

“REGOLAMENTO” OF THE STOCK OPTION PLAN OF BANCA INTESA SPA

(Text approved by the Board of Directors on 17th December 2002 and modified by the Board's resolutions of 10th February 2004 and 26th April 2005)

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1. Preamble

The introduction of a plan aimed at motivating management – for the purpose of introducing as qualifying element the assignment of ordinary shares issued by Banca Intesa Spa (hereafter also the “Bank” or the “Company”) – derives from the need to develop a culture strongly oriented to shareholder-value-creation, consistent with principles at the base of the new 2003-2005 Business Plan.

From this point of view, the plan is aimed at motivating management to focus on programmed results, by connecting a significant part of the compensation of a wide number of managers to the capital gains registered by the share on the market and therefore to the production of shareholder value.

The present regulation (hereafter, the “Regolamento”), which disciplines the Stock Option Plan (hereafter, the Plan), was prepared as execution of and according to the guidelines defined by the Board of Directors of 12th November 2002 and approved by the Extraordinary Shareholders' Meeting of 17th December 2002. The Regolamento has been defined considering pension and tax regulations and all other applicable regulations in force.

The clauses of the Regolamento must be considered together.

2. Objectives of the Plan

The Plan sets forth the assignment, for free, of Rights (hereafter, the Options) to acquire new Banca Intesa Spa ordinary shares (hereafter, the “Shares”), to the management of Gruppo Banca Intesa (hereafter, the “Beneficiaries”). For this purpose the Company’s Extraordinary Shareholders’ Meeting on 17th December 2002 delegated the Board of Directors, for a five-year period starting from the date of the resolution, the power to increase share capital one or more times, with the exclusion of pre-emptive rights for existing shareholders pursuant to Art. 2441, par. 8, of the Italian Civil Code, for a maximum amount of 52,000,000.00 euro through the issue of a maximum of 100,000,000 Banca Intesa ordinary shares of nominal value 0.52 each, to be offered for subscription to the management of the Bank and of other companies of Gruppo Banca Intesa (hereafter, the “Group”). The Options confer the right to subscribe the Shares issued in the capital increase to service the Plan, according to the terms and conditions provided for in the present Regolamento, at a ratio of one Share, starting to accrue rights as of 1st January of the year of subscription, for every Option exercised, save for the adjustments provided for in Art. 11.

The Beneficiaries have the right to receive dividends which the Shareholders' Meeting has resolved to distribute only after the issue of the Shares consequent to the exercise of the Options.

3. Management of the Plan

The body responsible for the management of the Plan is the Company’s Board of Directors, having heard the opinion of the Board of Statutory Auditors.

The Board of Directors will inform Shareholders each year, at the time of the Shareholders' Meeting for the approval of the annual financial statements, of the Plan’s development and, in particular, on Options assigned and on those exercised.

4. Participation to the Plan

The Plan is destined to the management of the Group and may also involve employees which are not “dirigenti”, but have roles deemed to be strategic for the purpose of the achievement of the objectives in the Company’s 2003-2005 Business Plan.

In total the Plan may involve up to a maximum of 250 positions.

On the date of assignment of the Options all Beneficiaries must be employed by the Bank or by other Group subsidiaries (also with term contracts, provided these expire at least three years after the Options’ assignment date).

5. Assignment of the Options

The Options are assigned to the Beneficiaries on the basis of the position they hold at the time in which the rights are offered.

The Plan sets forth two assignment cycles, the first within 31st January 2003 and the second within 31st July 2003.

The Options are divided in two different categories, based on the different performance objectives which are the condition for the exercise of the Options themselves: the first category, "Class A Options", refers to rights to be assigned to all the Beneficiaries of the Plan; the second category, "Class B Options" distributed in addition to Class A Options, refers to rights to be assigned to the CEO and the other managers identified by the Board of Directors, following the proposal made by Banca Intesa's CEO.

The Beneficiaries of the Plan and the number of Class A Options, and of any Class B Options, to be assigned to each of them are identified by the Board of Directors, following the proposal made by Banca Intesa's CEO.

