

CALL FOR TENDER FOR THE SELECTION OF A CANDIDATE TO MANAGE SECOND PILLAR PENSION PROVISION IN ANNUITY FORM

Assofondipensione, the contractual pension fund association, in the name and on behalf of the pension fund members who have expressed an interest in the shared initiative (see Annex A – Pension fund participants), has decided to proceed with the selection of one or more insurance companies authorized to provide insurance on the length of human life, satisfying the requirements set out by ISVAP under Legislative Decree n. 209/2005 and its successive modifications and additions, from those candidates exhibiting the following characteristics:

1. registered office in one of the EU member states with at least one branch office in Italy¹;
2. a rating level not lower than “A-“, corresponding to “High Credit Quality” (Standard & Poors or equivalent definition);
3. an income from premiums in life insurance at least equivalent to € 100m in the financial year 2007;
4. solvency index equivalent to at least 140%.

The above-mentioned characteristics represent the mandatory conditions required for participation in the selection process and must be maintained for the whole duration of the contract.

In the case of joint participation by several insurance companies, compliance with the aforementioned requirements must be fulfilled by the principal company, except for the requirement regarding the presence of at least one branch on Italian territory, which may also be satisfied by another firm among the joint participants (the so-called RTI, “Raggruppamento Temporaneo di Imprese”). To avoid exclusion, however, the RTI must guarantee the collective responsibility of the firms involved and that the duration of the RTI shall correspond to the duration of the contract (10 years).

The offers, written in Italian and accompanied by the questionnaire (fully completed and provided both in paper form and on magnetic media, “cd-rom” or “dvd”), from candidates satisfying the aforementioned requirements (with information on the firm’s name, business organization relating to the service required, bidders’ shareholders and holding company if pertinent) must be received by Assofondipensione, Via Vittor Pisani, 19 – 20124 MILAN, by and not later than 12.00 on 7th July 2008 and must be accompanied by technical specifications and related economic details as indicated in Annex B – Questionnaire, with reference to the following types of provision:

- i. single premium immediate life annuity with profits;
- ii. with-profit single premium joint life and survivor annuity with one or more beneficiaries, where the contributor may opt for a survivor annuity within the range 50 to 100%;
- iii. with-profit immediate life annuity with 5- or 10-year guarantee period, and single premium life annuity thereafter;
- iv. with-profit single premium immediate life annuity with protection against the death of the insured, with repayment of the residual value to the beneficiary or the option to create a new single premium immediate life annuity for the beneficiary equal to the residual value;
- v. with-profit immediate single premium annuity with long-term care insurance option.

Only tenders relating to:

- o all five types of annuity
- o the first four types of annuity excluding that indicated in point v.
- o only type of annuity indicated in point v.

will be considered.

¹ For the characteristics of the branch office and the legal representative’s powers, please see the rules set out in art. 23 of Legislative Decree n° 209/2005, under the heading “Activities under establishment basis”.

The length of contract will be for ten years from the date of the stipulation.

The insurance company selected will not have the right to withdraw early from the contract for its entire duration.

All offers must comply with the following minimum requirements, or else the candidate shall be excluded from the selection process:

- the technical rate and the guaranteed rate of interest – which must be of equal value – must be equivalent to at least 2.25%, when allowed, at the time of selection and stipulation of the contract, by ISVAP;
- The demographic reference base for the bid should not include age-shifting mechanisms.;
- The withdrawal rate (if foreseen) will be equivalent to at least 94% of the yield of separate management with a fixed maximum yield withheld equivalent to 0.6%;
- Charges can be expressed exclusively as a percentage of the premium;
- The firm will be responsible for the payment of annuities.

The offers for individual types of annuity will not be lower than the conversion rates shown for 1 Euro of premium as in Annex C-minimum values. Failure to comply will exclude the candidate from the selection process.

