

FLEXIBLE LOAN FOR LARGE-SCALE PROJECTS

Beneficiaries	Municipalities, Provinces and Metropolitan Cities The PFGO will be available from CDP until 31 December 2022.
Use	For the fulfilment of investments in large-scale infrastructure projects.
Minimum project amount	The minimum project amount, financed in full or partially by the loan, is equal to €400,000,000.00.
Minimum loan amount	The minimum loan amount is equal to €100,000,000.00.
Disbursement	The Authority may request disbursements from the loan in one or more instalments during the period of use, based on the normal procedures set by CDP and in line with documentation relating to the expenditure incurred up to the amount granted. The disbursements may be requested in the period between the contract agreement and 30 November of the last year preceding the date of the start of amortisation. During the period of use, the Authority has the right to request an additional period of use which extends until the loan amortisation expires, with reference to the entire loan amount (total conversion) or only to a part of it (partial conversion).
Pre-amortisation	Pre-amortisation starts from the contract agreement date and ends on 31 December, seven years later. Pre-amortisation Interest accrues on the amount of the individual payments in the period between the date of disbursement and the day before the start of amortisation.
Amortisation	The amortisation period starts from 1 January following the end of the pre-amortisation period and ends on the due date of the loan. During this period, the loan is repaid in deferred six-monthly instalments to be paid on the due dates of 30/6 and 31/12 of each year, including the share of the constant principal and interest. The capital allowances are equal to 0.5% of the outstanding debt on 1 January or 1 July before the half-year maturity (30 June and 31 December), for the first three years, following which they will be constant. When the loan is requested, the beneficiary can choose the length of the amortisation period, which can have a duration of 10 or 21 years.
Flexibility in the start of amortisation	By the deadline of 30/11 of each year of pre-amortisation, the beneficiary may request that CDP starts the amortisation on 1 January of the following year, depending on certain conditions outlined in the loan contract (e.g. full amount disbursed, investment completed). In this case the payment dates indicated in the amortisation plan and the final maturity of the loan will be amended, leaving the duration of the amortisation period unchanged.
Pre-amortisation and amortisation interest rate	Variable interest rate equal to the Euribor parameter plus a <i>single spread</i> determined by the same methods used for the quotes relating to the other CDP loans.

Rate change option	<p>Changing the loan rate from variable to fixed can only be done during the amortisation period, with the same methods used for other CDP loans already offered to customers.</p> <p>In all cases, the rate change can be made by the beneficiary to use, based on certain conditions outlined in the loan agreement (e.g. fully paid amount, completed investment).</p>
Voluntary early repayment	<p>The beneficiary can make an early total or partial repayment of amounts disbursed in both in the amortisation and pre-amortisation periods.</p> <p>In the case of a variable rate scheme, compensation of 0.125% of the amount repaid in advance is due.</p> <p>In the case of a fixed-rate system (following the interest rate option change), the payment of a penalty is due, to be defined on the basis of the same methods as other fixed-rate CDP loans.</p>
Guarantee	Payment delegation.
DISCLAIMER	<i><u>This sheet describes the product's main features for illustrative purposes only; for more detailed information, please refer to the relevant Circular</u></i>