

*Open procedure for the award of the concession to manage the gambling house in Venice after the sale of Casinò di Venezia Gioco S.p.A., wholly owned by CMV S.p.A.*

## TENDER SPECIFICATIONS

### 1. SUBJECT OF TENDER

With a contract notice published in the Official Journal of the European Union no. [●] of [●] and in the Official Gazette of the Italian Republic no. [●] of [●] (the “**Contract notice**”), the City of Venice (the “**City**”) has invited tenders by open procedure in order to select an operator to be awarded a 30-year concession to manage the gambling house in Venice (the “**Gambling House**”) after transfer, for an equal period of time, of the assets instrumental to operating the **Casino** by means of a 100% acquisition of the shareholding in Casinò di Venezia Gioco S.p.A. (“**CdV Gioco**”) held by CMV S.p.A. (“**CMV**”), a company wholly owned by the City.

### 2. TENDER DOCUMENTS

**2.1.** The tender documents referred to in Article 1 (the “**Procedure**”) consist of these tender specifications (the “**Specifications**”) and of the following annexed documents:

- Due Diligence Regulations (the “**Due Diligence Regulations**”) (Annex 1);
- Due Diligence schedule (the “**Schedule**”) (Annex 2);
- Request form for access to Due Diligence (Annex 3);
- Confidentiality agreement template (Annex 4);
- Request form for participation in the Procedure, including a statement to be rendered in accordance with Presidential Decree no. 445/2000, certifying compliance with the participation requirements under point III.2 of the Contract notice and Articles 3 and 4 of these Specifications (Annex 5);
- Form for the statements to be rendered, pursuant to Presidential Decree no. 445/2000, by the directors endowed with powers of representation, by the technical directors, by the sole partner, or by the majority partner for companies with less than 4 (four) partners, with regard to compliance with the requirements set in Article 38 of Legislative Decree no. 163 of 12 April 2006 (the “**Public Contract Code**”), and also, with reference to the condition set out in Article 38, subsection 1, letter c) of the Public Contract Code, by the directors endowed with powers of representation and the technical directors who ceased to hold office in the year preceding the date of publication of the Contract notice (Annex 6);
- Financial Bid Template, for the statement of a single and unconditional price, (the “**Financial Bid**”) (Annex 7);

- Privacy Policy Form (Annex 8);

**2.2.** The Procedure documents also include the following:

-Contract notice;

- Template of the agreement to be signed by the City, CdV Gioco and the Tender Winner in relation to the **management** of the Gambling House, approved by the Venice City Council with resolution no. 70 of 17-18 September 2013 and later supplemented by modifications of non-substantial nature as requested by the Italian Ministry of Interiors, as reported in Annex 3 to the Venice City Government's resolution no. 696 of 20/12/2013 (the "**Agreement**");

- Template of the agreement for the transfer of CdV Gioco's entire share capital from CMV to the Tender Winner, annex 0.6 to the Agreement (the "**Acquisition Agreement**");

- Template of the legality protocol for the prevention of infiltration by organized crime, to be signed with the City and with the designated public authorities, annex 0.8 to the Agreement (the "**Legality Protocol**");

- Documentation to be made available for Due Diligence purposes to those who will request access to the "**Data Room**", pursuant to Article 5 of these Specifications;

**2.3.** Finally, the City intends to provide any further clarifications and/or information in writing (the "**FAQs**") and undertakes to respond to any specific requests concerning the documentation to be made available for Due Diligence in compliance with the provisions of the Due Diligence Regulations.

### **3. TENDERER'S ELIGIBILITY**

**3.1.** Domestic and international operators in the industry to which this tender applies ("**Operators**") that possess the requirements envisaged under the Contract notice in the forms indicated under Section III.1.3 of the Contract notice, in accordance with the requirements envisaged under art 4 of the present Specifications are eligible to take part in the Procedure.

In light of the specific nature and significance of the business being tendered for in the Concession, in order to enable the designated law-enforcement and municipal authorities to perform effective, complete and thorough supervision on the observance and maintenance of conduct requirements (with particular reference to such requirements as are necessary to prevent organized crime infiltration and money-laundering activities), any Operators without a registered office in a country of the European Union will be admitted to participate in the Procedure on condition that, from the time of submittal of the bid, they open (and, in the event of the Concession being awarded, maintain throughout the duration of the Concession), only for the purpose of the above-mentioned supervision, at least one specific administrative office in a country of the European Union (whose creation is required with the sole aim to enable the

monitoring of compliance with conduct requirements) under the responsibility of a specifically designated person.

For temporary groupings of companies, the condition set out in the above paragraph with reference to the Operators participating in the tender shall be understood to apply to each Operator not having a registered office in a country of the European Union.

In the event of the Concession being awarded, the temporary group of companies shall set up a company with registered office in the EU, to be jointly held by each Operator belonging to the temporary group of companies.

In all the above cases, such documents as are necessary or anyway useful for the designated law-enforcement and municipal authorities to ensure the effective performance of the aforementioned supervision shall be suitably filed and kept at the registered office (for EU operators) or at the administrative office located in a country of the European Union (for non-EU operators). The documents filed and kept at the office shall be provided in original or certified copy, according to the legislation applying at the place where the Operator is established.

**3.2.** The causes for exclusion set out in Articles 36.5 and 37.7, of the Public Contract Code shall be applicable.

#### **4. TENDER PARTICIPATION REQUIREMENTS**

In order to participate in the Procedure, Operators must comply with the following requirements:

**a) General and professional requirements:**

**a.1)** Compliance with the general requirements set out under Article 38 of Legislative Decree no. 163 of 12 April 2006 (the “Public Contract Code”), the same article being applicable to this procedure. In consequence, Operators to which grounds for exclusion pursuant to Article 38 apply are excluded from the procedure. Each Operator must specifically declare that the grounds for exclusion envisaged under Article 38 of the Public Contract Code do not pertain, pursuant to the templates in Annex 5 and 6 to the Tender Specifications;

**a.2)** Non-existence of any causes for exclusion as identified in Article 24 subsection 25, of Law Decree no. 98 of 6 July 2011, as amended and ratified by Law no. 111 of 15 July 2011. Consequently, Operators will be excluded from the tender procedure in the following cases: i) the owner or legal representative or attorney-in-fact of the Operator, or the general manager or the person responsible for a branch office or permanent establishment in Italy for a non-resident Operator, as well as the non-separated spouse of any of the above, has been convicted of, including by interlocutory judgement, or is currently under trial for any of the crimes listed in Articles 2 and 3 of Legislative Decree no. 74 of 10 March 2000, and under Articles 314, 316, 317,

