

Dear Sirs,

We would like to take this opportunity to welcome the issuance of CP 41.

While we support the principle of greater transparency in the corporate governance regime, especially in view of the apparent practices within the Banking sector, we believe that the principle of proportionality (as referred to in paragraph 1.4 in the preamble to the CP) is a key tenant of the CP and request that this is expanded on further.

Eni Insurance Limited (EIL) is a company whose underwriting risks are exclusively connected to the Eni Group. The Company reinsures part of its portfolio with the market or other reinsurance institutions. Consequently EIL has no contact with any "consumer" and does not offer any kind of insurance cover to the public

In our opinion that there should be recognition that captives and companies such as ENI are predominantly influenced by the parent group through the group board appointees and any exposure to any 'consumer' either does not exist or is very limited.

In consideration of that, here below we have listed some comments on review of CP 41.

Setting a minimum number of directors at 5, with a majority of independent non executive directors, would make captive insurance companies unviable. Moreover there is no reason for a captive, that by definition insures 'own risk', to require a board where the independent directors are predominant. A 'captive' owner will not allow a majority of independent directors on the captive board since it will potentially lose 'control' over the Groups subsidiary operation.

The Financial Regulator (FR) proposes monthly board meetings; considering the nature and the activity of a company as EIL, the number of meetings requested would be in excess in relation to the real necessity to take relevant decisions for the company's management.

Moreover, with such frequency of boards, the executive directors would not have sufficient time available to fulfill their roles if they are to spend a lot of time either attending or preparing for board meetings.

It is difficult to understand the rationale of the proposal that the Chairman of a company such as EIL should be an independent director and would not be acceptable for a captive. A 'captive' owner will not allow its subsidiary company to be chaired by an independent since it will potentially lose 'control' over the Board of Director management. There is also ENI's own internal corporate governance principle to consider.

In summary therefore the proposals set out under CP 41 can be viewed as 'a one size fits all approach' potentially inhibiting business to business relationships.

Best regards,

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Luigi Marnetto
General Manager