

POLICY ON ELIGIBILITY FOR ADVANCED PAYMENT OF SEVERANCE PAY

Adopted with Resolution No. 08 / 2017 of October 20, 2017

Art. 1 - Beneficiaries

1. Except as provided for in art. 1 par. 756 bis of Act No. 296 effective 12/27/2006, all employees of Fondazione Bruno Kessler who have accrued at least 8 years of service accruable for severance pay purposes may apply for the advanced payment of their severance pay. The periods of service for which the full severance pay has been paid will not be computed toward the 8 year requirement.
2. Requests from resigning employees cannot be accepted;
3. Applicants must have the subjective and objective requirements of this agreement at the date of submission of their request.

Art. 2 - Extent and approval of the advanced payment

1. Employees may apply for an advance not exceeding 70% of the severance pay accrued up to the date of the application.
2. Notwithstanding the provisions of paragraph 9 below, the gross amount of the advance may not, however, exceed the programmed expenditure resulting from the request and is considered eligible under Article 6.
3. Advances will be approved following the chronological order of the submission date of the applications, without prejudice to the limits set forth in art. 2120 paragraph 7 of the CC, which will be determined based on the number of employees on the payroll on January 1 of each year.
4. Advances are normally approved only once during the employment relationship with the Foundation.
5. Advances are deducted, to all effects, from the severance pay with reference to the year of disbursement and therefore do not contribute to the revaluation referred to in paragraph 4 of Article 2120 of the CC
6. The approval of the advance payment must be formalized within 60 days from the submission date of the request, complete with appropriate documentation
7. The payment of the advance, subject to the provisions of Art. 7, item 4, will usually take place with one single installment
8. It must be noted that in the case of a request including cost estimates, the advance payment shall be approved but not paid until the invoices or tax receipts attesting the actual payment of such expenses have been formally received.
9. If the amount resulting from the invoice or tax receipt showing the payment is lower than the gross amount referred to in paragraph 1 above (70%), the worker may be granted the severance pay advance for an amount equal to the invoice or tax receipt provided that the corresponding gross amount of advance payment of the severance pay in no case exceeds the cap referred to in paragraph 1.

Art. 3 - Application funding

1. Applications are fulfilled annually, within the limits of art. 2120 paragraph 7 of the CC provided that credit line is available with the financial institution.
2. Applications denied due to insufficient budget funds will be reconsidered in the following year, or as soon as funding becomes available in the line of credit, and given priority for funding.

Art. 4 - Reasons for approval of advanced payment

1. Advanced payment of severance indemnities can be approved for the following reasons:
 - a) **healthcare related costs** for non-standard therapies and surgery recognized by the concerned Healthcare System Agency, including travel or lodging and meal costs, for the employee or members of his or her family, as defined in art. 5. Healthcare expenses also include those relating to the purchase of a car adapted for disabled people.
 - b) **Purchase or construction of the main home**, intended for regular residence of the employee and members of his or her family, as defined in art. 5. The expenditure is also eligible if the employee and/or the members of his/her family are owners or assignors or tenants with a future sale agreement or usufructuary or with a right of residence or use of other housing, provided that the latter is unsuitable for the needs of the family. In order to evaluate such unsuitability, reference is made to the relevant provisions of the law. The assignment of cooperative housing either shared or indivisible property, and extinction qualify as purchase as well.

Expenses for the purchase or construction of a garage or parking spot are also eligible provided that:

- the garage or car park is either pertaining to or serving the dwelling intended for the regular residence of the employee and the members of his or her family as defined in art. 5, and
- it is the only garage or car park owned by the employee and/or his/her family members, as set forth in art. 5.

Expenses for the purchase/construction of other dwelling accessories, such as storage rooms, terraces, gardens, lay-bys, etc, are not eligible;

- c) **Purchase or construction of the main home**, intended for regular residence of the employee and members of his or her family, as defined in art. 5. The expenditure is also eligible if the employee and/or the members of his/her family are owners or assignors or tenants with a future sale agreement or usufructuary or with a right of residence or use of other housing, provided that the latter is unsuitable for the needs of the family. In order to evaluate such unsuitability, reference is made to the relevant provisions of the law.

