SUNGEM HOLDING ITALY S.P.A.
a joint stock company

with its registered office in Bologna (BO), Via Galliera No. 91 Share capital of euro 109,978.00 fully paid-in
Tax code, VAT number and registration number with the Companies' Registry of Bologna No. 03653231203.
R.E.A. No. BO - 536145

ADMISSION DOCUMENT

in connection with the application for admission to trading of the financial instruments named "Euro 70,000,000 Floating Rate Notes due 30 June 2030", ISIN IT0005317943, Common code 173840055, (issue price: 100 per cent.) on the professional segment (ExtraMOT PRO) of the multilateral trading facility ExtraMOT operated by Borsa Italiana S.p.A.

The financial instruments are issued in dematerialised form (*forma dematerializzata*) in accordance Article 83-bis and subsequent of the Italian Legislative Decree No. 58 of 24 February 1998 as amended (the **"Consolidated Financial Act"**) and the Regulation issued by the Bank of Italy and CONSOB on 22 February 2008, as amended and supplemented from time to time (**"BoI/CONSOB Regulation"**) and will be held through and accounted for in book entry form with the central securities depository and management system managed by Monte Titoli S.p.A.

CONSOB AND THE ITALIAN STOCK EXCHANGE HAVE NOT EXAMINED NOR APPROVED THE CONTENT OF THIS ADMISSION DOCUMENT

This admission document is dated 14 December 2017

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1. IMPORTANT NOTICE

1.1 No person is authorised to give any information or to make any representation not contained in this Admission Document and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Mandated Lead Arranger, the Issuer, the SPVs, the Shareholder, the Sponsor or any other person. Neither the delivery of this Admission Document nor any sale or allotment made in connection herewith shall, under any circumstances, constitute a representation or imply that there has been no change in the affairs of the Issuer or the SPVs or in the information contained herein since the date hereof or the date upon which this Admission Document has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Admission Document has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

1.2 To the fullest extent permitted by law the Mandated Lead Arranger accepts no responsibility whatsoever for the contents of this Admission Document or for any other statement, made or purported to be made by the Mandated Lead Arranger or on its behalf in connection with the Issuer, the SPVs or the issue and offering of the Notes. The Mandated Lead Arranger accordingly disclaims all and any liability, whether arising in contract or otherwise (save as referred to above), which it might otherwise have in respect of this Admission Document or any such statement.

1.3 The Mandated Lead Arranger has not independently verified all the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Mandated Lead Arranger as to the accuracy or completeness of the information contained in this Admission Document not verified by the latter or any other information provided by the Issuer, in connection with the Notes or their distribution.

1.4 The distribution of this Admission Document and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Admission Document comes are required by the Issuer and the Mandated Lead Arranger to inform themselves about, and to observe, any such restrictions. Neither this Admission Document nor any part of it constitutes an offer, or may be used for the purpose of an offer to sell any of the Notes, or a solicitation of an offer to buy any of the Notes, by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or is unlawful.

1.5 This Admission Document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Mandated Lead Arranger that any recipient of this Admission Document should purchase any of the Notes. Each investor contemplating purchasing the Notes should make its own independent investigation of the assets and of the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer.

1.6 The Notes have not been and will not be registered under the Securities Act or any other state or other jurisdiction's securities laws, are in dematerialized form and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold within the United States or for the benefit of U.S. persons (as defined in Regulation S under the Securities Act). The Notes may not be offered or sold directly or indirectly, and neither this Admission Document nor any other prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued,

distributed or published in any country or jurisdiction (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. No action has or will be taken which could allow an offering of the Notes to the public in the Republic of Italy. For a further description of certain restrictions on the offering and sale of the Notes and on the distribution of this Admission Document, see schedule 4 (Selling Restrictions).

1.7 Each initial and each subsequent purchaser of a Note will be deemed, by its acceptance of such Note, to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer thereof as described in this Admission Document and, in connection therewith, may be required to provide confirmation of its compliance with such resale or other transfer restrictions in certain cases.

1.8 The language of this Admission Document is English. Any foreign language text that is included with or within this document has been included for convenience purposes only and does not form part of the Admission Document. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

1.9 Some statements in this Admission Document are, or may be deemed to be, forward-looking statements. Forward-looking statements include statements concerning the Issuer's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward-looking statements. When used in this Admission Document, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should" and any similar expressions generally identify forward-looking statements. These forward-looking statements are contained in the section entitled "Risk Factors" and the other sections of this Admission Document. The Issuer has based these forward-looking statements on the current view of its management with respect to future events and financial performance. Although the Issuer believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Admission Document, if one or more risks or uncertainties materialise, whether or not such risks or uncertainties are identified in the section entitled "Risk Factors" or elsewhere in this Admission Document, or if any of the Issuer's underlying assumptions prove to be incomplete or inaccurate, the Issuer's actual results of operation may vary from those expected, estimated or predicted.

1.10 Any forward-looking statements contained in this Admission Document speak only as at the date of this Admission Document. Save as required under applicable laws and regulations, each of the Issuer and the Mandated Lead Arranger expressly disclaim any obligation or undertaking to disseminate after the date of this Admission Document any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward-looking statement is based.

1.11 Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer and the Mandated Lead Arranger or from any other person as investment advice or as a recommendation to invest in the Notes or an assurance or guarantee as to the expected results of an investment in the Notes, it being understood that information and explanations related to the Issuer or the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes.

1.12 All references in this Admission Document to **"Euro"**, **"euro"**, **"cents"** and **"€"** are to the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by,

inter alia, the Single European Act 1986, the Treaty of European Union of 7 February 1992, establishing the European Union and the European Council of Madrid of 16 December 1995; references to "Italy" are to the Republic of Italy; references to laws and regulations are to the laws and regulations of Italy; and references to "billions" are to thousands of millions.

2. DEFINITIONS

2.1 In this Admission Document and save where the context requires otherwise, the following words and expressions, unless otherwise specified, have the following meanings:

"Account Bank" means Unicredit S.p.A.;

"Admission Document" means this admission document relating to the trading of the Notes prepared in accordance with the Rules of ExtraMOT;

"**Advance**" means any drawdown of a Facility under the Facilities Agreement;

"AEEGSI" means *Autorità per l'energia elettrica, il gas ed il sistema idrico*, being the independent regulatory body of the energy markets and the integrated water services in Italy;

"Agency Agreement" means the agreement dated on or about the Issue Date between the Issuer, the Paying Agent and the Calculation Agent under which, *inter alios*, each of them is appointed, respectively, as paying agent and calculation agent for the purposes of the Notes;

"Amplio" means Amplio Energy SA, a company incorporated under the laws of Luxembourg, with registered office at 18 Rue de l'Eau L-1449 Luxembourg registered with company number B132826;

"Annual Debt Service Cover Ratio" or **"ADSCR"** means the ratio, as at any Calculation Date, of:

a) the Cash Flow Available for Debt Service for the 12-months' period ending on such Calculation Date, or, in respect of any Calculation Date until 30th June 2018 (included), for the period commencing on 31th December 2017, and ending on such Calculation Date; and

b) the Debt Service payable in the same period;

"Applicable Accounting Principles" means GAAP or the accounting principles issued by the International Accounting Standards Board (I.A.S.B.), including the International Financial Reporting Standards pursuant to EU Regulation 1606/2002 of July 19th, 2002, to the extent applicable;

"Bankruptcy Law" means Italian Royal Decree No. 267 of 16 March 1942, as amended and/or supplemented from time to time;

"Borrower" means Sungem Holding Italy S.p.A. a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with its registered office in Bologna (Italy), Via Galliera No. 91, fiscal code, VAT number and registration number with the Company Register of Bologna No. 03653231203, R.E.A. BO - 536145, in its capacity as borrower under the Facilities Agreement;

"Borrower Operating Costs" means all costs and expenses incurred (or, in a forward looking test, expected to be incurred) by the Borrower (without double counting), as set out in the Operating Budget, including but not limited to:

(a) liabilities of the Borrower under the Project Documents (of an operating nature);

(b) *premia* on insurances;

(c) administrative, legal, management, accounting and employee costs in respect of the Project, including fees and costs of the Advisers and of the Borrower's advisers and auditors appointed in connection with the transactions;

(d) Taxes; and

(e) any other costs and expenses agreed by the Transaction Agent and the Borrower,

but excluding

(a) scheduled repayment instalments, falling due for repayment during such period, of the Term Facility and the VAT Facility under the Facilities Agreement and of the Notes under the Terms and Conditions;

(b) Financing Costs;

(c) Break Costs;

(d) any termination payment under the Hedging Agreements;

(e) any payment in respect of any Subordinated Loans;

(f) any Distribution;

(g) depreciation, non-cash charges, reserves, amortisation of intangibles and similar book keeping entries.

"Borrower Revenues" means, for any relevant period (without double counting), amounts payable to or to the order of the Borrower during that period, including:

(a) proceeds (including for the avoidance of any doubt repayment and/or prepayment of principal) arising from the SPVs Quotaholder Loans and SPVs Existing Quotaholder Loans;

(b) interest on the Debtor Accounts;

(c) all refunds of Tax of any kind;

(d) any dividends and/or distributions paid by the SPVs;

(e) any other revenues that may arise in favour of the Borrower,

but in any event excluding:

(f) any Compensation; and

(g) amounts paid to the Borrower under the Finance Documents (other than the SPVs Quotaholder Loan Agreement(s) and the SPVs Existing Quotaholder Loan Agreement(s)),

all the above items considered on a cash basis.

"Calculation Agent" means the Calculation Agent under the Agency Agreement, or its successors thereto;

"Calculation Date" means each 30th June and 31th December, starting from 30th June 2018;

"Cash Flow Available for Debt Service" means, in relation to any relevant period:

(a) the aggregate of Borrower Revenues received or, in the case of a forecast, projected to be received by the Borrower, minus

(b) Borrower Operating Costs paid or, in the case of a forecast, projected to be paid

in any case without double counting and excluding any amount which is not legally in the availability of the Borrower at the relevant Calculation Date in accordance with the Project Documents;

"Cash Pooling Agreement" means the agreement entered into by the Account Bank and the Borrower, also in the name and on behalf of the SPVs, detailing the mechanics of the centralized management by the account bank of the cash available to the Borrower and SPVs in the respective accounts;

"Civil Code" means the Italian civil code set out in Royal Decree No. 262 of 16th March, 1942 as amended and/or integrated from time to time;

"**Closing Date**" means the date of the first and only Advance under the Term Facility and the VAT Facility and the Issue Date;

"Common Documents" means:

(a) the Security Documents;

(b) the Common Terms Agreement; and

(c) the Intercreditor Agreement.

"Common Terms Agreement" or **"CTA"** means the common terms agreement dated 6 December between, *inter alios,* the Issuer and the Transaction Agent;

"CONSOB" means the *Commissione Nazionale per le Società e la Borsa* (i.e. the Italian securities authority);

"Consob Regulation No. 11971" means CONSOB Regulation No. 11971 dated 14 May 1999, as subsequently amended and supplemented;

"Consolidated Banking Act" means the Italian consolidated banking act (*T.U. delle leggi in materia bancaria e creditizia*) set out in Legislative Decree No. 385 of 1 September 1993, as subsequently amended and supplemented;

"Consolidated Financial Act" means Italian Legislative Decree No. 58 dated 24 February 1998, as subsequently amended and supplemented;

"Cultivation Agreements" means the agreement entered into by each of Sardegna Agrienergia Due, Sardegna Agrienergia Quattro and Sardegna Agrienergia Cinque with the relevant counterparties, in the agreed form, for the purposes of the greenhouse cultivation in a continuative manner and in compliance with any applicable law and regulation.

"**Debtor**" means the Borrower;

"Debt Service" means, without duplication, for any relevant period, the aggregate of:

(a) Financing Costs, accrued (whether or not paid) or (in the case of a projection) projected to accrue, during such period; and

(b) scheduled repayment instalments, falling due for repayment during such period, of the Term Facility and the VAT Facility under the Facilities Agreement and of the Notes under the Terms and Conditions, excluding for the avoidance of doubt any prepayment of the Term Facility and the VAT Facility or early redemption of the Notes;

"Direct Agreements" means each direct agreement to be executed by and between, *inter alios*, the Transaction Agent, each SPV and each O&M Contractor in relation to its relevant O&M Contract;

"Donna Cinzia" means the 0.99 MWp photovoltaic plants developed by Donna Cinzia in the Municipality of Ugento, province of Lecce, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities;

"Donna Cinzia PV Plant" means the 0.99 MWp photovoltaic plants developed by Donna Cinzia in the Municipality of Ugento, province of Lecce, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (*cavidotti*), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities;

"DSRA Facility" means the DSRA facility made available to the Borrower pursuant to article 2.1 (b) of the Facilities Agreement;

"Ecoram" means Ecoram S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT03125271209;

"Ecoram PV Plants" means the 1.98 MWp photovoltaic plants developed by Ecoram in the Municipality of Atri and in the Municipality of Montefino, province of Teramo, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities and in details:

(a) Atri Plant located in the Municipality of Atri with power of 999.81 kW;

(b) Montefino Plant located in the Municipality of Montefino with power pf 999.654 kW

"**Equity Subordination Agreement**" means the agreements entered into by the Borrower (on the one side) and the Shareholders/Sponsor, whereby these latter will accept that their claims will be subordinated to the claims of the Senior Creditors and the other creditors.