Payment of the annuities will include the following activities:

- a) Data capture by the IT system of data and parameters relating to the structure and governing rules of the pension fund;
- b) Data capture by the IT system of data relating to the beneficiaries and survivor beneficiaries if pertinent;
- c) Issue of receipts with personal details of the beneficiary and the amount of the guaranteed payment;
- d) Administration of reports to be sent to the pension funds, the supervising Authority and third parties indicated by the pension fund itself;
- e) Setting up a IT connection with the pension fund and the administrative and accounting managers;
- f) All the activities necessary for the administrative management of annuities to be paid, e.g.:
 - o communications with the INPS pension holder database (Casellario Centrale dei pensionati Inps) on behalf of the pension fund;
 - o payment of annuities on behalf of the pension fund;
 - o fulfillment of the tax obligations on behalf of the pension fund;
 - o checking whether the insured is alive and recovery of annuity instalments paid but not falling due under the terms of the annuity contract.

The activities must be described in detail and for those corresponding to point f) the relative price within the offer as a whole, expressed as a percentage of the premium, must be indicated.

Information on how to fill in the questionnaire can be requested via e-mail only at this e-mail address: assofondipensione@cometafondo.it before and no later than June 30th 2008.

Should candidates make mistakes in filling in the questionnaire or make other formal mistakes, they will be excluded from the tender.

Unless the offer arrives in a sealed envelope bearing the following wording : “Candidatura per la gestione delle rendite – Assofondipensione” it will be excluded. The offer and the attached documentation may not be sent via e-mail.

Each envelope must contain the following documentation for all the firms taking part in the selection process:

- a) the completed questionnaire in paper format, with the appendices required, and each page initialled by the legal representative of the company, or by a person empowered to represent the company, with his/her signature on the final page;

- b) the questionnaire in an electronic version (Annex B – Questionnaire), using the file provided by Assofondipensione, with all the required annexes;
- c) the declaration written according to the scheme provided under Annex D, signed by the legal representative of the insurance company or by a person empowered to represent the company, containing:
 - 1. consent to the processing of personal data;
 - 2. a statement that the data provided are true and complete, signed by the legal representative of the insurance company or by a person empowered to represent the company;
 - 3. self-certification that the insurance company has the characteristics required for application by Law and by this call for tender, signed by the legal representative of the insurance company or by a person empowered to represent the company;
 - 4. a statement that the questionnaire completed on paper reports the same answers and data as the electronic version;
 - 5. an undertaking to sign a contract with each of the participating pension funds (cf. Annex A) at the same conditions set out in the offer; those conditions will not be modified for the whole duration of the contract, except in the case of a reduction in the maximum guaranteed rate of interest, determined by ISVAP, according to art. 33 of Legislative Decree n. 209 of 7 September 2005 and its successive modifications and additions, by 0,5% or more, compared with the guaranteed rate of interest stipulated in the tender. In such a case, the change in the financial conditions will be applicable to the tariffs stipulated in the agreement, with exclusive reference to those beneficiaries not yet included in the agreement. In any case, it is agreed that the non-modification of the guaranteed rate of interest can be accepted.

The tenders may be further analysed in meetings with the insurance companies shortlisted by the relevant Assofondipensione bodies.

The selection of the winning tender according to points i., ii., iii. and iv and the winning offer for the type of benefits according to point v. will be at the total discretion of Assofondipensione.

This announcement constitutes a call to tender, and does not fall under the scope of article 1336 of the Italian civil code. Neither does this announcement imply any obligation for Assofondipensione, nor does it confer any rights of any kind with reference to Assofondipensione to the insurance companies who submit a tender.

Each pension fund participating in this tender will sign an individual contract with the insurance company/ies selected.

Personal data communicated in the offers will be processed in accordance with Legislative Decree 196/2003. These data will be used exclusively for the selection of the offers, and will be communicated to the pension funds participating in this tender and to the Assofondipensione consultant, Mefop SpA. Assofondipensione will be responsible for the processing of this data and guarantees the rights indicated in Legislative Decree 196/2003.