Expenses for the renovation works of dwelling accessories (storage room, garage, terrace, garden, lay-by, etc.) are not eligible;

- d) **Early extinction or partial reduction of mortgages/loans** entered into by employees for amortization plans of not less than five years, provided that, at the date of application, the amortization plan has been in place for at least 2 years starting from the payment of the first installment. The mortgage/loan must be in the name of the employee and/or spouse. If it were

in joint names with other people, the eligible expense is only that relating to the employee and/or spouse.

e) Education expenses for children of employees:

for:

- undergraduate or graduate students (Erasmus, Masters degree, etc.);
- high school students spending a stay abroad of at least one school year (Intercultura program, etc.) and only if the curriculum is relevant to the legal study course;
- a Master's Degree in Italy, provided that the child resides or is domiciled at a location other than the residence of the employee's family.

Without prejudice to the overall cap laid down in art. 2 item 1 and notwithstanding the provisions of art. 2 item 4, the pay advance for these courses abroad cannot be higher than the sustained expense.

f) Purchase/construction or renovation of the single regular residence for the dependent child of an employee.

Please note that expenses for housing purchased on a speculative basis or for a mere investment, intended to be occasional residence are not eligible. The assignment of cooperative housing either shared or indivisible property, and extinction qualifies as purchase as well;

- g) reasons of particular seriousness** related to the basic necessities of family life and such as to affect the economic situation of the employee and members of his or her family, as defined in art. 5, based on the income and property situation of the employee and his or her family;
- h) use by the employee of leave**, as referred to in Article 32 of Legislative Decree No. 151 of March 26, 2001 (parental leave: six months for the mother or seven months for the father) and Articles 5 and 6 of Act No. 53/2000 (training related leave). The advance is only granted for periods of no less than three months for each child. The amount of the advance will be equal to the lost regular gross salary - excluding Christmas bonus and summer bonus - calculated at the beginning of the leave period. The request cannot be submitted before the leave start date;

The expenses referred to in item 1 (b) and (c) of this Article 4 (employee's home purchase/construction/renovation) are eligible if:

- a. the employee and the members of his or her family, as defined in art. 5, are not owners, or assignors, or tenants with a future sale agreement, or usufructuary, nor hold the right of housing or use of other suitable home (in the case of the purchase/construction of the garage only: other garage);
- b. b) the dwelling is intended as regular residence for the employee and his or her family members, as defined in Art. 5, (in the case of garage purchase/construction: if the garage is the only property in the service (or accessory) of the dwelling of the employee's household;
- c. the home and/or garage is either in the name or in joint names of the employee and/or spouse. If it is in joint names with other people other than the employee and/or spouse, the

eligible expense is the one relating only to the co-ownership of the employee and/or the spouse.

2. The expenses referred to in item 1 (f) of this Article 4 (home purchase/construction/renovation for the adult child) are eligible if:
 - a) the adult beneficiary of the home and/or the members of his/her newly formed or to be formed family are not owners, or assignees, nor tenants with a future sale agreement, or usufructuary, nor hold a right of residence or use of other suitable dwelling;
 - b) the employee and the members of his or her family, as defined in art. 5, are not owners, or assignees, or tenants with a future sale agreement, or usufructuary, nor hold the right to housing or use, more than one suitable home other than that for which the request is made;
 - c) the dwelling is intended for regular residence of the adult child benefitting from the home;
 - d) the home is either in the name or in joint names of the employee, spouse, or the child who is the beneficiary of the home. If in joint names with other people, the eligible expense will be the one relating only to the co-ownership of the employee and/or the spouse and/or the child.

If the employee or the adult child and/or the members of the respective households are owners of other homes, verification of the suitability of such homes refers to the adult child's household.

Art. 5 - Definition of household

1. A household is defined as the situation resulting from the family certificate filed in the archives of the general registry office of the municipality of residence. A spouse, who is not legally and effectively separated, is considered to be a family member, even if not cohabitant.
2. In the case of those who, being part of a household of more than one person, intend to establish a one member household, the assessment of the requirements refers to the recipients of the home for which the request is made.

Art. 6 - Eligible expenses

1. Expenses already incurred, provided that they do not go back more than three years from the date of submission of the request, expenses being incurred and those still to be incurred are eligible.