318, 319, 319-ter, 320, 321, 322, 323, 416, 416-bis, 644, 648, 648-bis and 648-ter of the Italian Criminal Code or, in the event of crimes committed abroad, for offences related to organized crime or the laundering of money from illicit activities; ii) the Operator is directly or indirectly owned, to an extent in excess of 2% of its equity or assets, by networks of companies natural persons and/or their non-separated spouses who have been convicted, including by interlocutory judgement, or are currently under trial for any of the crimes listed in Articles 2 and 3 of Legislative Decree no. 74 of 10 March 2000, and in Articles 314, 316, 317, 318, 319, 319-ter, 320, 321, 322, 323, 416, 416-bis, 644, 648, 648-bis and 648-ter of the Italian Criminal Code or, in the event of crimes committed abroad, for offences related to organized crime or the laundering of money from illicit activities;

**a.3)** Non-existence, with reference to the subjects identified in art 67 of Legislative Decree no. 159 of 6 September 2011, of any of the causes for prohibition identified in subsections 1, 4 and 8 of the same Article 67 of Legislative Decree no. 159 of 6 September 2011. The provisions of Articles 83 and following of said Legislative Decree no. 159 of 6 September 2011 shall apply in full;

**a.4)** Subsequent to the entry into force of Article 1, subsection 17, Law no. 190 of 6 November 2012, no breach has occurred of the clauses contained in legality protocols or in integrity agreements entered into with commissioning bodies and government entities pursuant to the aforementioned Article 1, subsection 17, Law no. 190 of 6 November 2012;

**a.5)** No grounds for ineligibility to negotiate with government entities envisaged under Article 53, subsection 16-ter, of Legislative Decree no. 165, 30 March 2001;

**a.6)** Registration with the Chamber of Commerce, Industry, Crafts and Agriculture of the Province where the Operator is based or with a similar register (if existing) in the Operator's Country of origin, containing information to the effect that the Operator's corporate purpose – based on chamber of commerce registrations – includes the subject of this Procedure;

**a.7)** With reference to Operators within the scope of application of Article 37 of Law Decree no. 78 of 31 May 2010, the authorization released by the Ministry of the Economy and Finance, pursuant to Article 37 of Law Decree no. 78 of 31 May 2010, according to the methods and terms established by the decree issued by the Ministry of the Economy and Finance on 14 December 2010, published in the Official Gazette of the Italian Republic no. 46 of 25 February 2011.

For temporary groupings of companies or ordinary consortia or networks of companies: i) the requirements under a.1), a.2), a.3), a.4), a.5) and a.6) must be met by each Operator belonging to the temporary group, the ordinary consortium or the network of companies; ii) the authorization under point a.7) has to be produced only by any Operator(s) within the scope of application of the law article referred to at the same point.

Evidence that the requirements under a.1), a.2), a.3), a.4), a.5) and a.6) are satisfied must be provided by means of: i) a statement in lieu of certification pursuant to Articles 38, 46 and 47 of Presidential Decree no. 445 of 28 December 2000 for Operators resident in Italy; ii) a legalized statement pursuant to Article 33 of Presidential Decree no. 445 of 28 December 2000, or in accordance with the provisions in force in the Country of residence for Operators not resident in Italy and based in another Member State of the European Union (said documentation shall be accompanied by a sworn translation into Italian); iii) such documents as are suitable to certify compliance with the requirements for Operators resident outside the EU (said documentation shall be accompanied by a sworn translation into Italian). It is hereby specified that, in the event of conflict between the foreign language version and the Italian version, the Italian language version will prevail, as it is the Operator's burden (and consequent risk) to ensure the accuracy of the translation.

**a.8)** Pursuant to Article 38 of the Public Contract Code (it being understood that all the provisions of said article shall apply in full to this Procedure), it is hereby explicitly stated that participation in this Procedure shall be limited to such Operators whose proprietors, or majority partners in the event of companies with up to four partners, or natural person owners in the event of sole-partner companies, do not meet any of the causes for exclusion defined under letters b) and c) of Article 38 of the Public Contract Code, thus fulfilling the following conditions:

- ❖ No proceedings are pending regarding the application of one of the preventative measures envisaged under Book I, Title I, Heading II of Legislative Decree no. 159/2011 which, pursuant to Articles 6 and 67 of the aforementioned legislative decree result in ineligibility of holding public concessions;

No final sentence has been passed or a criminal conviction been issued that is beyond appeal, or a sentence in application of a plea bargain pursuant to Article 444 of the Criminal Procedure Code for serious crimes against the State or the Community that impinge upon professional integrity. A final sentence for one or more crimes of belonging to a criminal organization, fraud or money-laundering as defined by Community deeds cited in Article 45, clause 1, EC Directive 2004/18 is in any case grounds for disbarment. In any event, disbarment and prohibition also apply to individuals who resigned from their post in the year preceding issue of the Contract notice if the Operator has not demonstrated an effective dissociation from the conduct that led to sentencing; disbarment and prohibition do not pertain when the crime has been decriminalized or a forfeited right has been restored, or if the crime has been declared expired after a sentence, or if the sentence itself has been revoked.

The provisions under III.2.1.B.1) of the Contract notice and under subsection 4.a.1) of these Specifications apply in full.

To this end, as part of the bid process the party concerned must issue a declaration pursuant to the form attached as Annex 5 to the Specifications. For temporary groupings of companies or ordinary consortia or networks of companies, this requirement must be held by each Operator within the temporary grouping of companies, ordinary consortium or network of companies.

b) Economic-financial capacity:

1) Over the three years (2010-2011-2012), have registered a specific annual average turnover for gambling house management services totalling (excluding VAT) no less than twice that achieved by the current CMV Gioco Group last year (2012), that is to say, equal to €202,929,864.00

For a temporary grouping of companies or an ordinary consortium or network of companies, turnover from managing gambling houses must be held by an industry operator or, in the case of multiple gambling house operators within a temporary grouping of companies, ordinary consortium or network of companies, cumulatively by the gambling house operators.

Proof of meeting the economic and financial capacity requirements is provided by producing the following documents:

- i) Statement by at least two banks or authorized intermediaries pursuant to Legislative Decree no. 385, 1 September 1993, certifying the economic and financial capacity in order to comply with obligations arising from placing the winning bid;
- ii) Corporate accounts or extracts of accounts, or a declaration signed pursuant to the provisions of Presidential Decree no. 445 of 28 December 2000;
- iii) A self-certified statement, duly signed in accordance with the provisions of Presidential Decree no. 445 of 28 December 2000, regarding revenues registered in the last three years (2020-2011-2012) in the field of activity relevant to the tender.

If, for justifiable reasons, the Operator is unable to present the proof requested, it may prove its economic and financial capacity through any other document considered suitable by the Contracting authority.

The statement referred to under item i must be presented upon bid submission. The tender winning Operator is duty-bound to exhibit evidential documentation in order to confirm the statements referred to under items ii and iii.

c) Technical capacity:

1) Having gained at least five years' experience in the operation of gambling houses during the last five years.

