify if profits in excess of the contractually guaranteed minimum, once declared to the policyholder, are definitively acquired by contract.

For policies in a foreign currency, state the currency in which with benefits are denominated and emphasise that the policyholder by contract accepts to bear an exchange risk.

In the case of surrender, specify if the policyholder bears the risk that the amount obtained may be lower than premiums paid in (this risk must also be indicated even if it is only present during certain years of the contract's duration). With respect to contracts that, in the case of non-payment of the required minimum number of annual premiums, contemplate the loss by the policyholder of premiums paid, emphasise this contractual clause.

Insert the following phrase: ***“Further information is available in the Information Note at section B. In any case, all insurance coverage and profit-sharing mechanisms are regulated by articles ... of the policy conditions.”***

4. Costs

Include the following phrases ***“The undertaking, in order to carry out the activity of contract distribution and management and premium collection, applies charges to the amount and according to the terms specifically laid out at Section C of the Information Note.***

The costs charged to the premiums and those charged to the separately managed account (in the case of products with specific assets, where necessary, change the last words as follows: ***charged to the specific assets acquired to honour the guarantees offered***) ***reduce the amount of benefits.***

The concise indicator “Annual average percentage cost”² provides an overall indication of the various contract costs and shows the extent to which the contract's rate of return is reduced every year by costs, compared with a similar cost-free operation.

The above indicator is merely indicative as it is based on pre-established parameters.

State the following sentences: ***“The Annual average percentage cost (AAPC) is calculated with reference to the premium relating to the main benefit and therefore does not take account of the premiums relating to supplementary and/or ancillary covers.”*** and, where it is consistent with the tariff, ***“The Annual average percentage cost in the case of surrender during the first years of contract duration may significantly exceed the cost recorded for the 5th year.”***

Separately managed account “Alpha”

Assumptions used

Annual premium € ...

Sex ...

Age ...

Rate of return of assets ...

Duration: 15 years

Duration: 20 years

Duration: 25 years

Year	AAPC
5	%
10	%
15	%

Year	AAPC
5	%
10	%
15	%
20	%

Year	AAPC
5	%
10	%
15	%
20	%

² For the calculation of the Annual average percentage cost undertakings shall follow the indications given in the methodological note referred to under annex 2 to this Regulation.

5. Illustration of historical data on the return of the separately managed account

For increasing benefits contracts linked to the performance of a separately managed account, state the following phrase ***“This section reports the rate of return of the separately managed account “...” over the last 5 years and the corresponding minimum rate of return attributed to policyholders. The data is compared with the average rate of return of State bonds and with the ISTAT’s consumer price index for families of clerical and manual workers”.***

Suitably adapt the phrase for benefits in currency.

Information is reported according to the following exemplification:

Year	Return realised by the separately managed account	Minimum return allocated to policyholders	Average return of State bonds	Inflation
N-4	%	%	%	%
N-3	%	%	%	%
N-2	%	%	%	%
N-1	%	%	%	%
N	%	%	%	%

For benefits in currency the following table shall be shown:

Year	Return realised by the separately managed account	Minimum return allocated to policyholders	Rate of return of long-term securities	% variation of exchange rates
N-4	%	%	%	%
N-3	%	%	%	%
N-2	%	%	%	%
N-1	%	%	%	%
N	%	%	%	%

State the following warning under the tables: ***“Attention: past performance is not indicative of future performance”.***

6. Cooling off period

State the following phrase: ***“The policyholder has the right to revoke the proposal or to cancel the contract. For the relative terms and procedures read section D of the Information Note”.***

Insert the following sentence: ***“..... (indicate the name of the undertaking) is responsible for the truth and completeness of the data and information contained in this Summary Profile”.***

Legal representative

Details and handwritten signature

Annex 2

METHODOLOGICAL NOTE ON THE CALCULATION OF THE ANNUAL AVERAGE PERCENTAGE COST

The concise indicator “*Annual average percentage cost*” must be calculated as the difference between:

- the internal rate of return of a hypothetical cost-free investment, assessed on the cash-flow of gross premiums paid and capital accrued at the various durations provided by the exemplification tables, as corrected in consideration of premiums used for pure risk coverage as well as any minimum guarantees offered by contract, as established by the report referred to under art. 32 of legislative decree n. 209 of 7 September 2005;
- the internal rate of return defined on the same cash-flow of gross premiums paid, but with reference to capital accrued at the various durations, on the basis of the tariff set by the report referred to under art. 32 of legislative decree n. 209 of 7 September 2005. To this end, calculations must be made of charges on premiums paid, fixed duties and any further cost in any way introduced, percentages of return retained by the undertaking on the performance of the separately managed account (also considering any measure of minimum return retained) or management commissions with a direct bearing on the separately managed account and any further cost in any way charged, as well as the costs in case of surrender, net of any discounts or facilitations provided by contract.

If the contract also envisages any supplementary and/or ancillary covers, the assessment must be made with reference to the premium part of the main benefit that excludes the aforementioned covers. In this case, the Information Note must state the following sentence: ***“The “Annual average percentage cost” is calculated with reference to the premium relating to the main benefit and therefore does not take account of the premiums relating to supplementary and/or ancillary covers.”***

If bonuses or fidelity bonuses are guaranteed by contract, the “Annual average percentage cost” must be calculated bearing in mind the related effects on benefits.

For contracts with automatic mechanisms for periodic or recurrent premiums adjustment, these may be considered with reference to the pre-defined contract components that do not depend on the indexation of external parameters subject to estimate (e.g. inflation). For increasing benefits contracts, on the basis of the profit-sharing clause, the gross rate of return of assets established by the ISVAP must be considered.

For contracts involving the possibility of additional payments with respect to the set plan for single or periodic payments, the “Annual average percentage cost” is calculated without any assumption on the possible future evolution of this contractual element.

Undertakings must determine the concise indicator with reference to the following contract types, based on the following indications:

- **Premium levels:** a) for periodic premium contracts € 1,500 per annum;
b) for single premium contracts € 15,000.

- **Contract durations:** equal to 15, 20 and 25 years.
- **Sex and age of the insured:** male aged 45 in correspondence to the above defined durations.

In the case of annuity contracts the same tables must be calculated both for male and female insured persons. The “Annual average percentage cost” for these contracts is calculated at the end of the annuity deferment period. Undertakings provide a specific warning on the aforesaid assessment criterion.

In case the predefined amount of the premium is not envisaged by the scope of the tariff the amount of the premium which must be adopted must be deemed appropriate by the undertaking in terms of target clients. For contracts with a predefined maximum contract duration inferior to that provided in the standardized exemplification tables, the undertaking develops tables by indicating the time scales in multiples of 5, taking as last value the maximum duration contemplated by contract.

Where the indicator is not a function of the insured person's sex and age, the undertaking gives that indication in the tables' headings.

In the case of immediate or deferred annuity contracts (main or optional with guaranteed coefficients) information shall be supplemented with examples of the single premiums or of the conversion capitals needed to guarantee the benefit, regarding the combination of age, sex and annuity shown in the following tables.

Annuities.....(indicate the type of insured annuity)

Amount of premium or of capital to be converted into annuity

Sex: Male

Age	Annuity (in euros)		
	12,000	24,000	36,000
55			
60			
65			

Sex: Female

Age	Annuity (in euros)		
	12,000	24,000	36,000
55			
60			
65			

For those contracts the premiums or conversion capitals are calculated from the beginning of the period of enjoyment and the types of annuity envisaged (life, temporary, certain for a predefined number of years and then life etc. ...). Should contract terms envisage that a number of options can be exercised, the amounts regarding the payment of the life annuity shall be shown or, if not envisaged, the most burdensome type of payment for the policyholder. The amounts of premium for combinations not included in the scope of the tariff must not be shown.

