

PRESS RELEASE

**Mortgages: ABI approves the “Family program” and suspends mortgage payments for families in need**

*This initiative will be launched in January 2010.*

ABI's Executive Committee approved the government's so-called “Family program” today in Milan; it also empowered Corrado Faissola, President of ABI, and Giovanni Sabatini, General Manager of ABI, to take the necessary actions aimed at coordinating and extending the measures that have already been implemented to support families in need, due to the financial crisis, who have a mortgage. In order to implement the agreed-to measures, the issue will be discussed with consumers' associations, the government, public entities and privates.

As regards the “Family program”, ABI decided to offer families in need the opportunity to suspend mortgage payments for 12 months; disadvantaged families eligible for these benefits are the following:

- if a family member, who is employed on a permanent contract, has lost his/her job or if his/her fixed-term, temporary, atypical or similar employment contract has expired;
- if a family member who is self-employed has closed down his/her business;
- if a family member who receives an income and provides for the family dies;
- if a family member benefits from the measures aimed at financially supporting workers on lay-off (temporary or special redundancy fund – *Cassa Integrazione Guadagni* and *Cassa Integrazione Guadagni Straordinaria*).

This measure, which will come into force in January 2010, will enable banks participating in the initiative to provide another effective tool aimed at supporting families in need.

In general, with the “Family program”, ABI wishes to initiate a dialogue with representatives from institutions and the civil society with respect to three major issues:

- making families' debt burden more bearable by suspending mortgage payments for families clearly in need;
- discussing the issue with leading representatives from the public and private sector;
- coordinating and effectively providing information on existing incentive plans, many of which have been defined together with the public administrations.

The program focuses on existing measures aimed at: making mortgages more affordable for families having no income due to the ongoing financial crisis; favoring access to new loans to meet families' basic needs; supporting customers wishing to start up small-sized businesses or find employment. These measures have: autonomously been taken by the banking industry (mortgage portability and renegotiation); taken together with the government, regions, municipalities and the Italian Episcopal Conference, which have set up specific guarantee funds or funds aimed at covering certain costs (interest, fees, etc.); been formalized into agreements with social partners (agreement on advanced redundancy payments – *Cassa Integrazione Guadagni* and *Cassa Integrazione Guadagni Straordinaria*).

Milan, 21 October 2009