

C.A.V. Concessioni Autostradali Venete

Registrazione n. **0005406/2018**

del **04/04/2018** alle ore **14.37**

DIR. AMM. DIR. GEN.



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To:

Deutsche Trustee Company Limited

Winchester House

1 Great Winchester Street

London

EC2N 2DB

in its capacity as **Bond Trustee**

Attention: **Managing Director**

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Fax: +44(0)2075476149 (TSS)

and to:

Deutsche Bank AG, London Branch

Winchester House

1 Great Winchester Street

London

EC2N 2DB

in its capacity as **Security Agent**

Attention: **Trust & Securities Services**

E-mail: debt.services@db.com

Fax: +442075476149

and to:

Allianz Global Investors Gmbh

199 Bishopsgate

London

ECM2M 3TY

in its capacity as **Class A1 Bond Representative**

Attention: **Asset Management – Passante di Mestre**

E-mail: infradebtnotices@allianzgi.com / EU.DebtOperations@allianzgi.com

Fax: +442032467619 / +442032467000

and to:

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Capitale Sociale: € 2.000.000,00 i.v.

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**CONCESSIONI
AUTOSTRADALI
VENETE**

in its capacity as **PBCE Provider**

Attention: Ops/NPST/1 NPPD TENsINFRA and TMR/ /PFP

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The Bank of New York Mellon SA/NV

Dublin Branch, Hannover Building

Windmill Lane

Dublin 2

Ireland

Attention: Frank Barden

E-mail: CT_Dublin_CDO_Beta@bnymellon.com

Tel: +353539149808

Venice, 4 April 2018

Re: €400,000,000 2.115 per cent. Class A1 Senior Secured Amortising Fixed Rate Bonds due 2030 (ISIN Code XS1387812677) and €430,000,000 2.115 per cent. Class A2 Senior Secured Amortising Fixed Rate Bonds due 2030 (ISIN Code XS1387813212)

Dear Sirs,

Reference is made to the security trust and intercreditor deed dated 6 April 2016 in respect of the €400,000,000 2.115 per cent. Class A1 Senior Secured Amortising Fixed Rate Bonds due 2030 (ISIN Code XS1387812677) and the €430,000,000 2.115 per cent. Class A2 Senior Secured Amortising Fixed Rate Bonds due 2030 (ISIN Code XS1387813212) (the "**STID**").

Unless stated otherwise, capitalised terms in this letter shall have the meaning given to them in the STID or the Master Definitions Agreement (as defined in the STID), as the case may be.

This letter comprises two STID Proposals pursuant to Clause 21 (*Consents, Amendments and Override*) of the STID concerning, respectively, the matters and circumstances described under paragraph 1 (*DSRA Account Bank STID Proposal*) below and those under paragraph 2 (*Principal Tolls Account STID Proposal*) below. Each STID Proposal shall be regarded and construed separately and independently for all purposes.

* * * * *

1. DSRA Account Bank STID Proposal

1.1 Background

Currently: (i) the Issuer holds the bank account IBAN IT425031041210000000822255 with Deutsche Bank S.p.A. ("**DB**"), referred to for the purposes of the Finance Documents as the Debt Service Reserve Account, together with the bank account IBAN IT17F031041210000000820799, referred to for the purposes of the Finance Documents as the Electronic Payments Account; (ii) DB therefore acts as DSRA Account Bank and Electronic Payments Account Bank (and collectively as Project Account Bank) in connection with the Finance Documents pursuant to the terms and conditions of the Project Account Bank Agreement; and (iii) the Debt Service Reserve Account and



the Electronic Payments Account are, together with the other Project Accounts, pledged in favour of the Secured Creditors pursuant to the terms and conditions of the Project Accounts Pledge.

Pursuant to sub-clause (b) of Clause 9.25 (*Project Accounts*) of the Common Terms Agreement, the Issuer has undertaken not to open or maintain any bank account other than the Project Accounts.

