

GUIDE FOR REQUESTING TEMPORARY STATE SUPPORT FROM THE SOLVENCY SUPPORT FUND FOR STRATEGIC COMPANIES

CONTENT OF THE REQUEST OF TEMPORARY STATE SUPPORT FROM THE SOLVENCY SUPPORT FUND FOR STRATEGIC COMPANIES

The applications for temporary state support must meet the terms and conditions specified in the applicable norms and, specifically, must include the following documents:

1. The application form asking the temporary state support in keeping with the model in **Annex I**.
2. Statement of responsibility by the applying party that he is not involved in any of the prohibitions for obtaining the status of a beneficiary which are envisaged in article 2 of the Annex III of the resolution of the Council of Ministers on July 21st, 2020.

The statement of responsibility must follow the model which is enclosed as **Annex II**.

3. Feasibility study, including the forecasts regarding the turnover and financial position and assets of the company, stating the amount of the temporary aid for guaranteeing its medium-and long term viability, specifying the capital instruments, the hybrid instruments and/or the financial instruments which are requested to that end.

The Feasibility study must include measurable goals which make possible to assess it in the medium to long term, as well as an exit strategy for the aid received. The exit strategy must include a repayment program to the Fund for the payment and depreciation or repurchase of shares, and the measures that will be taken in order to meet those goals.

The Feasibility Study must include the minimum content specified in **Annex III**.

4. Statement of responsibility of the applying company regarding the presence of certain eligibility requirements for being a company which can benefit from the Fund, stating the following:
 - a. There is a clear prospect of an impairment of the applying company's net worth, due to current or envisaged accumulated losses, which will make necessary to reinforce the company's solvency, so that, in the absence of a temporary public financial support from the Fund, the company might cease operating or experience serious difficulties to keep afloat, which might have a large negative impact on economic activity or employment, either at national or regional level.

- b. The means for reinforcing the solvency of the applying company through private means must be supplemented with temporary financial public support.
- c. The Feasibility Study prepared by the company is founded on objective criteria in assessing the company's medium and long term feasibility, describes the projected use of the temporary financial public support requested from the Fund, the environmental risks, the measures envisaged for facing them and its energy strategy, as well as the recovery by the Fund of the aid granted within a period of time before the termination of the Fund.
- d. The applying company or the branch of the applying company has a systemic or strategic importance for the national or regional production structure, among other reasons, due to its sensitive social and economic impact; or due to its importance for health, public safety, infrastructures or communications; or due to its contribution to the correct performance of the markets; or due to its tractor nature on the whole of the Economy; or due to its innovative nature; or due to the essential nature of the services provided; or due to its role in the achievement of the medium-term goals in the field of ecological transition or digitalization, or due to the increase in the productivity of the Human capital.

The statement of responsibility must follow the model attached as **Annex IV**.

- 5. Certificates of not having outstanding tax or social security obligations as of December 31st, 2019 in the fulfillment of tax obligations and for the social security imposed by current norms.
- 6. Statement of responsibility for the whole measures of public support which it might have enjoyed during the last ten years, stating the amount, nature and entity which granted the public support or aid, of any kind.
- 7. Tax Identification Number, copy of the memorandum of association of the applying company and of the deeds on which appear the current corporate structure and of the remaining corporate bodies. In the case of listed companies, or of those admitted to being exchanged in an official over the counter market, detailed information of significant shareholdings and a copy of the deeds with the current composition of the corporate bodies.
- 8. Certificate of the resolutions of the governing body of the applying company resolving the application for temporary public support from the Fund and documentation proving the representation of the application's signatories.
- 9. Current Articles of Association. Rules of the Board of Directors and, in its case, pacts or agreements of partners/shareholders or shareholders agreements.
- 10. Annual Accounts, Directors' Report and, in its case, Non-Financial Statement Report (in the case of group of companies, consolidated companies of the group, and single companies of the applying company) prepared and audited, including the audit reports and verification, respectively.

The “Applications for Opening the Prior Information Period” and the “Applications for Temporary Public Support from the Solvency Support Fund for Strategic Companies” must be submitted to SEPI’s Website in keeping with the sample forms attached.

When the documents to be sent are very numerous, are not independent, or the files are bigger than 10 MB, the companies can submit those applications through the “Storage of Files” (storage system of files in the cloud).

In these instances, with a previous nature, the interested companies must request from SEPI, through the electronic address registro@sepi.es, an invitation for sending the files through this system. The invitation granted, in its case, will be valid for a 7 calendar day period.

Simultaneously with the sending of the documentation through the Storage of Files, it must be submitted to SEPI, through its Website, a detailed list of the files sent.

Madrid, August 7th, 2020

ANNEX 0
**MODEL OF FORM FOR REQUESTING TO SEPI THE OPENING OF A PRIOR
INFORMATION PERIOD**



Mr. /Ms. _____, of age, with national identity number _____, who acts on behalf of the entity _____ (from now on, the “Applicant”), with its registered office in _____, contact phone _____, contact email _____, with tax identification number _____, in his capacity as _____, as a result of [1].