The number of Class A and Class B Options to be assigned to the CEO is decided by the Board of Directors, on the proposal of the Remuneration Committee.

The Human Resource and Organisation Department, after the Board of Directors' Meeting which approves the Regolamento and determines the Options strike price, sends to each of the Beneficiaries a specific written communication, specifying:

- a) the total number of Options assigned;
- b) the subscription price of the Shares;
- c) the position for which the Options have been assigned.

The present Regolamento is attached to the communication and each Beneficiary must return it signed, to testify the integral acceptance of the Regolamento.

6. Conditions for the exercise of the Options

The exercise of the Options is conditional upon the achievement of the following performance objectives for each of the years to which the Options refer (2003, 2004, 2005):

1. Class A Options: the return on the Banca Intesa ordinary share for the reference fiscal year be at least equal to the average return on BTP (fixed income Government bonds) with a three-year maturity registered in the offering of such bonds to the market in the reference fiscal year;
2. Class B Options: the return of the Banca Intesa ordinary share for the reference fiscal year be at least equal to twice the average return on BTP (fixed income Government bonds)

with a three-year maturity registered in the offering of such bonds to the market in the reference fiscal year.

The return of the Banca Intesa ordinary share is defined by the following formula: $(a + b)/c$, where:

a = variation in the value of the share in the reference fiscal year

b = dividend relative to the reference fiscal year

c = value of the share at the close of the fiscal year preceding the reference fiscal year.

Moreover, for both Classes of Options a further minimum requirement for the exercise of the rights referred to the fiscal years 2004 and 2005 is that the financial indicator EVA[®] in 2004 is positive and that EVA[®] for 2005 is higher than in the previous year;

It is in any case possible to exercise the Options for which, in the reference period, the objectives set forth in the preceding paragraph have not been met, provided that the rise in the value of the Banca Intesa ordinary share which should have been recorded in that reference period is recovered in the subsequent reference years.

The exercise of the Options is conditional upon the existence of an employment relationship with the Bank or one of the companies belonging to the Group at the time of the exercise of the rights, save for what provided for by Art. 12.

The exercise of the Options is also conditional upon the fact that the Beneficiary remains in the position identified at the time of the assignment of the Options. Therefore, if the Beneficiary has been destined to a position other than those provided for, all the Options for which, at the date of assignment to the new position, the condition indicated in the first paragraph has not been met, are considered immediately expired without any right to indemnity or reimbursement of any type for the Beneficiary.

7. Exercise of the Options (price, times and means)

The Options' strike price is determined by the Board of Directors as the arithmetical average of the stock prices struck on the regulated market managed by Borsa Italiana Spa (MTA) in the period from the date of assignment of the Options (corresponding to the date in which the Board of Directors identifies the Beneficiaries and offers them the Options) to the same day of the previous calendar month. In any case, the strike price will be no lower than the nominal value of the shares issued.

The Options may be exercised, with one or more requests for each year, indicating all or part of the Options which may be exercised, exclusively from 1st to 31st May (hereafter, the "Exercise Period") of 2005 and 2006, as concerns the assignments referred to the fiscal years 2003 and 2004, and of 2006 and 2007, for the assignments referred to 2005.

The Options assigned and not exercised within the dates indicated in the preceding paragraph (expiration date) expire and consequently no longer confer any rights to the Beneficiary or his/her heirs or legatees.

In the case of tender offers made on the ordinary shares of Banca Intesa Spa, all Options assigned for which the condition provided for by Art. 6, first paragraph, has been met, may be exercised immediately, even outside the Exercise Periods.

8. Nominativity and transferability of the Options

The Options are in the name of the Beneficiary, they are personal and not transferable, except for the case of death of the Beneficiary – as provided for by Art. 12 – and cannot be deposited as pledge or guarantee in favour of third parties.

9. Availability of the Shares

The Shares which will be acquired following the exercise of the Options will be freely transferable and will not be subject to any constraints.