The Issuer is willing to terminate the appointment of DB as DSRA Account Bank and to replace it with Société Générale – Milan Branch (“SG”), that would therefore act as the new DSRA Account Bank in connection with the Finance Documents.

1.2 Provisions of Finance Documents dealing with substitution of DSRA Account Bank

Pursuant to Clauses 10.2 (*Termination*) and 10.4 (*Substitute Project Account Bank*) of the Project Account Bank Agreement, the Issuer is allowed to:

- (i) revoke its appointment of the Project Account Bank by not less than 60 days’ notice to the latter and the Security Agent; and
- (ii) substitute the Project Account Bank provided that: (a) the substitute is a reputable and experienced financial institution acting through a branch established in Italy that holds a rating of at least A3 by Moody’s, A- by S&P or A- by Fitch; (b) the substitute bank enters into an agreement in the form of (and on terms substantially the same as) the Project Account Bank Agreement; and (c) security in a form and substance acceptable to the Security Agent is granted over the replacement bank accounts,

provided that the revocation shall not be effective until a substitute has been appointed in accordance with the foregoing.

The Issuer does not intend to substitute DB in both the roles DB currently carries out as Project Account Bank, but rather to: (i) split the role as DSRA Account Bank from the role as Electronic Payments Account Bank; (ii) continue the appointment of DB as Electronic Payments Account Bank; and (iii) replace DB with SG in the role as DSRA Account Bank.

Since SG is a reputable and experienced financial institution, acting through an Italian branch, holding a rating of A by Standard & Poor’s, A2 by Moody’s and A+ by Fitch, the substitution of SG for DB as DSRA Account Bank – to the extent it is implemented in compliance with the further requirements set out in the provisions of the Project Account Bank Agreement described above – is already allowed by the Finance Documents without the need for further waivers or consents by the Secured Creditors.

1.3 Impact of substitution of DSRA Account on Finance Documents

As a consequence of the substitution of DB with SG in the capacity as DSRA Account Bank it would be necessary to amend certain Finance Documents for the purpose of:

- (a) documenting the role of SG as substitute DSRA Account Bank;
- (b) documenting that DB will cease to act as DSRA Account Bank but will continue acting as Electronic Payments Account Bank and therefore, in such capacity, it will remain a Secured Creditor;
- (c) establishing a pledge over the new Debt Service Reserve Account that will be opened with SG (the “**New Debt Service Reserve Account**”) on the terms and conditions of the Project Accounts Pledge; and

- (d) acknowledging and confirming that the benefit of the Security Interest in favour of DB as DSRA Account Bank shall be vested in SG as substitute DSRA Account Bank which therefore will become, in such capacity, a Secured Creditor.

For this purpose, the following documents will have to be entered into:

- (i) a new account bank agreement among the Issuer, SG and the Security Agent, for itself and on behalf of the other Secured Creditors (the “**DSRA Account Bank Agreement**”), in the form, subject to the amendments that may be requested by the Security Agent, set out under Appendix A hereto;
- (ii) a new account bank agreement among the Issuer, DB and the Security Agent, for itself and on behalf of the other Secured Creditors (the “**Electronic Payments Account Bank Agreement**”), in the form, subject to the amendments that may be requested by the Security Agent, set out under Appendix B hereto;
- (iii) a deed of amendment in respect of the Common Terms Agreement, the Terms and Conditions of the Bonds, the Master Definition Agreement and the STID among the Issuer, the ANAS Shareholder, the VAT Subordinated Facility Provider, SG, DB and the Security Agent, for itself and on behalf of the other Secured Creditors (the “**Global Deed of Amendment**”), in the form, subject to the amendments that may be requested by the Security Agent, set out under Appendix C hereto;
- (iv) a deed of acknowledgment and extension of the General Receivables Assignment, the Anas Agreement and the VAT Subordination Facility Agreement among the Issuer, the ANAS Shareholder, the VAT Subordinated Facility Provider, SG, DB and the Security Agent (for itself and on behalf of the other Secured Creditors) (the “**Global Deed of Acknowledgment**”), in the form, subject to the amendments that may be requested by the Security Agent, set out under Appendix D hereto; and
- (v) a deed of acknowledgment and extension of the Project Accounts Pledge among the Issuer, the Security Agent, also on behalf of the other Secured Creditors, SG and DB (the “**Deed of Acknowledgment of the Project Accounts Pledge**” and, together with the DSRA Account Bank Agreement, the Electronic Payments Account Bank Agreement, the Global Deed of Amendment and the Global Deed of Acknowledgment, the “**DSRA Account Bank Substitution Documents**”), in the form, subject to the amendments that may be requested by the Security Agent, set out under Appendix E hereto.

