

TELECOM ITALIA S P A
Form SC 13D/A
March 25, 2015

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 13D/A

**Under the Securities Exchange Act of 1934
(Amendment No. 9)**

TELECOM ITALIA S.p.A.

(Name of Issuer)

Ordinary Shares without par value

(Title of Class of Securities)

87927W10

(CUSIP Number)

Amedeo Nodari

Financial Shareholdings Department

Intesa Sanpaolo S.p.A.

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With a copy to:

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(+39) 02 3046 2039

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

February 27, 2015

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)

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CUSIP No. 87927W10

1. Names of Reporting Persons.
I.R.S. Identification Nos. of above persons (entities only).

Intesa Sanpaolo S.p.A.
2. Check the Appropriate Box if a Member of a Group (See Instructions)
(a) x
(b) o
3. SEC Use Only
4. Source of Funds (See Instructions)
WC, BK
5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) o
6. Citizenship or Place of Organization
Republic of Italy
 7. Sole Voting Power
29,059,811
 8. Shared Voting Power
3,003,586,907 (See Item 5)
 9. Sole Dispositive Power
2,759,000
 10. Shared Dispositive Power
3,003,586,907 (See Item 5)
11. Aggregate Amount Beneficially Owned by Each Reporting Person
3,032,646,718 (See Item 5)
12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) o
13. Percent of Class Represented by Amount in Row (11)
22.5% (See Item 5)
14. Type of Reporting Person (See Instructions)
CO, BK

Number of
Shares
Beneficially by
Owned by
Each
Reporting
Person With

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This Amendment No. 9 (this **Amendment**) amends the Statement on Schedule 13D (the **Schedule 13D**) filed on November 1, 2007 and as subsequently amended by Intesa Sanpaolo S.p.A., a company incorporated under the laws of the Republic of Italy (**Intesa Sanpaolo**), with respect to the ordinary shares without par value (**Telecom Shares**), of Telecom Italia S.p.A., a company incorporated under the laws of the Republic of Italy (**Telecom Italia**). Capitalized terms used in this Amendment without definition have the meanings ascribed to them in the Schedule 13D, as amended.

Introduction

As previously described in Amendments No. 2 and No. 3 to Schedule 13D (filed on December 1, 2009, and December 23, 2009, respectively, by Intesa Sanpaolo), the terms of SI's exit from Telco were approved on November 26, 2009 and the SI Exit Transaction was concluded on December 22, 2009. In connection with SI's exit from Telco, Intesa Sanpaolo, Mediobanca, Generali and Telefónica (collectively, the **Existing Shareholders**) concluded the New Shareholders Agreement, amending and renewing the original Shareholders Agreement. In addition, as previously described in Amendment No. 4 to Schedule 13D (filed on January 22, 2010, by Intesa Sanpaolo), Telco refinanced its existing financial indebtedness maturing in January 2010 through the New Refinancing Facility dated as of January 11, 2010 with the Senior Lenders.

As previously described in Amendment No. 5 to Schedule 13D (filed on March 12, 2012 by Intesa Sanpaolo), on February 29, 2012, the Existing Shareholders undertook to ensure the refinancing of Telco's financial indebtedness through the most appropriate financing instruments in proportion to their respective shareholdings of Telco. A copy of the related Telco press release, dated February 29, 2012, was previously filed on Schedule 13D as Exhibit 27. On May 31, 2012, the Existing Shareholders announced the completion of the refinancing transactions for Telco's financial indebtedness maturing in 2012, as approved by Telco's board of directors on May 3, 2012 (the **2012 Refinancing**).

As previously described in Amendment No. 6 to Schedule 13D (filed on June 14, 2012 by Intesa Sanpaolo), as part of the 2012 Refinancing, Telco (i) executed a capital increase of euro 600 million, entirely subscribed by all the Existing Shareholders on a pro rata basis (the **Capital Increase**), (ii) issued a euro 1.750 billion bond (the **2012 Bond**), entirely subscribed by all the Existing Shareholders on a pro rata basis, and (iii) entered into a euro 1.050 billion loan agreement (the **2012 Refinancing Facility**) with Société Générale, UniCredit Corporate Banking S.p.A., HSBC Bank plc, Intesa Sanpaolo and Mediobanca, as lenders (collectively, the **2012 Lenders**). The 2012 Refinancing Facility matured on November 27, 2013 and was secured by a pledge (the **2012 Pledge**) in favor of the 2012 Lenders over 1,730,000,000 Telecom Shares held by Telco (the **2012 Pledged Shares**).

The funds received by Telco in connection with the 2012 Refinancing were used to repay the January 2010 New Refinancing Facility, a euro 1.3 billion bond previously issued by Telco and subscribed for by the Existing Shareholders and were used to repay Telco's remaining banking debt of euro 860 million which matured between June and October 2012.