Proof of holding technical capacity requirements may be achieved by producing a list of the main industry services under the tender rendered during the years 2008, 2009, 2010, 2011 and 2012. To this end, during the tender process, the Operator who holds this necessary requirement may make a declaration signed in compliance with the provisions of Presidential Decree no. 445 of 28 December 2000; the tender-winning Operator is requested to show the evidential documentation to back up what was declared during the tender process.

For temporary groupings of companies or ordinary consortia or networks of companies, gambling house management experience must be held by at least one Operator within the temporary grouping of companies, ordinary consortium or network of companies.

d) Use of an auxiliary company:

It is admissible to claim the economic-financial and technical capabilities of an auxiliary company when providing evidence of compliance with the relevant requirements, within the limits and the provisions of Article 49 of the Public Contract Code.

## **5. DUE DILIGENCE**

**5.1.** The Operators concerned will have the opportunity to conduct a Due Diligence:

- a) in accordance with the Due Diligence Regulations and the terms established in the Schedule;
- b) by submitting the following to the Officer Responsible for the Procedure: i) a request to access Due Diligence drafted according to the template in Annex 3, with an attached statement, rendered pursuant to the provisions of Presidential Decree no. 445 of 28 December 2000, by a person registered in the Register of Auditors or in a similar body according to the legislation of the country of origin, certifying that the applicant satisfies the economic-financial and technical requirements set out in Article 4 of the Specifications; ii) the confidentiality agreement drafted according to the template in Annex 4; iii) the Due Diligence Regulations signed for acceptance and iv) the Schedule signed for acceptance. The above documents, signed by a person with suitable signing powers, together with a copy of a currently valid identity document of the signing person, with advance copy sent by email to the address [garacasino@comune.venezia.it](mailto:garacasino@comune.venezia.it) - shall be delivered to the Officer Responsible for the Procedure by means of the postal service (by registered letter with return receipt) or, alternatively, by hand delivery by and no later than 4/3/2014 at 12.00 p.m. (Italian time). After receiving the documents, the Officer Responsible for the Procedure shall forward to the email address specified in the request to access Due Diligence the necessary credentials (user account and password) to access the Data Room or, alternatively, the reason for denial.

**5.2.** The Due Diligence process shall include the following:

- access and consultation of documents made available in the *virtual data room* prepared and organized by the City, CMV, CdV Gioco and, where pertinent, Meeting and Dining Services S.r.l. (“M&D”), a company entirely controlled by CdV Gioco, on the website

<https://vdr.multipartner.com/casinovenezia>, in the log-in area (the “**Data Room**”);

- a presentation of CdV Gioco by the managements of CMV, CdV Gioco, M&D and their consultants, if any (the “**Management Presentation**”);
- a visit to the premises of the Gambling House for the necessary inspection (the “**Site Visit**”). The Site Visit will be certified by specific documentation issued by the Officer Responsible for the Procedure.

**5.3.** In the Data Room, subject to compliance with the provisions of subsection 5.1, the Operators will access the following:

- the information document on CdV Gioco prepared by KPMG Advisory S.p.A. (the “**Information Memorandum**”);
- the lease agreements on the properties currently occupied by the Gambling House (the “**Lease Agreements**”);
- any other documents of economic and financial nature which the City, CMV, CdV Gioco and M&D, at their own discretion, deem to be useful.
- the answers provided by the City to any specific requests concerning the documentation made available for Due Diligence.

**5.4.** The City reserves the right to modify the terms or dates of the Due Diligence process by immediate written notice by the Officer Responsible for the Procedure.

## **6. BID SUBMITTAL INSTRUCTIONS**

**6.1.** In order to participate in the Procedure, each Operator shall submit a Bid pursuant to the instructions in Article 7 below (the “**Bid**”), to be delivered to the City, on penalty of exclusion, by the final deadline specified at point IV.3.4) of the Contract notice, at the address specified at point I.1) of the Contract notice.

**6.2.** On penalty of exclusion, the Bid shall be contained in a single closed and sealed envelope, with the Operator’s stamp and the signature of a person with signing authority placed across the flaps of the envelope. The above envelope shall:

- a) be marked with the indication “ **Offer for open procedure for the award of the concession to manage the gambling house in Venice after the sale of Casinò di Venezia Gioco S.p.A., wholly owned by CMV S.p.A.**”;
- b) be duly sealed and signed across all flaps by the Operator’s legal representative or proprietor or attorney with signing authority, and bear the Operator’s identification data; for temporary groupings of companies or ordinary consortia or networks of companies, the envelope should bear indication of all the participating Operators, and should be sealed and signed across all flaps by the legal representative or proprietor or attorney with signing authority of each participating Operator.



c) be delivered, by the ultimate deadline referred to in Subsection 6.1., alternatively by means of the postal service (by registered letter with return receipt), by courier or shipping agency, or by hand delivery by a person designated by the Operator (only in the latter case will a receipt be released with indication of the date and time of delivery) from Monday to [Friday] from [9.00 a.m.] to [5.00 p.m.]. Delivery of the envelope will be at the sole and entire risk of the sending Operator, hence the City will not accept any liability in the event that, for any reasons, the envelope should not be delivered to the City's record office in due time. Envelopes sent by means other than the above, e.g. by telegram, fax, email, etc., will not be accepted as valid.

Envelopes received later than the ultimate deadline defined in point IV.3.4) of the Contract notice will not be taken into consideration, even if they were sent in advance of said deadline. Any bid envelopes received late will be left unopened, and will be regarded as undelivered.

**6.3.** On penalty of exclusion, the above-described outer envelope shall contain 3 (three) separate envelopes, each closed and sealed.

Said three envelopes shall bear the Operator's business name, and will be respectively marked as follows:

Envelope "**A – Administrative documentation**";

Envelope "**B – Technical Bid**";

Envelope "**C – Financial Bid**".

## **7. BID CONTENTS**

### **7.1. Contents of envelope "A – Administrative documentation";**

Envelope "**A – Administrative Documentation**" shall contain a complete table of its contents, as well as the following, on penalty of exclusion:

1) the request to participate in the Procedure, including a statement rendered in accordance with Presidential Decree no. 445/2000, certifying compliance with the tender participation requirements under point III.2) of the Contract notice and Articles 3 and 4 of these Specifications, written in Italian, according to the template provided in Annex 5, signed by the Operator's legal representative or proprietor or attorney, or by all the legal representatives or attorneys of the Operators belonging to a Temporary Group of Companies or to an ordinary consortium or to a network of companies not yet incorporated as a company. Under penalty of exclusion, a photocopy of the signing person's identity document must be attached to the request for participation;

2) such documentation as is suitable to certify the signing authority of the person(s) authorized to legally bind the Operator. Suitable evidence will be a special power of attorney or the relevant company documentation (e.g. company's registered details) certifying the person's powers of representation, in authenticated or certified copy in the forms permitted by law. It is hereby specified that, on penalty of exclusion from the Procedure, the above documentation should not

contain any reference to the financial bid being submitted;