All the amendments and supplements to the Finance Documents set out in the DSRA Account Bank Substitution Documents are of a merely formal and technical nature and do not prejudice in any manner the interests of the Secured Creditors and/or the ability of the Issuer to perform its payment obligations to the Secured Creditors under the Finance Documents.

1.4 Mechanics for substitution of DSRA Account Bank

In order to give effect to the substitution of the DSRA Account Bank without causing any prejudice to the Secured Creditors' rights and interests under the Finance Documents, the Issuer proposes that the following actions be implemented:

- (a) as soon as it receives consent from the Security Agent to this STID Proposal pursuant to Paragraph 1.5 (*Request for consent and nature of the STID Proposal*) below, the Issuer will deliver to DB a notice of termination of its appointment as DSRA Account Bank pursuant to Clause 10.2 (*Termination*) of the Project Account Bank Agreement (the “**Termination Notice**”). The Termination Notice shall specify that the termination of the appointment shall become effective at the later of: (i) 60 days after receipt of the Termination Notice by DB;

- and (ii) the date on which SG is appointed as new DSRA Account Bank in accordance with the Finance Documents and all the amounts standing to the credit of the current Debt Service Reserve Account (the "**Old Debt Service Reserve Account**") have been transferred to the New Debt Service Reserve Account and pledged in favour of the Secured Creditors on the same terms and conditions as the Project Accounts Pledge;
- (b) before expiry of the 60-day term referred to under Paragraph (a)(i) above, the Issuer will open the New Debt Service Reserve Account with SG and deposit an amount into it not exceeding Euro 100;
- (c) on a date to be agreed with the Security Agent, SG and DB, and falling in any case after the expiry of the 60-day term referred to under Paragraph (a)(i) above (the "**DSRA Account Bank Substitution Date**"), the following actions shall be performed, in the following order:
- (i) the Issuer, the Security Agent and DB will enter into the Electronic Payments Account Bank Agreement;
 - (ii) the Issuer, the Security Agent and SG will enter into the DSRA Account Bank Agreement;
 - (iii) the Issuer, the Security Agent, the ANAS Shareholder, the VAT Subordinated Facility Provider, SG and DB will enter into the Global Deed of Amendment and the Global Deed of Acknowledgment;
 - (iv) the Issuer, the Security Agent, SG and DB will enter into the Deed of Acknowledgment of the Project Accounts Pledge; and
 - (v) DB will transfer, with same value date, the entire balance standing to the credit of the Old Debt Service Reserve Account to the New Debt Service Reserve Account; and
- (d) by no later than 15 (fifteen) Business Days after the DSRA Account Bank Substitution Date, the Issuer shall close the Old Debt Service Reserve Account and terminate the relevant Bank Mandates.

