

# BANCA IFIS

Corporation with registered office in Via Terraglio 63, 30174 Mestre, Venice–Tax code and Company Registration no. Venice02505630109 –VAT registration no. 02992620274 – REA number: VE - 0247118 – Share Capital Euro 53,811,095 fully paid up - Bank of Italy's Register of Banks no. 5508 - Parent Company of the Banca IFIS banking group, listed on the Register of Banking Groups- Member of the Interbank Deposit Guarantee Fund, the Italian Banking Association, the Italian Factoring Association, and Factors Chain International

---

## **INFORMATION DOCUMENT CONCERNING TRANSACTIONS OF GREATER IMPORTANCE WITH RELATED PARTIES**

**Pursuant to Art. 5 of Consob Regulations no. 17221 of 12 March  
2010 as modified by resolution no. 17389 of 23 June 2010**

## **Renewal of credit line for the subsidiary IFIS FINANCE SP.Z O.O.**

## Contents

Introduction .....	1
1. Warnings .....	1
1.1 The risks related to potential conflicts of interest arising from the operation with related parties ..	1
2. Details of the transaction .....	1
2.1. Description of characteristics, formalities, terms and conditions of the transaction .....	1
2.2. Indication of related parties with involved in the operation, the nature of the relationship, and whether it has been disclosed to the Board of Directors, the nature and extent of the interests of such parties in the transaction .....	1
2.3. Indication of the economic rationale and company suitability of the operation (if the transaction has been approved against the negative opinion of directors or independent directors, an analytical and adequate justification why it was deemed suitable not to share that view) .....	2
2.4. Methods of determining the consideration for the transaction and assessments regarding its adequacy in relation to market values of similar transactions (if the economic terms and conditions of the transaction are defined as market-equivalent or standard, providing adequate justification for such claim and comparison elements) .....	2
2.5 An illustration of the transaction economic and financial effects, providing at least the applicable ratios of relevance .....	2
2.6 The amount of compensation for members of the board of the company and / or their subsidiaries is bound to change as a result of the operation .....	3
2.7 In the case of transactions where the related parties involved are the members of the administrative and control bodies, top executives and directors of the issuer, information concerning the securities of the issuer that are held by entities identified above and to the interests of those in transactions overtime, provided for by Title 14.2 and 17.2 of Annex I to Regulation 809/2004/EC .....	3
2.8 Inspection bodies or administrators who have led or participated in the negotiations and / or educated and / or approved the transaction by specifying the respective roles, particularly with regard to independent directors, if any. Referring to the resolutions approving the transaction, specify the names of those who voted for or against the transaction or abstained, giving the reasons for any dissent or abstentions. Indicate that, under Article 5 of the Issuers' Regulations, any opinions of independent directors are attached to the information document or published on the website of the company .....	3
2.9. If the significance of the transaction results from the cumulation - under article 5, subsection 2 - of more transactions carried out during the year with the same related party, or related persons to both the latter and the company, the information specified in the preceding subsections shall be provided with reference to all the above transactions .....	4

## **Introduction**

This information document was prepared by Banca IFIS S.p.A. (Hereinafter “Banca IFIS” or the “Bank” or “The Issuer”) pursuant to art. 5 of the Consob Regulation no. 17221 of March 12, 2010 relating to operations of greater risks as well as art. 5.2 of the Procedure governing transactions with Associated Parties of Banca IFIS approved by the Board of Directors on 17 July 2013.

## **1. Warnings**

### **1.1 The risks related to potential conflicts of interest arising from the operation with related parties**

The transaction at issue relates to the renewal of credit line approved by the parent company Banca IFIS S.p.A., in favour of the subsidiary IFIS Finance Sp. z o.o. which, in consideration of its membership to the Banca IFIS banking group, does not expose the Parent Company to particular additional risks, as shown in this document.

## **2. Details of the transaction**

### **2.1. Description of characteristics, formalities, terms and conditions of the transaction**

The operation consists or renewing the line of credit approved by the Board of Directors on 19 May 2015 (as per the information document disseminated and published on 26 May 2015) for a total of 60,000,000 Euros in favour of IFIS Finance Sp. z o.o., in the technical form of opening of a revocable current account credit. This line can be used in all currencies based on the reference rate of each one (for example: the three-month Euribor rate for allocations made in Euro, or the Wibor rate for allocations in Polish zloty, the LIBOR for Pounds etc.), all plus a spread of 0.50 points.

The transaction does not include the issue of guarantees by the entrusted company in consideration of the control by the financing bank.

### **2.2. Indication of related parties with involved in the operation, the nature of the relationship, and whether it has been disclosed to the Board of Directors, the nature and extent of the interests of such parties in the transaction**

The above-described operation is configured as a transaction between related parties, because:

- IFIS Finance Sp. z o.o. is a subsidiary of Banca IFIS S.p.A. and is enrolled in the register of banking groups referred to in art. 64 of the 1933 Banking Law as a member of the Banca IFIS banking group;

- The Deputy Chairman of Banca IFIS S.p.A. (Mr. Alessandro Csillaghy de Pacser) is also Chairman of the Board of IFIS Finance Sp. z o.o.; while the only other member of this Board is the executive officer of the Bank, Ms. Daniela Bonzanini, Head of the International Unit.

### **2.3. Indication of the economic rationale and company suitability of the operation (if the transaction has been approved against the negative opinion of directors or independent directors, an analytical and adequate justification why it was deemed suitable not to share that view)**

The reasons and the convenience of the transaction must be considered as regards both the completion of the institutional lending activity of Banca IFIS S.p.A. and the positive trend in the business of the subsidiary. The transaction was approved unanimously by the Board of Directors of Banca IFIS S.p.A. on 29 September 2016, following a favourable opinion of the Control and Risk Committee (consisting of only independent directors), without contrary votes and only one abstention by the Vice President, Alessandro Csillaghy de Pacser.

