International
Comparative
Legal Guides

Insurance & Reinsurance 2021

A practical cross-border insight into insurance and reinsurance law

10th Edition

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Italy


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1 Regulatory

1.1 Which government bodies/agencies regulate insurance (and reinsurance) companies?

IVASS (*Istituto per la vigilanza sulle assicurazioni*) (formerly ISVAP – *Istituto per la vigilanza sulle assicurazioni private e di interesse collettivo*) is the independent Italian supervisory authority for insurance and reinsurance companies and intermediaries.

IVASS has the power of authorisation, direction, inspection, enforcement of precautionary measures and sanctions, as well as the adoption of any regulation necessary for the sound and prudent management of insurance undertakings or for disclosure and fairness of behaviour by supervised entities, including the control of intermediaries registered in the Register of Insurance and Reinsurance Intermediaries ("**RUI**").

1.2 What are the requirements/procedures for setting up a new insurance (or reinsurance) company?

Insurance or reinsurance companies with head offices in Italy have to first obtain authorisation from IVASS and then register in the companies register before starting business in Italy.

The application for authorisation must provide the necessary documents and information in the Italian language (as better specified in Italian Legislative Decree no. 209 of 7 September 2005 (*Codice delle Assicurazioni Private* – Private Insurance Code – "**CAP**") and by ISVAP Regulation no. 10 of 2 January 2008).

IVASS shall grant authorisation if the following conditions – similar to those under the Solvency II Directive – are met:

- the undertaking is a *società per azioni* (company limited by shares), *società cooperativa* (cooperative company), *società di mutua assicurazione* (mutual undertaking), European Company ("**SE**") or European Cooperative Society ("**SCE**");
- the undertaking has its head office (*direzione generale*) and administrative offices in Italy;
- the undertaking holds the eligible basic own funds to cover the absolute floor of the Minimum Capital Requirement ("**MCR**") as better specified in art. 47-*bis* ss. CAP;
- the undertaking shows evidence that it will be in a position to continuously hold eligible own funds to cover the Solvency Capital Requirement ("**SCR**") and the MCR;
- the undertaking provides the scheme of operations pursuant to art. 14-*bis* CAP for the first three financial years together with the memorandum of association (*atto di costituzione*) and articles of association (*statuto*);
- shareholders/members of qualifying holdings meet the requirements of good reputation (art. 77 CAP) and there are sufficient grounds for granting the authorisation as envisaged in art. 68 CAP;
- the undertaking will be in a position to comply with the corporate governance system (art. 30 ss. CAP);
- the persons in charge of administration, management and control functions and those who carry out key functions, also when outsourced, meet the requirements of professional and good reputation and independence (art. 76 CAP);
- there are no close links between the undertaking or the group entities and other natural or legal persons, which may prevent the effective exercise of supervisory functions; and
- the undertaking provides an indication of the name and address of the claims representative appointed in each of the other Member States, if compulsory insurance against civil liability in respect of the use of motor vehicles and crafts is offered.

IVASS shall issue the authorisation order within 90 days from the filing of the application, without prejudice to the suspension or interruption of the authorisation procedure. IVASS shall send the order to the undertaking, and publish it in the Italian Official Journal and in IVASS' Bulletin. The undertaking may then start business after its registration in the companies register.

Please note that the undertaking may pursue business (i) in one or more life classes/risks, (ii) in one or more non-life classes/risks, or (iii) simultaneously, only in life assurance and accident and sickness insurance. Otherwise, the simultaneous conduct of business in life and non-life classes is prohibited.

Please also note that it is prohibited to set up insurance and reinsurance companies in Italy which shall exclusively write business abroad.

For foreign insurers, please refer to question 1.3 below.

Please note that in derogation to the aforementioned rules, Lloyd's syndicates – represented in Italy by the General Representative with offices in Milan – have been authorised by Ministerial Decree of 2 July 1986. Please note that particular rules need to be complied with when writing business with Lloyd's.

You can find further information and English translations of CAP and ISVAP/IVASS Regulations on IVASS' website (www.ivass.it).

1.3 Are foreign insurers able to write business directly or must they write reinsurance of a domestic insurer?

Foreign insurers can write business in Italy in one or more life or non-life classes, if they have a head office in an EEA country, either by setting up a branch under the right of

freedom of establishment ("**FOE**") or under the freedom to provide services ("**FOS**") in compliance with EU and applicable national laws. The competent foreign supervisory authority has to inform IVASS before starting the business. IVASS publishes a list of EU undertakings operating in Italy under FOS or FOE.