1.5 Request for consent and nature of STID Proposal

By this STID Proposal, delivered to you pursuant to Clause 21 (*Consents, Amendments and Override*) of the STID and paragraph 1.1 (*Instigation of a STID Proposal*) of Schedule 2 (*STID Decision-Making Protocol*) to the STID, the Issuer hereby requests the Security Agent (for itself and on behalf of the other Secured Creditors pursuant to Paragraph 1.6 (*Binding Force and Authority to Sign*) of Schedule 2 (*STID Decision-Making Protocol*) to the STID) to:

- (i) consent to the amendments to the Finance Documents set out under the DSRA Account Bank Substitution Documents as far as they relate to the substitution of the DSRA Account Bank;
- (ii) waive the covenant set out under paragraph (b) of Clause 9.25 (*Project Accounts*) of the Common Terms Agreement and any other provisions of the Finance Documents that would prevent the opening of the New Debt Service Reserve Account before the DSRA Account Bank Substitution Date and the closing of the Old Debt Service Reserve Account after the DSRA Account Bank Substitution Date, as represented under Paragraph 1.4 (*Mechanics for substitution of DSRA Account Bank*) above; and
- (iii) enter, for itself and on behalf of the other Secured Creditors, into the DSRA Account Bank Substitution Documents on the DSRA Account Bank Substitution Date.

For the purpose of Paragraph 1.2 (*Minimum requirements of a STID Proposal*) of Schedule 2 (*STID Decision-Making Protocol*) to the STID, the undersigned, in its capacity as authorised representative of the Issuer:

- (a) hereby certifies that the STID Proposal under this paragraph 1.5 (*Request for consent and nature of the STID Proposal*), being a matter of a formal and technical nature, which does not prejudice in any manner the interests of the Secured Creditors and/or the ability of the Issuer to perform its payment obligations to the Secured Creditors under the Finance Documents, qualifies as a **Discretion Matter**;
- (b) hereby certifies that the STID Proposal under this paragraph 1.5 (*Request for consent and nature of the STID Proposal*) **does not give rise to a PBCE Provider Entrenched Right**.

In light of the importance of this matter for the Issuer, it kindly asks the Security Agent to provide a response on the foregoing as soon as possible, so as to enable the Issuer to commence the process described under paragraph 1.4 (*Mechanics for substitution of DSRA Account Bank*).

2. Principal Tolls Account STID Proposal

2.1 Background

The Issuer holds the bank account IBAN IT42H0306902119100000005257 with the Operating Accounts Bank, referred to for the purposes of the Finance Documents as a Principal Tolls Account. The Principal Tolls Account is used by the Issuer to credit all Principal Tolls Amounts and to fund the operating requirements of the toll booths (mainly payment of changes to road users that pay tolls in cash).

The Principal Tolls Account is pledged in favour of the Secured Creditors pursuant to the terms and conditions of the Project Accounts Pledge.

Pursuant to sub-clause (d)(i)(C) of Clause 1.5 (*Principal Tolls Accounts, Electronic Payments Accounts and Postal Tolls Accounts*) of Schedule 5 (*Project Accounts*) to the Common Terms Agreement, the Issuer must, on the date falling on the 15th day of each month and on the last day of each month, transfer any amount standing to the credit of the Principal Tolls Account, less a buffer of Euro 100,000 to the Proceeds Account.

On 6 April 2016 the Issuer, as required under the Finance Documents, has also delivered to the Operating Account Bank and the Security Agent a letter including irrevocable payment instructions (the "**Sweeping Instructions**") to give effect, *inter alia*, to the foregoing.

The Issuer has realised that the buffer of Euro 100,000 that it is allowed to retain in the Principal Tolls Account under the Common Terms Agreement may in certain circumstances, and particularly during the summer, be insufficient to ensure that there is appropriate funding for the operating requirements of the toll booths and therefore believes that the buffer amount should be increased to Euro 250,000.

In light of the yearly revenues of the Issuer, and considering that all the amounts standing to the credit of the Principal Tolls Account are in any case pledged in favour of the Secured Creditors under the Project Accounts Pledge, this amendment would not prejudice in any manner the interests of the Secured Creditors and/or the ability of the Issuer to perform its payment obligations to the Secured Creditors under the Finance Documents.