In connection with the Capital Increase, the Existing Shareholders amended article 5 of Telco's by-laws, previously filed on Schedule 13D as Exhibit 13. An unofficial translation of the amendments to article 5 was previously filed on Schedule 13D as Exhibit 28.

Pursuant to the terms of the 2012 Refinancing Facility, on May 31, 2012, the Existing Shareholders and the 2012 Lenders entered into an option agreement (the **2012 Pledged Shares Option Agreement**) pursuant to which the parties (i) terminated the prior Option Agreement entered into on January 11, 2010 and previously filed on Schedule 13D as Exhibit 22 and (ii) established the terms and conditions that would govern the Existing Shareholders' option to acquire the 2012 Pledged Shares from the 2012 Lenders (the **2012 Call Option**) in the event that the 2012 Lenders acquire any of the 2012 Pledged Shares by enforcing the 2012 Pledge. Copies of the 2012 Pledged Shares Option Agreement and the Telco press releases announcing the events described above, dated May 3, 2012 and May 31, 2012, were previously filed on Schedule 13D as

Exhibit 29, Exhibit 30 and Exhibit 31, respectively.

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As previously described in Amendment No. 7 to Schedule 13D (filed on October 7, 2013 by Intesa Sanpaolo), on September 24, 2013, Telefónica, Generali (which term now also includes Generali Italia S.p.A., formerly known as INA Assitalia S.p.A.), Intesa Sanpaolo and Mediobanca entered into an agreement to amend the 2012 Shareholders Agreement for, among other things, the recapitalization and the refinancing of Telco (the **Shareholders Agreement Amendment**).

Pursuant to the Shareholders Agreement Amendment, the Existing Shareholders agreed to recapitalize Telco and refinance certain indebtedness thereof, as more specifically described in Amendment No. 7 to Schedule 13D. In connection with this refinancing, Telco entered into a euro 700 million loan agreement on October 4, 2013 (the **2013 Refinancing Facility**) with Intesa Sanpaolo and Mediobanca, as lenders (collectively, the **2013 Lenders**) and Banca IMI Sp.A., as agent (the **2013 Facility Agent**), which matured on February 16, 2015. The 2013 Refinancing Facility was secured by a pledge (the **2013 Pledge**) in favor of the 2013 Lenders over 1,900,000,000 Telecom Shares held by Telco (including the former 2012 Pledged Shares that had secured the 2012 Refinancing Facility) (such shares subject to the 2013 Pledge, the **2013 Pledged Shares**). To facilitate this transaction, on November 27, 2013, the Existing Shareholders and the 2012 Lenders entered into contractual arrangements pursuant to which the 2012 Pledge was released and the 2012 Pledged Shares Option Agreement was terminated (the **Deed of Termination**). Concurrently, on November 27, 2013, and as described in Amendment No. 8 to Schedule 13D (filed on December 18, 2013 by Intesa Sanpaolo), a new pledged shares option agreement (the **2013 Pledged Shares Option Agreement**) was entered into between, inter alios, the Existing Shareholders and the 2013 Lenders to establish the terms and conditions which would govern the Existing Shareholders' call option (the **2013 Call Option**) to acquire from the 2013 Lenders at the terms and conditions referred to therein, any 2013 Pledged Shares acquired by the 2013 Lenders pursuant to an enforcement of the 2013 Pledge. Except as described in Amendment No. 8 to Schedule 13D, the terms of the 2013 Pledged Shares Option Agreement and the 2013 Call Option are substantially consistent with the terms of the 2012 Pledged Shares Option Agreement and the 2012 Call Option, respectively.

On June 16, 2014, Generali (also on behalf of its subsidiaries), Intesa Sanpaolo and Mediobanca requested the initiation of a demerger process (spin off) of Telco, as provided in the 2012 Shareholders Agreement (the **Demerger**). Execution of the Demerger, which was approved by the extraordinary shareholders' meeting of Telco held on July 9, 2014, remains subject to obtaining certain required anti-trust and telecommunications approvals (including those in Brazil and Argentina). Once all necessary approvals are obtained, the Demerger will be executed by transferring the current stake of Telco in Telecom Italia to four newly-created companies, one for each Existing Shareholder (the **Newcos**). The share capital of each of these Newcos will be owned in its entirety by the respective Existing Shareholders, each of which will receive into its respective Newco a number of shares of Telecom Italia in proportion to their respective economic stakes in Telco at the time of the execution of the Demerger.

On February 26, 2015, Telco and the Existing Shareholders amended and restated their respective shareholder loan agreements originally executed on July 9, 2014 (the **2015 Amended Shareholder Loan Agreements**). Pursuant to the 2015 Amended Shareholder Loan Agreements, the Existing Shareholders loaned a total of approximately 2.6 billion to Telco, with each Existing Shareholder loaning in proportion to their respective shareholdings in Telco. Telco used the proceeds received pursuant to the 2015 Amended Shareholder Loan Agreements to repay the 2013 Refinancing Facility and redeem subordinated notes issued by Telco and held by each of Intesa Sanpaolo, Mediobanca and Telefónica.