Art. 7 -Deadlines and procedures for application submission

1. The requests for severance pay advance can be submitted at any time of year.
2. Applications must be complete with the following documentation:
 - a) **for health related expenses:**
 - a self-certification in lieu of the family certificate if the latter is not in the name of the applicant;
 - a copy of the cost estimate and invoices or tax receipts showing the actual costs incurred;

In the case of a request for medical care from a private provider, it is necessary to submit a certification by ASL which certifies:

- existence of the disease
- necessity of the resulting therapy/surgery
- the amount of the expense

In the case of travel, and board and lodging expenses also related to the family member who provides assistance to the person for whom the advance is requested, the following must be attached:

- original travel, and board and lodging documents
- a statement by the health care provider where the surgery or treatment was performed certifying that the person in whose name the travel, and board and lodging documents is actually assisting the patient;

b) For the purchase, construction or renovation of the home or purchase/construction of a garage or parking:

– ***In the case of purchase:***

- a self-certification in lieu of the family certificate if the latter is not in the name of the applicant;
- a preliminary purchase contract or a notary deed of purchase, in original or authentic copy showing that the payment has already been made;

In lieu of a preliminary contract or a notary deed: a self-certification of the notary deed attesting to the contents of the preliminary contract or the notary deed of purchase (contracting parties, notary and index number in the case of the notary deed, date and place of contract stipulation, property identification data, cost, payments made;

- a self-certification in lieu of the attested affidavit, or atto di notorieta, attesting to the fulfillment of the requirements referred to in Article 4, item 2;
- a self-certification in lieu of the attested affidavit, or atto di notorieta, attesting to the receipt by the applicant or his/her family members, if applicable, of unrecoverable grants and reimbursements for the same expenses as well as the amount of the grants/reimbursement;

– ***In the case of cooperative housing assignment:***

- a self-certification in lieu of the family certificate if the latter is not in the name of the applicant;
- In the case of assignment not yet processed:

Extract from the minutes of the Cooperative's Board of Directors indicating the identity of the booking member, the identification of the property, the total cost for the member, the amount of any subsidized loans and the deposit already paid;

- In the case of already processed assignment:
 - Notary deed of assignment, original or authenticated copy, attesting to the payment of the cost of the property. In lieu of the notary deed: a self-certification in lieu of the notary deed attesting to the content of the notary deed of assignment (contracting parties, notary and index number, date and place of stipulation of deed, identification of the property, cost and Payments made, or,
 - extract from the minutes of the Board of Directors of the Cooperative showing the identity of the assignee, the date of assignment, the identification of the property, the cost, the payments made and the amount of any subsidized funding;
- a self-certification in lieu of the attested affidavit, or atto di notorieta, attesting to the fulfillment of the requirements referred to in Article 4, item 2;
- a self-certification in lieu of the attested affidavit, or atto di notorieta, attesting to the receipt by the applicant or his/her family members, if applicable, of unrecoverable grants and reimbursements for the same expenses as well as the amount of the grants/reimbursement.
- ***In case of home mortgage redemption:***
 - a self-certification in lieu of the family certificate if the latter is not in the name of the applicant;
 - In case of redemption not yet occurred:
 - Statement by the grantor Institute (e.g. ITEA) attesting to the commitment to redeem the dwelling, the cost of the redemption, the payment methods and the deposit already paid or,
 - In case of already redeemed dwelling:
 - Notary deed of sale, original or authenticated copy, attesting to the payment of the cost of the property. In lieu of the notary deed: a self-certification in lieu of the attested affidavit showing the content of the notary deed of assignment (contracting parties, notary and index number, date and place of stipulation of deed, identification of the property, cost and payments made;
 - a self-certification in lieu of of the attested affidavit, or atto di notorieta, attesting to the fulfillment of the requirements referred to in Article 4, item 2;
 - a self-certification in lieu of the attested affidavit, or atto di notorieta, attesting to the receipt by the applicant or his/her family members, if applicable, of unrecoverable grants and reimbursements for the same expenses as well as the amount of the grants/reimbursement.
- ***In the case of construction or renovation:***
 - a self-certification in lieu of the family certificate if the latter is not in the name of the applicant;