[1] Specify the legal tool for the granting of a power of attorney, either before a public notary or as a result of a statutory representation, attaching to the application a copy of the corresponding document

HEREBY REQUESTS SEPI, the opening of a prior information period [2] with the aim of solving the following doubts about the terms and conditions to be applied to the deals for a temporary public support to be charged to the Solvency Support Fund for Strategic Companies and/or about the requirements that the beneficiaries must meet:

[2] All of this information will have the reserved nature envisaged in section 2.17 of Royal Law-Decree 25/2020, of July 3rd, on the urgent measures for supporting the economic recovery and employment, will generate no right favoring the applying party and will not bind, in any way, the Managing Council in the conclusion of the corresponding proceedings in case this were to begin after the previous period has ended.

In _____ on _____ 2020

Signature

ANNEX I
**MODEL FOR REQUESTING THE TEMPORARY PUBLIC SUPPORT FROM THE
SOLVENCY SUPPORT FUND FOR STRATEGIC COMPANIES**



Mr. /Ms. _____, of age, with national identity number _____,
who acts on behalf of the entity _____ (from now on, the
“Applicant”), with its registered office in _____, contact
phone _____, contact email _____, with tax identification
number _____, in his capacity as _____, as a result of
[1].

[1] Specify the legal tool for the granting of a power of attorney, either before a public notary or as a result of an statutory representation, attaching to the application a copy of the corresponding document.

HEREBY DECLARES:

1. That he knows the norms applying to the **Solvency Support Fund for Strategic Companies (herein after, the “Fund”)**, expressly accepting with this application the terms and conditions and the working of the latter.
2. That the applying party submits the following attached documentation in keeping with the model proposed by the Fund:
 - Statement of responsibility that the applying party is not incurring in any of the prohibitions for obtaining the status of beneficiary envisaged in paragraph 2 of Annex II of the approval of the Council of Ministers of July 21, 2020
 - Feasibility study.
 - Statement of responsibility of the applying party regarding the concurrence of certain eligibility requirements for being a beneficiary company of the Fund.
 - Certificates of not having outstanding tax or social security obligations as of December 31, 2019.
 - Statement of responsibility of the set of public support measures of which it has benefited during the last ten years, indicating the amount, the nature and entity which granted the subsidy or public aid of any kind.

ANNEX II
MODEL OF STATEMENT OF RESPONSIBILITY OF NOT INCURRING IN ANY OF THE PROHIBITIONS FOR OBTAINING THE STATUS OF BENEFICIARY, ENVISAGED IN PARAGRAPH 2 OF ANNEX II OF THE RESOLUTION OF THE COUNCIL OF MINISTERS OF JULY 21, 2020

D/ Mr. /Ms. _____, of age, with national identity number _____, who acts on behalf of the entity _____ (from now on, the “Applicant”), with its registered office in _____, contact phone _____, contact email _____, with tax identification number _____, in his capacity as _____, as a result of _____.

Hereby and for all the pertinent legal purposes, he STATES that, satisfying the requirements for holding the eligibility requirements as a beneficiary of the Solvency Support Fund for Strategic Companies,

- i) It is a non-financial company, domiciled and with its main workplaces located in Spain.
- ii) It was not in crisis on December 31st, 2019, as stipulated in section 2 (18) of the Regulation of the Commission (UE) n.º 651/2014, of June 17th, which determines the different categories of aid which are compatible with the internal market for the application of sections 107 and 108 of the Treaty.
- iii) It fulfills that envisaged in paragraph 2.c) of Annex II of the Resolution of the Council of Ministers of July 21st, 2020
- iv) It has not had a penalty imposed on it consisting of the forfeiture of the chance to obtain subsidies or public aid or for the crimes of breach of trust, bribery, misappropriation of public funds, graft, frauds and extortions, or for urban development offenses.
- v) It has not breached any government contract, which had given rise to termination of the contract for fault.
- vi) It has no outstanding payments in respect of refunds of public subsidies or public aid.