Foreign insurers with head offices outside the European Union may write business in Italy in one or more life or non-life classes only through a branch set up in Italy, subject to obtaining prior authorisation from IVASS.

Foreign insurers can also write reinsurance of a domestic insurer. However, the latter should not be a domestic insurer offering only fronting cover.

More details are provided in CAP and ISVAP Regulation no. 10 of 2 January 2008.

1.4 Are there any legal rules that restrict the parties' freedom of contract by implying extraneous terms into (all or some) contracts of insurance?

The freedom of contract can be limited by mandatory Italian civil and regulatory provisions as well as EU law.

For example, with regard to compulsory insurance against civil liability in respect of motor vehicles and crafts (boats), art. 128-*bis* CAP provides minimum amounts of cover, art. 132 CAP the obligation to insure, art. 132-*ter* CAP compulsory discounts, and art. 170-*bis* CAP no automatic renewal.

Similarly, EU Regulation 785/2004 provides limits per passenger of SDR 250,000.

Moreover, insurance policies are normally standard agreements/consist of general terms and conditions, which are subject to evaluation under the unfair contract term rules, and specifically those for the protection of consumers.

In this regard, the Italian Antitrust Authority (*Autorità Garante della Concorrenza e del Mercato* – "**AGCM**") is entitled by law to evaluate and to ascertain the unfair nature of contractual terms through an *ex officio* inquiry or following a complaint. If an inquiry is started, a mandatory online consultation is carried out on AGCM's website for 30 days, in which ANIA, the association of insurance companies, and intermediaries and consumer associations can also participate. The decision adopted by AGCM, if terms are considered unfair, is also published on its website, the website of the company, and any other medium in order to duly inform the consumers. The refusal of publication of the decision can be sanctioned with an administrative fine.

In order to avoid such inquiries, professionals and companies can also request a prior verification by AGCM on whether the terms they intend to use in contracts with consumers are unfair. The decision is normally taken within 120 days.

The following terms in insurance contracts were considered unfair by AGCM in the last few years:

- 2017 (CV 158) – multirisk accident and sickness policy – clauses excluding the transfer of an indemnity right for permanent invalidity to the heirs and clauses laying down the criteria for the determination of the indemnity in a very general and incomprehensible manner.
- 2018 – accident and sickness policies – clauses that do not allow the insured's heirs to be entitled to benefits in case their relative dies for a cause other than the one that determined the disability, before the company has carried out its medical assessments on the permanent consequences of the disability.

  Please note that in this case, IVASS invited all insurance companies by sending a letter to the market to verify whether their sickness and accident policies contain clauses of the type described above, and if so, to modify them within 120 days.
- 2019 – accident and sickness policies – clauses on non-ritual arbitration regarding medical issues in respect to the determination of the indemnity.

For sake of completion, please note that AGCM can also investigate and fine insurance companies for unfair commercial practices. For example, AGCM just started investigations against three big insurance companies for unfair commercial practices regarding the liquidation of damages of motor vehicle liability claims. In particular, the insurance companies have allegedly not indicated the criteria for the quantification of the compensation or the reasons for the refusal. Moreover, the companies allegedly impeded the consumers' right to access the claim files through delaying, obstructive or unjustified denial of the filed claims.

1.5 Are companies permitted to indemnify directors and officers under local company law?

Under Italian corporate law, the shareholders' meeting can resolve to take over the payments due for specific legal proceedings and for specific damages to third parties caused by the directors, as well as to waive specific claims of recourse *vis-à-vis* the directors, but not in general.

It is not possible to discharge the directors in general and in advance from the responsibility of acts of wilful misconduct and gross negligence. It is advisable to make a case-by-case review also in the light of the vast case law.

D&O Insurance coverage is possible and advisable.

1.6 Are there any forms of compulsory insurance?

Apart from compulsory insurance with social security authorities, the law provides compulsory insurance with private insurance undertakings regarding in particular:

- civil liability insurance for motor vehicles and crafts (boats);
- civil liability insurance of organisers of motor vehicle competitions;
- civil liability insurance for ships and aircrafts; and
- professional liability/indemnity insurance (for example, for insurance intermediaries (individuals), lawyers, tax advisors, physicians, architects, tour operators, etc.).