On February 27, 2015, upon the repayment of the 2013 Refinancing Facility, and according to a deed of termination between the Existing Shareholders and the 2013 Lenders (the **2015 Deed of Termination**), the 2013 Pledged Shares Option Agreement was released and the 2013 Call Option was terminated. The 2015 Deed of Termination is filed hereto as Exhibit 37.

On February 27, 2015, in order to ensure that the 2012 Shareholders Agreement remains effective until the completion of the Demerger, the 2012 Shareholders Agreement was amended to extend its term until the earlier of (i) June 30, 2015 and (ii) the date of effectiveness of the Demerger (the **2015 Shareholders Agreement Amendment**). The 2015 Shareholders Agreement Amendment is filed hereto as Exhibit 38.

In addition, the Option Agreement expired on February 28, 2015 as a result of the three-year duration having ended.

Items 2, 5, 6 and 7 of Schedule 13D are hereby amended and supplemented to add the following:

Item 2. Identity and Background

The names, citizenship, business addresses and principal occupations or employments of the executive officers and directors of Intesa Sanpaolo are set forth in Annex A, which is incorporated herein by reference.

During the last five years, neither Intesa Sanpaolo nor, to the best of Intesa Sanpaolo's knowledge, any of the persons listed in Annex A, have been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors), or was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 5. Interest in Securities of the Issuer

Intesa Sanpaolo, through its interest in Telco, may be deemed to beneficially own 3,003,586,907 Telecom Shares, representing approximately 22.3% of the outstanding Telecom Shares. Intesa Sanpaolo may be deemed to have shared power to vote, or direct the vote, and shared power to dispose, or direct the dispositions, of such Telecom Shares.

In addition, Intesa Sanpaolo may be deemed to have sole power to vote or direct the vote of 29,059,811 Telecom Shares and sole power to dispose or direct the disposition of 2,759,000 Telecom Shares through its direct holdings and the holdings of various subsidiaries, representing approximately 0.2% and 0.02% of the outstanding Telecom Shares, respectively. These shares are not currently expected to be contributed to Telco.

The beneficial ownership of Telecom Shares by the persons listed in Annex A to Schedule 13D, to the extent currently available and to the best of Intesa Sanpaolo's knowledge, is indicated next to such person's name in such Annex A. To the best of Intesa Sanpaolo's knowledge, such persons have sole voting and dispositive power over the Telecom Shares that they beneficially own. Except as described in Annex B, Intesa Sanpaolo has not effected any transaction in the Telecom Shares during the 60 days prior to the date of the event which required a filing on Schedule 13D. To the best of Intesa Sanpaolo's knowledge, the persons listed in Annex A have not effected any transactions in Telecom Shares during the 60 days prior to the date of the event which required a filing on Schedule 13D, except as detailed in Annex A.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

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In addition to the descriptions contained herein, the descriptions of the 2015 Deed of Termination and the 2015 Shareholders Agreement Amendment in the Introduction to this Amendment No. 9 are incorporated herein by reference. The summaries of the 2015 Deed of Termination and 2015 Shareholders Agreement Amendment do not purport to be full and complete descriptions of such documents and are entirely qualified by reference to the full text of such documents attached hereto as Exhibits 37 and 38, respectively.

THE 2015 DEED OF TERMINATION

On February 27, 2015, the Existing Shareholders and the 2013 Lenders entered into a deed of termination pursuant to which the 2013 Pledged Shares Option Agreement was terminated and the parties thereto released from their obligations thereunder, including the 2013 Call Option.

Full text of such document is attached as Exhibit 37 hereto.

THE 2015 SHAREHOLDERS AGREEMENT AMENDMENT

On February 27, 2015, to extend the effectiveness of the 2012 Shareholders Agreement until the completion of the Demerger, the 2012 Shareholders Agreement was amended to extend its term until the earlier of (i) June 30, 2015 and (ii) the date of effectiveness of the Demerger.

Full text of such document is attached as Exhibit 38 hereto.

Item 7. Materials to Be Filed as Exhibits

Exhibit 37: Deed of termination of the 2013 Pledged Shares Option Agreement, dated February 27, 2015, by and among Telefónica S.A., Assicurazioni Generali S.p.A. (on its own behalf and on behalf of its subsidiaries Generali Vie S.A., Alleanza Assicurazioni S.p.A., Generali Italia S.p.A. and Generali Lebensversicherung AG), Intesa Sanpaolo S.p.A. (in its capacity as shareholder) and Mediobanca - Banca di Credito Finanziario S.p.A. (in its capacity as shareholder) and Intesa Sanpaolo S.p.A. (in its capacity as lender), Mediobanca - Banca di Credito Finanziario S.p.A. (in its capacity as lender) and Société Générale and Banca IMI S.p.A. (as facility agent).