### **2.4. Methods of determining the consideration for the transaction and assessments regarding its adequacy in relation to market values of similar transactions (if the economic terms and conditions of the transaction are defined as market-equivalent or standard, providing adequate justification for such claim and comparison elements)**

The economic conditions have been determined in relation to the type of the operation and the risk profile of the counter-party. The applied economic conditions are equivalent to the market or standard ones or to the conditions normally obtainable from IFIS Finance in the event of resourcing to other banks for operations with similar characteristics. The system of internal transfer pricing of the funds approved by the Board of Directors of the parent company Banca IFIS, in the meeting of January 8, 2016, is also taken into account.

### **2.5 An illustration of the transaction economic and financial effects, providing at least the applicable ratios of relevance**

The operation described by the present information document is subject to the rules laid down by procedure governing transactions with associated parties pursuant to paragraph 5.2 (operations of greater risks) as the ratio between the counter value of the operation and the “own funds”, resulting from the interim consolidated management report of the Banca IFIS Group at June 30, 2016 (the concept of “own funds” appears comparable to that of “the consolidated regulatory capital of Banca IFIS” envisaged by the mentioned procedure for operation with affiliates), is higher than the threshold of 5%.

The economic, equity and financial effects of the operation can be summarized as follows:

- the profitability rate seems appropriate with respect to the credit risk assumed, in line with the rates charged by other banks for similar operations;

- foreseeable uses of the credit line do not foreshadow significant effects on the financial balances of the Bank;
- the operation seems balanced, even from the point of view of the costs and business opportunities of the company controlled by the issuer, with a view to a single business plan of the banking group.

## **2.6 The amount of compensation for members of the board of the company and / or their subsidiaries is bound to change as a result of the operation**

The operation does not involve any change in the fees payable to the directors of the Issuer or of any of its subsidiaries.

## **2.7 In the case of transactions where the related parties involved are the members of the administrative and control bodies, top executives and directors of the issuer, information concerning the securities of the issuer that are held by entities identified above and to the interests of those in transactions overtime, provided for by Title 14.2 and 17.2 of Annex I to Regulation 809/2004/EC**

Except as specified in paragraph 2.2, the operation does not involve, as related parties, members of the Board of Directors, members of the Board of Statutory Auditors, General Manager and directors of the Issuer or of its subsidiaries.

## **2.8. Inspection bodies or administrators who have led or participated in the negotiations and / or educated and / or approved the transaction by specifying the respective roles, particularly with regard to independent directors, if any. Referring to the resolutions approving the transaction, specify the names of those who voted for or against the transaction or abstained, giving the reasons for any dissent or abstentions. Indicate that, under Article 5 of the Issuers' Regulations, any opinions of independent directors are attached to the information document or published on the website of the company**

As also pointed out in paragraph 2.3, the operation was approved unanimously by the Board of Directors of Banca IFIS S.p.A., following a favourable opinion of the Control and Risk Committee (consisting of only independent directors), without contrary votes and only one abstention by the Vice President, Alessandro Csillaghy de Pacser.

The Board of Directors and the Control and Risk Committee (consisting of only independent directors) were provided with the appropriate information about the operation.

The Control and Risk Committee has also been involved in the negotiating phase and in the preparatory phase through the receipt of a complete and timely information flow being also provided with the power to seek information and prepare remarks.

The extract of the meeting minutes of the Control and Risk Committee is attached to this information document.

**2.9.If the significance of the transaction results from the cumulation - under article 5, subsection 2 - of more transactions carried out during the year with the same related party, or related persons to both the latter and the company, the information specified in the preceding subsections shall be provided with reference to all the above transactions**

The transaction falls within the credit support provided by Banca IFIS S.p.A. in favour of the subsidiary IFIS Finance Sp. z o.o., in proportion to the current requirements and growth programs of the subsidiary.

**Banca IFIS S.p.A.**

**The Chief Executive Officer**

**Giovanni Bossi**

Enclosures

**MINUTES OF THE MEETING OF THE  
RISK MANAGEMENT AND INTERNAL CONTROL COMMITTEE**

The Risk Management and Internal Control Committee started at 15:00 hrs on 28 September 2016, at the headquarters of the Bank in Via Terraglio 63, Mestre, Venice.

It is attended by the Chairman of the Committee, Mr. Giuseppe Benini, and members Ms. Francesca Maderna, Prof. Daniele Santosuosso and Prof. Antonella Malinconico.

The Chairman of the Board of Statutory Auditors, Mr. Giacomo Bugna, and two Standing Auditors, Ms. Giovanna Ciriotta and Mr. Massimo Miani, are present as well.

... OMISSIS ...

In the end, the Control and Risk Committee, consisting of only independent directors, recognizes

- the interest of the Bank in completing the operation of reviewing the risk position and renewing the credit support granted to the subsidiary, IFIS Finance Sp. z o.o., up to a maximum of 60,000,000 million Euros;
- the convenience and substantial correctness of related conditions.

Therefore, the Committee deems it appropriate to positively evaluate the interest of Banca IFIS in fulfilling the operation and to express a favourable opinion with regard to the approval by the Board of Directors and to the transfer to the CEO of all powers necessary for the purposes of its implementation.

... OMISSIS ...

The meeting ends at about 17.45 hrs.

The Chairman of the Control and Risk Committee

Dott. Giuseppe Benini

\_\_\_\_\_

La Consigliera

Dott. Francesca Maderna

\_\_\_\_\_

La Consigliera

Prof. Antonella Malinconico

\_\_\_\_\_

Il Consigliere

Prof. Daniele Santosuosso

\_\_\_\_\_