"Escrow Agreement" means the agreement between, *inter alios*, the Borrower and the Transaction Agent for the transfer and release of an amount equal to the proceeds of the Notes, the Term Facility and the VAT Facility on the escrow account in the agreed form;

"Existing Financings" means the Helios Energia Green Facility Agreement, the Ecoram Facility Agreement, the PES Energia Facility Agreement, the Leccedue Facility Agreement, the Donna Cinzia Facility Agreement, the Produzioni Fotovoltaiche Facility Agreement;

"Existing Guarantees" means:

(a) each guarantee issued in the interest of the SPVs in relation to the PV Plants before the Signing Date, as listed in Schedule 22 of the Common Terms Agreement, as well as any renewal or extension of such contracts; and

(b) The Existing VAT Guarantees;

"Existing Indebtedness" means with respect to the SPVs any outstanding indebtedness arising from any Existing Financing and Existing Leasing including any fee, interest, commission, tax, cost (including break costs and penalties), expense and, with reference to the Existing Leasing, the amount of the option right to be exercised to purchase the PV Plant, any other amount payable by the SPVs thereunder or in connection thereto (including any Hedging Closing Costs and any fee and costs under the Existing Indebtedness);

"Existing Leasings" means the Sardegna Agrienergia Due Lease Agreement, the Sardegna Agrienergia Quattro Lease Agreement and the Sardegna Agrienergia Cinque Lease Agreement**;**

"Existing Minor Contract" means each of the following:

(a) agreement entered into on 30.11.2017 between Donna Cinzia s.r.l., via Galliera n° 91, Bologna, partita IVA 05954160486 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(b) agreement entered into on 28.07.2014 between Donna Cinzia s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(c) agreement entered into on 01.01.2015 between Donna Cinzia s.r.l. and Enel Energia S.p,.A;

(d) agreement entered into on 30.11.2017 between Produzioni Fotovoltaiche M 1 s.r.l., via Galliera n° 91, Bologna, partita IVA 10739951001 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(e) agreement entered into on 28.07.2014 between Produzioni Fotovoltaiche M 1 s.r.l and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(f) agreement entered into on 01.01.2015 between Produzioni Fotovoltaiche M 1 s.r.l and Enel Energia S.p,.A;

(g) agreement entered into on 30.11.2017 between Ecoram s.r.l., Via Galliera n° 91, Bologna, partita IVA 03125271209 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(h) agreement entered into on 28.07.2014 between Ecoram s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(i) agreement entered into on 01.04.2017 between Ecoram s.r.l.- Impianto Atri/Montefino and Enel Energia S.p.A.;

(j) agreement entered into on 01.07.2013 between Ecoram s.r.l. - Impianto Atri/Montefino and HERA S.p.A.;

(k) agreement entered into on 30.11.2017 between Helios Energia Green s.r.l., via Galliera n° 91, Bologna codice fiscale, partita IVA 06778240967 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(l) agreement entered into on 28.07.2014 between Helios Energia Green s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(m) agreement entered into on 01.06.2017 between Helios Energia Green s.r.l. -Impianto Passa and Enel Energia SpA;

(n) agreement entered into on 01.04.2017 between Helios Energia Green s.r.l. -Impianto Ripi/Sgurgola and Enel Energia SpA;

(o) agreement entered into on 30.11.2017 between Leccedue s.r.l., Bologna, via Galliera n° 91, partita IVA 02958411205 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(p) agreement entered into on 28.07.2014 between Leccedue s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(q) agreement entered into on 29.12.2015 between Leccedue s.r.l. – Impianti Di Pace/ Placentino/Azzarone and CAMPUS Service Srl;

(r) agreement entered into on 01.07.2017 between Leccedue s.r.l. -Impianto Di Pace and Enel Energia SpA;

(s) agreement entered into on 01.02.2016 between Leccedue s.r.l. -Impianto Barba and Enel Energia SpA;

(t) agreement entered into on 01.01.2017 between Leccedue s.r.l. -Impianto Pallara and Enel Energia SpA;

(u) agreement entered into on 01.11.2015 between Leccedue s.r.l. -Impianto Azzarone/Placentino and Enel Energia SpA;

(v) agreement entered into on 20.02.2014 between Leccedue s.r.l.-Impianto Azzarone/Di Pace/Placentino and Arpitel Srl;

(w) agreement entered into on 30.11.2017 between Pes Energia s.r.l., Palermo, via Mariano Stabile n° 136, partita IVA 05651740820 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(x) agreement entered into on 28.07.2014 between Pes Energia s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(y) agreement entered into on 01.02.2017 between Pes Energia s.r.l. and Enel Energia SpA;

(z) agreement entered into on 30.11.2017 between Produzioni Agricole Solari s.r.l., Bologna, via Galliera n° 91, partita IVA 03420490926 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(aa) n.23 agreements entered into on 10.12.2012 between Produzioni Agricole Solari s.r.l. and ENEL;

(bb) agreement entered into on 30.11.2017 between Sardegna Agrienergia due s.r.l., Bologna, via Galliera n° 91, partita IVA 06811540969 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(cc) agreement entered into on 28.07.2014 between Sardegna Agrienergia due s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(dd) agreement entered into on 29.11.2011 between Sardegna Agrienergia due s.r.l. and ENEL;

(ee) agreement entered into on 30.11.2017 between Sardegna Agrienergia quattro s.r.l. Bologna, via Galliera n° 91, partita IVA 06811580965 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(ff) agreement entered into on 28.07.2014 between Sardegna Agrienergia quattro s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(gg) agreement entered into on 18.07.2011 between Sardegna Agrienergia quattro s.r.l. and ENEL

(hh) agreement entered into on 30.11.2017 between Sardegna Agrienergia cinque s.r.l., Bologna, via Galliera n° 91, partita IVA 06811600961 and C.L.C. di Carmelo Liscio & C. s.a.s., Via San Martino n° 49, Castellaneta (TA), Partita I.V.A. 02091240735;

(ii) agreement entered into on 28.07.2014 between Sardegna Agrienergia cinque s.r.l. and SeaSide Srl – Via Andrea Costa 165 – 40134 Bologna;

(jj) agreement entered into on 18.07.2011 between Sardegna Agrienergia cinque s.r.l. and ENEL.

"ExtraMOT PRO" means the multilateral trading system named "segmento professionale ExtraMOT PRO" which is part of the multilateral trading system (*sistema multilaterale di negoziazione delle obbligazioni*) held by Borsa Italiana S.p.A. and named "ExtraMOT'";

"Facilities" means the Term Facility, the VAT Facility and the DSRA Facility to be made available by the Lender to the Borrower pursuant to the Facilities Agreement;

"Facilities Agreement" means the agreement between, *inter alios*, the Borrower and the Lender documenting the Facilities;

"Fee Letters" means the fee letters setting out any of the fees due to one or more of the Transaction Agent, the Account Bank, the Facility Agent, the Mandated Lead Arranger, the Lender, the Initial Investors, the Security Agent, the Noteholders' Representative, the Noteholders, the Calculation and Paying Agent and the Hedge Counterparty;

"Finance Documents" has the meaning attributed to it under clause 5.4.2(a);

"Financial Indebtedness" means (without double-counting) any indebtedness for or in respect of:

(a) monies borrowed or raised;

(b) any documentary or standby letter of credit facility but not relating to trade instruments;

(c) any acceptance credit;

(d) any bond, note, debenture, loan stock or other similar instrument but not trade instruments;

(e) any finance or capital lease or hire purchase contract which would, in accordance with Applicable Accounting Principles, be treated as such;

(f) any amount raised pursuant to any issue of shares which are capable of redemption before the latest final maturity date of any Senior Debt;

(g) receivables sold or discounted (other than on a non-recourse basis);

(h) the amount of any liability in respect of any advance or deferred purchase agreement if one of the primary reasons for entering into such agreement is to raise finance;

(i) any termination amount due from the Borrower or the SPVs in respect of any Treasury Transaction that has terminated;

(j) any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing (other than any trade credit or indemnity granted in the ordinary course of the Borrower's or the SPVs' business and upon terms usual for such business);

(k) any counter-indemnity obligation in respect of any guarantee, indemnity, bond, letter of credit or any other instrument issued by a bank or financial institution but not in respect of any trade instrument; and

(l) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any item referred to in paragraphs (a) to (k) (inclusive) above (other than any guarantee or indemnity given in respect of obligations owed by the Borrower or the SPVs one to another);

"Financial Model" has the meaning attributed to it under clause 5.5;

"Financing Costs" means, for any relevant period, the financing costs paid or accrued or (in the case of a projection) projected to be paid or projected to accrue in that period under the Finance Documents including, without limitation:

(a) interest, fees and any other costs or expenses payable pursuant to the Finance Documents but excluding any upfront fee, prepayment fee, or hedging costs indicated under (b) below);

(b) any amount payable by the Borrower under the Hedging Agreement, other than any relevant hedging termination payment; and

(c) any amounts payable by the Borrower as tax gross up, increased cost or indemnities under the Finance Documents;

"Forecast Annual Debt Service Coverage Ratio" or **"FADSCR"** means the ratio, as at any Calculation Date, of:

(a) the Cash Flow Available for Debt Service for the 12-months' period starting on such Calculation Date; and

(b) the Debt Service payable in the same period;

"Funds Flow Statement" means the funds flow statement in the form agreed between the Transaction Agent and the Debtor;

"Gottex" means (i) Gottex Real Asset Fund I (Solar SG) S.à r.l., a company incorporated under the laws of Luxembourg with n. B 141985 and with registered office at 20, rue de la Poste, L-2346 Luxembourg and (ii) Gottex Real Asset Fund I (Agri SG) S.à r.l., a company incorporated under the laws of Luxembourg with n. B 155560 and with registered office at 20, rue de la Poste, L-2346 Luxembourg;

"Group" means the Borrower and each of the SPVs;

"GSE" means *Gestore dei Servizi Energetici S.p.A.*, being the state-owned company which promotes and supports renewable energy sources in Italy;

"GSE Concessions" means:

(a) agreement entered into on 08/02/2012 between Helios Energia Green and GSE, granting to Ripi Plant a 20-years feed in tariff from 31/05/2011.

(b) agreement entered into on 26/01/2012 between Helios Energia Green and GSE, granting to Passa Plant a 20-years feed in tariff from 31/05/2011.

(c) agreement entered into on 26/01/2012 between Helios Energia Green and GSE, granting to Surgola Plant a 20-years feed in tariff from 30/05/2011.

(d) agreement entered into on 06/07/2010 between Leccedue and GSE, granting to Barba Plant a 20-years feed in tariff from 09/04/2010.

(e) agreement entered into on 01/07/2010 between Leccedue and GSE, granting to Caorte Plant a 20-years feed in tariff from 31/12/2009.

(f) agreement entered into on 04/10/2011 between Leccedue and GSE, granting to Pallara Plant a 20-years feed in tariff from 16/02/2011.

(g) agreement entered into on 11/10/2010 between Leccedue and GSE, granting to Di Pace Plant a 20-years feed in tariff from 02/07/2010.

(h) agreement entered into on 06/07/2010 between Leccedue and GSE, granting to Placentino Plant a 20-years feed in tariff from 15/04/2010.

(i) agreement entered into on 06/10/2010 between Leccedue and GSE, granting to Azzarone Plant a 20-years feed in tariff from 30/04/2010.

(j) agreement entered into on 10/10/2011 between Donna Cinzia and GSE, granting to Donna Cinzia Plant a 20-years feed in tariff from 16/01/2011.

(k) agreement entered into on 10/10/2011 between Produzioni Fotovoltaiche and GSE, granting to Produzioni Fotovoltaiche Plant a 20-years feed in tariff from 16/01/2011.

(l) agreement entered into on 08/10/2012 between Sardegna Agrienergia Due and GSE, granting to Sardegna Agrienergia Due PV Plant a 20-years feed in tariff from 02/03/2012.

(m) agreement entered into on 02/05/2012 between Sardegna Agrienergia Quattro and GSE, granting to Sardegna Agrienergia Quattro PV Plant a 20-years feed in tariff from 30/07/2011.

(n) agreement entered into on 04/10/2012 between Sardegna Agrienergia Cinque and GSE, granting to Sardegna Agrienergia Cinque PV Plant a 20-years feed in tariff from 30/07/2011.

(o) agreement entered into on 04/05/2012 between Ecoram and GSE, granting to Atri Plant a 20-years feed in tariff from 25/08/2011.

(p) agreement entered into on 04/05/2012 between Ecoram and GSE, granting to Montefino Plant a 20-years feed in tariff from 25/08/2011.

(q) agreement entered into on 18/10/2010 between PES Energia and GSE, granting to Casteltermini Plant a 20-years feed in tariff from 09/12/2009.

(r) agreement entered into on 04/09/2013 between Produzioni Agricole Solari and GSE, granting to Onnis Plant a 20-years feed in tariff from 26/02/2013.

(s) agreement entered into on 08/01/2014 between Produzioni Agricole Solari and GSE, granting to Pittau G. Plant a 20-years feed in tariff from 04/07/2013.

(t) agreement entered into on 24/06/2013 between Produzioni Agricole Solari and GSE, granting to Gioia Plant a 20-years feed in tariff from 07/03/2013.

(u) agreement entered into on 11/11/2013 between Produzioni Agricole Solari and GSE, granting to Lunesu Plant a 20-years feed in tariff from 14/06/2013.

(v) agreement entered into on 27/09/2013 between Produzioni Agricole Solari and GSE, granting to Pilloni Plant a 20-years feed in tariff from 14/06/2013.

(w) agreement entered into on 18/11/2013 between Produzioni Agricole Solari and GSE, granting to Bolliri Plant a 20-years feed in tariff from 26/02/2013.