Annex 3

MODEL INFORMATION NOTE WITH-PROFIT LIFE ASSURANCE CONTRACTS

Insert the following sentence: **“The present Information Note has been drawn up pursuant to the model proposed by ISVAP, but its contents are not subject to prior approval by ISVAP”.**

The policyholder must see the insurance terms before underwriting the contract”.

A. INFORMATION ON THE INSURANCE UNDERTAKING

1. General Information

Insert:

- a) Corporate name, legal form and parent group (if any);
- b) address of the head office and general management if different, including the name of the State;
- c) address of any branches with which the contract will be concluded, including the name of the State;
- d) telephone number, Internet site and e-mail address;
- e) details of the authorisation to conduct business and number of registration in the Register of Insurance Undertakings. Foreign undertakings must specify if they operate in Italy by way of establishment or of free provision of services and indicate the supervisory authority to whose control they are subject. They shall also indicate in bold types **if they invest premiums in assets not allowed for under Italian law regulating life insurance**

B. INFORMATION ON INSURANCE BENEFITS AND GUARANTEES OFFERED

3. Insurance benefits and guarantees offered

Indicate the minimum and maximum duration of the contract or the fixed duration if stated in the contract.

List the insurance benefits provided for under the contract (principal, ancillary and/or supplementary benefits), and refer to the articles of the terms of insurance for the details of each benefit.

State with a notice any periods during which risk cover is suspended or limited, and refer to the articles of the terms of insurance for the details of each benefit.

Make clear that the capital at maturity is the result of the capitalisation of the premiums paid, net of the costs and of any premium regarding demographic risks.

Illustrate any guarantee for the protection of the capital or of payment of a minimum interest, and indicate the relevant amount and the periodic consolidation – if any; if it is not so specify that the contract envisages the payment of a minimum interest only at contract maturity.

For contracts with recurrent single premiums state if they contemplate variable guaranteed interest rates; refer to the article in the terms of insurance for the description of the variation mechanisms in the rate and for the procedures and requirements of application of changes.

For policies with benefits denominated in a foreign currency, emphasise that the policyholder **bears an exchange risk** and indicate its possible effects.

4. Premiums

Specify that the premium is set in relation to the guarantees offered, to their duration and amount, to the insured party's age and sex and, regarding risk coverage, to his/her state of health and profession.

Adequate information must be furnished on natural premium rates, with special regard to the effects ensuing from premium increases due to the advancing age of the insured party.

Indicate in bold types the minimum number of annual premiums to be paid in order to mature the right to surrender or paid-up values, specifying that the policyholder loses any amounts paid in the case of non-payment of these annual premiums.

Illustrate the frequency of premium payments (single premium, annual premiums and recurrent single premiums ...). Specify the means of premium payment required by the undertaking.

Specify if premiums can be paid by instalments and refer to point 6.1.1 for the relevant costs.

Refer to the terms of insurance for any mechanisms for automatically adjusting the premium.

In case undertakings uses multilevel marketing networks and the members of the network have the power to collect insurance premiums insert the warning that the members of the multilevel marketing network may only accept the means of payment specified in article 47 (3) a) and b) of ISVAP Regulation n. 5 of 16 October 2006, where the holder or beneficiary is the insurance undertaking.

5. Arrangements for calculating and assigning profit-sharing

Briefly describe the criteria for calculating and assigning profit-sharing (e.g. indicating if there is a separately managed account, a technical account etc.) and refer to the article in the terms of insurance regarding the profit-sharing clause and, if envisaged, to the regulations governing the separately managed account which are an integral part of the terms of insurance.

Refer to Section E containing the Exemplifying Scheme of the development of premiums, of insured benefits and of surrender and paid-up values.

Make a pledge to hand over to the policyholder the customised Exemplifying Scheme, at the latest as soon as he/she is informed that the contract has been concluded.

C. INFORMATION ON COSTS, DISCOUNTS AND TAX REGIME

6. Costs

6.1. Costs charged directly to the policyholder

6.1.1. Costs charged to the premium

Set out as a table all the costs applied to the premiums paid, whether expressed as percentages and/or absolute values, specifying their nature and illustrating the costs for issuing the contract. The percentage values must be stated to the first decimal point.

For contracts where the costs charged to the premium are based on the insured person's age and sex, contract duration and/or premium amount, the table may express costs in ranges (of age and/or duration) in order to avoid an excessive overloading of contract documentation and also to ensure that full information is provided. The range definition must produce an oscillation in given cost values not in excess of 0.2%.

6.1.2. Surrender costs

Indicate the costs, whether in percentage values and/or in absolute values, applied in the event of surrender. For contracts in which the surrender value is determined by deducting from benefits insured the number of years and fractions of year to maturity at a pre-set rate, provide a table illustrating the benefit percentage reductions for the various residual durations expressed in full years.

If the rate is not set but may be determined based on a parameter predefined in contract conditions, adopt the parameter level in force at the time when the Information Note was drawn up. In this case, insert the warning that any values represented are subject to parameter variations as contemplated in the mechanism for determining the surrender value.

6.1.3. Costs for the payment of the annuity

Indicate the costs, expressed as a fixed amount and/or as a percentage, relating to expenses for payment of the annuity. This indication must make reference to the various terms provided in the contract for the payment of the annuity by instalments.

6.2. Costs applied according to the arrangements for profit sharing

If the increase is based on the yield of a separately managed account indicate – in the form of a table – the percentage of return retained by the undertaking on the performance of the separately managed account, also considering any measure of minimum return retained. When the undertaking retains costs directly from the income on the assets of the separately managed account, indicate to what measure this occurs in absolute percentage points.

If there are other arrangements for profit sharing indicate – even in the form of a table – all the retained costs.

ooo__ooo

With regard to each type of cost referred to under this paragraph specify – even in the form of a table – the average part paid to intermediaries.¹ Alternatively it is allowed to show one single value indicating the average part paid to the intermediary with reference to the whole flow of commissions pertaining to the product.

7. Discounts

Insert the warning that the undertaking or the intermediary may apply premium discounts.

8. Taxation

Indicate the tax regime to which the contract is subject.

D. OTHER INFORMATION ON THE CONTRACT

9. Arrangements for executing the contract

Refer to the article in the terms of insurance for the procedures for executing the contract and the commencement date for insurance cover.

10. Termination of the contract for suspension of premium payments

¹ The average part retroceded to distributors must be calculated on the basis of the facts of administration regarding the insurance undertaking's last financial year. For newly-marketed products it must be assessed on the basis of the placing agreements. It is referred to the costs envisaged in the rate loading and does not take account of any rappels and bonuses

Indicate that the policyholder has the right to terminate the contract by suspending the payment of premiums: insert a warning on any negative effects of the termination and refer to the article in the terms of insurance for the details.

11. Surrender and paid up values

Specify if the contract acknowledges a paid up and surrender value, highlighting in bold types in which case these values are not contemplated. Refer to the article in the terms of insurance for the procedures for calculating surrender and paid up values (if necessary, refer to point 6.1.2.). Indicate the faculty to reactivate the contract, and refer to the article in the terms of insurance for defining terms, times and economic conditions.

Highlight, in bold characters, if the possibility exists that such values may be inferior to the premiums paid in.

Indicate the details (address, telephone, fax and e-mail) of the office of the undertaking which can be addressed in order to obtain information on such values.