Moreover, some collective national labour agreements provide for insurance protection for employees.

Finally, fire insurance is compulsory for real estate as this is a contractual condition for the granting of real estate loans by banks.

2 (Re)insurance Claims

2.1 In general terms, is the substantive law relating to insurance more favourable to insurers or insureds?

Generally speaking, the substantive law relating to insurance can be considered neutral. However, consumer protection is also applicable to insurance, which means that Italian law can be considered consumer-friendly.

There is also a tendency of strong consumer protection by the Italian courts. And finally, AGCM has considerable powers regarding consumer protection (see question 1.4 above).

2.2 Can a third party bring a direct action against an insurer?

Only in case of compulsory motor vehicle or craft insurance, a third party injured in an accident caused by a motor vehicle or

craft subject to compulsory insurance can bring a direct action against the insurer of the liable party within the limits of the amounts insured (art. 144 CAP).

Similarly, damaged passengers can directly sue the insurer of the air carrier according to art. 942 of the Italian Navigation Code.

Otherwise, a third party cannot bring a direct action against the insurer, with whom the third party has no contractual relationship.

2.3 Can an insured bring a direct action against a reinsurer?

No.

Exceptions may be provided in the reinsurance agreement.

2.4 What remedies does an insurer have in cases of either misrepresentation or non-disclosure by the insured?

Art. 1892 of the Italian Civil Code provides the right of the insurer to request the cancellation of the insurance policy in case of wilful or gross negligent misrepresentation or non-disclosure by the policyholder regarding circumstances that, if known by the insurer, the latter would not have entered into the contract or not at the same conditions. If such cancellation request is not made within three months from the date on which the insurer got knowledge of the misrepresentation or non-disclosure, the insurer loses its cancellation right.

In case of misrepresentation of non-disclosure without wilful misconduct or gross negligence, art. 1893 of the Italian Civil Code provides the right of the insurer to terminate the contract within three months from the date of knowledge of said misrepresentation or non-disclosure.

2.5 Is there a positive duty on an insured to disclose to insurers all matters material to a risk, irrespective of whether the insurer has specifically asked about them?

There is an indirect duty for the insured to disclose all matters material to a risk as the insurer, as mentioned at question 2.4 above, can otherwise cancel or terminate the contract. Moreover, art. 1897 ss. of the Italian Civil Code imposes on the insured the obligation to disclose any circumstance in case of reduction or worsening of the insurance risks.

2.6 Is there an automatic right of subrogation upon payment of an indemnity by the insurer or does an insurer need a separate clause entitling subrogation?

Art. 1916 of the Italian Civil Code provides the subrogation of the insurer in the rights of the insured *vis-à-vis* the third party liable up to the amount of indemnification paid.

Moreover, art. 141 CAP provides a right of recourse for motor vehicle and craft liability insurance, which paid the damages of its injured client against the insurance undertaking of the party liable under civil law.

3 Litigation – Overview

3.1 Which courts are appropriate for commercial insurance disputes? Does this depend on the value of the dispute? Is there any right to a hearing before a jury?

Generally, civil courts are competent in Italy for commercial insurance disputes.

Under Italian civil procedure law, the competence of the courts depends on the value of the dispute and territorial competence.

The Justice of Peace/local court of first instance (*Giudice di Pace*) is competent for (i) insurance disputes for a value not exceeding EUR 5,000 (EUR 30,000 starting from 31 October 2021), and (ii) disputes regarding damages caused by motor vehicles and crafts for a value not exceeding EUR 20,000 (EUR 50,000 starting from 31 October 2021).

The tribunal/district court of first instance (*Tribunale*) has general competence over all other insurance disputes.

Please note that mediation (*mediazione*) is a mandatory pre-condition for ordinary civil proceedings regarding an insurance, banking or finance contract.

Instead, special ADR proceedings with the assistance of lawyers (*negoziazione assistita*) are a mandatory pre-condition for bringing an action for damage claims regarding the compulsory motor vehicle and craft liability insurance and any claims for payment – for whatever reason – up to EUR 50,000.

Under Italian law, there is no right to a hearing of civil law disputes before a jury.

3.2 What, if any, court fees are payable in order to commence a commercial insurance dispute?

Court fees have to be paid in advance by the claimant when bringing an action before court, depending on the value of the dispute and the level of jurisdiction (*contributo unificato*). The calculation of the court fees has to be made according to Italian Legislative Decree no. 132/2014 as subsequently amended. Additional stamp duties may be due.