3) the statements rendered pursuant to Presidential Decree no. 445/2000, by the directors endowed with powers of representation, the technical directors, the sole partner, or the majority partner for companies with less than 4 (four) partners, with regard to compliance with the requirements laid out in Article 38 of the Public Contract Code, and also, with reference to the condition set in Article 38, subsection 1, letter c) of the Public Contract Code, by the directors endowed with powers of representation and the technical directors who ceased from office in the year preceding the publication of the Contract notice, according to the template provided in Annex 6;

4) a guarantee in the form of a security deposit or surety bond, with a validity of 180 (one hundred and eighty) days from the bid submittal deadline, equal to 2% (two per cent) of the estimated total amount specified in subsection II.2.1) of the Contract notice; the security deposit may be in cash (within the limits of and in compliance with the applicable anti-money laundering and financial-flow traceability legislation) or in government securities guaranteed by the State at the value of the day of deposit with a provincial treasury office or an authorized institution, pledged in favour of the contracting authority, also in the name and on behalf of CMV to the relevant extent; the surety may be from a bank, insurance company or issued by registered brokers pursuant to Article 106 of Legislative Decree no. 385 of 1 September 1993, which exclusively or predominantly undertake the activity of issuing guarantees, and are subject to audit by an external auditor registered pursuant to Article 161 of Legislative Decree no. 58, 24 February 1998. The guarantee must also specifically envisage: i) waiving the right of being requested payment only after an unsuccessful request to the principal debtor; ii) waiver of the exception under Article 1957, subsection 2 of the Italian Civil Code and iii) payable on first written demand within 15 days or receipt of the request; the above guarantee shall be provided to ensure acceptance of the binding nature and irrevocability of the bid, and the commitment to execute the Acquisition Agreement and the Agreement. For the tender winner this guarantee shall automatically be released on signature of the Agreement; for the other Operators, within 30 days of on announcement of the final decision under the Procedure. In the event of consortia or groupings, whether established or to be incorporated, under penalty of exclusion, the guarantee shall be furnished by the leading/agent company – or by the company indicated as such – and made out in the name of all the companies participating in the consortium or grouping;

5) commitment by a guarantor to issue a performance bond for the Agreement, should the Operator (individual, temporary group of companies, ordinary consortium or network of companies) be awarded the Service, as set out in Article 13 of the same Agreement. In the event of consortia or groupings, whether established or to be incorporated, under penalty of exclusion, the surety shall be furnished by the leading/agent company for any groupings that have already been established, and by every component member of groupings to be incorporated;

6) receipt of payment to the Italian Authority for the Supervision of Public Contracts of the sum of €500, to be effected by one of the following means: (i) online, by connecting to the Supervision

Authority's website - "Contribution collection system" at the address <http://contributi.avcp.it> and following the instructions on the website (in this case, a printed copy of the confirmation email sent by the collection system will have to be attached as evidence of payment); (ii) in cash, by using the form released by the collection service, at any retail point of the network of tobacconists enabled to process the payment of utility bills and postal payment slips; (iii) only for foreign economic operators, by international bank transfer to bank account no. 4806788, at Monte dei Paschi di Siena (IBAN: IT 77 O 01030 03200 0000 04806788), (BIC: PASCITMMROM) to the name "Autorità per la vigilanza sui contratti pubblici di lavori, servizi e forniture". The description of payment must exclusively indicate the tax identification code utilized in the tenderer's home Country or Country of residency, and the CIG number (identification code of tender) that identifies the Procedure. For online payments, it is necessary to attach a printed copy of the confirmation email sent by the collection system, whereas for payments by postal slip the tenderer shall attach the original receipt of payment to the Italian Authority for the Supervision of Public Contracts, or a photocopy of the same together with a statement of authenticity and a copy of a valid identity document. It is hereby specified that, in order to assess any reasons for exclusion from the Procedure, the City will check that the payment to the Italian Authority for the Supervision of Public Contracts has been effected, that the amount is correct and that the CIG reported in the receipt matches the one assigned to the Procedure, by accessing the online tender monitoring system SIMOG;

7) a copy of the "Privacy policy form" in Annex 8, signed at the bottom in full by a person with authority to sign for the Operator, or by all the legal representatives, proprietors or attorneys of the Operators belonging to a temporary group of companies or to an ordinary consortium or to a network of companies not yet incorporated as a company;

8) the Contract notice, the Specifications, the Agreement, the Acquisition Agreement, the Legality Protocol and the FAQs, initialled on every page and signed at the bottom in full for acceptance by a person with authority to sign for the Operator, or by all the legal representatives, proprietors or attorneys with signing authority for the Operators belonging to a temporary group of companies or to an ordinary consortium or to a network of companies not yet incorporated as a company;

## **7.2. Contents of envelope "*B – Technical Bid*"**

Envelope "***B – Technical Bid***" shall contain the technical bid (the "**Technical Bid**" and, in the plural, the "**Technical Bids**"), to be drafted in the form of a technical presentation, structured in chapters, which should illustrate the characteristics of the service project by elaborating on the following points:

1. Action and investment plan;

2. Technical and methodological approach to the management of the service being tendered and synergy potential with other Gambling Houses;
3. Approach to the use, promotion and development of the Casinò di Venezia brand, and protection of correct brand usage.

#### Chapter 1 - Action and investment plan

The Document must contain the presentation of a suitable investment plan with the relevant time schedule, providing a detailed description of the actions planned for the best management and development of the Gambling House being granted in concession, including actions related to any real properties where activities should take place, to the training and development of the gambling house personnel, and to any complementary activities such as hospitality, catering and entertainment.

In particular, the Operator shall illustrate the following: i) a description of the activities and investments the Operator intends to carry out (also by means of lease agreements or other means) in order to achieve economic viability, effectiveness and efficiency in the management of the gambling house, as well as ii) the ways and timing of implementing the planned actions and investments. This chapter shall not include any information of financial nature, and shall be developed by describing the investments and related approach to the Service management for the entire duration of the concession, with special reference to the following:

- a) any planned investments related to the real properties where the Gambling House management activities will be performed in the mainland location (including investments related to the premises where operations will take place, possibly also acquired by means of lease contracts or other means) with the relevant time schedule on an annual basis.
- b) any planned investments related to movable assets functional to the operation of the gambling activity with the relevant time schedule on an annual basis;
- c) any actions (including actions related to real properties, also to be held by means of lease contracts or other means) intended for the development of complementary activities (hospitality, catering and entertainment);
- d) the training and development plan for the Gambling House personnel.

#### Chapter 2 - Technical and methodological approach to the management of the service being tendered and synergy potential with other Gambling Houses

The Operator shall illustrate the following:

- a) the marketing strategies oriented to the identification of target markets by type (e.g. VIP gamblers, tourists, etc.) with an indication of the commercial activities envisaged with reference to each target group, also in terms of easier access to transport to the gambling venues;
- b) the development strategies with reference to customers' geographical areas (divided between regional, extra-regional and international) with an indication of the marketing actions envisaged for

each area;

c) Customer Relationship Management (CRM), with a description of the data management systems applied and the organizational set-up of the relevant services;

d) the access recognition & control and fraud prevention tools, and the relevant IT equipment with a description of the data management systems and the organizational set-up;

e) the synergy potential with other gambling houses with a description of the concerned markets (by type of customer and geographical area), the approach to synergy activation and the expected benefits.

