

TXC “TaXchange” is Simply The Best Way to Monetize Italian Tax Claims



Businesses
achieve immediate liquidity



Investors
realize substantial yield

TXC TaXchange supports the Italian tax and banking systems by enabling public and private companies to efficiently and transparently monetize tax claims

- ✓ Government Secured Assets
- ✓ € 90 Billion Market
- ✓ 6%-18% Yields
- ✓ Transparent Market
- ✓ Derivatives / Options
- ✓ Analytics / Reporting

Benefits and Value Proposition

Centralized Market **P2P Trading** **Price Discovery** **Certified & Secure**

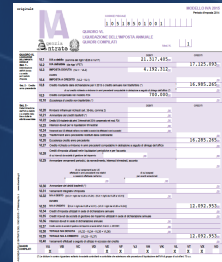
TXC TaXchange is an automated trading platform that combines best-in-class technologies and a P2P solution for maximizing and monetizing Italian Tax Claims.



So what is an Italian Tax Claim or Receivable?

1) How an Italian Tax Claim Title is originated ?

Every year Companies deliver or submit their Tax Returns and those with a refund claim create a Tax Claim within the Return. The Tax Claim Title is originated within the Tax Return. The Tax Types considered are the Value Added Tax (IVA) the Federal and Regional Corporation Taxes (IRES and IRAP)



2) What are the available options ?

Companies have 3 institutional options, but due to the limitations arising from the clearing of the tax claims and the lengthily delays of repayments from the Taxman, in the majority of the cases they tend to sell the Tax claims to the market.

3) Two types of buyers

1. Italian Banks
2. Debt Funds via an SPV

Market Prices

1. Italian banks usually apply a discount between 5% and 10%, good cases a 2% discount is applied.
2. Private debt funds usually apply a discount between 10% and 30% because of the excessive offer and limited absorption by Italian Bank.

4) Monetization of Tax Claims - Functioning of the Market

- Once a Tax Claim has been purchased – by a bank or by a private debt fund – the only option available to monetize the Tax Claim is to wait for a Refund from the Tax Administration, the following steps and timeline is expected:
 1. Between 6 and 18 months the Tax Administration will carry out an assessment of the Tax Claim to validate the payment
 2. After the assessment, if positive, the Tax Administration will send a request for a fidejussory guarantee to sanction the payment of the Tax Claim. This is because the Claim can be subject to a review within 5 years of the payment in case a fraud has been discovered. Only few companies are not required to provide a fidejussory guarantee.
 3. Many companies will not be able to obtain a fidejussory guarantee, however once they receive the letter and send this fidejussory guarantee, depending on the availability of funds, the Tax Refund will be processed and paid after approximately 6 months.
 4. So It takes between 2 and 3 years to monetize a Tax Claim,

How it Works