(x) agreement entered into on 13/11/2013 between Produzioni Agricole Solari and GSE, granting to Tonin Plant a 20-years feed in tariff from 06/02/2013.

(y) agreement entered into on 11/04/2014 between Produzioni Agricole Solari and GSE, granting to Cara Plant a 20-years feed in tariff from 23/08/2013.

(z) agreement entered into on 08/01/2014 between Produzioni Agricole Solari and GSE, granting to Furcas U. Plant a 20-years feed in tariff from 20/09/2013.

(aa) agreement entered into on 15/07/2014 between Produzioni Agricole Solari and GSE, granting to Pittau M. Plant a 20-years feed in tariff from 27/09/2013.

(bb) agreement entered into on 15/09/2014 between Produzioni Agricole Solari and GSE, granting to Farina G. Plant a 20-years feed in tariff from 19/08/2013.

(cc) agreement entered into on 09/10/2013 between Produzioni Agricole Solari and GSE, granting to Lampis Plant a 20-years feed in tariff from 27/05/2013.

(dd) agreement entered into on 27/09/2013 between Produzioni Agricole Solari and GSE, granting to Lai Plant a 20-years feed in tariff from 17/06/2013.

(ee) agreement entered into on 08/11/2013 between Produzioni Agricole Solari and GSE, granting to Masala Plant a 20-years feed in tariff from 30/05/2013.

(ff) agreement entered into on 27/11/2013 between Produzioni Agricole Solari and GSE, granting to Galatzia Plant a 20-years feed in tariff from 23/08/2013.

(gg) agreement entered into on 18/12/2013 between Produzioni Agricole Solari and GSE, granting to Farina M. Plant a 20-years feed in tariff from 19/08/2013.

(hh) agreement entered into on 15/04/2014 between Produzioni Agricole Solari and GSE, granting to Furcas R. Plant a 20-years feed in tariff from 20/09/2013.

(ii) agreement entered into on 27/11/2013 between Produzioni Agricole Solari and GSE, granting to Porcedda Plant a 20-years feed in tariff from 22/08/2013.

(jj) agreement entered into on 13/05/2014 between Produzioni Agricole Solari and GSE, granting to Sirigu A. Plant a 20-years feed in tariff from 13/09/2013.

(kk) agreement entered into on 18/12/2013 between Produzioni Agricole Solari and GSE, granting to Sirigu R. Plant a 20-years feed in tariff from 13/09/2013.

(ll) agreement entered into on 08/01/2014 between Produzioni Agricole Solari and GSE, granting to Sirigu B. Plant a 20-years feed in tariff from 13/09/2013.

(mm) agreement entered into on 18/12/2013 between Produzioni Agricole Solari and GSE, granting to Mancosu Plant a 20-years feed in tariff from 23/08/2013.

(nn) agreement entered into on 27/11/2013 between Produzioni Agricole Solari and GSE, granting to Marongiu Plant a 20-years feed in tariff from 20/09/2013.

"Guarantee" means each guarantee granted by each SPV pursuant to Clause 16 (Guarantee and Indemnity) of the Common Terms Agreement;

"Hedge Counterparty" means any counterparty different from the Original Hedge Counterparty which accedes, as a hedge counterparty under an Hedging Agreement, to the Intercreditor Agreement and Common Terms Agreement as a hedge counterparty;

"Hedging Agreement" means any Treasury Transaction entered or to be entered into by the Borrower and the Original Hedge Counterparty or Hedge Counterparty in compliance with the hedging policy set out in the Common Terms Agreement;

"**Hedging Closing Costs**" means any unwinding costs to be paid on the Closing Date to the hedging counterparties of the Existing Financings and Existing Leasings in the context of the unwinding of the relevant hedging agreements;

"Hedging Liabilities" means any present and future liabilities in respect of a Hedging Agreement;

"**Helios**" means Helios Energia Green S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT06778240967;

"Helios PV Plants" means the 6,76 MWp photovoltaic plants developed by Helios in the Municipality of Anagni and in the Municipality of Anagni, province of Frosinone, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities and in details:

i. "Ripi Plant" located in the Municipality of Ripi (FR) with power of 1,616.80 kW;

ii. "Passa Plant" located in the Municipality of Anagni (FR) with power of 2,456.40 kW;

iii. "Sgurgola Plant" located in the Municipality of Anagni (FR) with power of 2,689.20 kW;

"Initial Investors" means the party named as initial investor in the Common Terms Agreement which is a Qualified Investor;

"Insurance" means, as the context may require, any or all of the insurances described in or taken out pursuant to Schedule 7 (Insurances) of the Common Terms Agreement and any other contract or policy of insurance taken out by the Issuer or any SPV from time to time, including in each case any future renewal or replacement of any such insurance whether with the same or different insurers and whether on the same or different terms as defined in Schedule 7 (Insurances) of the Common Terms Agreement;

"Interconnection Agreement" means collectively the *contratto di connessione* for each SPV;

"Intercreditor Agreement" or **"ICA"** means the intercreditor agreement between, *inter alios*, the Borrower and the Secured Creditors;

"Issue Date" means the date of issue of the Notes, being 14 December 2017;

"Issuer" or **"Sungem Holding Italy S.p.A."** means the Borrower, in its capacity as issuer of the Notes under the Notes Subscription Agreement and the Terms and Conditions;

"Italian Stock Exchange" means Borsa Italiana S.p.A., with its registered office in Milan, Piazza degli Affari, No. 6;

"Land Agreement" means, in relation to any PV Plant, any contract listed under clause 5.4.2(b) (Project Documents) hereto entered into by the relevant SPV for the purpose of acquiring title (including lease, *superficie* and *servitù* rights) on the relevant Site in relation to that PV Plant;

"Leccedue" means Leccedue S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT02958411205;

"Leccedue PV Plants" means the 5,96 MWp photovoltaic plants developed by Leccedue in the Municipalities of Lecce and San Cesario di Lecce, province of Lecce, and in the Municipalities of Trinitapoli and San Giovanni Rotondo, province of Foggia, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities and, in details:

i. "Pallara Plant", located in the Municipality of Lecce with power of 994.50 kWp;

ii. "Caorte Plant", located in the Municipality of San Cesareo di Lecce (LE) with power of 994.50 kWp;

iii. "Di Pace Plant" located in the Municipality of Trinitapoli (FG) with power of 990 kW;

iv. "Placentino Plant" located in the Municipality of San Giovanni Rotondo (FG) with power of 989,437kW;

v. "Azzarone Plant" located in the Municipality of San Giovanni Rotondo (FG) with power of 989,964 kW;

vi. "Barba Plant" located in the Municipality of Lecce (LE) with power of 999 kWp;

"Lender" means Unicredit S.p.A. and any successor, assignee or transferee pursuant to the terms of the Facilities Agreement;

"Management Service Provider" means Amplio Energy Europe S.r.l.;

"Mandated Lead Arranger" means Unicredit S.p.A.;

"Monte Titoli" means Monte Titoli S.p.A. having its registered office at Piazza degli Affari, 6, 20123 Milan, Republic of Italy;

"Municipality Agreement" means any of the following agreement with the competent municipalities:

(a) the agreement entered into on 11/04/2011 between Helios Energia Green and the Municipality of Ripi;

(b) the agreement entered into on 19/09/2013 between LecceDue and the Municipality of S.Giovanni Rotondo;

(c) the agreement entered into on 11/11/2014 between LecceDue and the Municipality of Lecce;

"New O&M Contract" has the meaning given to it in Clause 17 (new O&M Contract and Direct Agreement) of Section 2 (Negative Covenants) of Schedule 2 (Covenants) of the Common Terms Agreement;

"Notes" means the Notes issued by the Issuer and "**Note**" shall be construed accordingly;

"Noteholders" means the holders from time to time of the Notes;

"Noteholders' Representative" or **"RON"** means Securitisation Services S.p.A. or any successor agent appointed pursuant to the Terms and Conditions, for and on behalf of the relevant Noteholders;

"Notes Subscription Agreement" means the agreement between, *inter alios*, the Issuer and the Initial Investors for the sale by the Issuer and the subscription as principal by such investor of the Notes;

"Operating Budget" means the annual budget of the Group, prepared by the Borrower in good faith substantially in the form set out in the CTA on the basis of recent historical information and on the basis of assumptions which were believed to be reasonable by the Borrower as at the date they were prepared and supplied;

"O&M Contracts" means:

(a) the agreement entered into on 06/07/2010 between Donna Cinzia Srl and Convert Italia SpA for the operation and maintenance of a 0,99 MWp solar park as amended

on January 2016 and as may be further amended after the date hereof pursuant to this Agreement;

(b) the agreement entered into on 12/02/2010 between Produzioni Fotovoltaiche M1 Srl and Convert Italia SpA for the operation and maintenance of a 0,99 MWp solar park as amended on January 2016 and as may be further amended after the date hereof pursuant to this Agreement;

(c) the agreement entered into on 12/05/2014 between Ecoram Srl and Rios Rinnovabili Srl for the operation and maintenance of a 0,99 MWp solar park (Atri);

(d) the agreement entered into on 12/05/2014 between Ecoram Srl and Rios Rinnovabili Srl for the operation and maintenance of a 0,99 MWp solar park (Montefino);

(e) the agreement entered into on 30/11/2011 between Helios Energia Green Srl and Rios Rinnovabili Srl for the operation and maintenance of a 2,45 MWp solar park as amended on 16/04/2014 and as may be further amended after the date hereof pursuant to this Agreement;

(f) the agreement entered into on 30/11/2011 between Helios Energia Green Srl and Rios Rinnovabili Srl for the operation and maintenance of a 1,62 MWp solar park as amended on 16/04/2014 and as may be further amended after the date hereof pursuant to this Agreement;

(g) the agreement entered into on 30/11/2011 between Helios Energia Green Srl and Rios Rinnovabili Srl for the operation and maintenance of a 2,69 MWp solar park as amended on 16/04/2014 and as may be further amended after the date hereof pursuant to this Agreement;

(h) the agreement entered into on 01/10/2015 between Sardegna Agrienergia Quattro Srl and Rios Rinnovabili Srl for the operation and maintenance of a 2,54 MWp solar park;

(i) the agreement entered into on 01/10/2015 between Sardegna Agrienergia Cinque Srl and Rios Rinnovabili Srl for the operation and maintenance of a 1,84 MWp solar park;

(j) the agreement entered into on 01/12/2017 between Produzioni Agricole Solari Srl and Rios Rinnovabili Srl for the operation and maintenance of a group of PV plants installed on stables and totalizing 2,0 MWp;

(k) the agreement entered into on 08/08/2014 between PES Energia Srl and Solarig Italia O&M Srl for the operation and maintenance of a 2,99 MWp solar park;

(l) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Azzarone);

(m) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Barba);

(n) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Caorte);

(o) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Di Pace);

(p) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Pallara);

(q) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Placentino);

(r) the agreement entered into on 20/11/2017 between Sardegna Agrienergia Due Srl and Homes Srl for the operation and maintenance of a 4,99 MWp solar park;

(s) any New O&M Contract;

"O&M Contractor" means each entity acting as O&M contractor under any O&M Contract;

"Operating Costs" means, for any relevant period, all costs and liabilities incurred or to be incurred by the SPVs and/or the Borrower in connection with the operation, management, maintenance and repair of the relevant facilities and PV Plants during such period, or the operative needs of the Borrower, as the case may be, including, without double counting:

(a) liabilities of the SPVs and the Borrower under any of the Project Documents (including any costs in relation to the inverters warranties, if applicable) the Existing Minor Contracts (including, for avoidance of doubts, the contracts for the provision of security services/patrolling of the PV Plants);

(b) any utilities and/or consumption costs (such as electricity, gas and water bills);

(c) any real estate Taxes;

(d) *premia* on Insurances;

(e) property and land charges, occupation charges and any amount payable under any consent or Authorisation;

(f) administrative, legal, technical, accounting and employee costs, including fees and costs of the Advisers, Auditors appointed by the SPVs and/or the Borrower;

(g) without double counting with the costs related to any Permitted Guarantee or Existing Guarantee constituting a Permitted Financial Indebtedness for the purpose of letter (a) of the definition of Financing Costs, any cost connected with the issue and maintenance of any Permitted Guarantee or any Existing Guarantee; and

(h) any other costs and expenses agreed between the Transaction Agent and the Borrower,

but excluding:

(a) Financing Costs;

(b) financing principal under Schedule 5 (Term Facility repayment schedule) of the Facilities Agreement and principal amount outstanding under the VAT Facility and Appendix 1 (Amortisation Plan) of the Terms and Conditions of the Notes;

(c) any other costs agreed between the Transaction Agent and the Debtor as not being Operating Costs;

"Original Hedge Counterparty" means Unicredit S.p.A. as original Lender;

"Paying Agent" means Banca Finanziaria Internazionale S.p.A., as defined in paragraph 5.1.5 of this Admission Document;

"Permitted Financial Indebtedness" means:

(a) any Financial Indebtedness under the Finance Documents;

(b) any Financial Indebtedness under any Subordinated Loan;

(c) any Financial Indebtedness pursuant to the SPVs Quotaholder Loans Agreement and SPVs Existing Quotaholder Loans Agreement and the Cash Pooling Agreement;

(d) upon execution thereof, any Financial Indebtedness pursuant to the Tax Consolidation Agreement;

(e) any Financial Indebtedness under any Permitted Guarantee and any Existing Guarantee;

(f) until the Closing Date, the Existing Indebtedness of the SPVs;

(g) any Financial Indebtedness approved by the Transaction Agent acting in accordance with the Intecreditor Agreement;