3.3 How long does a commercial case commonly take to bring to court once it has been initiated?

Court proceedings start with the service of the writ of summons by the claimant to the defendant at least 90 calendar days (150 calendar days in case of service abroad) prior to the date of the first hearing indicated by the claimant in the writ of summons (such hearing can be confirmed or rescheduled by the judge). The duration of the proceedings depends on the judge's workload, entrance into evidence-taking phase with hearing of witnesses and/or laying down of expert opinion or not, possible settlement attempts, etc. We would estimate that first instance proceedings could take up to one/two years before the Justice of Peace and two/three years before the district court. Appeal proceedings can take approximately a further two years. Proceedings before the Italian Supreme Court (*Corte di Cassazione*) normally have a duration of two years.

Please note that actions for damages caused by motor vehicles or crafts for which compulsory insurance is required can only start after 60 days (90 days in case of personal injury) have elapsed from the date when the injured party filed a written claim for damages with the insurance undertaking (for details, please refer to art. 145 ss. CAP).

3.4 Have courts been able to operate remotely, where necessary, given COVID-19, and have there been any delays or other significant effects upon litigation as a result of COVID-19?

Due to the COVID-19 lockdown in spring 2020, the courts were closed and any terms suspended during that period. Afterwards, some hearings were/are being held in writing or through video-conferencing, others were/are being postponed in order to

comply with COVID-19 protection rules. In any case, according to our experience, proceedings are generally being delayed due to the COVID-19 pandemic.

4 Litigation – Procedure

4.1 What powers do the courts have to order the disclosure/discovery and inspection of documents in respect of (a) parties to the action, and (b) non-parties to the action?

In Italian civil proceedings, the powers of the court to order the disclosure of documents are very limited.

If a document giving evidence of a fact is in no way available to a party, but it is the only possible means to prove such fact, the latter can request the court to order the disclosure of such document from the other party/ies of the proceedings or from a third party. The court, upon its discretion, can order the exhibition/disclosure of said document.

The disclosure can be omitted if doing so would cause considerable damage or the party concerned is bound by a professional confidentiality obligation (e.g. attorney-client privilege).

If the party concerned does not disclose the document without any reason, the judge can take such behaviour into account when taking a decision.

Moreover, the requesting party may also require the seizure of the document for evidence reasons *vis-à-vis* the other party/ies or even a third party.

In any case, the court can request according to its discretion – *ex officio* or upon request of a party – the public authorities to provide written information with regard to deeds and documents of said public authority, to which the party has no access.

4.2 Can a party withhold from disclosure documents (a) relating to advice given by lawyers, or (b) prepared in contemplation of litigation, or (c) produced in the course of settlement negotiations/attempts?

Documents and correspondence exchanged between lawyers, including those regarding settlement negotiations/attempts, are confidential under the professional law and cannot be disclosed.

Moreover, documents containing legal advice to clients are subject to the attorney-client privilege.

4.3 Do the courts have powers to require witnesses to give evidence either before or at the final hearing?

Witnesses are heard in the so-called evidence-taking phase of the proceedings, which normally takes place before the final hearing.

Witness hearing can be admitted by the court, if requested by one or more parties to the proceedings, and the court considers this necessary. Please note that there are specific rules and terms of exclusion for proceedings regarding motor vehicle liability insurance. In the witness evidence-taking request, the party/ies have to identify the witness(es) and to lay down in writing the question(s) to be submitted to the witness(es), which have to start with "Is it true…".

However, the court has the power (i) to order the witness to provide further information or clarifications with regard to the question(s) submitted, (ii) to hear again those witnesses who made contrasting statements, and (iii) to hear further witnesses indicated by other witnesses when giving evidence.

Moreover, only in proceedings attributed to one single judge before the district court, the judge has the power to order witness hearing *ex officio* if one or more parties referred in its brief(s) to persons having knowledge about the truth of the facts.

If witnesses do not appear before the court without any justification, the court can invite the witness once again or even order that the witness be brought to court by the police. Moreover, the court can impose pecuniary fines of up to EUR 1,000 on witnesses not appearing before the court without justification.

4.4 Is evidence from witnesses allowed even if they are not present?

The court – subject to agreement with the parties – can order the witness to provide its witness statement in writing. If the court considers the written statement not sufficient/clear, it can order the witness to appear in court.