Refer to the Exemplifying Scheme under Section E for a description of the development of surrender and paid up values, specifying that the values referred to the characteristics required by the policyholders will be contained in the Customised scheme.

12. Revocation of the proposal

Indicate how the revocation of the proposal must be communicated to the undertaking, specifying that any sums paid must be reimbursed within thirty days from the receipt of the communication.

13. Right of withdrawal

Indicate the terms and procedures for exercising the right of withdrawal. Specify that the undertaking is required to reimburse the premium within thirty days from the receipt of the communication, with the right to charge the costs for the issue of the contract as indicated under point 6.1.1., on condition that these are quantified in the proposal and in the contract, as well as that part of the premium referring to the period during which the contract was in force.

14. Documents to be submitted to the undertaking for the payment of benefits and limitation periods

Refer to the article on the policy conditions that indicates the documents that the policyholder or beneficiary must present in the various circumstances in which benefits are paid by the undertaking; specify the terms for the payment recognised to the undertaking and draw the policyholder's attention to the time when the benefits will be invalidated by prescription under current law and to the consequences in case of failure to do that within those terms, also with regard to dormant relations as per law n. 266 of 23 December 2005 and subsequent modifications and integrations.

When a pre-printed form is used to request the payment of benefit and this form contains the list of the documents to present for the various circumstances in question, refer to it and state that it is included among the contractual documents.

15. Law applicable to the contract

Indicate the law applicable to the contract.

16. Language

Indicate that the contract, any document attached to it and the communications during the term of the contract are drawn up in Italian, unless the parties agree to draw them up in another language.

17. Complaints²

Describe the procedure to be followed on how to file complaints envisaged by regulations in force.

Specify the procedures on how to file complaints with the undertaking, and indicate the business function with the task of examining them and its addresses.

Illustrate the cases when a complaint can be filed with ISVAP.

Indicate that for the settlement of cross-border disputes complaints can be filed with ISVAP or directly with the competent foreign system³ by seeking the activation of the FIN-NET procedure.

Describe how to file complaints with ISVAP.

Indicate that the case still can be brought to court.

18. Information during the term of the contract

Illustrate that the undertaking makes a pledge to transmit the annual statement of account of the insurance position within sixty days from the end of each solar year or from the date envisaged in the terms of insurance for the increase of insured benefits. Such statement must contain the premiums paid, the increased capital and the measure for increasing benefits.

19. Conflict of interest

Describe situations of conflict of interest, including those deriving from group relations, own business relations or from those of companies of the group.

Indicate that the undertaking, even in situations of conflicts of interest, takes care not to prejudice the interests of policyholders and is committed to obtain the best possible result for them.

Refer to the annual report of the separately managed account for quantifying the benefits resulting from such agreements and assigned to policyholders. For benefits represented by services, indicate the relative monetary value in the foregoing report.

E. EXEMPLIFYING SCHEME OF BENEFITS

Insert the following sentence: ***"This projection is based on a pre-defined combination of premium, duration, frequency of premium payments, age and sex of the insured party.***

Developments of increasing benefits, surrender and paid up values reported hereunder are calculated on the basis of two different values:

- a) ***the minimum contractually guaranteed rate of return***;
- b) ***an assumption of constant annual return set by ISVAP and, at the time of writing the present Scheme, equal to ...***". Illustrate that the measure for increasing benefits is obtained by unbundling any technical interest rate already acknowledged in the calculation of the initial capital insured.

Indicate that: ***"The values developed on the basis of the guaranteed minimum rate represent the guaranteed benefits that the undertaking is bound to pay on the basis of the terms of insurance, when the contract is in order with premiums payments, and they do not therefore consider any hypothesis on future profit-sharing***".

² Undertakings with head office in another member State shall mention the information referred to under this paragraph by indicating the competent home country authority and the procedures on how to file complaints with it.

³ The competent system can be found via the website: http://ec.europa.eu/internal_market/finances-retail/finnet/index.en.htm

Indicate that: ***“The values developed based on the rate of return set by ISVAP are merely indicative and do not in any case bind the undertaking. In fact, there is no certainty that the applied hypotheses on the benefit development will effectively be achieved. The results achieved by the investments management could differ from the yield hypotheses employed”.***

DEVELOPMENT OF PREMIUMS, BENEFITS AND SURRENDER AND PAID UP VALUES ACCORDING TO:

A) A) GUARANTEED MINIMUM RATE OF RETURN

- Guaranteed minimum rate of return:%
- Age of the insured:
- Duration:
- Sex of the insured:
- Any other assumptions:

Years elapsed	Annual Premium	Total amount of annual premiums	Capital insured at the end of the year	Discontinuance of premium payments		
				Surrender value at the end of the year	Paid up Capital at the end of the year	Paid up Capital at maturity
1						
2						
3						
...						
...						
...						
Maturity						

State the following sentence: ***“The surrender involves an economic penalty. As can be seen from the table, the recovery of premiums paid may take place, based on the minimum contractually guaranteed rate of return, after payment of annual premiums*** (indicate the number of annual premiums).

Suitably adapt the aforesaid sentence for contracts providing a guaranteed return only upon maturity.

B) HYPOTHESIS OF FINANCIAL RETURN

- Financial rate of return:%
- Any charge on the return:.....
- Percentage of the rate of return recognised to policyholders:%
- Rate of return recognised to policyholders:.....%
- Age of the insured:
- Duration:
- Sex of the insured:
- Any other assumptions:

Years elapsed	Annual Premium	Total amount of annual premiums	Capital insured at the end of the year	Discontinuance of premium payments		
				Surrender value at the end of the year	Paid up Capital at the end of the year	Paid up Capital at maturity
1						
2						
3						
...						
...						
...						
Maturity						

If the insured capital in case of death is different from the capital in case of survival, integrate the exemplification tables. Also adapt the tables when the tariff does not procure paid up benefits.

State that the benefits indicated in the above tables are all before tax.

* * *

Insert the following sentence: “... ***(indicate the name of the undertaking) is responsible for the truth and completeness of the data and information contained in this Information Note***”.

Legal representative

Details and handwritten signature

Annex 4

MODEL INFORMATION NOTE PURE RISK CONTRACT¹

Insert the following phrases: **“The present Information Note has been drawn up pursuant to the model proposed by ISVAP, but its contents are not subject to prior approval by ISVAP”.**

“The policyholder must see the terms of insurance before the conclusion of the contract”.

A. INFORMATION ON THE INSURANCE UNDERTAKING

1. General Information

Insert:

- a) Corporate name, legal form and parent group (if any);
- b) address of the head office and general management if different, including the name of the State;
- c) address of any branches with which the contract will be concluded, including the name of the State;
- d) telephone number, internet site and e-mail address;
- e) details of the authorisation to conduct business and of the number of registration in the Register of Insurance Undertakings. Foreign undertakings must specify if they operate in Italy by way of establishment or of free provision of services and indicate the supervisory authority to whose control they are subject. They shall also indicate in bold types **if they invest premiums in assets not allowed for under Italian law regulating life insurance.**

2. Information on the undertaking’s assets/liabilities situation²

Indicate, in million euro, the amount of the assets, specifying the part pertaining to the corporate capital and to the capital provisions.

Indicate the solvency index for life business, specifying that it represents the ratio between the amount of the available solvency margin and the amount of the solvency margin required by regulations in force.

B. INFORMATION ON INSURANCE BENEFITS AND GUARANTEES OFFERED

3. Insurance benefits and guarantees offered

Indicate the minimum and maximum duration of the contract or the fixed duration if stated in the contract.