In _____ on _____ 2020

Signature

ANNEX III
MODEL OF THE MINIMUM CONTENT OF THE FEASIBILITY STUDY

- 1. Executive Summary.**
- 2. A brief description of the company's history, corporate structure, shareholders, managing bodies, organizational chart of the company, etc.**
- 3. Introduction: assessment of the impact of COVID-19.**
 - a) Impact on the market and on business.
 - b) Impact on the strategy.
 - c) Impact on the company: pre-COVID-19 situation, current situation, and business and economic-financial projections which make visible the situation and the need of external financial support.
 - d) Recovery outlook.
- 4. Identification of the proposal submitted to the Fund.**
- 5. External analysis:**
 - a) About the market:
 - i) Recent evolution and current situation.
 - ii) Threats/opportunities
 - iii) Trends and foreseeable evolution
 - b) About the branch/ customers and competition:
 - i) Recent evolution and current situation.
 - ii) Threats/opportunities
 - iii) Trends and foreseeable evolution.
 - c) Comparative analysis (Benchmark).
- 6. Internal analysis:**
 - a) Organizational structure, operational and productive,. Resources available.
 - b) Social and economic impact of the Company.
 - c) Diagnostic of the Company and of its Business Units. Strengths/Weaknesses.
 - d) Main actions and data about the Company in the last few years, including historical data of the activity and financial statements, detailed by areas/departments/business units.
 - e) Competitive positioning.
- 7. Definition of the feasibility strategy for overcoming the crisis situation.**
 - a) Pre-COVID-19 positioning and strategy.
 - b) Post-COVID-19 positioning and strategy. As part of the potential strategic scenarios, development of a model of a sustainable model within the current framework and in the foreseeable one. Identification of the strategy for each business unit (current situation vs. intended situation):
 - i) Definition of the strategy for achieving the viability, including the strategy for the ecological transition (especially environmental and energy), for innovation and human capital development and industrial relations (including gender equality).
 - ii) Strategic lines and axes for implementation.

ANNEX IV

MODEL OF STATEMENT OF RESPONSIBILITY REGARDING THE CONCURRENCE OF CERTAIN ELIGIBILITY REQUIREMENTS FOR THE BENEFICIARY COMPANIES

Mr. /Ms. _____, of age, with national identity number _____, who acts on behalf of the entity _____ (from now on, the “Applicant”), with its registered office in _____, contact phone _____, contact email _____, with tax identification number _____, in his capacity as _____.

Hereby and for all pertinent legal purposes, he STATES that:

- i) There is a clear prospect of an impairment of the net worth of the applying company, as a result of the current or envisaged accumulated losses, which will require to reinforce the company’s solvency, so that, in the absence of a temporary public support from the Fund, the company might be in a position of having to cease its activity or of incurring in serious difficulties to keep operating, all of which might have a large negative impact on the economic activity or on employment, both at national or regional level.
- ii) The ways for reinforcing the solvency of the applying company through private means must be supplemented with a temporary public support.
- iii) The Feasibility Study prepared by the company is based on objective criteria, since it assess the viability of the company on the medium and long term, describes the projected use of the temporary public support requested from the Fund, the environmental risks, the forecasts for facing them and its energy strategy, as well as the recovery of the aid provided by the Fund during a period prior to the winding up of the latter.
- iv) The applying company or the industrial sector of the applying company presents a systemic or strategic significance for the national or regional economic structure, among other reasons due to its sensitive social and economic impact; or due to its importance for public health and security, infrastructures or communications; or due to its contribution to the correct working of the markets; or as a result of the key role it plays on the whole economy; or due to its innovative nature; or for the fundamental nature of the services which it provides; or for its role in the achievement of the medium term goals in the fields of the ecological transition or digitalization, or due to the increase of the productivity of human capital.

In _____ on _____ 2020

Signature

- iii) Critical factors/keys for success.
- iv) Relevant indicators.

8. Action plan/roadmap.

- a) Definition of the strategic projects to be implemented for achieving viability.
- b) Actions to be implemented and key actions.
- c) Short and medium term goals.
- d) Timetable for the actions.

9. Specific plans for achieving viability.

- a) Plan for the ecological transition.
- b) Technological and systems plan.
- c) Investment plan.
- d) Commercial marketing plan.
- e) Approach regarding HHRR.

10. Business Plan and Economic and Financial Forecasts.

- a) Hypotheses examined.
- b) Contracting, book order, margins, with the highest possible level of detail.
- c) Full financial statements detailed for a long enough period for making visible the Company's viability.
- d) Operational and financial ratios, and comparison with the market.
- e) Special relevance of the cash flows and projections, the latter on a monthly basis for at least two years.
- f) Key indicators and risks attached.

11. Financial Plan

- a) Situation and current structure of the Net Worth and of the debt. Warrants and guarantees, counter-guarantees and surety insurances.
- b) Financial Plan proposal, with a specific indication of the need of the support of the Fund as a last resort, as well as its specific implementation.
- c) Proposal for the repayment of the state support, with a calendar for the reimbursement of the State investment and of the payment of the remunerations, and the measures which would be adopted in order to guarantee the fulfillment of the plan for the reimbursement of the state support.

12. Contingency Plan (alternatives, in its case, to the Feasibility Study).

Note: The business and economic-financial forecasts, as well as the financial plan, must include the financial years 2018 and 2019, the financial year 2020 and the subsequent period which might be required for achieving the company's viability and the reimbursement of the temporary public financial support, as well as a further financial year.

Note: In its case, identify the external advisors on which the applying company has relied for preparing the Feasibility Study.

In on 2020

Signature