2.2 Request for consent and nature of STID Proposal

By this STID Proposal, delivered to you pursuant to Clause 21 (*Consents, Amendments and Override*) of the STID and paragraph 1.1 (*Instigation of a STID Proposal*) of Schedule 2 (*STID Decision-Making Protocol*) to the STID, the Issuer hereby requests the Security Agent (for itself and on behalf of the other Secured Creditors pursuant to Paragraph 1.6 (*Binding Force and Authority to Sign*) of Schedule 2 (*STID Decision-Making Protocol*) to the STID) to:

- (i) consent to the increase of the buffer amount that can be kept to the credit of the Principal Tolls Account pursuant to sub-clause (d)(i)(C) of Clause 1.5 (*Principal Tolls Accounts, Electronic Payments Accounts and Postal Tolls Accounts*) of Schedule 5 (*Project Accounts*) to the Common Terms Agreement from Euro 100,000 to Euro 250,000 and to the consequent amendment of the Common Terms Agreement to reflect such increase;
- (ii) consequently, add to the Global Deed of Amendment that will be entered into in respect of the STID Proposal under paragraph 1 above, the provisions currently in square brackets in Recital D and in Clause 4.1 of the form set out under Appendix C hereto; and
- (iii) consent to the delivery by the Issuer to the Operational Account Bank and the Security Agent of a letter amending the Sweeping Instructions increasing the buffer amount that can be kept to the credit of the Principal Tolls Account from Euro 100,000 to Euro 250,000.

For the purpose of Paragraph 1.2 (*Minimum requirements of a STID Proposal*) of Schedule 2 (*STID Decision-Making Protocol*) to the STID, the undersigned, in its capacity as authorised representative of the Issuer:

- (a) hereby certifies that the STID Proposal under this paragraph 2.2 (*Request for consent and nature of the STID Proposal*), although relating to matters which do not prejudice in any manner the interests of the Secured Creditors and/or the ability of the Issuer to perform its payment obligations to the Secured Creditors under the Finance Documents, qualifies as an **Ordinary Voting Matter**;
- (b) hereby certifies that the STID Proposal under this paragraph 2.2 (*Request for consent and nature of the STID Proposal*) **does not give rise to a PBCE Provider Entrenched Right**; and
- (c) specifies that the Decision Period in respect of the STID Proposal under this paragraph 2.2 (*Request for consent and nature of the STID Proposal*) is **10 (ten) Business Days**.

* * * * *

The Issuer confirms that the STID Proposals above constitute Finance Documents.

Furthermore, for the purposes of Paragraphs 5.11 (*Information: miscellaneous*), letter (a), roman (vii), and 5.12 (*Notification of Default*), letter (c), of the Common Terms Agreement, the Issuer hereby represents that:

- (a) it is able to pay its debts as they fall due and its liabilities (including contingent) do not exceed its assets; and
- (b) as far as the Issuer is aware, having made all reasonable enquiries, no Default is continuing

A copy of these STID Proposals is being posted, simultaneously with its delivery to you, to the Designated Website.

In consideration of the above, the Issuer hereby kindly requests the Security Agent to act in accordance with Clause 21 (*Consents, Amendments and Override*) of the STID and Schedule 2 (*STID Decision-Making Protocol*) to the STID so as to process the STID Proposals described above as soon as practicable.

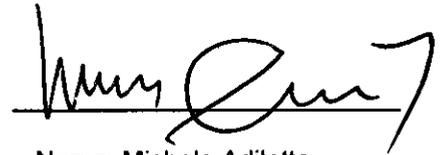
Yours faithfully ,



**CONCESSIONI
AUTOSTRADALI
VENETE**

Concessioni Autostradali Venete – CAV S.p.A.


Name: Giovanni Bordignon
Title: Chief Financial Officer


Name: Michele Adiletta
Title: Managing Director