Insert the following phrase ***“The contract contemplates the following types of benefits:”***³

- a) **Benefits in case of death**
- b) **Disability benefits**
- c) **Long-term serious illness/dependency/disability benefits**

¹ The model must be adapted to take account of the characteristics of the cover offered.

² The data regard the last approved balance sheet.

³ Indicate only those which are in the contract.

- d) **Supplementary covers**
- e) **Contractual options**

Refer to the articles of the terms of insurance for the details of each benefit. State with a notice any periods during which risk cover is suspended, and refer to the articles of the terms of insurance.

Using bold characters, draw the policyholder's attention to the necessity to read the recommendations and warnings provided in the proposal regarding the compilation of the health questionnaire.

4. Premiums

Specify that the premium is set in relation to the guarantees offered, to their duration and amount, to the insured party's age and sex and to his/her state of health and profession.

Adequate information must be given on the use of natural premium rates, with special regard to the effects ensuing from premium increases due to the advancing age of the insured party.

Indicate in bold types the minimum number of annual premiums to be paid in order to mature the right to surrender or paid-up values, specifying that the policyholder loses any amounts paid in the case of non-payment of these annual premiums.

Illustrate the frequency of premium payments (single premium, annual premiums and recurrent single premiums ...). Specify the means of premium payment required by the undertaking.

Specify if premiums can be paid by instalments and refer to point 6.1.1 for the relevant costs.

Refer to the article of the terms of insurance for any automatic mechanisms for premium adjustment.

In case undertakings uses multilevel marketing networks and the members of the network have the power to collect insurance premiums insert the warning that the members of the multilevel marketing network may only accept the means of payment specified in article 47 (3) a) and b) of ISVAP Regulation n. 5 of 16 October 2006, where the holder or beneficiary is the insurance undertaking.

In insurance contracts linked to loans and to other loan contracts the undertaking shall show all the costs to be borne by the policyholder and by the debtor/insured, with the indication of the average part paid to the intermediary in absolute value and as a percentage⁴. Insert the "Warning" that in case of early extinction or transfer of the loan the undertaking will return to the debtor/insured the part of the premium paid relating to the remaining period of insurance with respect to the original expiry. As an alternative undertakings shall, upon a request by the debtor/insured, provide the insurance coverage to the new appointed beneficiary until the expiry date of the insurance contract.

Refer to the article of the terms of insurance for the details.

5. Arrangements for calculating and assigning profit-sharing

Draw the policyholder's attention to any kind of profit-sharing mechanism, referring to the article of the terms of insurance for the details.

⁴ The average part retroceded to the intermediary must be calculated on the basis of the facts of administration regarding the insurance undertaking's last financial year. For newly-marketed products it must be assessed on the basis of the placing agreements. It is referred to the costs envisaged in the rate loading and does not take account of any rappels and bonuses

C. INFORMATION ON COSTS, DISCOUNTS AND TAX REGIME

6. Costs

6.1. Costs charged directly to the policyholder

6.1.1. Costs charged to the premium

Set out as a table all the costs applied to the premiums paid (including the cost of the medical examination, if any⁵), whether expressed as percentages and/or absolute values, specifying their nature and illustrating the costs for issuing the contract. The percentage values must be stated to the first decimal point.

For contracts where the costs charged to the premium are based on the insured person's age and sex, contract duration and/or premium amount, the table may express costs in ranges (of age and/or duration) in order to avoid an excessive overloading of contract documentation and also to ensure that full information is provided. The range definition must produce an oscillation in given cost values not in excess of 0.2%.

6.1.2. Surrender costs

Indicate the costs, whether in percentage values and/or in absolute values, applied in the event of surrender. For contracts in which the surrender value is determined by deducting from benefits insured the number of years and fractions of year to maturity at a pre-set rate, provide a table illustrating the benefit percentage reductions for the various residual durations expressed in full years.

If the rate is not set but may be determined based on a parameter predefined in contract conditions, adopt the parameter level in force at the time when the Information Note was drawn up. In this case, insert the warning that any values represented are subject to parameter variations as contemplated in the mechanism for determining the surrender value.

6.1.3. Costs for the payment of the annuity

Indicate the costs, expressed as a fixed amount and/or as a percentage, relating to expenses for payment of the annuity. This indication must make reference to the various terms provided in the contract for the payment of the annuity by instalments.

6.2. Costs applied according to the arrangements for profit sharing

Indicate – even in the form of a table – all the retained costs in relation to the arrangements for profit sharing envisaged by the contract.

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With regard to each type of cost referred to under this paragraph specify – even in the form of a table – the average part paid to intermediaries.⁶ Alternatively it is allowed to show one single value indicating the average part paid to the intermediary with reference to the whole flow of commissions pertaining to the product.

7. Discounts

⁵ In case the cost of the medical examination cannot be quantified a priori, the Information note shall show a warning on any other charges for medical examinations, indicating their minimum and maximum cost.

⁶ The average part retroceded to distributors must be calculated on the basis of the facts of administration regarding the insurance undertaking's last financial year. For newly-marketed products it must be assessed on the basis of the placing agreements. It is referred to the costs envisaged in the rate loading and does not take account of any rappels and bonuses

Insert the warning that the undertaking or the intermediary may apply premium discounts, indicating the conditions for their application.

8. Taxation

Indicate the tax regime to which the contract is subject.

D. OTHER INFORMATION ON THE CONTRACT

9. Arrangements for executing the contract

Refer to the article in the terms of insurance for the procedures for executing the contract and the commencement date for insurance cover.

10. Termination of the contract for suspension of premium payments

Indicate that the policyholder has the right to terminate the contract by suspending the payment of premiums: insert a warning on any negative effects of the termination and refer to the article in the terms of insurance for the details.

11. Surrender and paid up values

Specify if the contract acknowledges a paid up and surrender value, highlighting in bold types in which case these values are not contemplated.

Refer to the article in the terms of insurance for the procedures for calculating surrender and paid up values (if necessary, refer to point 6.1.2.).

Indicate the faculty to reactivate the contract, and refer to the article in the terms of insurance for defining terms, times and economic conditions.

Indicate the details (address, telephone, fax and e-mail) of the office of the undertaking which can be addressed in order to obtain information on such values.

Highlight, in bold characters, if the possibility exists that such values may be inferior to the premiums paid in.

12. Revocation of the proposal

Indicate how the revocation of the proposal must be communicated to the undertaking, specifying that any sums paid must be reimbursed within thirty days from the receipt of the communication.

13. Right of withdrawal

Indicate the terms and procedures for exercising the right of withdrawal. Specify that the undertaking is required to reimburse the premium within thirty days from the receipt of the communication, with the right to charge the costs for the issue of the contract as indicated under point 6.1.1., on condition that these are quantified in the proposal and in the contract, as well as that part of the premium referring to the period during which the contract was in force.

14. Documents to be submitted to the undertaking for the payment of benefits and limitation periods

Refer to the article on the policy conditions that indicates the documents that the policyholder or beneficiary must present in the various circumstances in which benefits are paid by the undertaking; specify the terms for the payment recognised to the undertaking and draw the policyholder's attention to the time when the benefits will be invalidated by prescription under current law and to the consequences in case of failure to do that within those terms, also with regard to dormant relations as per law n. 266 of 23 December 2005 and subsequent modifications and integrations.

When a pre-printed form is used to request the payment of benefit and this form contains the list of the documents to present for the various circumstances in question, refer to it and state that it is included among the contractual documents.