Moreover, foreign witnesses might be heard at the place of residence in compliance with the Hague Convention of 18 March 1970 or EU Regulation 1206/2001.

4.5 Are there any restrictions on calling expert witnesses? Is it common to have a court-appointed expert in addition or in place of party-appointed experts?

There are no restrictions on calling expert witness. The law provides that a technical report by an expert ("**CTU**") shall be ordered by the court *ex officio* upon its discretion in order to obtain a technical evaluation, which the court cannot do on its own. However, in practice, the court orders the expert opinion upon the request of one or more parties.

The parties can appoint their own experts that can participate in the evidence-taking and submit their comments to the draft report of the court-appointed expert.

4.6 What sort of interim remedies are available from the courts?

Interim remedies may be granted by the court to prevent injustice pending trial upon request of a party.

There are various types of interim remedies under Italian law, for example:

- judicial, freezing or releasing seizures;
- interim orders (e.g. art. 700 of the Italian Civil Procedure Code); and
- proceedings for the preservation of evidence.

Please note that under Italian law, such interim remedies need to be required in separate proceedings.

Upon the request of a party, the first instance court can also order during proceedings the payment of uncontested amounts, or an injunction for payment or the delivery of movable assets.

4.7 Is there any right of appeal from the decisions of the courts of first instance? If so, on what general grounds? How many stages of appeal are there?

Decisions from the courts of first instance can be appealed: those of the Justice of Peace before the district court (*Tribunale*); and those of the district court before the Court of Appeal. The appeal may lead to a completely new examination of the case.

There are generally three stages of appeal. However, requests for appeal filed with the Italian Supreme Court (*Corte di Cassazione*) are limited to a mere legal review of the second instance decision, or – upon agreement of the parties – directly of the first instance decision. The Italian Supreme Court only reviews issues concerning jurisdiction and the correct application of law.

4.8 Is interest generally recoverable in respect of claims? If so, what is the current rate?

Yes, parties can request the payment of interest. Unless no interest rate is agreed, the legal interest rate is currently 0.05%. The default interest on belated payments in commercial transactions is currently equal to 8%. The legal interest rate is updated yearly and the default interest rate half-yearly by the decree/communication of the Ministry of Economy published in the Official Gazette.

4.9 What are the standard rules regarding costs? Are there any potential costs advantages in making an offer to settle prior to trial?

According to the basic rule, the unsuccessful party shall pay legal costs and expenses to the successful party.

However, under certain circumstances the court may decide that each party bears – totally or partially – its own legal costs and expenses (for example, new matter decided, change of jurisprudence, extremely high and not necessary costs of the successful party).

Moreover, the judge may also decide that the party who refused a settlement offer or the participation in mandatory mediation or ADR proceedings without justified reason to pay the costs and expenses accrued after such refusal.

Finally, the judge can also decide that the successful party has to pay – totally or partially – the costs and expenses to the other party if the first one did not comply with the principles of correct and fair behaviour.

The amounts are established by the judge applying Ministerial Decree no. 55/2014, which sets forth the amounts due for each phase of the proceedings on the basis of the value of the dispute and the difficulty of the matter.

In addition, upon request of the successful party, the court can also order the unsuccessful party to pay damages due to its behaviour in bad faith, or because it acted with wilful misconduct or gross negligence in the proceedings (for example, claiming an amount already paid by the other party).

4.10 Can the courts compel the parties to mediate disputes, or engage with other forms of Alternative Dispute Resolution? If so, do they exercise such powers?

Mediation or ADR as mandatory pre-condition for ordinary civil proceedings

A. Mediation (*mediazione*) is a mandatory pre-condition for ordinary civil proceedings regarding an insurance contract.
B. Special ADR proceedings with the assistance of lawyers (*negoziazione assistita*) are a mandatory pre-condition for bringing an action for damage claims regarding the compulsory motor vehicle and craft liability insurance and any claims for payment – for whatever reason – up to EUR 50,000 (see question 3.1 above).

If such mandatory pre-condition under A. and B. is not met, and an exception is immediately raised by the defendant at the beginning of the proceedings (up to the first hearing), or the court itself points out the missing pre-condition in the first hearing, the proceedings are inadmissible (*improcedibili*). The court will order the parties to start the mediation/ADR proceedings within 15 days and schedule the next hearing, taking into account the time necessary for the mediation.