10. Assignment of the Shares

The Beneficiary who intends to proceed to the exercise of all or part of the Options must give written and irrevocable communication of this, anticipated by fax, to the Human Resource and Organisation Department. The communication must indicate:

- a. the number of Options for which the exercise is requested,
- b. the data of the payment order in favour of the Company for the amount corresponding to the product of the subscription Price and the number of Shares subscribed;
- c. the data of the securities deposit of the Beneficiary at one of the intermediaries member of the Monte Titoli system, in which the Beneficiary requests to deposit the subscribed Shares, if they are not simultaneously sold on the market.

The Shares will be made available to the Beneficiary, after the payment of the subscription price, by the Human Resource and Organisation Department according to the time necessary for the issue of the Shares by the Company.

11. Operations on the Company's capital

In the Shareholders' Meeting resolutions on the following operations:

- a. Shares splits and groupings;
- b. Free increases in the Company's capital;
- c. Paid-up increases in the Company's capital;
- d. Company merger and spin-off;
- e. distribution of extraordinary dividends to the Shares with withdrawal from the Company's reserves;
- f. assignment to Shareholders of assets in the Company's portfolio;
- g. reduction in the Company's share capital;

the Board of Directors will assess if it is necessary to adjust the subscription price and/or the number of underlying Shares, for the Options to be exercised. For this purpose it will proceed according to the generally accepted standard practices of the financial markets and, as far as possible, comply with the adjustments applied by Borsa Italiana Spa related to ISO α option contracts on the Shares, traded in the Derivatives market managed by Borsa Italiana Spa.

In the aforementioned occasions, the Board of Directors may limit and/or suspend the exercise of the Options in relation to the needs of the Company. The parties involved will receive written communication of such determinations.

12. Termination of the employment relationship

In case of termination of the employment relationship, due to resignation or firing for a right cause, the Beneficiary loses all rights, therefore all the Options assigned to him/her by the Plan and not yet exercised immediately expire, without any right to indemnity or reimbursement of any type for the Beneficiary.

In the case of sale to third parties of the Company with which the Beneficiary has the employment relationship or of termination of the employment relationship with the Bank of other Group companies by mutual consent – such as, for example, due to retirement or expiry of the term contract – the Beneficiary, as partial derogation to provisions in Articles 6, penultimate paragraph, and 7, second paragraph, has the right to exercise in one solution all the Options already assigned for which, at the date of cessation of the relationship, the condition set forth in Art. 6, first paragraph has already been met. The exercise of the Options may occur in every Exercise Period subsequent to the date of cessation, also as derogation of Art. 7, second paragraph, and in any case not after the expiration date set forth by Art. 7, third paragraph.

In case of death of the Beneficiary, his/her heirs or legatees, as partial derogation to provisions in Articles 6, penultimate paragraph, and 7, second paragraph, conserve the right to exercise in one solution all the Options already assigned for which, at the date of death, the condition set forth in Art. 6, first paragraph has already been met. The exercise of the Options may occur in every Exercise

Period subsequent to the date of death, also as derogation of Art. 7, second paragraph, and in any case not after the expiration date set forth by Art. 7, third paragraph.

13. Administration of the Plan

The administrative management of the Plan has been entrusted to the Human Resource and Organisation Department which must:

- inform, promptly and in writing, Beneficiaries of all the relevant events for the purposes of the Plan and the Regolamento;
- provide Beneficiaries with all the indications necessary for the exercise of the Options, for each year in which it is possible to exercise them;

14. Acceptance of the assignment of the Options

The acceptance must be made in writing to the Bank, within and no later than thirty days from the receipt of the communication provided for by Art. 5 of the present Regolamento.

15. Arbitration

All controversies deriving from the present Regolamento, including those relative to its validity, interpretation, execution and termination, will be resolved, independently from the number of parties, by an Arbitration Board made up of three members, one of whom acting as Chairman, appointed directly by the Camera Arbitrale Nazionale e Internazionale of Milano, which acts based on the Regolamento Arbitrale Nazionale which all parties declare to know and integrally accept.

The arbiters will proceed as required by standard practices and the Law.