15. Law applicable to the contract

Indicate the law applicable to the contract.

16. Language in which the contract is drawn up

Indicate that the contract, and any document attached to it and the communications during the term of the contract, are drawn up in Italian, unless the parties agree to draw them up in another language.

17. Complaints⁷

Describe the procedure to be followed on how to file complaints envisaged by regulations in force.

Specify the procedures on how to file complaints with the undertaking, and indicate the business function with the task of examining them and its addresses.

Illustrate the cases when a complaint can be filed with ISVAP.

Indicate that for the settlement of cross-border disputes complaints can be filed with ISVAP or directly with the competent foreign system⁸ by seeking the activation of the FIN-NET procedure.

Describe how to file complaints with ISVAP.

Indicate that the case still can be brought to court.

18. Information during the term of the contract

Illustrate that the undertaking makes a pledge to transmit the annual statement of account of the insurance position within sixty days from the end of each solar year or from the date envisaged in the terms of insurance for the distribution of bonuses.

19. Communications from the policyholder to the undertaking

Draw the policyholder's attention to the provisions under article 1926 of the Civil Code in relation to communications to be sent to the undertaking concerning any changes in the policyholder's profession which may have occurred during the contract period.

20. Conflict of interest

Describe situations of conflict of interest, including those deriving from group relations, own business relations or from those of companies of the group.

Indicate that the undertaking, even in situations of conflicts of interest, takes care not to prejudice the interests of policyholders and is committed to obtain the best possible result for them.

* * *

Insert the following sentence: “... ***(indicate the name of the undertaking) is responsible for the truth and completeness of the data and information contained in this Information Note***”.

⁷ Undertakings with head office in another member State shall mention the information referred to under this paragraph by indicating the competent home country authority and the procedures on how to file complaints with it.

⁸ The competent system can be found via the website: http://ec.europa.eu/internal_market/finances-retail/finnet/index.en.htm

Legal representative

Details and handwritten signature

Annex 5

INFORMATION DOCUMENT FOR TRANSFORMATION OPERATIONS

The document must contain all indications relating to the qualitative and quantitative changes in benefits resulting from the transformation and regarding any limits to the conservation of rights acquired through the original contract, with particular reference to the possible elimination or reduction in coverage in the event of death and to the possible loss of the guarantee of conservation of capital at maturity and/or of a minimum financial return or of a reduction of the same.

In particular, the document is to be drawn up as a table with opposite sections relating to the contents of the original contract and to that resulting from the transformation; it must contain at least the following information:

1. any changes in contract terms (commencement date, duration, expiry);
2. any changes to the premium due and to the methods of payment;
3. the type of insured benefit; special attention must be given to those cases in which the contract benefit resulting from the transformation involves financial risks that are to be borne by the policyholders (unit-linked and index-linked contracts), highlighting their characteristics and specifications with respect to those contained in the original contract;
4. any loss of the guarantee of conservation of capital or of a minimum financial return;
5. any differences in terms of guaranteed minimum rate of return, also with reference to the different methods of attribution and consolidation (annual consolidation, only upon maturity ...);
6. any elimination or reduction in coverage in the event of death;
7. any negative effects on benefits, even those deriving from the exercise of contractual options, due to the adoption of new technical bases, different from the financial ones;
8. the indication of any waiting periods in coverage in the event of death;
9. the conditions regulating the assessment of the surrender value and the effects of the transformation operation on the exercise of the right to surrender;
10. the tax treatment.

The document must also provide:

1. the detailed indication of any cost charged, under any form, and pursuant to the provisions in ISVAP Circular 106/98, for administrative expenses inherent to the transformation operation;
2. the criterion for the investment and management of assets matured on the contract to be transformed;
3. the indication of the policyholder's faculty, if any, to avail himself/herself of the right to terminate the contract within thirty days of the transformation operation and of the consequent effects.

Annex 6

MODEL INFORMATION NOTE NON-LIFE INSURANCE CONTRACT¹

Insert the following phrases: **“The present Information Note has been drawn up pursuant to the model proposed by ISVAP, but its contents are not subject to prior approval by ISVAP”.**

“The policyholder must see the Terms of insurance before the conclusion of the contract”.

A. INFORMATION ON THE INSURANCE UNDERTAKING

1. General Information

Insert:

- a) Corporate name, legal form and parent group (if any);
- b) address of the head office and general management if different, including the name of the State;
- c) address of any branches with which the contract will be concluded, including the name of the State;
- d) telephone number, Internet site and e-mail address;
- e) details of the authorisation to conduct business and of the number of registration in the Register of Insurance Undertakings. Foreign undertakings must specify if they operate in Italy by way of establishment or of free provision of services and indicate the supervisory authority to whose control they are subject.

2. Information on the undertaking's assets/liabilities situation²

Indicate, in million euro, the amount of the assets, specifying the part pertaining to the corporate capital and to the capital provisions.

Indicate the solvency index for non-life business, specifying that it represents the ratio between the amount of the available solvency margin and the amount of the solvency margin required by regulations in force.

B. INFORMATION ON THE CONTRACT

Specify if the contract is underwritten with or without tacit renewal by inserting a specific warning about the arrangements and terms for terminating the contract and its consequences, referring to the article of the terms of insurance for the details.

3. Insurance covers offered – Limitations and exclusions

Summarily indicate the insurance covers offered by the contract, referring to the articles of the terms of insurance regulating them. Insert a specific warning about any limitations and exclusions of insurance covers, or conditions for the suspension of the cover which may cause a reduction in or the failure to pay the compensation, referring to the articles of the terms of insurance for the details.

Insert a specific warning about any deductible, excess and amounts of cover, referring to the articles of the terms of insurance for the details. To make it understandable for policyholders, illustrate the relevant mechanism by way of examples in numbers.

In case of partial insurance refer to the article of the terms of insurance for the effects.

¹ The model must be adapted to take account of the characteristics of the cover offered.

² The data regard the last approved balance sheet.

4. Declarations by the policyholder on the circumstances of the risk - Voidness

Insert the warning that any false or incomplete declarations on the circumstances of the risk made at the time when the contract was underwritten could have consequences on the benefit. Refer to the articles of the terms of insurance for the consequences

Insert a warning about any reasons for declaring the contract void, referring to the articles of the terms of insurance for the details.

5. Risk increase and decrease

Indicate that the insured person must inform the undertaking in writing of any risk increase and decrease, referring to the articles of the terms of insurance for the consequences of the non-notification. Set out by way of exemplification – within the covers offered by the contract – at least one assumption of relevant circumstance implying a change in the risk.

6. Premiums

Illustrate the frequency of premium payments. Specify the means of premium payment required by the undertaking.

Indicate if premiums can be paid by instalments and the increased burdens, if envisaged.

Insert the warning that the undertaking or the intermediary may apply premium discounts, indicating the conditions for their application.

Should undertakings use multilevel marketing techniques and the members of the network have the power to collect insurance premiums, insert the warning referred to in article 44 (2, d) of ISVAP Regulation n. 5 of 16 October 2006.

In insurance contracts linked to loans and to other loan contracts the undertaking shall show all the costs to be borne by the policyholder and by the debtor/insured, with the indication of the average part paid to the intermediary in absolute value and as a percentage³. Insert the "Warning" that in case of early extinction or transfer of the loan the undertaking will return to the debtor/insured the part of the premium paid relating to the remaining period of insurance with respect to the original expiry. As an alternative undertakings shall, upon a request by the debtor/insured, provide the insurance coverage to the new appointed beneficiary until the expiry date of the insurance contract.

