

COVID-19 Emergency: UBI Banca and Cooperfidi Italia support third sector organisations

A new liquidity measure for both Church and non-Church non-profit organisations: UBI Banca makes short, medium and long-term loans available, guaranteed by Cooperfidi Italia (a guarantee body), to meet urgent financial commitments in the absence of or a reduction in current income and to support investments for infrastructure and organisational upgrades.

Milan, 15th July 2020 - UBI Comunità, a strategic division of UBI Banca aimed at both the Church and non-Church non-profit sector, is making an agreement with Cooperfidi Italia, the main national guarantee body for the world of co-operatives and the third sector. It is an initiative designed to provide financial support for all third sector non-profit organisations.

The current emergency context is in fact having a significant impact also on the ordinary and financial operations of almost all non-profit organisations, including Church and related organisations, which carry on economic activities with commercial operations similar to those of a for-profit firm (e.g. nurseries, state equivalent schools, health services, welfare activities, etc.) and which at present have only been able to gain access to forms of economic support provided by the measure contained in the “Liquidity Decree” for up to €30,000 with a 100% guarantee from the Central Guarantee Fund. All non-profit organisations, including those that do not carry on business or commercial activities, have nevertheless found themselves, on a par with for-profit firms, having to meet urgent financial commitments in the absence of or a reduction in current income and to support investments for infrastructure and organisational upgrades in order to comply with safety and social distancing regulations necessary in the phases following the lockdown.

On the basis of the agreement between UBI and Cooperfidi Italia to assist these organisations, the Bank will make the following measures available, valid until 31.12.2020:

- **short-term credit facilities:** loans of up to €50,000 (and in any event not greater than 25% of the applicant’s income), a term of 18 months (with a grace period of six months) and an 80% guarantee from Cooperfidi Italia;
- **credit facilities of up to 60 months to consolidate existing debt (with the possibility of also providing a portion of new additional cash) or to support medium and long-term investments:** loans of up to €500,000 (and up to 100% of demonstratable expenses in cases of new investments) backed by an 80% guarantee from Cooperfidi Italia, to support investments for infrastructure and organisational upgrades for services provided, to restore financial balance and to refinance or consolidate existing debt.

“These measures form part of the integrated programme of initiatives ‘Italy, a New Start’ worth €10 billion, in which UBI Banca is committed to supporting all customer segments of the Group with the aim of assisting them during the current difficult period and in the recovery in the months to come” said **Guido Cisternino, Head of the Third Sector and Civil Economy at UBI Banca**. “The Third Sector had to be included among the beneficiaries of these measures. UBI Banca has always paid special attention to this sector through its strategic UBI Comunità Division, as it recognises the decisive role played by Third Sector in terms of social cohesion and resilience, not to mention as a driver of economic development in the country”.

For **Francesco Abbà, a Board Member of Cooperfidi Italia**: "This guarantee product, which Cooperfidi Italia and UBI Comunità have decided to adopt together, constitutes an important tool to assist those third sector associations which do not make use of ordinary guarantee instruments. Cooperfidi Italia is now confirming its vocation to respond to the needs of the third sector and social enterprises which at this time represent the main sectors of production considered by the guarantee consortium”.

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