Mediation ordered by the court

In first or second instance civil proceedings, the court can also order the parties to switch to mediation proceedings, if the court considers that the facts and legal matter are sufficiently clear, and that there is a good chance that the parties will reach an agreement.

Please note that, in our experience, only in very few cases have Italian courts ordered such mediation.

4.11 If a party refuses to a request to mediate (or engage with other forms of Alternative Dispute Resolution), what consequences may follow?

A. If a party refuses to participate in the mediation proceedings (*mediazione*) without justification, the court can take this into account in the subsequent civil proceedings with regard to evidence issues and in the decision on the costs and expenses. As mentioned above, the court can order the party who refused participation to pay the legal costs and expenses of the civil proceedings (see question 4.9 above).
B. If a party refuses special ADR proceedings (*negoziazione assistita*), this might have an impact on the decision on costs and expenses by the court.

5 Arbitration

5.1 What approach do the courts take in relation to arbitration and how far is the principle of party autonomy adopted by the courts? Are the courts able to intervene in the conduct of an arbitration? If so, on what grounds and does this happen in many cases?

Italy is an arbitration-friendly jurisdiction. Arbitration is provided by art. 806 ss. of the Italian Civil Procedure Code. Many Chambers of Commerce in Italy offer arbitration and have issued their own arbitration rules.

Arbitration can be agreed upon by the parties in contracts, but not with regard to strictly personal rights, which are non-renounceable, inalienable and not time-barred.

Courts may intervene in arbitration proceedings upon request of a party regarding the appointment or rejection of arbitrators. In particular, the President of the competent district court may appoint an arbitrator, if the other party fails to appoint its arbitrator, or the parties cannot agree on a third arbitrator. He can refuse the appointment, if he considers the arbitration clause ineffective, or if the arbitration clause provides for foreign arbitration.

Arbitrators may request the court to order the appearance of witnesses before them.

Courts have exclusive competence in adopting urgent or interim measures (which cannot be issued by the arbitral tribunal).

5.2 Is it necessary for a form of words to be put into a contract of (re)insurance to ensure that an arbitration clause will be enforceable? If so, what form of words is required?

Arbitration agreements have to be in writing, otherwise they are null and void.

Also, arbitration clauses contained in contracts have to be in writing. If this clause is a general term and condition in B2B contracts, Italian law provides that this clause, like other unfair terms, shall be highlighted to the other party who has to expressly and separately approve it in writing, otherwise this clause is ineffective.

Arbitration can also be agreed upon in B2C agreements; however, the arbitration clause should be duly negotiated and agreed by the parties.

Arbitration clauses must clearly state that disputes are submitted to arbitration. If no reference to arbitration rules is made, it is advisable to state whether the decision shall be taken, according to law or equity, to fix the number of arbitrators (always uneven), the place of arbitration and the arbitration language.

5.3 Notwithstanding the inclusion of an express arbitration clause, is there any possibility that the courts will refuse to enforce such a clause?

Please refer to questions 5.1 and 5.2 above.

5.4 What interim forms of relief can be obtained in support of arbitration from the courts? Please give examples.

Any kind of interim measure from court can also be obtained in support of arbitration. For examples, please refer to question 4.6 above.

5.5 Is the arbitral tribunal legally bound to give detailed reasons for its award? If not, can the parties agree (in the arbitration clause or subsequently) that a reasoned award is required?

The arbitral tribunal shall give detailed reasons in its award. If not, the award can be challenged before the competent Court of Appeal (see question 5.6 below).

5.6 Is there any right of appeal to the courts from the decision of an arbitral tribunal? If so, in what circumstances does the right arise?

Arbitration awards can be challenged before the competent Court of Appeal.

However, the award can only be requested to be set aside for very limited legal reasons, such as failure of the arbitral tribunal to provide reasons, excess of authority (the arbitral tribunal ruled on issues not submitted by the parties: *ultra petita*) or failure to consider all of the issues submitted to the arbitral tribunal. The award normally cannot be challenged on the merits.

Moreover, the award could be revoked in case of fraud, collusion or corruption of one or more arbitrator or party.

The award could also be challenged by a third party, if the award damages the rights of such third party.

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Pirola Pennuto Zei & Associati was established as an association of professionals in the early 1980s by its founders who, in the 1970s, had been engaged in providing tax and statutory consulting services to companies and multinational groups. It is currently one of the leading independent Firms in Italy.

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