Refer to the article of the terms of insurance for the details.

7. Recourses.

Insert a specific warning about any recourses, illustrating their meaning and referring to the articles of the terms of insurance for the conditions and the effects for the policyholder.

8. Right of withdrawal

Insert a specific warning about any right of withdrawal for the policyholder, the undertaking or for both, referring to the articles of the terms of insurance for the time limits and procedures for exercising such right.

In particular, in case of multi-year contracts specify in bold types the possibility for the policyholder to withdraw, after five years, free of charge and subject to sixty-days notice.

³ The average part retroceded to the intermediary must be calculated on the basis of the facts of administration regarding the insurance undertaking's last financial year. For newly-marketed products it must be assessed on the basis of the placing agreements. It is referred to the costs envisaged in the rate loading and does not take account of any rappels and bonuses

9. Limitation period and lapse of the rights deriving from the contract

Indicate the limitation period of the rights deriving from the contract or the deadline within which they lapse.

10. Law applicable to the contract

Indicate the law applicable to the contract.

11. Taxation

Indicate the tax regime to which the contract is subject.

C. INFORMATION ON THE SETTLEMENT PROCEDURES AND ON COMPLAINTS

12. Claims - Payment of damages

Insert a specific warning about the terms and arrangements for reporting a claim and about any charges for searching and estimating the damage. Refer to the articles of the terms of insurance for the details of settlement procedures.

In case of legal expenses and assistance insurance contracts insert a specific warning about the possible outsourcing of the claims management, referring to the article of the terms of insurance for the details.

13. Complaints⁴

Describe the procedure to be followed on how to file complaints envisaged by regulations in force.

Specify the procedures on how to file complaints with the undertaking, and indicate the business function with the task of examining them and its addresses.

Illustrate the cases when a complaint can be filed with ISVAP.

Indicate that for the settlement of cross-border disputes complaints can be filed with ISVAP or directly with the competent foreign system⁵ by seeking the activation of the FIN-NET procedure.

Describe how to file complaints with ISVAP.

Indicate that the case still can be brought to court.

14. Arbitration

In case arbitration is envisaged for the resolution of any disputes between parties insert the warning that anyhow the case can be brought to court.

* * *

Insert the following sentence: “... ***(indicate the name of the undertaking) is responsible for the truth and completeness of the data and information contained in this Information Note***”.

Legal representative

Details and handwritten signature

⁴ Undertakings with head office in another member State shall mention the information referred to under this paragraph by indicating the competent home country authority and the procedures on how to file complaints with it.

⁵ The competent system can be found via the website: http://ec.europa.eu/internal_market/finances-retail/finnet/index.en.htm

Annex 7

MODEL INFORMATION NOTE ACCIDENT INSURANCE CONTRACT

Insert the following phrases: **“The present Information Note has been drawn up pursuant to the model proposed by ISVAP, but its contents are not subject to prior approval by ISVAP”.**

“The policyholder must see the Terms of insurance before the conclusion of the contract”.

A. INFORMATION ON THE INSURANCE UNDERTAKING

1. General Information

Insert:

- a) Corporate name, legal form and parent group (if any);
- b) address of the head office and general management if different, including the name of the State;
- c) address of any branches with which the contract will be concluded, including the name of the State;
- d) telephone number, Internet site and e-mail address;
- e) details of the authorisation to conduct business and of the number of registration in the Register of Insurance Undertakings. Foreign undertakings must specify if they operate in Italy by way of establishment or of free provision of services and indicate the supervisory authority to whose control they are subject.

2. Information on the undertaking's assets/liabilities situation¹

Indicate, in million euro, the amount of the assets, specifying the part pertaining to the corporate capital and to the capital provisions.

Indicate the solvency index for non-life business, specifying that it represents the ratio between the amount of the available solvency margin and the amount of the solvency margin required by regulations in force.

B. INFORMATION ON THE CONTRACT

Specify if the contract is underwritten with or without tacit renewal by inserting a specific warning about the arrangements and terms for terminating the contract and its consequences. Refer to the article of the terms of insurance for the details.

3. Insurance covers offered – Limitations and exclusions

Summarily indicate the insurance covers offered by the contract, referring to the articles of the terms of insurance regulating them. Insert a specific warning about any limitations and exclusions of insurance covers, or conditions for the suspension of the cover which may cause a reduction in or the failure to pay the compensation. Refer to the articles of the terms of insurance for the details.

Insert a specific warning about any deductible, excess and amounts of cover, referring to the articles of the terms of insurance for the details. To make it understandable for policyholders, illustrate the relevant mechanism by way of examples in numbers.

¹ The data regard the last approved balance sheet.

Insert a specific warning about the maximum insurable age, if any, referring to the article of the terms of insurance for the details.

4. Declarations by the policyholder on the circumstances of the risk - Voidness

Insert the warning that any false or incomplete declarations on the circumstances of the risk made at the time when the contract was underwritten could have consequences on the benefit. Refer to the articles of the terms of insurance for the description of those consequences.

Insert a warning about any reasons for declaring the contract void, referring to the article of the terms of insurance for the details.

5. Risk increase and decrease and changes in the profession

Indicate that the insured person must inform the undertaking in writing of any risk increase and decrease and changes in the profession, referring to the articles of the terms of insurance for the consequences of the non-notification. Set out by way of exemplification – within the covers offered by the contract – at least one assumption of relevant circumstance implying a change in the risk.

6. Premiums

Illustrate the frequency of premium payments. Specify the means of premium payment required by the undertaking.

Indicate if premiums can be paid by instalments and the increased burdens, if envisaged.

Insert the warning that the undertaking or the intermediary may apply premium discounts, indicating the conditions for their application.

Should undertakings use multilevel marketing techniques and the members of the network have the power to collect insurance premiums, insert the warning referred to in article 44 (2, d) of ISVAP Regulation n. 5 of 16 October 2006.

7. Adjustment of premium and of insured sums

Indicate whether the insured sums and the premium are subject to adjustment, referring to the article of the terms of insurance for the details.

8. Right of withdrawal

Insert a specific warning about any right of withdrawal for the policyholder, the undertaking or for both, referring to the articles of the terms of insurance for the time limits and procedures for exercising such right.

In particular, in case of multi-year contracts specify in bold types the possibility for the policyholder to withdraw, after five years, free of charge and subject to sixty-days notice.

9. Limitation period and lapse of the rights deriving from the contract

Indicate the limitation period of the rights deriving from the contract or the deadline within which they lapse.

10. Law applicable to the contract

Indicate the law applicable to the contract.

11. Taxation

Indicate the tax regime to which the contract is subject.

C. INFORMATION ON THE SETTLEMENT PROCEDURES AND ON COMPLAINTS

12. Claims - Payment of damages

Insert a specific warning on the following aspects: identification of the moment when the accident occurs, existence of terms and arrangements for reporting the accident, any charges for ascertaining the damage and cases where a medical examination is required.

Refer to the articles of the terms of insurance for the details of settlement procedures.

13. Complaints²

Describe the procedure to be followed on how to file complaints envisaged by regulations in force.

Specify the procedures on how to file complaints with the undertaking, and indicate the business function with the task of examining them and its addresses.

Illustrate the cases when a complaint can be filed with ISVAP.

Indicate that for the settlement of cross-border disputes complaints can be filed with ISVAP or directly with the competent foreign system³ by seeking the activation of the FIN-NET procedure.

Describe how to file complaints with ISVAP.

Indicate that the case still can be brought to court.