"Permitted Guarantee" means:

(a) the Guarantee; and

(b) any guarantee to be issued by a financial entity or an insurance company to replace any of the Existing Guarantees;

(c) any guarantee approved by the Transaction Agent acting in accordance with the Intercreditor Agreement;

as well as any replacement and/or renewal of any of such guarantees at substantially the same terms and conditions;

"Permitted Loan" means any loan arising under the Cash-Pooling Agreement and the upon execution thereof the Tax Consolidation Agreement (to the extent applicable);

"PES Energia" means Pes Energia S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Palermo (PA), Via Mariano Stabile 136, fiscal code, VAT number and registration number with the Company Register of Bologna IT05651740820;

"PES PV Plant" means the 2.98 MWp photovoltaic plants developed by Pes Energia in the Municipality of Casteltermini, province of Agrigento, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities;

"Power Purchase Agreement" means any power purchase agreement entered into by any SPVs, which shall be:

(a) in form and substance satisfactory to, and with a counterparty satisfactory to, the Transaction Agent (acting pursuant to the Intercreditor Agreement); or

(b) any power purchase agreement entered into by any SPVs, to the extent compliant with the conditions set forth under Schedule 17 of the Common Terms Agreement (*PPA Conditions*);

"Produzioni Agricole Solari" or **"PAS"** means Produzioni Agricole Solari S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT03420490926;

"Produzioni Agricole Solari PV Plants" means the 2.01 MWp photovoltaic plants developed by Produzioni Agricole Solari in the Municipalities of Samassi, Serramanna, Sanluri, Villacidro, Pauli Arborei, Seagrgiu and Villamar, province of Provincia del Medio Campidano, and in the Municipalities of Senorbì, province of Cagliari, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities, in details:

i. "Bolliri Plant" located in the Municipality of Sanluri of a power of 64.86 kw;

ii. "Cara Plant" located in the Municipality of Samassi of a power of 96.60 kw;

iii. "Farina G. Plant" located in the Municipality of Villacidro of a power of 96.60 kw;

iv. "Farina M Plant" located in the Municipality of Villacidro of a power of 96.60 kw;

v. "Furcas R. Plant" located in the Municipality of Samassi of a power of 97.29 kw;

vi. "Furcas U. Plant" located in the Municipality of Samassi of a power of 96.60 kw;

vii. "Galitzia Plant" located in the Municipality of Samassi of a power of 96.60 kw;

viii. "Goia Plant" located in the Municipality of Sanluri of a power of 97.29 kw;

ix. "Lai Plant" located in the Municipality of Segariu of a power of 64.40 kw;

x. "Lampis Plant" located in the Municipality of Pauli Arbarei of a power of 96.60 kw

xi. "Lunesu Plant" located in the Municipality of Serramanna of a power of 96.60 kw;

xii. "Mancosu Plant" located in the Municipality of Samassi of a power of 96.60 kw ;

xiii. "Marongiu Plant" located in the Municipality of Samassi of a power of 96.60 kw;

xiv. Masala Plant" located in the Municipality of Villamar with a power of 96.60 kw ;

xv. "Onnis Plant" located in the Municipality of Samassi of a power of 59.69 kw;

xvi. "Pilloni Plant " located in the Municipality of Serramanna of a power of 59.69 kw;

xvii. "Pittau G. Plant" located in the Municipality of Serramanna of a power of 97.29 kw;

xviii. "Pittau M. Plant" of located in the Municipality of Samassi a power of 96.60 kw;

xix. "Porcedda Plant" located in the Municipality of Samassi of a power of 96.60 kw;

xx. "Sirigu A. Plant" located in the Municipality of Senorbì of a power of 96.60 kW;

xxi. "Sirigu B.Plant"located in the Municipality of Senorbì of a power of 96.60 kW;

xxii. "Sirigu R..Plant" located in the Municipality of Senorbì of a power of 96.60 kW;

xxiii. "Tonin Plant" located in the Municipality of Sanluri of a power of 59.69 kw;

"Produzioni Fotovoltaiche" or **"PFM1"** means Produzioni Fotovoltaiche M1 S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT10739951001;

"Produzioni Fotovoltaiche PV Plant" means the 1,00 MWp photovoltaic plant developed by Produzioni Fotovoltaiche M1 in the Municipality of Galatina, province of Lecce, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities;

"Project" means the ownership, operation and maintenance of the PV Plants;

"Project Documents" shall have the meaning given to this term in clause 5.4.2(b);

"PV Plants" means jointly the Ecoram PV Plants, the Leccedue PV Plants, the Donna Cinzia PV Plant, the Produzioni Fotovoltaiche PV Plant, the Helios PV Plants, the PES PV Plant, the Sardegna Agrienergia Due PV Plant, the Sardegna Agrienergia Quattro PV Plant, the

Sardegna Agrienergia Cinque PV Plant and the Produzioni Agricole Solari PV Plants, and "**PV Plant**" means each of them;

"Qualified Investors" means any entity (*investitori qualificati*) as defined pursuant to article 100 of Legislative Decree No. 58 of February 24, 1998 as defined in article 26, paragraph 1(d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended (**"CONSOB Regulation No. 16190"**) pursuant to article 34-ter, first paragraph, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended (**"CONSOB Regulation No. 11971"**) and article 100 of the Financial Law, each as amended from time to time who are either:

(a) resident for tax purposes in Italy or in one of the White List Countries. White List Countries are currently identified by Ministerial Decree 4 September 1996, which should be updated on a regular basis pursuant to article 11(4)(c) of Decree N. 239 of April 1, 1996; or

(b) an institutional investor according to article 6 of Legislative Decree 1 April 1996 n. 239 established in one of the White List Countries;

"*Ritiro Dedicato* Concession" means any concession executed by an SPV with the GSE for withdrawal of energy produced by a photovoltaic plant pursuant to the terms and conditions provided for under the AEEGSI Resolution No. 280/2007;

"Rules of ExtraMOT" means the rules of ExtraMOT issued by the Italian Stock Exchange in force from 8 June 2009 as subsequently amended and supplemented;

"Sardegna Agrienergia Due" or **"SAE2"** means Sardegna Agrienergia Due S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT06811540969;

"Sardegna Agrienergia Due PV Plant" means the 5,00 MWp photovoltaic plant developed by Sardegna Agrienergia Due in the Municipality of Samassi, province of Provincia del Medio Campidano, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities;

"Sardegna Agrienergia Quattro" or **"SAE4"** means Sardegna Agrienergia Quattro S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT06811580965;

"Sardegna Agrienergia Quattro PV Plant" means the 2,54 MWp photovoltaic plant developed by Sardegna Agrienergia Quattro in the Municipality of Serramanna, province of Provincia del Medio Campidano, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities;

"Sardegna Agrienergia Cinque" or **"SAE5"** means Sardegna Agrienergia Cinque S.r.l., a limited liability company (società a responsabilità limitata) incorporated under the laws of the Republic of Italy with a corporate capital equal to Euro 10.000,00 fully paid-in, with registered office in Bologna (BO), Via Galliera 91, fiscal code, VAT number and registration number with the Company Register of Bologna IT06811600961;

"Sardegna Agrienergia Cinque PV Plant" means the 1,85 MWp photovoltaic plant developed by Sardegna Agrienergia Cinque in the Municipality of Samassi, province of Provincia del Medio Campidano, Italy, including all necessary civil works, electrical infrastructure, grid connection, cables (cavidotti), foundations, access roads, ancillary systems, safety, fire protection, control and monitoring and the relevant interconnection facilities;

"Secured Creditors" means:

(a) the Transaction Agent;

(b) the Noteholders' Representative;

(c) the Noteholders;

(d) the Facility Agent;

(e) the Lender;

(f) the Calculation Agent and the Paying Agent;

(g) the Original Hedging Counterparty;

(h) the Security Agent.

"Secured Liabilities" means all present and future obligations and Liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Debtor and/or any SPV and/or the Shareholders to any Secured Creditor under each Finance Document;

"Security" means the security constituted by the Security Documents including any guarantee or obligation to provide cash collateral or further assurance thereunder;

"Security Agent" means Securitisation Services S.p.A. as defined in paragraph 5.1.7 of this Admission Document, acting as security agent for the Secured Creditors under the Security Documents, including for the Noteholders under article 2414 bis third paragraph of the Italian Civil Code;

"Security Documents" means:

(a) the Security Documents as defined in paragraph 5.4.2(a);

(b) the Guarantee;

(c) each deed of amendment, extension and/or confirmation of the above;

(d) any document that the Borrower and the Transaction Agent agree shall be a Security Document;

"Security Interest" means a mortgage, charge, pledge, lien charge, assignment, hypothecation or other security interest or any other agreement or arrangement creating a right in rem (*diritto reale*) or an obligation or other right (*onere personale*);

"Senior Creditor" means any person to whom Senior Debt is owed;

"Senior Debt" means the principal outstanding amount under:

(a) the Notes;

(b) the Facilities; and/or

(c) the Hedging Agreement;

"Shareholders" means respectively SunGem SubSerfinCo S.a.r.l., a company incorporated under the laws of Luxembourg with registered office at 18 Rue de l'Eau L-1449 Luxembourg, registration number B145247 and Agri SubSerfinCo S.a.r.l., a company incorporated under the laws of Luxembourg with registered office at 11-13 Boulevard de la Foire L-1528 Luxembourg, registration number B155564 and "**Shareholder**" means each of them.

"Sites" means, in respect of any PV Plant, any parcel of land over which that PV Plant is built, whether pursuant to a Land Agreements or otherwise

"Sponsors" means respectively Amplio and Gottex, and "**Sponsor**" means each of them.

"SPVs" means jointly Helios Energia Green, Ecoram, PES Energia, Leccedue, Donna Cinzia, Produzioni Fotovoltaiche, Sardegna Agrienergia Due, Sardegna Agrienergia Quattro, Sardegna Agrienergia Cinque and Produzioni Agricole Solari and **"SPV"** means each of them;

"SPV Asset Management Service Agreements" means each and every agreement to be entered into by and between the Management Service Provider and each SPV whereby the Management Service Provider will provide to the relevant SPV certain operational services in relation to the relevant PV Plant.

"SPVs Existing Quotaholder Loans" means each non-convertible unsecured quotaholder loan made available by the Debtor to each SPV under a SPVs Existing Quotaholder Loan Agreement;

"**SPVs Existing Quotaholder Loans Agreement**" means each agreement governing an SPVs Existing Quotaholder Loan:

a) the agreement entered into on 1 February 2011 by and between Sungem SubSerFinco S.à r.l. and Donna Cinzia, as subsequently amended from time to time;

b) the agreement entered into on 15 December 2010 by and between Sungem SubSerFinco S.à r.l. and Donna Cinzia, as subsequently amended from time to time;

c) the agreement entered into on 10 October 2011 by and between Sungem SubSerFinco S.à r.l. and Ecoram, as subsequently amended from time to time;

d) the agreement entered into on 23 June 2011 by and between Sungem SubSerFinco S.à r.l. and Ecoram, as subsequently amended from time to time;

e) the agreement entered into on 1 August 2011 by and between Sungem SubSerFinco S.à r.l. and Helios, as subsequently amended from time to time;

f) the agreement entered into on 30 November 2011 by and between Sungem SubSerFinco S.à r.l. and Helios, as subsequently amended from time to time;

g) the agreement entered into on 28 February 2012 by and between Sungem SubSerFinco S.à r.l. and Helios, as subsequently amended from time to time;

h) the agreement entered into on 30 October 2009 by and between Sungem SubSerFinco S.à r.l. and Leccedue (formerly Eco Foggia 1 S.r.l.), as subsequently amended from time to time;

i) the agreement entered into on 26 November 2009 by and between Sungem SubSerFinco S.à r.l. and Leccedue, as subsequently amended from time to time;

j) the agreement entered into on 1 July 2009 by and between Sungem SubSerFinco S.à r.l. and Pes Energia, as subsequently amended from time to time;

k) the agreement entered into on 1 February 2011 by and between Sungem SubSerFinco S.à r.l. and Produzioni Fotovoltaiche, as subsequently amended from time to time;

l) the agreement entered into on 15 December 2010 by and between Sungem SubSerFinco S.à r.l. and Produzioni Fotovoltaiche, as subsequently amended from time to time;

m) the agreement entered into on 19 September 2011 by and between Agri SubSerFinco S.à r.l. and Sardegna Agrienergia Due, as subsequently amended from time to time;

n) the agreement entered into on 22 December 2011 by and between Agri SubSerFinco S.à r.l. and Sardegna Agrienergia Due, as subsequently amended from time to time;

o) the agreement entered into on 24 January 2012 by and between Agri SubSerFinco S.à r.l. and Sardegna Agrienergia Due, as subsequently amended from time to time;

p) the agreement entered into on 12 January 2011 by and between Agri SubSerFinco S.à r.l. and Sardegna Agrienergia Quattro, as subsequently amended from time to time;

q) the agreement entered into on 12 August 2011 by and between Agri SubSerFinco S.à r.l. and Sardegna Agrienergia Quattro, as subsequently amended from time to time;

r) the agreement entered into on 12 January 2011 by and between Agri SubSerFinco S.à r.l. and Sardegna Agrienergia Cinque, as subsequently amended from time to time;

s) the agreement entered into on 12 August 2011 by and between Agri SubSerFinco S.à r.l. and Sardegna Agrienergia Cinque, as subsequently amended from time to time;

t) the agreement entered into on 14 March 2013 by and between Agri SubSerFinco S.à r.l. and Produzioni Agricole Solari, as subsequently amended from time to time;

u) the agreement entered into on 14 November 2012 by and between Agri SubSerFinco S.à r.l. and Produzioni Agricole Solari, as subsequently amended from time to time;

v) the agreement entered into on 14 June 2012 by and between Agri SubSerFinco S.à r.l. and Produzioni Agricole Solari, as subsequently amended from time to time.

