

Additional Terms and Conditions applying to the use of credit claims governed by the Italian law as collateral in financing relationships between [Home Central Bank] and its counterparties with Banca d'Italia acting as Correspondent Central Bank

Article 1

Scope

1. Counterparties may use credit claims to collateralise Eurosystem credit operations on a cross-border basis, thereby obtaining funds from the national central bank of the Member State whose currency is the euro where they are located by making use of credit claims governed by a law other than the national law of the jurisdiction where the Home Central Bank (hereinafter “the HCB”) is established.
2. Under the presents Additional Terms and Conditions (hereinafter “ATC”), which do not establish any contractual relationship between the counterparty and Banca d'Italia, counterparties may obtain funds from the HCB by making use of credit claims governed by Italian law, with Banca d'Italia acting as Correspondent Central Bank (hereinafter “the CCB”) on behalf and in the name of the HCB.
3. A counterparty seeking to mobilise a credit claim governed by Italian law shall comply with the following provisions, which complement the regulation and/or general terms and conditions applicable between the counterparty and the HCB (hereinafter “regulatory framework”).
4. Any action by the CCB pursuant to the present ATC is taken by the CCB on behalf of the HCB, and the CCB’s acts and omissions shall be attributed to the HCB. The obligation to comply with the requirements set out in these ATC shall be the responsibility of the counterparty.
5. These ATC shall also apply if the HCB’s applicable regulation and/or general terms and conditions provide for the possibility that collateral is provided to the benefit of the counterparty by an entity other than the counterparty of the HCB (hereinafter “third party”).
6. In these ATC the term ‘provider’ shall mean either the counterparty or, if collateral is to be provided and managed by a third party, the third party, where and as relevant.

Article 2

Collateralisation arrangement

1. The legal collateralisation arrangement used for the creation of a security interest is the pledge. These ATC lay down the requirements which need to be met in order to create a valid, binding and enforceable pledge over credit claims governed by Italian law and govern the management of such credit claims and their realization if the HCB instructs the CCB accordingly.

Article 3

Credit claim agreement

1. The credit claim agreement does not need to contain additional clauses.

Article 4

Information to be submitted prior to the initial mobilisation of credit claims

1. Prior to the initial mobilisation of credit claims governed by Italian law, the counterparty shall inform the HCB of its intention to mobilise assets where Banca d'Italia acts as a CCB and shall submit to the HCB the *General Declaration of Acceptance of the Additional Terms and Conditions where Banca d'Italia acts as Correspondent Central Bank (CCB)* laid down in Annex I.
2. The counterparty and/or the third party, as relevant, shall be registered as ECMS participant and shall have successfully completed the ECMS customer test.
3. The counterparty shall be accredited with the CCB. To this end, the counterparty shall provide to the HCB the following information for onward transmission to Banca d'Italia to the email address ccbm.creditclaims@bancaditalia.it:
 - a) the data for its identification, such as name, Monetary and Financial Institutions (MFI) code, RIAD code and BIC code, address, as well as the identification data of the contact persons;
 - b) the information specified in Article 5 on the secondary and additional credit assessment sources, where selected by the counterparty and as applicable, to be used in the absence of a credit assessment for the debtor or guarantor provided by ICAS as a primary assessment source;
 - c) a duly signed copy of the *General Declaration of Acceptance of the Additional Terms and Conditions where Banca d'Italia acts as CCB* laid down in Annex I.
4. The counterparty shall also provide the information, contact details and certified e-mail address (in the Italian jurisdiction *Posta elettronica certificata* or PEC) of the debtor and guarantor, as relevant, needed to the aim of the eligibility assessment and for the notification laid down in Article 10.

Article 5

Registration of the credit assessment source

1. A counterparty shall register the secondary and additional credit assessment sources, as applicable, with the HCB prior to the initial mobilisation of credit claims.
2. Where a counterparty wishes to change the registered credit assessment source, the counterparty shall provide the HCB with details of the alternative credit assessment source.

Article 6

Eligibility criteria

1. The eligibility requirements for credit claims as laid down in Guideline ECB/2014/60, as further amended, and in the HCB's regulatory framework shall be met, including the fulfilment of the definition of credit claim set out in point (13) of Article 2 of Guideline (EU) 2015/10 (ECB/2014/60). In particular, the following conditions shall be met:
 - a) the credit claim must be governed by Italian law;
 - b) the outstanding nominal value of the credit claim must meet a minimum threshold of € 500.000,00 upon mobilisation;
 - c) there shall be no legal or contractual constraints/obstacles concerning the creation of the pledge over the credit claim under Italian legislation.

[Pursuant to Italian law, the right to set-off can not be asserted for counterclaims arisen after notification to the debtor of the creation of the pledge. If the HCB wishes that the risk of set-off is excluded pursuant to Italian law also for counterclaims arisen before the aforementioned notification, it shall give notice thereof to the CCB and the following specific terms shall also be applied:

- d) the provider shall produce written evidence of the waiver by the debtor of any right to which it may be entitled to set off the mobilized credit claim pursuant to Art.2 of Legislative Decree no. 170/2004 or unconditional and unrestricted acceptance by the debtor of the mobilization of the credit claim as pledge pursuant to Art. 2805 of the Italian Civil Code.
2. Any provision applicable pursuant to these ATC shall be without prejudice to any provision purporting, and/or having as effect, to exclude and/or mitigate set-off risk pursuant to the HCB's regulatory framework.