14. Arbitration

In case arbitration is envisaged for the resolution of any disputes between parties insert the warning that anyhow the case can be brought to court.

Indicate that the place of arbitration is the town of the Forensic Institute closest to the insured person, without prejudice to any more favourable contract terms.

* * *

Insert the following sentence: “... ***(indicate the name of the undertaking) is responsible for the truth and completeness of the data and information contained in this Information Note***”.

Legal representative

Details and handwritten signature

² Undertakings with head office in another member State shall mention the information referred to under this paragraph by indicating the competent home country authority and the procedures on how to file complaints with it.

³ The competent system can be found via the website: http://ec.europa.eu/internal_market/finservices-retail/finnet/index.en.htm

Annex 8

MODEL INFORMATION NOTE SICKNESS INSURANCE CONTRACT

Insert the following phrases: **“The present Information Note has been drawn up pursuant to the model proposed by ISVAP, but its contents are not subject to prior approval by ISVAP”.**

“The policyholder must see the Terms of insurance before the conclusion of the contract”.

A. INFORMATION ON THE INSURANCE UNDERTAKING

1. General Information

Insert:

- a) Corporate name, legal form and parent group (if any);
- b) address of the head office and general management if different, including the name of the State;
- c) address of any branches with which the contract will be concluded, including the name of the State;
- d) telephone number, Internet site and e-mail address;
- e) details of the authorisation to conduct business and of the number of registration in the Register of Insurance Undertakings. Foreign undertakings must specify if they operate in Italy by way of establishment or of free provision of services and indicate the supervisory authority to whose control they are subject.

2. Information on the undertaking's assets/liabilities situation¹

Indicate, in million euro, the amount of the assets, specifying the part pertaining to the corporate capital and to the capital provisions.

Indicate the solvency index for non-life business, specifying that it represents the ratio between the amount of the available solvency margin and the amount of the solvency margin required by regulations in force.

B. INFORMATION ON THE CONTRACT

Specify if the contract is underwritten with or without tacit renewal by inserting a specific warning about the arrangements and terms for terminating the contract and its consequences. Refer to the article of the terms of insurance for the details.

3. Insurance covers offered – Limitations and exclusions

Summarily indicate the insurance covers offered by the contract, referring to the articles of the terms of insurance regulating them. Insert a specific warning about any limitations and exclusions of insurance covers, or conditions for the suspension of the cover which may cause a reduction in or the failure to pay the compensation. Refer to the article of the terms of insurance for the details.

Insert a specific warning about any deductible, excess and amounts of cover, referring to the articles of the terms of insurance for the details. To make it understandable for policyholders, illustrate the relevant mechanism by way of examples in numbers.

¹ The data regard the last approved balance sheet.

Insert a specific warning about the maximum insurable age, if any, referring to the article of the terms of insurance for the details.

4. Waiting periods

Insert a specific warning about any waiting periods, referring to the article of the terms of insurance for the details.

5. Declarations by the policyholder on the circumstances of the risk - Health questionnaire - Voidness

Insert the warning that any false or incomplete declarations on the circumstances of the risk made at the time when the contract was underwritten could have consequences on the benefit. Refer to the articles of the terms of insurance for the consequences. Insert a warning about the necessity to give precise and truthful answers to the questions contained in the health questionnaire.

Insert a warning about any reasons for declaring the contract void, referring to the articles of the terms of insurance for the details.

6. Risk increase and decrease and changes in the profession

Indicate that the insured person must inform the undertaking in writing of any risk increase and decrease and changes in the profession, referring to the articles of the terms of insurance for the consequences of the non-notification. Set out by way of exemplification – within the covers offered by the contract – at least one assumption of relevant circumstance implying a change in the risk.

7. Premiums

Illustrate the frequency of premium payments. Specify the means of premium payment required by the undertaking.

Indicate if premiums can be paid by instalments and the increased burdens, if envisaged.

Insert the warning that the undertaking or the intermediary may apply premium discounts, indicating the conditions for their application.

Should undertakings use multilevel marketing techniques and the members of the network have the power to collect insurance premiums, insert the warning referred to in article 44 (2, d) of ISVAP Regulation n. 5 of 16 October 2006.

8. Adjustment of premium and of insured sums

Indicate whether the insured sums and the premium are subject to adjustment, referring to the article of the terms of insurance for the details.

9. Right of withdrawal

Insert a specific warning about any right of withdrawal for the policyholder, the undertaking or for both, referring to the articles of the terms of insurance for the time limits and procedures for exercising such right.

In particular, in case of multi-year contracts specify in bold types the possibility for the policyholder to withdraw, after five years, free of charge and subject to sixty-days notice.

10. Limitation period and lapse of the rights deriving from the contract

Indicate the limitation period of the rights deriving from the contract or the deadline within which they lapse.

11. Law applicable to the contract

Indicate the law applicable to the contract.

12. Taxation

Indicate the tax regime to which the contract is subject.

C. INFORMATION ON THE SETTLEMENT PROCEDURES AND ON COMPLAINTS

13. Claims - Payment of damages

Insert a specific warning on the following aspects: identification of the moment when the accident appears, existence of terms and procedures under which the accident is reported, any costs incurred for the assessment of injuries, cases in which a medical examination is required, minimum and maximum time within which the undertaking assesses the illness.

Refer to the articles of the terms of insurance for the details of settlement procedures.

14. Direct assistance - Contracted establishments and panel doctors

Insert a specific warning for the cases in which the insurance cover is provided also in the form of direct assistance, emphasizing the consequences if the policyholder does not use the contracted establishments and panel doctors. Refer to the articles of the terms of insurance for the arrangements and terms for resorting to the operations centre.

Refer to the undertaking's website for the updated list of the contracted establishments and panel doctors.

15. Complaints²

Describe the procedure to be followed on how to file complaints envisaged by regulations in force.

Specify the procedures on how to file complaints with the undertaking, and indicate the business function with the task of examining them and its addresses.

Illustrate the cases when a complaint can be filed with ISVAP.

Indicate that for the settlement of cross-border disputes complaints can be filed with ISVAP or directly with the competent foreign system³ by seeking the activation of the FIN-NET procedure.

Describe how to file complaints with ISVAP.

Indicate that the case still can be brought to court.

16. Arbitration

In case arbitration is envisaged for the resolution of any disputes between parties insert the warning that anyhow the case can be brought to court.

Indicate that the place of arbitration is the town of the Forensic Institute closest to the insured person, without prejudice to any more favourable contract terms.

* * *

Insert the following sentence: “... ***(indicate the name of the undertaking) is responsible for the truth and completeness of the data and information contained in this Information Note***”.

² Undertakings with head office in another member State shall mention the information referred to under this paragraph by indicating the competent home country authority and the procedures on how to file complaints with it.

³ The competent system can be found via the website: http://ec.europa.eu/internal_market/finances-retail/finnet/index_en.htm

Legal representative

Details and handwritten signature

Annex 9

MODEL INFORMATION NOTE INSURANCE CONTRACT AGAINST CIVIL LIABILITY IN RESPECT OF THE USE OF MOTOR VEHICLES AND CRAFT¹

Insert the following sentence: **“The present Information Note has been drawn up pursuant to the model proposed by ISVAP, but its contents are not subject to prior approval by ISVAP”.**

“The policyholder must see the Terms of insurance before the conclusion of the contract”.

Indicate in bold types that it is possible to request – at sales points and on the undertaking's website – a free customised estimate in relation to the various types of vehicles or craft, which is drafted on the basis of all the customisation elements envisaged by the premium rate and of the terms of the contract indicated by it among the possible ones offered by the undertaking.

