

Annex I

The “Cura-Italia Decree”, the “Liquidity Decree” and the “Sostegni-bis Decree” include urgent measures to support the liquidity of companies and ensure business continuity. The applicable measures are described and compared below

Applicable Measures	Large corporates	SMEs
Eligible Beneficiary	All enterprises registered in Italy regardless of their shareholder structure	SMEs registered in Italy regardless of their shareholder structure
SACE Guarantee Scheme	<p>Type of guarantee: irrevocable and unconditional first demand guarantee</p> <p>Type of financing: any form of financing by banks or other institution authorized to lend in Italy</p> <p>Beneficiary: any enterprises not classified as an “undertaking in difficulty” (<i>impresa in difficoltà</i>) and whose liabilities, as of 29 February 2020, were not classified as “deteriorated” by the bank, except for those controlling, or controlled by, directly or indirectly, companies located in a non-cooperative jurisdiction for tax purposes</p> <p>Purpose of the financing: coverage of personnel costs, investments, working capital relating to plants and business activities located in Italy, rents and fees for rental of a going concern. Moreover, the financing covered by the SACE Guarantee may be used (i) up to 20% for the payment of (a) loan instalments which are past due or due within the period from 1 March to 31 December 2020 and whose payment has become objectively impossible as a consequence of COVID-19 outbreak, and (b) fees for the implementation of COVID-19 prevention measures and (ii) for the repayment of loans in the context of debt restructuring arrangements (<i>operazioni di rinegoziazione del debito</i>)</p> <p>Maximum guaranteed amount: (i) 90% for companies which employ no more than 5,000 persons in Italy and which have an annual revenue not exceeding €1.5 billion; (ii) 80% for companies which employ more than 5,000 persons in Italy or which have an annual revenue higher than €1.5 billion but not exceeding €5 billion; or (iii) 70% for companies which have an annual revenue higher than €5 billion</p>	<p>Same</p> <p>Same</p> <p>Same</p> <p>Same</p> <p>Same</p>

	<p>Conditions</p> <ol style="list-style-type: none"> 1. <i>Duration:</i> maximum 6 years or, subject to a prior notification and authorization by the European Commission, ten years. Pre-amortization (<i>preammortamento</i>) period of 36 months is permitted 2. <i>Maximum size:</i> aggregate amount of all the financings backed by public guarantee cannot exceed the higher of (i) 25% of the beneficiary's 2019 annual revenue; or (ii) twice its 2019 employee costs 3. <i>No approval of dividends payment or share buy-back:</i> during the year 2021 (applicable also to group companies registered in Italy, including those subject to the direction and coordination of the beneficiary) 4. <i>Job Security Undertaking:</i> commitment to manage occupational levels by reaching agreements with labor unions 5. <i>Increase of overall liability:</i> the overall amount of the liability of the lender <i>vis à vis</i> the borrower must be increased as a result of the financing/refinancing <p>Economic conditions: all-in commission equal to:</p> <ul style="list-style-type: none"> ▪ 50 bps during the first year ▪ 100 bps during the second and third year ▪ 200 bps during the fourth, fifth and sixth year <p>Maximum cost of financing: not to exceed the cost normally applied for a similar transaction with no guarantee</p> <p>Process: for companies employing more than 5,000 persons in Italy and which have an annual revenue exceeding €1.5 billion, the guarantee must be approved also by the Ministry of Economy and</p>	
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	Finance, upon consultation with the Ministry of Economic Development	<p>Economic conditions: all-in commission equal to:</p> <ul style="list-style-type: none"> ▪ 25 bps for the first year ▪ 50 bps during the second and third year ▪ 100 bps during the fourth, fifth and sixth year <p>Same</p> <p>Simplified process involving only the lender and SACE</p>
State Guarantees of CDP Loans	<p>Type of guarantee: irrevocable and unconditional first demand guarantee</p> <p>Type of financing: any guaranteed and/or pre-funded financings made available by Cassa Depositi e Prestiti S.p.A. after the Cura-Italia Decree date</p> <p>Conditions</p> <ol style="list-style-type: none"> 1. beneficiary to operate in one of the sectors to be identified by ministerial decree 2. beneficiary to declare it was impacted by COVID-19 <p>Maximum Guaranteed Amount: up to 80% of the financing</p>	
Guarantees provided by the Central Guarantee Fund (Fondo Centrale di Garanzia)	Not available to large corporates	<p>Conditions</p> <ul style="list-style-type: none"> - until 31 December 2021, free of charge - guarantee up to a maximum amount equal to €5 million - maximum coverage ranges from 80% to 100% - liabilities classified as NPL (<i>sofferenze</i>) are excluded
Standstill and postponement	Not available to large corporates	SMEs affected by COVID-19 which indebtedness is not classified as “deteriorated credit exposures” can apply for:

		<ul style="list-style-type: none"> - standstill until 31 December 2021 with respect to any withdrawal of uncommitted credit facilities and facilities for credit advances; - extension until 31 December 2021 of the termination date of bullet term loan facilities; - a postponement until 31 December 2021 of the payment of the installments due before 31 December 2021 and an extension of the duration of amortizing term loan facilities; and - in case of pre-funded facilities or subsidized loans, the automatic extension of the funding agreements
Shareholders' funding	Shareholder loans granted between the effective date of the Restore Liquidity Decree and 31 December 2020 are not subject to statutory subordination.	
Other Corporate Measures	<p>Temporary suspension of recapitalization duties</p> <p>Until 31 December 2025 companies are not required to fulfil statutory recapitalization duties provided and any of such circumstances does not constitute a liquidation event.</p> <p>Temporary criteria to verify business continuity</p> <p>When evaluating business continuity as at 31 December 2020, companies are allowed to refer to the latest financial statement approved before 23 February 2020. Such provision is applicable also to year-end financial statements closed before 23 February 2020 but still not approved.</p>	
Insolvency Related Measures	<p>Suspension of proceedings for the declaration of insolvency or bankruptcy up to 30 June 2020.</p> <p>With respect to restructuring arrangements, composition with creditors, crisis settlement agreements and consumer plans for over-indebtedness (i) six-month extension of the terms for performance of connected obligations falling after 23 February 2020; (ii) (upon request) the competent Court may grant a new term of up to 90 days (starting from the date of the court decree) to prepare and submit to the Court new plans and arrangements / proposal for compositions in on-going procedures; and (iii) (upon request) the debtors which obtained the above mentioned extensions may be allowed by the Court to quit the on-going procedure and prepare out-of-court reorganization plans.</p>	

	Postponement of the entry into force of the new distress and insolvency regime (Codice della Crisi e dell'Insolvenza), from 18 August 2020, to 1 September 2021. Pending the entry into force of the new distress and insolvency regime, a corrective decree has been enacted with the Legislative Decree no. 147 of 26 October 2020.
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