Exhibit 38: Shareholders Agreement Amendment, dated February 27, 2015, between Telefónica, S.A., Assicurazioni Generali S.p.A., (on its own account and in the name of and on behalf of the following Generali's subsidiaries Generali Vie, S.A., Alleanza Assicurazioni S.p.A., Generali Italia, S.p.A. Generali Lebensversicherung AG), Intesa Sanpaolo and S.p.A., Mediobanca Banca di Credito Finanziario, S.p.A.

SIGNATURE

After reasonable inquiry and to the best knowledge and belief of the undersigned, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: March 25, 2015

INTESA SANPAOLO S.p.A.

By: /s/ Amedeo Nodari
Name: Amedeo Nodari
Title: Head of Financial Shareholdings
Department

ANNEX A

DIRECTORS AND EXECUTIVE OFFICERS OF INTESA SANPAOLO

The name, title, present principal occupation or employment of each of the directors and executive officers of Intesa Sanpaolo are set forth below. The business address of each director and executive officer is Intesa Sanpaolo's address. Unless otherwise indicated, each occupation set forth opposite an individual's name refers to Intesa Sanpaolo. All of the persons listed below are citizens of the Republic of Italy, except Jean-Paul Fitoussi who is a French citizen.

Name and surname	Position with Intesa Sanpaolo	Present Principal Occupation (if different from Position with Intesa Sanpaolo)	Telecom Shares Beneficially Owned
Gian Maria Gros-Pietro	Chairman		
Marcello Sala	Senior Deputy Chairman of Management Board		
Giovanni Costa	Deputy Chairman of Management Board		
Carlo Messina	Managing Director and CEO		
Carla Patrizia Ferrari	Member of Management Board		
Piera Filippi	Member of Management Board	Attorney	
Gaetano Miccichè	Member of Management Board		
Stefano Del Punta	Member of Management Board		
Giuseppe Morbidelli	Member of Management Board	Professor	
Bruno Picca	Member of Management Board		
Giovanni Bazoli*	Chairman of Supervisory Board	Professor	22,634 (owned by spouse)
Mario Bertolissi	Deputy Chairman of Supervisory Board	Professor	
Gianfranco Carbonato	Deputy Chairman of Supervisory Board	Entrepreneur	
Gianluigi Baccolini	Member of Supervisory Board	Entrepreneur	
Francesco Bianchi	Member of Supervisory Board	Consultant	
Rosalba Casiraghi	Member of Supervisory Board	Consultant	
Carlo Corradini	Member of Supervisory Board	Consultant	320,000 (personally owned)
Franco Dalla Sega	Member of Supervisory Board	Professor	
Piergiuseppe Dolcini	Member of Supervisory Board	Lawyer	
Jean-Paul Fitoussi	Member of Supervisory Board	Professor	
Edoardo Gaffeo	Member of Supervisory Board	Professor	
Pietro Garibaldi	Member of Supervisory Board	Professor	
Rossella Locatelli	Member of Supervisory Board	Professor	
Giulio Stefano Lubatti	Member of Supervisory Board	Consultant	
Marco Mangiagalli	Member of Supervisory Board	Consultant	
Iacopo Mazzei	Member of Supervisory Board	Entrepreneur	
Beatrice Ramasco	Member of Supervisory Board	Chartered Accountant	
Marcella Sarale	Member of Supervisory Board	Professor	
Monica Schiraldi	Member of Supervisory Board	Consultant	

* Mr. Bazoli sold 38,300 shares beneficially owned personally by him during the 60 days preceeding February 27, 2015.

ANNEX B

TRANSACTIONS IN TELECOM ITALIA ORDINARY SHARES

The following describes transactions during the 60 days prior to the date of the event which required a filing on Schedule 13D by Intesa Sanpaolo or its affiliates in Telecom Shares. These transactions were all ordinary course broker-dealer activities engaged in by Intesa Sanpaolo or its affiliates consistent with its usual practices and unrelated to the Telco transaction. Substantially all of these transactions consisted of index arbitrage; index rebalance trading; program trading relating to baskets of securities; creation, redemption and balancing of exchange traded funds; facilitation of customer trades; model-driven trading and error correction.

Name of Intesa Sanpaolo entity or affiliate	Number of Buys	Buy Volume	High/Low Buy	Number of Sells	Sell Volume	High/Low Sell
			Prices (in)			Prices (in)
Banca IMI S.p.A.	594	13,031,522	1.072 / 0.8465	16,612	94,853,466	1.068 / 0.8455