"**SPVs Quotaholder Loans**" means each non-convertible unsecured quotaholder loan arising from the SPVs Quotaholder Loans Agreement;

"**SPVs Quotaholder Loans Agreement**" means each agreement governing an SPVs Existing Quotaholder Loan ;

"Subordinated Loans" any loan granted by the Shareholder to the Debtor under the Equity Subordination Agreement provided that it is subordinated under the Intercreditor Agreement or otherwise at terms satisfactory to the Transaction Agent and that the relevant receivables of the Shareholder arising after the Closing Date are pledged or assigned in favour of the relevant Finance Parties in form and substance equal to the Assignment of the Debtor's Receivables (mutatis mutandis);

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on 19 November 2007;

"TARGET Day" means any day on which TARGET2 is open for the settlement of payments in euro;

"Tax" means any applicable tax, levy, impost, duty or other charge or withholding of a similar nature (including VAT and any other value added tax, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) and **"Taxes"**, **"taxation"**, **"taxable"** and comparable expressions will be construed accordingly;

"Tax Authority" means any local, municipal, governmental, state, federal or fiscal, revenue, customs or excise authority, body, agency or official anywhere in the world having or purporting to have power or authority in relation to Tax;

"Tax Consolidation Agreement" means the agreement between the Debtor and each of the SPVs concerning the tax consolidation which the Debtor and the SPV will be allowed to enter into with the prior consent of the Transaction Agent, acting in its sole discretion;

"Terms and Conditions" means the Terms and Conditions of the Notes to be issued by the Issuer on the Issue Date;

"Term Facility" means the term facility made available to the Borrower pursuant to article 2.1 (a) of the Facilities Agreement;

"Transaction Agent" means the Party named as Transaction Agent in the Preamble of this Agreement or any successor Transaction Agent appointed pursuant to the Intercreditor Agreement;

"**Transaction Costs**" means all fees (including notarial fees, fees of any Adviser and of any adviser of the Borrower, fees due under the Fee Letters), stamp duties, registration taxes and any other Taxes, incurred by the Borrower, as set out in the Funds Flow Statement in connection with the refinancing of the Existing Indebtedness and the execution of the Finance Documents;

"Treasury Transaction" means any currency or interest rate purchase, cap or collar agreement, forward rate agreement, interest rate agreement, index-linked agreement, interest rate or currency or future or option contract, foreign exchange or currency purchase or sale agreement, interest rate swap, currency swap, reverse swap or combined similar agreement or without limitation any derivative transaction protecting against or benefiting from fluctuations in any rate or price;

"VAT Facility" means the VAT facility made available to the Debtor pursuant to article 2.1(b) of the Facilities Agreement;

"**VAT Claim**" means the VAT claims together with the relevant interest accrued arising from the reimbursement request to be delivered by each of SAE2, SAE4 and SAE5 to the Tax Authority with respect to the annual VAT declaration for year 2017.

3. TYPE OF DOCUMENT

This Admission Document has been prepared in accordance with the Rules of ExtraMOT.

4. PERSONS RESPONSIBLE

4.1 Sungem Holding Italy S.p.A., with its registered office in Bologna**,** Via Galliera, No. 91, is the only person responsible for the information provided under this Admission Document.

4.2 To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Admission Document for which the Issuer takes responsibility is in accordance with the facts and does not contain any omission likely to affect the import of such information.

5. KEY FEATURES

The following is a summary of the main information on the transactions and assets underlying the Notes. It has to be read as an introduction to this Admission Document and is qualified in its entirety by reference to the information presented elsewhere in this Admission Document.

Certain terms used in this section, which are not defined, may be found in other sections of this Admission Document, unless otherwise stated.

5.1 Principal Parties

5.1.1 the Transaction Agent: Unicredit S.p.A.;

5.1.2 the Mandated Lead Arranger: Unicredit S.p.A.;

5.1.3 the Placement Agent: Unicredit S.p.A.;

5.1.4 the Calculation Agent: Securitisation Services S.p.A.;

5.1.5 the Paying Agent: Banca Finanziaria Internazionale S.p.A.;

5.1.6 the Noteholders' Representative: Securitisation Services S.p.A.;

5.1.7 the Security Agent: Securitisation Services S.p.A.;

5.1.8 the Account Bank: Unicredit S.p.A.;

5.1.9 the Issuer;

5.1.10 the Shareholders;

5.1.11 the SPVs;

5.1.12 the Lender: Unicredit S.p.A.;

5.1.13 the Original Hedge Counterparty: Unicredit S.p.A.;

5.1.14 the Hedge Counterparties.

5.2 Portfolio Overview

5.2.1 The Shareholders (i.e. Sungem Subserfinco S.à.r.l. and Agri Subserfinco S.à.r.l.) have transferred to the Issuer (i.e. Sungem Holding Italy S.p.A.) the entire quotas of each SPV, for the purpose of refinancing the existing financial indebtedness arising from certain financial arrangements concluded by the SPVs. As a consequence, the Issuer now directly controls ten project companies, namely Helios Energia Green, Ecoram, PES Energia, Lecce Due, Donna Cinzia, Produzioni Fotovoltaiche, Sardegna Agrienergia Due, Sardegna Agrienergia Quattro, Sardegna Agrienergia Cinque, Produzioni Agricole Solari (collectively the "**SPVs**") which, in turn, operate 40 (forty) photovoltaic power plants with a total installed capacity of 31.1MW (i.e. the PV Plants).

5.2.2 All the PV Plants are fully operational and are located in five different Regions of Italy, all having high irradiation levels. In particular:

(a) PV Plants denominated Ripi, Passa and Sgurgola, totaling approximately 6.8 MW of installed capacity, are located in the region of Latium;

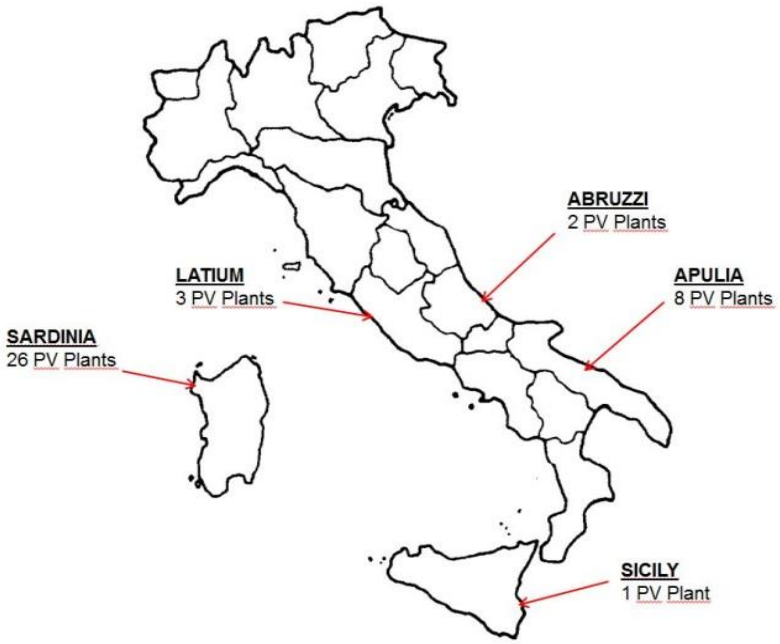
(b) PV Plants denominated Atri and Montefino, totaling approximately 2 MW of installed capacity, are located in the region of Abruzzi;

(c) PV Plant denominated Casteltermini, totaling approximately 3 MW of installed capacity, is located in the region of Sicily;

(d) PV Plants denominated Barba, Caorte, Pallara, Di Pace, Placentino, Azzarone, Donna Cinzia and PFM1, totaling approximately 7.9 MW of installed capacity, are located in the region of Apulia; and

(e) PV Plants denominated SAE 2, SAE 4, SAE 5 and PAS, totaling approximately 11.4 MW of installed capacity, are located in the region of Sardinia.

5.2.3 Please find below a graphic representation of the location of the PV Plants:



5.2.4 The PV Plants are well diversified, in terms of solar irradiation (with the location of the PV Plants spread across Italy) and in terms of technology risk. Overall, all panels and inverters rely on technology supplied by well-established manufacturers:

(a) 30.20% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Renesola;

(b) 6.43% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Suntech;

(c) 3.20% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Yingli Solar;

(d) 6.39% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Mitsubishi;

(e) 9.55% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Helios Technology;

(f) 9.64% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Solarfun Power;

(g) 12.84% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Hareonsolar;

(h) 21.75% of the Portfolio combined capacity is installed with polycrystalline panels supplied by Fluitecnik.

5.2.5 The inverters are supplied by various manufacturers. The main ones are Ingenteam (41.02% of installed capacity), Aurora Power One (16.08%) and Bonfiglioli (14.12%).

5.2.6 All the PV Plants are managed by reputable and experienced operation and maintenance operators.

5.2.7 All the PV Plants have been commissioned between December 2010 and August 2013. Therefore the Portfolio will bear no construction risk.

5.2.8 Irradiation levels have been estimated from actual available historical data (2011-2017, weighted average track record of 6.5 years) as well as on statistical data provided by reference instruments.

5.2.9 As specified above, the PV Plants have already been operational for approximately 7 years and, during that period, have reached in aggregate (and in some cases exceeded) the forecasted production levels.

5.3 Existing Indebtedness of the Portfolio

5.3.1 The design and construction of the PV Plants had originally been financed by the SPVs through financing agreements and lease agreements entered into by each SPV on an individual basis, which are currently in place.

5.3.2 The Existing Indebtedness of the SPVs is going to be repaid by means of a refinancing transaction having a hybrid structure, thus consisting of:

(a) a project financing component in the form of a facility agreement governed by the Italian law, with the aim of, among others, refinancing part of such Existing Indebtedness; and

(b) the issuance by the Issuer of the Notes in dematerialized form subject to the provisions set out in the Terms and Conditions of the Notes with the aim of, among others, refinancing the balance of such Existing Indebtedness (including, *inter alia*, hedging unwinding costs relating to the swaps in place with Existing Hedge providers),

(the "**Refinancing**")

5.3.3 By means of the Refinancing, the Issuer will allow it to provide the SPVs with the funds necessary to repay in full the original lenders.

5.4 Contractual Structure

5.4.1 The issuance of the Notes is part of a hybrid financing including both project financing facilities under the Facilities Agreement and funds to be made available by the Noteholders through the Notes.

5.4.2 The contractual structure can be summarised through the following main documents:

(a) Finance Documents:

(i) the Common Terms Agreement;

(ii) the Facilities Agreement;

(iii) the Equity Subordination Agreement;

(iv) the Notes Subscription Agreement;

(v) the Terms and Conditions of the Notes;

(vi) the Admission Document;

(vii) the Fee Letters;

(viii) the Intercreditor Agreement;

(ix) the Hedging Agreement;

(x) the Cash Pooling Agreement;

(xi) the SPVs Quotaholder Loans Agreements;

(xii) the SPVs Existing Quotaholder Loan Agreements;

(xiii) the Agency Agreement;

(xiv) the Escrow Agreement;

(xv) the Direct Agreements;

(xvi) the Guarantee;

(xvii) the deed of pledge over 100 per cent of the Issuer's shares;

(xviii) the deed of pledge over the Issuer's bank accounts;

(xix) the deed of assignment by way of security over the Issuer's receivables;

(xx) the deed of special privilege pursuant to article 46 of the Consolidated Banking Act over all the Issuer's movable assets;

(xxi) the deed of assignment of the Issuer's receivables arising from the Hedging Agreements;

(xxii) the deed of pledge over 100% of the quotas of the SPVs;

(xxiii) the deeds of mortgage over the Sites over which the SPVs have title;

(xxiv) the deeds of special privilege (*privilegio speciale*) pursuant to article 46 of the Italian Consolidated Banking Act over all the SPVs' movable assets;

(xxv) the deeds of assignment of the SPVs' receivables arising from, *inter alia*, the Insurances, the O&M Contracts and the Cash Pooling Agreement;

(xxvi) the deeds of pledge over the SPVs' bank accounts;

(xxvii) the deeds of assignment of the SPVs' receivables arising from their

GSE Concessions;

(xxviii) the master transfer agreement containing the terms and conditions pursuant to which SAE2, SAE4 and SAE5 will assign their VAT Claims to secure the obligations of the Debtor under the VAT facilities set forth in the Facilities Agreement;

(xxix) the deeds of assignment of SAE2, SAE4 and SAE5 receivables resulting from any reimbursement of annual VAT refunds from Italian Tax Authority; and

(xxx) any amendment and/or restatement agreement relating to any of the above documents; and

(xxxi) any other document designated as such by the Transaction Agent and the Borrower;

(the documents from (xvi) to (xxix) together constitute the "**Security Documents**" and jointly with the documents from (i) to (xv) above, the "**Finance Documents**"). All the Security Documents listed above will be entered into, *inter alios*, by the Security Agent as representative of Noteholders under Article 2414 bis, third paragraph, of the Italian Civil Code; all the other Finance Documents, other than the Facilities Agreement, the Hedging Agreements, the Fee Letters, the Agency Agreement, will be entered into, *inter alios*, by all the Noteholders;

(b) Project Documents:

(i) any O&M Contracts;

(ii) any Interconnection Agreements and each operation regulation (*regolamento d'esercizio*);

(iii) any GSE Concession;

(iv) any *Ritiro Dedicato* Concession (if any);

(v) any Power Purchase Agreement;

(vi) any Cultivation Agreement (if relevant);

(vii) each Land Agreement;

(viii) each Municipality Agreement;

(ix) each Insurance;

(x) SPV Asset Management Service Agreements; and

(xi) any other contract which the Borrower and the Transaction Agent may agree in writing to define as such.