A. INFORMATION ON THE INSURANCE UNDERTAKING

1. General Information

Insert:

- a) Corporate name, legal form and parent group (if any);
- b) address of the head office and general management if different, including the name of the State;
- c) address of any branches with which the contract will be concluded, including the name of the State;
- d) name and address of the claims representative, in case the contract is underwritten with undertakings operating on the territory of the Italian Republic by way of freedom to provide services;
- e) telephone number, Internet site and e-mail address;
- f) details of the authorisation to conduct business and of the number of registration in the Register of Insurance Undertakings. Community undertakings must specify if they operate in Italy by way of establishment or of free provision of services and indicate the supervisory authority to whose control they are subject.

2. Information on the undertaking's assets/liabilities situation²

Indicate, in million euro, the amount of the assets, specifying the part pertaining to the corporate capital and to the capital provisions.

Indicate the solvency index for non-life business, specifying that it represents the ratio between the amount of the available solvency margin and the amount of the solvency margin required by regulations in force.

B. INFORMATION ON THE CONTRACT

3. Insurance covers offered

Show the rates offered for each type of vehicle or craft, indicating briefly their functioning.

Summarily indicate the insurance covers offered by the contract, referring to the articles of the terms of insurance regulating them. Insert a specific warning about any

¹ The heading must be supplemented through the category of vehicle to which the information note refers taking account of the provisions of article 33 (4 and 5).

² The data regard the last approved balance sheet.

limitations and exclusions of insurance covers, or conditions for the suspension of the cover which may cause a reduction in or the failure to pay the compensation. Refer to the articles of the terms of insurance for the details.

Insert a specific warning about any recourses, illustrating their meaning and referring to the articles of the terms of insurance for the conditions and the effects for the policyholder.

Insert a specific warning about any deductible, excess and amounts of cover, referring to the articles of the terms of insurance for the details. To make it understandable for policyholders, illustrate the relevant mechanism by way of examples in numbers.

Specify if the contract is underwritten with or without tacit renewal by inserting a specific warning about the arrangements and terms for terminating the contract and its consequences. Refer to the articles of the terms of insurance for the details.

3.1. Extensions of the cover (if any)

Refer to the articles of the terms of insurance for any extensions.

4. Subjects excluded from the cover

Refer to the articles of the terms of insurance for the subjects excluded from the cover.

5. Declarations by the policyholder on the circumstances of the risk - Voidness

Insert the warning that any false or incomplete declarations on the circumstances of the risk made at the time when the contract was underwritten could have consequences on the benefit. Refer to the articles of the terms of insurance for the relevant consequences.

Insert a warning about any reasons for declaring the contract void, referring to the articles of the terms of insurance for the details.

6. Premiums

Illustrate the frequency of premium payments. Specify the means of premium payment required by the undertaking.

Indicate that the premium is calculated based on the customisation variables envisaged by the rate, and state that its amount includes the commissions paid by the undertaking to the intermediary.

Indicate if premiums can be paid by instalments and the increased burdens, if envisaged.

Insert a warning on the possibility for the policyholder to have back the part of the premium paid relating to the remaining period for which the risk has ceased. Refer to the articles of the terms of insurance for the details.

Should undertakings use multilevel marketing techniques and the members of the network have the power to collect insurance premiums, insert the warning referred to in article 44 (2, d) of ISVAP Regulation n. 5 of 16 October 2006.

7. Information during the term of the contract

Make a pledge to inform the policyholder in writing, at least thirty days before the expiry date of the contract, and send him/her the certificate of claims experience with the information required under current regulations.

Indicate the obligation for the undertaking to immediately inform the policyholder, without costs to be borne by the latter, of the negative changes in the bonus class.

8. Certificate of claims experience - bonus class³

Indicate the terms and procedures for sending the certificate of claims experience and its period of validity.

Refer to the articles of the terms of insurance for the determination of the universal bonus class also in case a further new vehicle is purchased.

Insert the warning that the universal conversion bonus class – the so-called CU – shown in the certificate of claims experience is a basis for comparison of the various proposals of motor liability contracts of each company.

9. Withdrawal

Illustrate the possibility for policyholder to withdraw from the contract in case of tariff changes, indicating how to exercise them and the consequences, with special regard to the days of grace.

Indicate how to withdraw in case of tariff changes exceeding the anticipated rate of inflation.

10. Limitation period and lapse of the rights deriving from the contract

Indicate the limitation period of the rights deriving from the contract or the deadline within which they lapse.

11. Taxation

Indicate the tax regime to which the contract is subject.

C. INFORMATION ON THE SETTLEMENT PROCEDURES AND ON COMPLAINTS

If the terms of insurance provide for specific arrangements for claim compensation, refer to the website for the list of car repairers.

Insert a warning on the advantages in terms of premium reduction in case a contract is chosen which provides for specific arrangements for claim compensation.

12. Procedure for damage compensation⁴

Draw the insured person's attention to the cases in which the direct compensation procedure applies. Refer to the legal provisions and to the article of the terms of insurance for settlement procedures in case the direct compensation procedure applies and in case it does not apply.

Insert a specific warning on the expiry of the period for reporting a claim.

Refer to the internet site for the indication of the competent settlement departments.

Indicate the terms by which the undertaking must settle the claim and make the payment.

13. Traffic accidents with foreign counterparties⁵

Refer to the legal provisions and to the article of the terms of insurance for the procedure to follow to obtain compensation for damage suffered in Italy and abroad from vehicles registered abroad.

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³ Show the indication, if relevant, with the rate.

⁴ For insurance contracts against civil liability in respect of the use of craft show the indications required in this paragraph, mutatis mutandis.

⁵ For insurance contracts against civil liability in respect of the use of craft show the indications required in this paragraph, mutatis mutandis.

State that in case of accident caused by an unidentified or uninsured vehicle the request must be submitted with the undertaking appointed by Fondo di Garanzia per le Vittime della Strada (the national guarantee fund) set up at Consap s.p.a. (Concessionaire for Public Insurance Services).

14. Policyholder's right to reimburse the amount settled for a claim⁶

Indicate the possibility, if envisaged, to avoid or reduce the premium increase due according to the tariff system chosen by returning to the undertaking the amount of the claims settled. Specify how this right can be exerted and the relevant consequences, also in view of the direct compensation proceedings.

15. Access to the undertaking's documents

Indicate that policyholders and injured parties can have access to documents at the conclusion of the ascertainment, valuation and settlement of their damages. Indicate the terms and procedures for exercising such right.

16. Complaints⁷

Describe the procedure to be followed on how to file complaints envisaged by regulations in force.

Specify the procedures on how to file complaints with the undertaking, and indicate the business function with the task of examining them and its addresses.

Illustrate the cases when a complaint can be filed with ISVAP.

Indicate that for the settlement of cross-border disputes complaints can be filed with ISVAP or directly with the competent foreign system⁸ by seeking the activation of the FIN-NET procedure.

Describe how to file complaints with ISVAP.

Indicate that the case still can be brought to court.

* * *

Insert the following sentence: “... ***(indicate the name of the undertaking) is responsible for the truth and completeness of the data and information contained in this Information Note***”.

Legal representative

Details and handwritten signature

⁶ Show the indication, if relevant, with the rate.

⁷ Undertakings with head office in another member State shall mention the information referred to under this paragraph by indicating the competent home country authority and the procedures on how to file complaints with it.

⁸ The competent system can be found via the website: http://ec.europa.eu/internal_market/finservices-retail/finnet/index.en.htm