Article 7

Registration of credit claims

1. Credit claims with Banca d'Italia acting as CCB shall be registered in the ECMS prior to mobilisation. As applicable, a counterparty shall submit the registration instruction to the HCB for onward transmission in the ECMS to the CCB.

2. Where a counterparty submits the registration instruction specified in paragraph 1, it shall provide the minimum data set out in the document entitled 'Collateral management in Eurosystem credit operations - information for Eurosystem counterparties', which is published on the ECB's website.
3. Banca d'Italia shall assign via the ECMS a standardised Eurosystem credit claim identifier to each credit claim successfully registered.
4. The HCB shall notify the counterparty of the Eurosystem credit claim identifier assigned in compliance with paragraph 3.
5. The counterparty shall quote the Eurosystem credit claim identifier in all future instructions submitted regarding the credit claim.
6. Public registration of the credit claim is not required.

Article 8

Delivery of documentation

1. Documentation in relation to the credit claims shall not be provided to Banca d'Italia as part of the registration process.

Article 9

Confirmation of registration

1. A credit claim shall be deemed registered where the requirements set out in Articles 5 and 7 have been fulfilled and the registration process in the ECMS has been duly completed. The HCB shall provide the counterparty with a confirmation of the registration of the credit claim.

Article 10

Notification of the debtor and guarantor prior to the mobilisation of the credit claim

1. In accordance with Italian law, notification of the debtor and guarantor is required prior to the mobilisation of the credit claim. To this end, prior to the mobilisation of the credit claim, the CCB notifies the debtor and guarantor of the credit claim using the contact details provided pursuant to Article 4.
2. After the notification is successfully performed, the credit claim can be mobilised as collateral pursuant to the HCB's regulatory framework. To this end, the CCB informs the HCB and the counterparty accordingly.
3. If the notification is not successfully performed, the counterparty is contacted by the CCB to agree on the actions to be taken.

Article 11

Mobilisation of credit claims

1. Where a credit claim has been successfully registered in the ECMS and the notification requirements set out in Article 10 have been complied with, the credit claim may be mobilised as collateral. To this end, the provider shall submit instructions in ECMS for further processing.

Article 12

Changes affecting mobilised credit claims

1. As soon as the provider becomes aware that the credit claim no longer fulfils any of the eligibility requirements, it shall promptly demobilize the credit claim, without prejudice to the obligation of the counterparty to promptly inform thereof the HCB pursuant to the HCB's regulatory framework.
2. A counterparty shall communicate any change in the core data elements concerning mobilised credit claims to the HCB within the course of the next business day.
3. The HCB shall promptly share the information referred to in paragraphs 1 and 2 with the CCB.

Article 13

Management of the credit claim

1. The provider is authorised to collect the interest and redemption payments arising from the credit claim, including payments arising from collateral securing the credit claim.
2. Such authorisation shall be communicated by the CCB to the debtors (and, if relevant, to the guarantors) by means of the notification referred to in Article 10.
3. If the counterparty fails to perform its obligations vis à vis the HCB, the CCB, if instructed to do so by the HCB, shall collect the payments listed in paragraph 1; to this end, the CCB shall inform the debtor (and, if relevant, the guarantor) as soon as possible.

Article 14

Demobilisation of credit claims

1. To demobilise a credit claim, a provider shall submit instructions to the ECMS for further processing. The CCB shall send a communication to the debtor (and, if relevant, the guarantor), informing the latter that the pledge on the credit claim does not exist any

longer. To this end, the counterparty shall promptly inform the CCB accordingly.

Article 15

Realisation of the credit claim

1. If the counterparty fails to fulfil its obligations toward the HCB, upon the communication and instructions of the HCB, the CCB shall be entitled to realize the collateral according to Italian law, by selling or appropriating the credit claim on behalf of the HCB.
2. The sale may be made by the CCB itself or through an intermediary, applying the procedures deemed more convenient, in accordance with Italian law.

Article 16

Fees

1. Banca d'Italia does not charge fees for the mobilisation and management of Italian law credit claims.

MFI-ID
HCB's counterparty
Address

Addressed to the HCB

General Declaration of Acceptance of the Additional Terms and Conditions where Banca d'Italia acts as Correspondent Central Bank (CCB)

The counterparty
with registered office in
(State) (City).....
(Address).....
MFI-ID

with reference to its intention to mobilize as collateral credit claims governed by the Italian law using the Correspondent Central Banking Model (CCBM) channel in the Eurosystem Collateral Management System (ECMS) with [name of HCB] acting as Home Central Bank (HCB) and Banca d'Italia acting as Correspondent Central Bank (CCB),

hereby certifies and confirm:

- i) the acceptance of and compliance with the Additional Terms and Conditions where Banca d'Italia acts as Correspondent Central Bank (CCB);
- ii) that all the Italian law credit claims that it intends to mobilize as collateral exist and that they will not be simultaneously used as a guarantee in favor of third parties;
- iii) its commitment to inform the HCB of any changes or corrections to the aforesaid credit claims data by updating the relevant information by means of ECMS instructions without undue delay.

(Place and date)

.....
(signature of the legal representative of the
counterparty)