5.5 Summary of the Financial Model

5.5.1 The financial model is a mathematical model designed to represent in a simplified version the performance of the Project ("**Financial Model**"). The Financial Model translates a set of hypotheses about the business into numerical hypothetical results. The main assumptions of the Financial Model relate to energy production, revenues, costs and economic assumptions which have been provided and/or verified by primary advisers and/or the Issuer's technical advisers.

5.5.2 The SPVs receive revenues from two main sources: the feed-in tariff and the sale of electricity either through dedicated off-take agreements with the GSE or through dedicated power purchase agreements with primary electricity producers.

5.5.3 The feed-in tariff is a pre-determined amount, applies during the entire incentive life (as re-modulated in accordance with clause 6.9.8) and is not indexed to inflation. The applicable feed-in tariff depends on the commercial operation date of the plant and the incentives scheme (the so called *conto energia*) applicable in that period.

5.5.4 Revenues assumed in the Financial Model for the year 2018 deriving from the feed-in tariff are expected to be equal to EURO 10,591,000 whilst the revenues for the same year deriving from dedicated off-take agreements with the Dufenergy Trading Sa are expected to be equal to EURO 1,658,000, for total expected revenues of EURO 12,250,000. In respect of costs it is worth noting that the operating costs assumed in the cash flow forecasts include, *inter alia*, operation and maintenance costs, payment of land rights, management fees, insurances, security of the PV Plants, audit costs and taxes.

5.5.5 Considering the assumptions listed above, the Financial Model shows a minimum ADSCR equal to 1.35x, and a full repayment of the term loan facility under the Facilities Agreement by 30 June 2030, with an average life of approximately 7 years.

6. RISK FACTORS

6.1 Investing in the Notes involves certain risks. The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.

6.2 The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may, exclusively or concurrently, occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not be able to anticipate at present. In addition, the order in which the risk factors are presented below is not intended to be indicative either of the relative likelihood that each risk will materialise or of the magnitude of their potential impact on the business, financial condition and results of operations of the Issuer.

6.3 Prospective investors should also read the detailed information set out elsewhere in this Admission Document and consider carefully whether an investment in the Notes is suitable for them in the light of the information in this Admission Document and their personal circumstances, based upon their own judgment and upon advice from such financial, legal and tax advisers as they deem necessary.

6.4 Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

6.5 Words and expressions defined in "Definitions" or elsewhere in this Admission Document have the same meaning in this section. Prospective investors should read the whole of this Admission Document, including the information incorporated by reference in this Admission Document.

6.6 The risk factors addressed in the following clauses have been grouped in different categories, as follows:

- risk factors related to the Issuer;
- risk factors related to the SPVs;
- risk factors related to the solar energy market and regulatory risks; and
- risk factors related to the Notes.

6.7 Risk factors related to the Issuer

6.7.1 Issuer risk

By purchasing the Notes, the Noteholders will become financiers of the Issuer and will have the right to receive from the Issuer the payment of capital and interest of the Notes, according to the repayment profile of the Notes described under the Terms and Conditions. Therefore, the Notes are generally subject to the risk that the Issuer may not be in the condition to fulfil its payment obligations under the Notes on the relevant scheduled payment dates.

6.7.2 Risk related to other indebtedness of the Issuer

The Notes are issued in the context of a hybrid financing which also includes the Facilities to be made available to the Borrower by the Lender.

The Issuer will also enter into Hedging Agreements with the Original Hedge Counterparty or Hedge Counterparty/ies to cover interest rate risk for the Notes over the entire life of such Notes and for the Term Facility.

Therefore, since the Noteholders will not be the only senior creditors of the Issuer, the rights of the Noteholders will be subject to consents and majority voting, as set out in the Intercreditor Agreement with the other Senior Creditors, which will be based on a *pari passu* principle among the Noteholders, the Lender and the Hedge Counterparty/ies.

Although the existing financial indebtedness of the SPVs (including the relevant hedging transactions) will be reimbursed by the SPVs through the proceeds made available by the Issuer - following the issue of the Notes - through the relevant SPVs Quotaholder Loans Agreements, to any SPV, the Issuer will have, following the issue of the Notes, other financial indebtedness to third parties, in particular connected with the operational needs of the Issuer and the SPVs.

Even though the overall amount of such additional financial indebtedness of the Issuer is not material if compared with the amount of the indebtedness to the

Senior Creditors mentioned above, there still remains a cross-default risk also for such indebtedness under certain circumstances and a general insolvency risk for the Issuer in case it is not able to comply with its obligation in relation to such additional financial indebtedness.

Below a breakdown of the consolidated net financial position of the Issuer.

	31 August 2017	31 December 2016
Bank and postal deposits	3,495,290	4,068,935
Checks	0,00	0,00
Cash and cash equivalents	194	218,00
Total liquid funds	3,495,484	4,069,153
Due to banks	4,102,699	3,843,735
Due to banks - beyond 12 months	60,657,382	63,471,687
Due to other lenders	13,855,179	13,074,533
Due to other lenders - beyond 12 months	18,218,635	20,680,320
Total financial debt during period	**17,957,878**	**16,918,268**
Total financial debt after period	**78,876,017**	**84,152,007**
CONSOLIDATED FINANCIAL POSITION	**(61,264,597)**	**(63,246,269)**

6.7.3 Liquidity and credit risk

The compliance by the Issuer with its payment obligations under the Notes is mainly dependent on the ability of the SPVs: (i) to make distributions in favour of the Issuer; and (ii) to comply with their payment obligations under the SPVs Quotaholder Loans Agreements advanced by the Issuer to them.

Indeed, the Issuer will meet its payment obligations under the Notes mainly using the distributions made by the SPVs (in the form of dividends) or the proceeds deriving from the repayment by the SPVs of quotaholder loans advanced by the Issuer to them.

In light of the Cash Pooling Agreement, the cash of the SPVs will be pooled into the bank account of the Issuer, which will be entitled to set-off its credits towards the SPVs (once due and payable) with the SPVs' credits towards the Issuer under the Cash Pooling Agreement, thus having availability of the relevant financial resources. Such mechanism, however, applies only in respect to the amounts deposited in the Issuer's account in excess of the operative needs of the SPVs and, therefore, there is the risk that if the SPVs do not generate sufficient cash-flows to

cover their operative needs, the Issuer will not be entitled to receive the above described payments from the SPVs nor to implement the above described set-off mechanism.

For an analysis of the risk factors related to the SPVs, please see clause 6.8.

6.7.4 Source of payments to Noteholders

As highlighted under clause 6.7.3, as at the date hereof, the principal source of funds available to the Issuer for payment of interest and the repayment of principal on the Notes will be the payments made by the SPVs to the Issuer.

The SPVs' ability to make such payments will, in turn, depend almost entirely on the revenues of the PV Plants (see clause 6.8.3 for further details). Consequently, there is no assurance that, over the life of the Notes or at the redemption date of the Notes (whether on maturity or otherwise), there will be sufficient funds to enable the Issuer to pay interest when due on the Notes and/or to repay the outstanding principal of the Notes in full.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on, *inter alia*, the timely payment of amounts due under the Project Documents by the various counterparties of the SPVs. The performance by such parties of their respective obligations under the relevant Project Documents is dependent inter alia on the solvency of each relevant party.

6.7.5 Insolvency risk

The performance by the SPVs of the transactions under the Cash Pooling Agreement and the SPVs Quotaholder Loans Agreements is dependent on the solvency of each relevant party. The cash transfers operated by each SPV under the Cash Pooling Agreement and by the Issuer through the SPVs Quotaholder Loans Agreements and any other payment to a party by an Italian party may be subject to a claw back action (*azione revocatoria*) under Article 67 of the Bankruptcy Law or the declaration of ineffectiveness (*dichiarazione di inefficacia*) under Article 65 of the Bankruptcy Law, as the case may be, in case of adjudication of bankruptcy of the relevant party. The bankruptcy of a SPV or of the Issuer may jeopardise also the loans made under the Cash Pooling Agreement and the SPVs Quotaholder Loans Agreements.

6.7.6 Risks related to litigation regarding the Issuer

Currently the Issuer is not a party to nor is it aware of any actual or threatened proceedings by any third party, nor is it contemplating commencing any proceedings against any third parties. However, the Issuer may become involved in litigation as part of the ordinary course of its business. There can be no assurance that it will be successful in defending or pursuing any such actions, for example in relation to public and employees health and safety or claims for losses or damages. For information in relation to the SPVs' litigations, see clause 6.8.10.

6.7.7 Transfer of quotas

Neither the SPVs has been established by the Issuer, nor has the Issuer developed the PV Plants. All the quotas of each SPV have been transferred by the previous quotaholders to the Issuer by means of in-kind contributions. Even though

specific due diligence has been carried out at the time of the transfer, the Issuer has relied also on certain representations made by the previous quotaholders of the SPVs that own the PV Plants on the features of such PV Plants.

6.7.8 Interest rate risk

The Hedging Agreements will contain certain limited termination events and events of default which will entitle either party to terminate the Hedging Transactions. In case of an early termination of the Hedging Agreements, unless one or more comparable interest rate transactions are entered into, the Issuer will no longer have mitigated its interest rate risk and may have insufficient funds to make payment under the Notes. In addition, an early termination of one or more Hedging Agreements could result in the Issuer being obliged to make a termination payment to the relevant Hedging Counterparty/ies.

Noteholders should be aware of the fact that the Euribor rate under the Hedging Agreements may not be the same as the Euribor rate payable under the Notes since under the Notes, Euribor will be floored at zero while the Euribor rate under the Hedging Agreements may, at the option of the Issuer, not have a zero floor and therefore could be negative. In such circumstances there can be no assurance that the Issuer and the Noteholders would not be adversely affected as a consequence.

6.8 Risk factors related to the SPVs

6.8.1 Weather risk

Solar reports and historical data analyses have been produced by independent advisors. However, meteorological factors, including a lack of sunshine or excessive cloud cover, may reduce the amount of energy produced by the PV Plants. Any solar reports produced by independent experts are subject to uncertainties and the data contained in any such reports might differ from actual solar conditions. In addition, even if long-term historic solar data are used to forecast future solar yields, no assurance can be given that general solar conditions will not change in the future. Variations in solar conditions may occur from year to year, and if any such variations were to occur over a longer period or to have a substantial effect on the levels of energy produced, no assurance can be given that the PV Plants would generate sufficient cash flow to enable the SPVs to make payments due to the Issuer and, in turn, to enable the Issuer to make payments due under the Notes. In such circumstances, the Issuer's ability to fulfil its payment obligations under the Notes could be adversely affected.

6.8.2 Contracting to third parties

The SPVs have contracted to third parties all activities related to the PV Plants respectively, including their operation and maintenance activities which have been contracted to the O&M Contractors. The SPVs therefore rely on the creditworthiness and expertise of such third parties. If any of these persons experienced financial difficulties and did not perform their services, this might adversely affect the operation of the PV Plants.

6.8.3 Operations risk

Cost increases or delays could arise from shortages of materials and labour, engineering or structural defects, work stoppages, labour disputes and unforeseen engineering, environmental or geographical problems. Any such delay might have an adverse effect on the ability of the SPVs to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

6.8.4 Components risk

The PV Plants include a number of components that are subject to, among other things, the risk of mechanical failure, technology decline, reduced power generation and ground risk. Any failure or degradation of key parts may affect the energy production of the PV Plants and therefore the SPVs' ability to make payments to the Issuer and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes.

In practice, the availability and efficiency of the PV Plants may differ from any assumptions made by the Issuer, the SPVs, or the O&M Contractors due to, amongst other things, damage to, or degradation of, components. Any such unavailability may result in reduced availability and productivity, with a material adverse effect on the SPVs' ability to make payments to the Issuer and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes.

6.8.5 Operating expenditures may exceed expectations

The financial forecasts for the operating costs of the SPVs' PV Plants are based partly on the terms of the O&M Contracts and certain assumptions. As a result of any cost increase exceeding the estimated amount, the SPVs' ability to make payments to the Issuer and, consequently, the Issuer's ability to fulfil its payment obligations under the Notes, may be adversely affected.

Operating Costs include expenses for repair, maintenance and replacement and other technical costs of solar panels, trackers and inverters. If the replacement of a main component becomes necessary in advance of schedule or with greater frequency than anticipated, or is more expensive, and is not covered by the relevant O&M Contract, the cost of repair or replacement may need to be met by different means. In addition, running expenses, repair and other technical expenses might be higher than expected for other reasons. Again, any such unforeseen higher costs might have an adverse effect on the SPVs' ability to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

6.8.6 Insurance and co-insurance risk

Insurance obtained by the SPVs and the O&M Operators, as well as the insurances obtained by the Issuer, may not be comprehensive and sufficient in all circumstances and may be subject to certain deductibles or obligations to meet a proportion of the total amount of the liabilities arising from certain insured risks.

Moreover, such insurances may not be available in the future on commercially reasonable terms.

An event could result in severe damage or destruction to one or more sites, reductions in the energy output of one or more of the PV Plants or personal injury or loss of life to personnel. Insurance proceeds may not be adequate to cover lost revenues or to compensate for any injuries or loss of life.