### Chapter 3 - Approach to the use, promotion and development of the Casinò di Venezia brand, and protection of correct brand usage

The Operator shall describe the following: b) the brand usage, promotion and development plan, with a definition of objectives and markets by geographical area and type of customer; the approach to the protection of correct brand usage with an indication of the geographical areas concerned and the legal forms of protection.

### **7.3 Contents of envelope “C – Financial Bid”.**

Envelope “C – *Financial Bid*” shall contain the following, on penalty of exclusion:

- a) Ascending-price bid on the amounts reported in Point II.2.1) sub A) and B) of the Contract notice (as hereinafter described in subsection 8.4.), to be drafted according to the template in Annex 7 and signed by the Operator’s legal representative, proprietor or attorney with signing authority. The Financial Bid must indicate the proposed increase on the following:
  - i) the fixed amount from gaming proceeds for service operation for the first two years with a starting price equal to at least €140,000,000.00 (the “**Fixed Amount Owed**”); ii) the variable amount (expressed as a percentage, and with a starting value of at least 10%) of the gaming proceeds for service operation (Gaming Revenues, as they are defined in the Agreement) as registered each year and revalued annually on the basis of the ISTAT index (consumer price index for clerical and factory worker households – FOI – net of tobacco products), starting from the third year and until expiry of the concession (the “**Variable Amount Owed**”); iii) the possible amount - expressed as percentage, and with a starting value of at least 5% - of the difference, if positive, between the gaming proceeds for service operation and € 140,000,000.00 (revalued annually, starting from the second year of effect, on the basis of the ISTAT/FOI index net of tobacco), starting from the seventh year and until expiry of the concession (the “**Potential Amount Owed**”);

The Financial Bid should further include the following: i) a commitment to pay all the other amounts established in Article 4 of the Agreement; ii) a commitment to acquire the CdV Gioco shareholding and to pay the amount specified at Point II.2.1), sub D) of the Contract notice; vi) the Operator’s commitment to keep the bid unchanged for 180 (one

hundred and eighty) days from the Bid submittal deadline. The Financial Bid must be initialled on every page and signed in full by a person with signing authority for the Tenderer. For temporary groupings of companies or ordinary consortia or networks of companies, the Financial Bid must be signed by the representatives of all the member Operators, on penalty of exclusion. Only in the event that an authenticated private deed of constitution of the group is provided, will it be acceptable for the Financial Bid to be signed by the group's leading Operator alone. In case of discrepancy between an amount in figures and the corresponding amount in letters, the Financial Bid amount expressed in letters shall be considered valid. Any Financial Bids that are unsigned, conditional or partial or with reservations will be considered as null and void. No Financial Bids will be accepted in the following circumstances: i) sent by telegram, telex, telephone, fax, email; ii) expressed in an indeterminate way; iii) not being at least equal to the amounts specified at Point II.2.1), sub A) and B) of the Contract notice (as hereinafter described in subsection 8.4.);

b) concession business plan documenting the Internal Rate of Return and Debt Service Coverage Ratio values for the concession holder, including all the revenues, costs and investments that will form part of the concession holder's income statement and balance sheet for the entire duration of the concession.

The plan shall provide, *inter alia*, the following information:

b1) the **amounts** to be paid by the concession holder to the Contracting authority pursuant to Article 4 of the Agreement, in accordance with the submitted financial bid, distinguishing between the minimum guaranteed amount for the first two years and, for the following years, the amount proportional to the gaming revenues, with separate indication of the revenues from brand utilization (IP Revenues and Online Going Concern Revenues, as defined in the Agreement);

b2) the residual annual value of the investment, net of the expected annual depreciation.

The business plan should provide a residual value of investments posted on the concession holder's annual balance sheet on expiry of the concession equal to book value, i.e. equal to 0 (zero).

## **8. AWARD CRITERIA**

**8.1.** The applicable award criterion will be that of the most economically advantageous tender, taking account of the following:

- (a) the Technical Bid, which will be attributed a maximum total score of 40 points out of 100;
- (b) the Financial Bid, which will be attributed a maximum total score of 60 points out of 100.

**8.2.** The bids will be evaluated by an awarding committee, to be appointed after expiry of the final

deadline for bid submittal, consisting of 5 members, 3 of them external to the City Administration, with a high level of professionalism and competency also in the matter of gambling house management; the committee chairman will be identified in compliance with the provisions of Article 84.3, of the Public Contract Code (the **“Committee”**). Art. 84.4, of the Public Contract Code shall apply in full.

**8.3.** The evaluation procedure will take place even in the presence of a single bid, provided that it has been validly submitted, which will be assessed by the Committee by direct examination, notwithstanding the right not to proceed to award the concession in the event that the bid appears not to be congruous or in any way suitable to the Administration’s public interest.

**8.4.** The evaluation will be based on the following elements and scores.

| <b>TECHNICAL BID ELEMENTS</b>   | <b>EVALUATED SUB-ELEMENTS AND SUB-SCORES</b>   | <b>SUB-SCORE CRITERIA</b>  | <b>MAX. 40 POINTS</b> |
|---|--|--|-----------------------|
| <b>1. Action and investment plan</b>  |  |  | <b>25</b>             |
| 1.i) Actions related to any real properties where the Gambling House management activities will be performed in the mainland location (including by means of lease agreements or other means) with the relevant time schedule on an annual basis. |  |  | <b>8</b>              |
|   | 1.a.1) Possible planned actions concerning new construction / restructured properties owned by the concession holder ( <b>max. 6 points</b> ). | Contribution to revenue development for the Gambling House.<br><br>Timing of new venue’s availability for Service activities |                       |
|   | 1.a.2) Possible planned actions concerning new construction properties leased by the concession holder ( <b>max. 2 points</b> ).               | Contribution to revenue development for the Gambling House.<br><br>Timing of new venue’s                                     |                       |