- Original or authenticated copy of authorization to build or other documentation required by current legislation (municipal authorization, technical certification, etc.). In lieu of the authorization or other documentation: self-certification in lieu of the attested affidavit, or atto di notorieta, showing the content of the authorization or other documentation (Municipality, Recipient, Number and Date, Subject, Validity, etc.);
- Depending on whether it is renovation or construction: documentation proving the ownership of the property or the land, in original or authenticated copy. Alternatively: a self-certification in lieu of the attested affidavit showing, depending on whether it is renovation or construction, the ownership of the property to be renovated or the property of the land with the relevant identification data (location, building area, etc);
- In the case of construction or renovation already started but not yet completed:
 - estimated area calculated by a professional enrolled in professional registry or detailed budget estimates issued by companies or businesses;
 - original invoices or authenticated copies of payment already made. In lieu of invoices: self-certification in lieu of attested affidavit showing the contents of invoices (number and date of invoice, issuer, recipient, description of expenditure, amount);
- In the case of completed construction or renovation:
 - Original invoices or authenticated copies. In lieu of invoices: self-certification in lieu of attested affidavit showing the contents of invoices (number and date of invoice, issuer, recipient, description of expenditure, amount);
- self-certification in lieu of attested affidavit, or atto di notorieta, attesting to the fulfillment of the requirements referred to in Article 4, item 2;
- a self-certification in lieu of the attested affidavit, or atto di notorieta, attesting to the receipt by the applicant or his/her family members, if applicable, of unrecoverable grants and reimbursements for the same expenses as well as the amount of the grants/reimbursement.

c) For extinction or reduction of mortgages/loans:

- a self-certification in lieu of the family certificate if the latter is not in the name of the applicant;
- In the case the mortgage/loan has not yet been extinguished or reduced: Statement by the Credit Institution or the entity that granted the mortgage/loan indicating the terms of the mortgage/loan agreement (specifying: date, duration, amount granted, first installment, residual debt amount);
- In case the mortgage/loan has already been extinguished or reduced: Statement by the Credit Institution or the entity that granted the mortgage/loan showing the terms of the mortgage/loan agreement (with the details of: date, duration, amount granted) the amount paid for the extinction or reduction of the mortgage/loan and the date of redemption/reduction;

- A self-certification in lieu of the attested affidavit, or atto di notorieta, attesting to the receipt by the applicant or his/her family members, if applicable, of unrecoverable grants and reimbursements for the same expenses as well as the amount of the grants/reimbursement.

d) For employee's child education expenses:

- Self-certification form in lieu of the family certificate;
- Statement attesting:
 - the date of enrollment for the child's studies, the type of course, the legal duration and the location of the high school or university, etc.;
 - the content of the documentation proving the child's stay in a place other than that of the employee's residence (duration of the lodging lease and date of registration with the Revenue Agency, date and place of the contract, names of the contracting parties, details of the lodging, amount of rent, etc, or name and address of the boarding school, number and date of receipts, amount, etc.);
- for courses abroad: documentation, original or authenticated copy, proving the type of course, the enrollment for the course, the duration and the ongoing or sustained expense. In lieu of this documentation, a self-certification attesting to the content of the documentation proving the type of course, the enrollment in the course, the duration and the ongoing or sustained expense;
- a certification attesting to the receipt by the applicant or his/her family members, if applicable, of unrecoverable grants and reimbursements for the same expenses as well as the amount of the grants/reimbursement.

e) Reasons of particular seriousness:

- a self-certification in lieu of the family certificate if the latter is not in the name of the applicant;
- Documentation, original or authenticated copy, attesting to the serious economic situation.
- a self-certification attesting to the income and wealth of the employee and his family members;
- a certification attesting to the receipt by the applicant or his/her family members, if applicable, of unrecoverable grants and reimbursements for the same expenses as well as the amount of the grants/reimbursement.

f) Use of leave of absence:

- self-certification form in lieu of the family certificate;
- self-certification in lieu of attested affidavit pursuant to art. 47 DPR 445/2000, attesting to the request or receipt by the applicant or members of his/her family, as defined in Article 5, of unrecoverable grants and reimbursements for the same expenses as well as the amount of any unrecoverable grants/reimbursement.