Actual insurance premiums may be materially higher than those projected. In addition, in cases of frequent damage, insurance contracts might be amended or cancelled by the insurance company to the detriment of the SPVs as the case may be. Further, the insurance may not cover any damage or loss and/or insurance premiums may increase more than had been provided for. In each such case, this could have a material adverse effect on the SPVs' ability to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

6.8.7 Site risk

The components installed in the PV Plants have high value and, therefore, there might be a risk that theft occurs in relation to some of these components. The occurrence of such events may have an impact on the production of electricity by the PV Plants and, in turn, on the ability of the SPVs to make payments to the Issuer and on the Issuer's ability to fulfil its obligations under the Notes.

In the past, some of the SPVs have suffered from limited theft events. In order to mitigate such risk, in addition to the specific guardian and security contracts with specialized contractors already in place, during the last two years the SPVs have made further considerable investments in equipment aimed at reducing the likelihood of a repetition of those events.

Nevertheless, the risk of theft at the sites cannot be ruled out nor can any consequent adverse impact on the business and results of operations of the SPVs.

6.8.8 Encumbrances

With reference to some of the PV Plants there are certain minor encumbrances consisting, as the case may be, in easement rights of way, easement rights in relation to gas pipelines, easement rights related to the electric power lines, easement rights in relation to telecommunications cables. Despite the fact that, also on the basis of the evaluations carried out by independent technical advisor, these encumbrances are not likely to jeopardise the rights of any of the SPVs on the areas over which they have land rights or the rights of the secured creditors under the Security Documents, the risk that such encumbrances could cause minor liabilities to the SPVs may not be ruled out entirely.

6.8.9 Environmental risks

Various laws may require a current or previous owner, occupier or operator of property to investigate and/or clean-up hazardous or toxic substances or releases at or from such property. These owners, occupiers or operators may also be obliged to pay for property damage and for investigation and clean-up costs incurred by others in connection with such substances. Such laws typically impose clean-up responsibility and liability having regard to whether the owner, occupier or operator knew of or caused the presence of the substances. Even if more than one person may have been responsible for the contamination, each

person falling under the scope of the relevant environmental laws may be held responsible for all of the clean-up costs incurred.

6.8.10 Risks related to litigation regarding the SPVs

Some SPVs are currently involved in certain litigations: (i) the litigation pending between Rebaioli S.p.A., as contractor, and Sardegna Agrienergia 2, as client, under the relevant O&M Contract and (ii) the litigation pending between Rebaoli S.p.A., as contractor, and Produzioni Agricole Solari, as client, under the relevant EPC contract.

Some SPVs have recently settled the following litigation proceedings.

In particular:

- Produzioni Agricole Solari S.r.l. has entered into a settlement agreement with Rebaioli S.p.A. (an O&M Contractor). Such agreement provide for an express indication that Produzioni Agricole Solari S.r.l. is the uncontested owner of the the Produzioni Agricole Solari PV Plant (i.e. Bolliri, Cara, Farina G. Farina M., Furcas R., Furcas U.m Galitzia, Goia, Lai, Lampis, Lunesu, Mancosu, Marongiu, Masala, Onnis, Pilloni, Pittau G., Pittau M., Porcedda, Sirigu A., Sirigu B., Sirigu R., and Tonin Plants, all located in Sardegna Region); and

- a settlement agreement has been executed by between Rebaioli S.p.A. and Sardegna Agrienergia 2 finally settling all claims arising from the SAE2 Rebaioli Litigation, that is the litigation proceeding that was pendant between Rebaioli S.p.A., as contractor, and Sardegna Agrienergia 2 s.r.l., as client, under the relevant O&M Contract.

On the basis of the available information, the Issuer considers that the abovementioned litigation proceedings - currently settled - will not materially jeopardize the ability of the relevant SPVs to make the respective payments to the Issuer and, consequently, affect the ability of the Issuer to make payment on the Notes.

Finally, the SPVs may become involved, from time to time, in litigation as part of the ordinary course of their business. There can be no assurance that they will be successful in defending or pursuing any such litigation, for example in relation to health and safety matters or claims for loss or damage, that they would have booked sufficient provisions in their accounts or as to the effects such litigation may have on their business, financial condition and result of operations.

6.9 Risk factors related to the solar energy market and the regulatory risks

6.9.1 Self-annulment power (*autotutela*)

The construction and operation of the PV Plants is a heavily regulated business and such activities can be performed on condition that specific authorisations (the most relevant of which is the so called "**single authorisation**") are obtained and maintained.

However, as a general principle, a public authority may in certain circumstances annul its acts (including the single authorisation) to the extent that they are not in compliance with the law (this self-annulment power is called "***autotutela***").

Please note that Article 21-*nonies* of Law 7 August 1990, No. 241 , as modified by Article 25, paragraph 1, lettera, b-quater) and converted in law by Law. No. 164 of 2014 and by Article 6, paragraph 1 of Law No. 124 of 2015, provides that the self-annulment power is subject to the limit of 18 months- period.

Therefore, considering that the acts concerning the PV Plants have been issued more than 18 months ago, the risk the Public Administration could annul the mentioned acts is very low.

6.9.2 Non-payment of the feed-in tariff

Electricity generation plants from renewable energy sources heavily depend on national laws supporting the sector.

Since 2011, Italian laws have substantially reduced the incentives for the production of electricity by newly built photovoltaic plants and added specific thresholds to such incentives. These thresholds were reached on 6 June 2013 and, as a consequence, starting from that date, newly built photovoltaic plants are no longer eligible for new subsidies. The current regulatory framework enables GSE always to have sufficient financial resources to meet its payment obligations in relation to the feed-in tariffs and the dedicated off-take through funds ultimately received from the end-users' electricity bills. However, no assurance can be given that, following any change of law, GSE will continue to be able to fulfil its payment obligations fully and in due time in relation to the feed-in tariff and the dedicated off-take.

For further changes to the incentives for PV plants, please refer also to clause 6.9.8.

6.9.3 Inflation risk

The feed-in tariff is not indexed to inflation over time, while certain operating costs to be borne by the SPVs might exceed estimates if the inflation rate were to increase significantly. Consequently, a significant increase in the inflation rate may affect the SPVs' ability to make payments to the Issuer and, as a result, the ability of the Issuer to repay the Notes.

6.9.4 Sale of electricity

The SPVs receive revenues from two principal sources: the feed-in tariff and the sale of electricity, which account for 87% and 13%, respectively, of their 2016 total revenues (excluding other minor revenues such as, among others, insurance proceeds and the sale of electrical substations). The price obtained from the sale of electricity is subject to the general demand for energy and the SPVs might face potential declines in revenues from the PV Plants respectively as a result of curtailed electricity demand affecting the price received.

Although the feed-in tariff is granted on the basis of the date of the entry into operation of the relevant photovoltaic plant at a rate which is determined by law and, at least, by law decree 91/2014 as converted in law No. 116 of

11 August 2014 and does not change for inflation, the price obtained for the electricity produced will depend on the market.

Therefore, changes in market demand and supply may cause prices to fluctuate and there is no assurance that the prices expected from time to time will be obtained. If prices are lower than expected, this may have a material impact on the ability of the SPVs to make payments to the Issuer and, consequently, on the Issuer's ability to fulfil its payment obligations under the Notes.

6.9.5 Off-take

Current legislation gives electricity produced from renewable sources priority access for dispatch into the grid and, in addition, if requested, GSE is obliged under the dedicated off-take regime (*ritiro dedicato*) to purchase the electricity produced if the relevant producer wants (at its option) to enter into such an off-take agreement with GSE on an annual renewable basis. The off-take regime provides that GSE must purchase all the electricity produced by a photovoltaic plant and injected into the grid at a price equal to the "hourly zone price" for the sale of electricity (*prezzo zonale orario*) quoted on the electricity exchange.

Please note that PAS Plants has obtained the all-inclusive tariff which includes also the due amount for the sale of electricity.

Currently, Donna Cinzia, PFM1, Leccedue, Helios, PES, Ecoram, SAE 2, SAE 4 and SAE 5 decided to not apply dedicated off-take system provided by GSE and have rather entered into power purchase agreements with DufEnergy Trading SA for an initial period identified from 1 January 2017 to 30 June 2017.

This 6 month period could be automatically extended for the same period, unless a notice attesting the willingness to withdraw from the PPA is sent by the Project Company within 25 May 2017 in respect of the first period or within 60 days before the relevant expiry date in respect of any subsequent 6 month period.

At the expiry of the power purchase agreements, the SPVs may either enter into new power purchase agreements or opt to benefit from the dedicated off-take regime with GSE.

However, no assurance can be given that, in the future, the power purchase agreements will be renewed nor that, as a consequence of a change in law, the possibility of entering into the dedicated off-take with the GSE will continue to be available to the SPVs.

6.9.6 Capacity payment

Law No. 147 of 27 December 2013 has given powers to the Ministry for Economic Development to issue a regulation (on the basis of a proposal from the AEEGSI) to determine terms, conditions and amounts of certain measures aimed at compensating the loss of production suffered by fossil-fuel generation plants (the so called "**capacity payment**"), deriving from the increasing amount of electricity produced by plants fed by renewables. The above mentioned provision of law specifies that capacity payments will have to be set within the limits of the amounts strictly necessary for ensuring safety of the grid, and "without increasing electricity bills of end customers, within the framework of the electricity market, taking into account the evolution of the same and in coordination with the

measures provided for by Legislative Decree No. 379 of 19 December 2003". By Ministerial Decree 30 June 2014, the Ministry of Economic Development approved Terna S.p.A.'s (**"Terna"**) proposal for the regulation of the remuneration of the availability of electrical capacity which is implemented through a "Capacity Market" organised by Terna – which has been implemented in accordance with the specifications contained in the Ministerial Decree 30 June 2014. Based on the available documentation, whether this new mechanism will have an impact on PV plants financial performance is unclear as such Decree did not expressly specify the source of the funds to remunerate the capacity availability.

6.9.7 Imbalance costs (*oneri di sbilanciamento*)

On 5 July 2012 AEEGSI issued Resolution No. 281/2012/R/EFR according to which, starting from 1 January 2013, non-programmable renewables plants that sell electricity in the market and that are operated under a dispatching agreement (such as photovoltaic plants) are subject to the same payment obligations applicable to power plants fed by traditional sources or by programmable renewable sources in relation to possible fluctuations in supply causing instability to the electricity grid (**"imbalance costs"**). The resolution was challenged by several operators and annulled by the Administrative Court of Milan (TAR).

However, the annulment did not result in a complete elimination of the burden for renewable energy producers to pay imbalance costs, but simply required that a fairer mechanism to calculate those costs be identified for these particular types of plants and reinstated the mechanism previously in force to calculate imbalance costs. As a result renewable energy producers (such as the SPVs) were still required to pay imbalance costs pursuant to AEEGSI Resolution No. 111/06 (ie the mechanism that applied before Resolution No. 281/2012/R/EFR was introduced) but it was uncertain if the old mechanism continued to apply. Furthermore, in relation to the period from January 2013 until October 2013, unbalancing costs were not paid by renewable energy operators (or have been paid back by the GSE to the producers) as a consequence of the above mentioned annulment. By Resolution n. 2936 of 9 June 2014, the State Council (*Consiglio di Stato*) upheld AEEG's appeal and confirmed the annulment of Resolution No. 281/2012/R/EFR and Resolution No. 493/2012/R/EFR.

As a consequence of the aforementioned definitive annulment a complete re-organization of the imbalance costs regime had to be implemented, as also required by Article 23-bis paragraph 3 of law decree 91/2014, which - in the meantime - ordered the AEEGSI to implement some changes to Resolution No. 111/06 in order to remove the "macro-areas of Sicily and Sardinia".

By Resolution dated 29 October 2014 No. 525/2014/R/eel, AEEGSI:

(a) modified some articles of Resolution No. 111/06 in order to comply with Article 23.3-bis of law decree No. 91/2014 – applicable from 1 November 2014;

(b) introduced the express obligation for all electricity production and consumption units to define their injection programs (*programmi di immissione*) using the best estimates available in accordance with the principles of diligence, prudence and professional ability and skill.

By Resolution dated 28 July 2016 No. 444/2016/R/eel, AEEGSI set out new rules to avoid the risk of opportunistic or anomalous behaviour from operators on the dispatching market. This type of conduct aims to obtain undue profits from the voluntary balancing between forecasts and the actual exchange of energy on the wholesale markets, thus transferring improper costs onto the bills of final consumers. The changes introduced (which were implemented as part of the Resolution No. 393/2015 and consulted with documents 163/2015 and 316/2015 from June 2016) immediately concern all wholesalers, traders and vendors, small and large producers in different ways and from January 2017 also small producers that use renewable sources. In particular, to prevent anomalous behaviours, the mechanism for price recognition in case of balancing[1] has been modified (prices recognised for the energy used for maintaining system equilibrium), preventing individual operators from taking undue advantage from voluntary balancing actions, contrary to the principles of diligence, skill, prudence and foresight required by regulations. In fact, regulations already counteracted the phenomenon of voluntary balancing, i.e. with different energy withdrawal programmes in relation to the most diligent forecasts. Now the prices recognised in case of balancing are changed, making sure that the existing ban on voluntary balancing is combined with a financial disincentive. Therefore, those with anomalous behaviours, over a predefined 'band' of predicted-actual tolerance[2], will not only be prevented from gaining economic advantages, but rather will be penalised. The introduction of further monthly checks on the final balance by the network operator (Terna) is also provided in order to monitor the proper operation of the market. All of the measures put in place contribute to correct the various anomalies on the wholesale market, which could have found structural completion on the supply side if the capacity market segment was already active. AEEGSI's actions will continue with the comprehensive reform of the governance of balancing (as already outlined in the consultation document 368/2013/R/eel), for which adjustment of the European regulatory framework on Balancing guidelines is awaited, which is currently being developed, and the consequent fully operational design of the dispatching service market.