|  |   |   |          |
|--|---|---|----------|
|  |   | availability for Service activities   |          |
| 1.i) Investments related to movable assets functional to the operation of the gambling activity with relevant time schedule on an annual basis.  |   |   | <b>6</b> |
|  | 1.b).1 Investments related to the gambling table sector ( <b>max. 3 points</b> ).   | Contribution to revenue development for the Gambling House.<br><br>Timing of new investments' availability for Service activities |          |
|  | 1.b).2 Investments related to the slot machine sector ( <b>max. 3 points</b> ).   | Contribution to revenue development for the Gambling House.<br><br>Timing of new investments' availability for Service activities |          |
| 1.i) Actions (including actions related to real properties, also by means of lease agreements or other means) intended for the development of complementary activities (hospitality, catering and entertainment) |   |   | <b>7</b> |
|  | 1.a.1) Actions concerning the accommodation capacity for Gambling House customers by means of newly constructed / restructured facilities owned by the concession holder ( <b>max. 2 points</b> ).    | Contribution to revenue development for the Gambling House.<br><br>Timing of expected actions' availability.                      |          |
|  | 1.a.1) Actions concerning the accommodation capacity for Gambling House customers by means of newly constructed / restructured facilities leased by the concession holder ( <b>max. 1.5 points</b> ). | Contribution to revenue development for the Gambling House.<br><br>Timing of expected actions' availability.                      |          |



|  |   |  |          |
|--|---|--|----------|
|  | 1.c.3) Plans for the provision of catering services to Gambling House customers ( <b>max. 1.5 points</b> ).   | Contribution to revenue development for the Gambling House.<br><br>Effectiveness in attracting customers and building customer loyalty.  |          |
|  | 1.c.4) Development projects, with indication of the relevant implementation timeline, for entertainment activities offered to game tournament participants ( <b>max. 1 point</b> ).                         | Contribution to revenue development for the Gambling House.<br><br>Effectiveness of action plans analytically developed for individual customer targets (actual mass, actual vip, prospect vip and prospect mass). |          |
|  | 1.c.5) Development projects, with indication of the relevant implementation timeline, for other entertainment activities offered to Gambling House customers ( <b>max. 1 point</b> ).                       | Contribution to revenue development for the Gambling House.<br><br>Effectiveness of action plans analytically developed for individual customer targets (actual mass, actual vip, prospect vip and prospect mass). |          |
| 1.d) Training and development plan for the Gambling House personnel. |   |  | <b>4</b> |
|  | 1.d).1 Qualitative/quantitative training plan (total number of training hours planned, organizational levels involved, description of trainers, competencies and areas of concern) ( <b>max. 2 points</b> ) | Contribution to revenue development for the Gambling House.<br><br>Number of training hours.<br><br>Effectiveness of training plan.  |          |
|  | 1.d).2 Human resources development plan (expected number of resources in each concession year, divided between organizational levels and fixed term/permanent employment) ( <b>max. 2 points</b> )          | Contribution to revenue development for the Gambling House.<br><br>Effectiveness of development plan.  |          |

|   |  |  |           |
|---|--|--|-----------|
|   |  | <p>Number of resources.</p> <p>Ratio of permanent employees to total number of employees.</p>  |           |
| <b>2. Technical and methodological approach to the management of the service being tendered and synergy potential with other gambling houses;</b> |  |  | <b>12</b> |
|   | <p>2.a) Marketing strategies oriented to the identification of target market segments by type (e.g. VIP gamblers, tourists, etc.) with an indication of the marketing actions envisaged with reference to each target, also in terms of easier access to transport to the gambling venues (<b>max. 5 points</b>)</p> | <p>Contribution to revenue development for the Gambling House</p> <p>Completeness, innovativeness and effectiveness of the proposed plan.</p>  |           |
|   | <p>2.b) Development strategies with reference to customers' geographical areas (divided between regional, extra-regional and international) with an indication of the marketing actions envisaged for each area (<b>max. 2 points</b>)</p>   | <p>Contribution to revenue development for the Gambling House.</p> <p>Completeness, innovativeness and effectiveness of the proposed plan.</p> |           |
|   | <p>2.c) Customer Relationship Management (CRM) with a description of the data management systems applied and the organizational set-up of the relevant services (<b>max. 1 point</b>)</p>  | <p>Contribution to revenue development for the Gambling House.</p> <p>Effectiveness in attracting customers and building customer loyalty.</p> |           |
|   | <p>2.d) Access recognition &amp; control and fraud prevention tools, and relevant IT equipment with a description of the data management systems and the organizational set-up (<b>max. 1 point</b>)</p>   | <p>Effectiveness of tools for a correct management of the Service.</p>   |           |

|  |  |   |          |
|--|--|---|----------|
|  | 2.e) Synergy potential with other gambling houses with a description of the concerned markets (by type of customer and geographical area), the approach to synergy activation and the expected benefits ( <b>max. 3 points</b> ) | Contribution to revenue development for the Gambling House.<br><br>Potential for international enhancement of the Gambling House's image. |          |
| <b>3. Approach to the use, promotion and development of the Casinò di Venezia brand, and protection of correct brand usage</b> |  |   | <b>3</b> |
|  | 3.a) Plan for the utilization, promotion and development of the brand, with an indication of objectives and markets by geographical area and type of customer ( <b>max. 2 points</b> )   | Contribution to the development of revenues from brand utilization.   |          |
|  | 3.b) Approach to safeguarding correct brand usage with an indication of the geographical areas concerned and of the legal protection forms ( <b>max. 1 point</b> )   | Completeness and effectiveness of the Brand protection plan.  |          |

The scores assigned to each element of the technical evaluation will be attributed by using the aggregative compensatory method, with a discretionary attribution of coefficients (see Annex P, II, a), no. 4 of the Public Contract Code Regulations), by applying the following formula:

$$C_i = \sum_{e=1..n} [W_e \times V(i)_e]$$

where:

$C_i$  is the score obtained by the  $i$ -th tenderer;

$n$  is the total number of technical evaluation elements (18);

$W_e$  is the maximum score attributed to each element of the technical evaluation ( $e$ );

$V(i)_e$  is the performance coefficient, ranging from zero to one, of each technical bid from each tenderer ( $i$ ) with respect to each technical evaluation element ( $e$ );

$\sum_{e=1..n}$  is the Summation symbol, with an index ( $e$ ) ranging from 1 to  $n$ .

The individual coefficients  $V(i)$  (i.e. the coefficients for each element ( $e$ ) of each technical bid submitted by each tenderer ( $i$ )) are determined by the average of the coefficients, ranging from zero to one, discretionally attributed by the individual committee members, considering the following:

a) after completing the discretionary attribution of coefficients  $V(i)e$  (i.e. the coefficients for each element (e) of each technical bid submitted by each tenderer (i)), the values attributed to each Bid by all the committee members are added up (the “**Provisional Coefficients**”);

b) the Provisional Coefficients are transformed into final coefficients by setting as 1 the highest Provisional Coefficient and adjusting the other Provisional Coefficients in proportion to this highest average.

| <b>FINANCIAL BID ELEMENTS</b> | <b>BID FORMULATION</b>   | <b>MAX. 60 POINTS</b> |
|-------------------------------|--|-----------------------|
| <b>Fixed Amount Owed</b>      | <b>Percentage increase on starting price (€140,000,000.00)</b> | <b>30</b>             |
| <b>Variable Amount Owed</b>   | <b>Percentage increase on starting percentage (10%)</b>        | <b>24</b>             |
| <b>Potential Amount Owed</b>  | <b>Percentage increase on starting percentage (5%)</b>         | <b>6</b>              |

The Committee will proceed to open the Financial Bids only for those Operators who have achieved a total score of no less than 21 points in the Technical Bids.

The scores concerning the Fixed Amount Owed, the Variable Amount Owed and the Potential Amount Owed will be attributed by applying the following formula:

$$P = (P_i / P_{\max}) \times N$$

where:

P is the score obtained by the i-th tenderer;

$P_i$  is the financial bid from the i-th tenderer;

$P_{\max}$  is the most favourable financial bid;

N is the maximum score than may be attributed to the element under examination.

After completing the attribution of scores to each element of the individual bids, said scores are added up to obtain the total score attributed to the Financial Bid submitted by each tenderer.

## **9. EXCLUSION CRITERIA**

Operators will be excluded from the Procedure if:

a) their Bids have not been submitted by the deadline specified in subsection 6.1.;

- b) their Bids do not comply with the provisions of subsections 7.2. and 7.3 and, in particular, if their Bids are not at least equal to the Fixed Amount Owed, Variable Amount Owed and Potential Amount Owed and if the business plan for the concession has been judged by the Committee not to be sustainable, with particular reference to the adequacy of the debt service coverage ratio (DSCR) for the entire duration of the concession;
- a) their Bids are not accompanied by the documentation specified in subsection 7.1.;
- d) they do not meet the requirements set out in Articles 3 and 4;
- e) they have breached the obligations set out in the Confidentiality Agreement;
- f) their Technical Bids have obtained a total score lower than 21 points;
- g) their Bids present substantial deficiencies and/or irregularities pursuant to Article 46, subsection 1-*bis*, of the Public Contract Code.

## 10. SELECTION PROCEDURE

**10.1.** At the place, day and time specified at point IV.3.8) of the Contract notice, in public session, the Committee will proceed to:

- 1) verify the integrity and timeliness of the received envelopes, open the same envelopes and verify the presence of the three inside envelopes “**A – Administrative documentation**”, “**B – Technical Bid**” and “**C – Financial Bid**”;
- 2) open the “**A – Administrative documentation**” envelopes of all the tenders received by the due deadline and verify the presence of the documents therein contained, as indicated in these Specifications;
- 3) verify the regularity of the documents contained in the “**A – Administrative documentation**” envelopes. In the event of any irregularities that do not affect the equal treatment of tenderers, the Operator will be invited, by means of written communication, to regularize the documents and/or provide any necessary clarifications. If one or more of the causes for exclusion specified in subsection 9, letters a), b), c) and g) are ascertained, the Committee will proceed to exclude the concerned Operator from the Procedure;
- 4) (during the same session or in a subsequent public session) open the “**B – Technical Bid**” envelopes of all the tenders still in the running.

**10.2.** After completing the above steps, the Committee will proceed, in one or more subsequent reserved sessions, to assess the Technical Bids for the tenders still in the running, and to assign the relevant scores, in accordance with the evaluation criteria set out in subsection 8.4, letter a), drawing up minutes of the evaluation process.

**10.3.** After completing the assessment of the Technical Bids, the Committee will proceed, in public session, to open the “**C – Financial Bid**” envelopes of all the tenders still in the running that do

not fall into any of the causes for exclusion according to subsection 9, letters d), e), f) and g). After the opening of the envelopes, the Committee will proceed to: i) evaluate the Financial Bids, in accordance with the evaluation criteria set out in subsection 8.4, letter b); establish the final ranking and iii) provisionally award the Procedure in favour of the Bid that has obtained the highest total score.

**10.4.** The Officer Responsible for the Procedure, with the help of the Committee, will subsequently verify, and possibly exclude, the anomalous bids taking account of all the relevant elements.

**10.5.** The City will verify compliance with the general, professional suitability and qualification requirements under points III.2.1, III. 2.2.and III. 2.3 of the Contract notice and Articles 3 and 4 of the Specifications, with regard to the provisional award winner.

**10.6.** Upon request by the City, the designated authority will verify compliance with the integrity requirements provided for by Legislative Decree no. 159 of 6 September 2011 (the “Anti-mafia Code”) with respect to the subjects related to the provisional award winner as indicated in Article 85, including those referred to in subsection 2-*quater* of said Legislative Decree, and, in the event that the award winner does not have a registered office in the EU, with respect to the persons responsible for the administrative office in the EU as provided for in Article 3 of these Specifications. The City will cooperate with and facilitate this verification procedure. Due to the significance and sensitiveness of the activities being tendered, the provisional award winner shall provide complete and exhaustive documentation and all the information necessary for a correct and comprehensive review as required by the Anti-mafia Code.

**10.7.** In the event that the verification procedures described in subsections 10.5 and 10.6 yield a favourable result, the City will proceed to the final award, by giving notice to the award winner and the other participants in the form required by law.

**10.8.** If the procedure under subsection 10.5 yields a negative result, or the verification under subsection 10.6 reveals the existence of any of the causes for prohibition provided for in Article 67 of the Anti-mafia Code, the City will proceed to a new provisional award in favour of the next ranking candidate, and so on until exhaustion of all subjects admitted to the provisional ranking, in which case the Procedure will be declared cancelled if no positive outcome has been achieved. The provisions under subsection 11.2 of these Specifications apply in full.

**10.9.** In the event that the City acquires information from the designated authority whose prohibitory efficacy derives from autonomous and discretionary judgement by the contracting authority, the City will perform the relevant assessment and will thereafter proceed to the consequent determinations. If such determinations lead to exclusion of the provisional award winner from the procedure, the City will proceed to award the tender pursuant to subsection 10.8. above.

## **11. IMPORTANT NOTES**

**11.1.** The documents of the Procedure may also be viewed and downloaded from the following website: [www.comune.venezia.it](http://www.comune.venezia.it) in the section “Gare d'appalto ed avvisi” (Tenders and notices).

The Officer Responsible for the Procedure is the Director of the Finance, Budget and Taxation Department, Mr Piero Dei Rossi who may be contacted for technical clarifications.

For information, please phone +39 041-2748387/8696/8546 or write to the email address [garacasino@comune.venezia.it](mailto:garacasino@comune.venezia.it). Certified electronic mail is not mandatory.

It being understood that the provisions of Article 5 of these Specifications shall apply in full, clarifications on the Procedure may be requested in writing by addressing the Officer Responsible for the Procedure, up to 6 days prior to the bid submittal deadline specified in the Contract notice, by fax [to no. +39 041-2748288] or email [garacasino@comune.venezia.it](mailto:garacasino@comune.venezia.it) or certified electronic mail [protocollo@pec.comune.venezia.it](mailto:protocollo@pec.comune.venezia.it). The last update on the questions and answers will be provided on the 5<sup>th</sup> day prior to the bid submittal deadline.

Communication will take place by fax and, unless otherwise established, any answers shall be sent by fax or by email, including non-certified email.

**11.2.** The tender will be awarded even in the presence of just one valid Bid, on condition that it is deemed to be congruous and economically viable, pursuant to Article 86, subsection 3, of the Public Contract Code. The Bid shall bind the Operator for at least 180 days from the bid submittal deadline specified in the Contract notice, unless this period is extended upon request of the City. Reception of the Bids does not involve for the City any obligation or commitment to carry out the Procedure with regard to the bidders, nor any right for the bidders to expect the City to discharge any duty towards them. The City reserves the right to suspend, cancel, or revoke the Procedure at any time for reasons of public interest, within the limits and in the ways prescribed by the applicable legislation.

**11.3.** Communication and the exchange and filing of information will be conducted in such a way as to protect data integrity and confidentiality, and not to allow the City to view the contents of the Bids before expiry of the submittal deadline.

As specified in the confidentiality agreement to be submitted in order to access the Data Room, any Operators who should decide not to submit a tender will have to immediately return or destroy any materials acquired during the Procedure and/or strictly related thereto.

The information released during the Due Diligence process is to be viewed as appropriately provided, but neither the City, nor CMV, CdV Gioco or any their respective directors, executives, employees, agents or consultants will release any statements or any implicit or explicit assurances as to the completeness and correctness of said information.

**11.4.** On penalty of exclusion, the Bid shall be submitted in Italian. If any annexes to the Bid are in a language other than Italian, they will need to be accompanied by a translation into Italian

certified as authentic by the Italian diplomatic or consular authorities in the relevant country or by an official translator pursuant to the provisions of Presidential Decree no. 445/2000. It is hereby specified that, in the event of conflict between the foreign language version and the Italian version, the Italian version will prevail, as it is the Operator's burden (and consequent risk) to ensure the accuracy of the translation.

**11.5.** On penalty of exclusion, the Bid i) may not contain any conditions; ii) may not be subordinate, only by way of example, to any further due diligence activity, or any loan or other event, authorization or corporate approval, with the exception of approval by the designated anti-trust authority (authorities), should the conditions apply.

**11.6.** Each Operator can indicate to the City, by means of a reasoned and substantiated statement, any information that is covered by technical and/or commercial secrecy. If the above-described statement is provided, the City will allow any requesting Operators to access the information covered by technical and trading secrecy, only for viewing purposes, in view of defending its interests in court in relation to this Procedure, and subject to notifying the counterparty of the request to access the information. In any event, access will be permitted only after the final awarding.

**11.7.** For the purpose of communication, every Operator is required to specify in the Bid the authorized method for the transmission of information/notices from the City, such as, alternatively, a chosen postal address, a fax number, an email address. In the event of temporary groupings of companies, networks of companies or ordinary consortia, albeit not yet formally established, any notification to the leading Operator shall be understood to be validly delivered to all the group, network or consortium members. If use is made of auxiliary companies, any notifications to the Operators shall be understood to be validly delivered to all the auxiliary economic operators.

**11.8.** Any amounts declared by Operators based in another EU Country, if expressed in a different currency, shall be converted into Euro.

**11.9.** It is hereby specified that: i) pursuant to and by effect of Article 8.2. of the Agreement, the award winner shall guarantee, among other things, that the concession holder will comply with all the commitments made towards the concession holder's employees as provided for in the Agreement; ii) pursuant to and by effect of 10.6 of the Agreement, the City will have the right to utilize (or invite to utilize) the games rooms in the Primary Premises denominated "Camino" and "Cuoi d'oro" free of charge, at the conditions therein defined, for no more than 35 days a year; iii) based on Article 6 of the lease agreement on the Primary Premises, CMV has the free of charge right to utilize the property rooms currently hosting the Richard Wagner Museum as well as the rooms that will host the City Council Inspection Service, as outlined in red in the plan attached as Annex 6 to said lease agreement; iv) based on Article 7 of the lease agreement on the Primary Premises, the Operator shall take charge, and bear all the relevant expenses, of (both ordinary and extraordinary) maintenance of the property, the assets specified in Subsection 2.2 of said agreement, and the systems (including the technological and IT systems) serving the building. Maintenance work shall be performed in the ways and times established in the same Article 7.



**11.10.** Payments shall be subject to the traceability legislation pursuant to Article 3 of Law no. 136 of 13 August 2010.

**11.11.** Pursuant to Legislative Decree no. 196 of 20 June 2003, notice should be taken that the data provided by the Operators will be processed by the City solely for purposes related to the Procedure. The designated data controller is the City.

**11.12.** It is hereby specified that, within 60 days from the award date, the award winner shall pay to the City the expenses for the tender and award notice publication, in the form of an abstract, in at least two main national daily newspapers and at least two daily newspapers with local circulation, according to the provisions of Article 34.35, of Law Decree no. 179 of 12 October 2012, as ratified with Law no. 221 of 17 December 2012, for the amount of € 3.000 plus VAT. The above amount shall be reimbursed to the City by bank transfer to the account IT 29 E063 4502 0101 0000 0300 330 BIC IBSPIT2V with the following description: “Reimbursement of publication expenses on tender identified by CIG 5523271B68 in compliance with Article 34.35, of Law Decree no.179/2012”.

**11.13.** It is hereby specified that *i)* the Acquisition Agreement and the Agreement will be signed within the timeframe set out in the Public Contract Code; *ii)* as a consequence of the award and of the signature of the Acquisition Agreement, CdV Gioco – whose shares are acquired by the tender winner – will become the concession holder; *iii)* the relationship between the City, CdV Gioco and the winner of this Procedure shall be governed by the Agreement; *iv)* prior to signing the Agreement, the tender winner and the concession holder shall sign the Legality Protocol with the City and the competent public authorities.

## **12. ANNEXES**

The following documents are annexed to these Tender Specifications:

- Due Diligence regulations (the “**Due Diligence Regulations**”) (Annex 1);
- Due Diligence schedule (the “**Schedule**”) (Annex 2);
- Request form for access to Due Diligence (Annex 3);
- Confidentiality agreement template (Annex 4);
- Request form for participation in the Procedure, including a statement to be rendered in accordance with Presidential Decree no. 445/2000, certifying compliance with the participation requirements under point III.2 of the Contract notice and Articles 3 and 4 of these Specifications (Annex 5);
- Form for the statements to be rendered, pursuant to Presidential Decree no. 445/2000, by the directors endowed with powers of representation, the technical directors, the sole partner, or the majority partner for companies with less than 4 (four) partners, with regard to compliance with the requirements set in Article 38, subsection 1, of the Public Contract Code and also, with reference to the condition set in Article 38, subsection 1, letter c) of the Public Contract Code, by the

directors endowed with powers of representation and the technical directors who ceased from office in the year preceding the publication of the Contract notice (Annex 6);

- Financial Bid Template for the statement of a single and unconditional price, (the “**Financial Bid**”) (Annex 7);

- Privacy Policy Form (Annex 8).