By Resolution dated 8 June 2017 No. 419/2017/R/eel, AEEGSI approved the new transitional regulation on actual imbalances, which provides for the introduction of macrozonal nonarbitration fees beginning 1 July 2017, the application of a new calculation method for calculating the aggregated zonal imbalance beginning 1 September 2017 and the reinstatement of the single pricing mechanism for dispatching points of unequipped units while maintaining the dual pricing mixed system for consumer units to counter programming strategies that do not comply with the system.

6.9.8 Mandatory incentives re-modulation regime

The Italian Government has approved law decree No. 91/2014 (**"Law Decree"**), converted into law No. 116/2014, aimed at introducing, *inter alia*, a mechanism

1 Balancing is the difference between the actual withdrawal schedule presented and the reasonable forecasts made previously, thus creating a difference between the forecasts themselves and actual supply/withdrawal from the network. These differences should be kept to a minimum according the diligence, skill, prudence and foresight towards the system, in as much as balancing significantly affects the security of the system. Conduct does not comply with these principles when balancing is expanding voluntarily to profit from the individual operator.

2 Range of +/- 15% from August 2016, +/-7.5% from January 2017.

to reduce the cost, ultimately paid by final electricity consumers, of incentives granted to photovoltaic ("**PV**") plants.

Pursuant to Article 26.2 of the Law Decree, starting from the second semester of 2014 GSE will pay the feed in tariff in an amount equal to 90% of the annual estimated average power capacity of each PV plant. The remaining 10% will be paid by the GSE on the basis of the actual production of each PV plant by 30 June of the next year. By Ministerial Decree issued on 16 October 2014 ("**GSE Payments Decree**"), the Ministry of Economic Development approved the procedures according to which the GSE will pay the incentives in relation to the electricity produced by PV Plants. As far as timing for payment is concerned, paragraph 2 of Annex 1 of the GSE Payments Decree specifies inter alia that the advance payments (*pagamenti in acconto*) are paid monthly for plants with nominal capacity exceeding 20 kW. The balance payment (*conguaglio*) is made within 60 days of the receipt of the measurements and in any case within 30 June of the following year.

Pursuant to Article 26.3 of the Law Decree, from 1 January 2015 the feed-in tariff relating to pv plants having nominal power higher than 200 kW will be subject to a variation in accordance with one of the following options, to be exercised by the PV plant owner and notified to the GSE by 30 November 2014.

(a) the incentive period will be extended from the current 20 years to a period of 24 years (from the start of operation of the plant) and the relevant tariff reduced by a percentage identified in accordance with a table set out in the decree, depending on the length of the remaining incentive period relating to the specific PV plant;

(b) the incentive period will remain equal to 20 years, however the tariff shall be re calculated during two separate "incentive terms". The tariff will be reduced during the first incentive term and then increased during the second term, in accordance with the following formula set out in Ministerial Decree dated 17 October 2014:

For each year "i", starting from 2015, the incentive "I_{new}" is calculated as follows:

$$I_{new} = I_{old} * (1 - X_i)$$

Where:

I_{old} is the value of the original incentive;

X_i is the percentage re-modulation coefficient, which varies for each year "i" during the residual incentive period according to the following formula:

$$Xi = \begin{cases} -X_0, & 2015 \leq i \leq 2019 \\ -X_0 + K * (i - 2019), & 2020 \leq i \leq (2015+a-6) \\ +X_0, & (2015+a- \end{cases}$$

0, 5)≤ i≤ (2015+a-1)
i = 2015 + a

Where:

X_0 is calculated as follows:

$$X_0 = F_{(a)} + [F_{(a+1)} - F_{(a)}] * \frac{m}{12}$$

"a" stands for the years of residual incentive period calculated from 31 December 2014;

"m" stands for the months of residual incentive period calculated from 31 December 2014;

"F" is calculated on the basis of the following table:

a	$F_{(a)}$
11	-31,39%
12	-26,43%
13	-22,59%
14	-19,54%
15	-17,08%
16	-15,05%
17	-13,37%
18	-11,95%
19	-10,74%
20	-9,70%

"K" is a coefficient calculated as follows:

$$K = \frac{2 * X0}{(a - 9)}$$

(c) the incentive period will remain equal to 20 years, but the tariff will be reduced, until the end of the relevant incentive period, as follows:

(i) by 6% for PV plants having a nominal power between 200 kW and 500 kW;

(ii) by 7% for PV plants having a nominal power between 500 kW and 900 kW;

(iii) by 8% for PV plants having a nominal power exceeding 900 kW.

In case of failure to notify the chosen option to the GSE, the option under point (c) above will be applied.

Please note that such provisions did not apply to PAS PV plants, having power lower to 200 kW.

The other SPVs notified to the GSE the choice of option under point 6.9.8.3 (b) above.

In order to limit the financial impact of these provisions, pursuant to Art. 26.5 of law decree 91/2014, owners of PV plants subject to the tariff changes may be granted bank loans for a maximum amount equal to the difference between the incentive due on 31 December 2014 and the reduced incentive. In such a case, on the basis of specific arrangements with the banking sector, the above bank loans may benefit from loans and/or guarantees granted by Cassa Depositi e Prestiti S.p.A. which are counter- guaranteed by the Italian state according to terms and conditions set out in the decree of the Italian Ministry of Economy and Finance of 29 December 2014. Article 4 of the mentioned ministerial decree provides that the criteria, modalities, duration and remuneration of the guarantee are regulated by an agreement to be entered into between Cassa Depositi e Prestiti S.p.A. and the Italian Ministry of Economy and Finance which has not been entered into yet according to the most recent available information.

Owners of PV plants that benefit from the aforementioned incentives may assign part of such incentives (up to 80 per cent of them) to a purchaser selected amongst primary European financial operators by means of a public procedure. The procedure for the selection of such purchaser and all the terms and conditions to implement the "assignment" of incentives shall be set out by the AEEGSI in a decree.

Starting from the date of assignment of the incentives to the selected purchaser, the incentives will not be subject to the changes and re-modulations detailed above.

Considering that through the re-modulation the Government aims at reaching a specific overall saving in public expenditures, it cannot be ruled out that if these targets are not achieved further new regulations are enacted in the future in relation to incentives to photovoltaic plants.

6.9.9 Renewable Decree

On 29 June 2016 Ministerial Decree dated 23 June 2016 has been published in No. 150 Italian Official Gazette ("*Gazzetta Ufficiale*") which became effective from on June 2016 regarding the incentives mechanisms granted to renewables power plants other than photovoltaic plants (the "**Renewables Decree**").

However, in the context of the Renewables Decree the following two provisions may also affect the PV Plants:

- **Article 29**, which provides new rules regarding the artful splitting ("*artato frazionamento*") of the plants to access higher feed in tariffs or avoid the register or reverse auction systems. According to such

provision - which seems to be applicable with retroactive effect also to those plants already admitted to benefit from the feed in tariff - the GSE is entitled to investigate any possible evidence of one plant being artificially split into multiple smaller ones, also in case a single grid connection point is shared by multiple plants belonging to the same owner. In such a case the GSE may reduce the applicable feed in tariff or, if the artful splitting result in a violation of the provisions concerning the admission to benefit from the feed in tariff, revoke the feed in tariff and recover the sums already paid, if the split enabled the plant to have access to the incentives. However, no criticalities arising from Article 29 of the Renewables Decree have been identified in relation to any of the PV Plants owned by the SPVs;

- **Article 30**, which provides that within 90 days from the date of entry into force of the Renewables Decree, the GSE shall publish (or update, as the case may be) the rules relating to the maintenance and modernization activities on PV plants, in order to protect the efficiency of the PV plant and to prevent expenditure increases.
  Procedures on maintenance of the PV plants that the GSE will implement shall comply with the following principles:

  (i) the maintenance activities are allowed to the extent that they shall not imply increases for more than 1% of the power capacity of the relevant PV plant (or the sections thereof); on the other hand PV plants having a nominal power capacity up to 20 kW may benefit from an increase of up to 5% of the power output of the plant (or sections thereof);

  (ii) in case of definitive replacement of certain components of the affected PV plant, new components (or regenerated ones) must be used;

  (iii) save as provided under point (iv) below, the replacement of inverters and modules shall be communicated to the GSE within 60 days after the completion of the relevant works, in order to verify the compliance of such activity with the provisions under points (i) and (ii) above;

  (iv) maintenance works are also allowed if they require the use, even if temporary, of machineries or other equipment, as long as they do not increase the nominal capacity of the PV plant.

In order to comply with the abovementioned provisions, on 21 February 2017 the GSE has published the rules relating to the maintenance and modernization of the PV plants. All SPVs, with regard to the respective PV Plants owned, will have to comply with the new GSE rules.

6.9.10 Risks relating to compliance with regulations and change in law risk

The conduct of the Issuer's, the SPVs' businesses is subject to a wide variety of laws and regulations administered by national, regional and supranational government bodies. Those laws and regulations (including, without limitation, the laws relating to the incentives to the SPVs for the production of energy from renewable resources) may change, possibly on short notice, as a result of

political, economic or social events. Changes in laws, regulations or governmental policy and the related interpretations may alter the environment in which the Issuer, the SPVs carry on their business and, accordingly, may have an adverse impact on their financial results or increase their costs or liabilities. In addition, the SPVs, and the Issuer may incur capital and other expenditure to comply with various laws and regulations, especially relating to protection of the environment, health and safety and energy efficiency, all of which could adversely affect their financial performance. The Issuer, the SPVs could also face liabilities, fines or penalties or the suspension of production for failing to comply with laws and regulations, including health and safety or environmental regulations.

6.9.11 Risk of increasingly high levels of corporate income taxes

The energy industry is subject to the payment of income taxes which tend to be, in some countries, higher than those payable in many other commercial activities. In addition, in recent years, some adverse changes in the tax regimes applicable to energy companies have been observed.

Until fiscal year ("**FY**") 2014, most of the Italian companies operating in energy industry were subject to an additional corporate income tax (the so called "**Robin Hood Tax**", equal to 6,5%). Italian law decree No. 138 of 13 August 2011, which was converted into Law No. 148 on 14 September 2011 applied Robin Hood Tax (*inter alia*) to the production, transport, dispatch and sale of electricity. Robin Hood Tax was finally declared unconstitutional by the Constitutional Court with effects from 12 February 2015. To this respect, Italian tax Authorities clarified that the declaration of unconstitutionality has effects only starting from fiscal year 2015.

New Italian law provisions recently introduced certain measures aimed to reduce the overall corporate tax burden for Italian corporation. In particular, The Financial Stability Law approved for FY 2016 (Law n. 208/2015) provides a reduction of the corporate income tax rate applicable to (*inter alia*) Italian companies. The Law states that, starting from FY 2017 onwards (i.e., FY subsequent to each one in course as of 31 Dec. 2016) the corporate income tax rate will be reduced from 27.5% to 24%.

In addition to the above, companies operating in energy industry are generally subject also to real estate tax in relation to the plants owned and used in order to carry-out the business activity.

To this respect, Financial Stability Law for FY 2016 (Law n. 208/2015) introduced new criteria for the computation of cadastral value of (*inter alia*) PV plants. Article no. 1, par. 21, of the Law no. 208/2015 confirms that the determination of the "cadastral value" of real estate classified in cadastral categories D and E must be realized without taking into consideration "plant" and "equipment" components (such as PV panels and inverters). As a result of the mentioned law provision, the amount to be paid as real estate tax starting from 2016 should is considerably reduced in comparison with the amount due before the amendments introduced by Financial Stability Law for FY 2016.

Any future changes in the income tax rate or other taxes or charges applicable to the SPVs can have an adverse impact on the Issuer's future results of operations and cash flows. This, as well as any other changes to the tax regime generally

applicable to Italian companies, may have an adverse effect on the Issuer's ability to pay interest on the Notes and to repay the Notes in full at their maturity.

Nevertheless, due to the above, no material risk (additional to those burdening any tax payer carrying on business activity in Italy, might be currently envisaged with a reasonable forecast.

6.9.12 Power of inspection of the GSE and risk of revocation of the incentives for non-compliance

All the PV Plants can be subject to an inspection of the GSE, as a result of the Ministerial Decree 31 January 2014 (the so called **"Decreto Controlli"**). Indeed, despite the fact that more than five year are passed since the Plants are in operation, an inspection and/or survey can be conducted by the GSE at any time, through a site visit and/or request of documentation. The inspection is not subject to any limitation in term of number and/or type of documents requested. In case a non-compliance is found, the GSE may start an administrative procedure and issue an order of suspension or revocation of the incentives. This order can be challenged before the competent administrative Tribunal within the statutory terms.

6.10 Risk factors related to the Notes

6.10.1 Risks related to the quotation, the liquidity of the markets and the possible volatility of the price of the Notes

The Issuer has applied for admission of the Notes to trading on ExtraMOT PRO. ExtraMOT PRO is the professional segment of the ExtraMOT, reserved exclusively to Qualified Investors. Therefore, investors other than Qualified Investors do not have access to ExtraMOT PRO with a consequent limitation of the possibility to sell the Notes. As a consequence, the Qualified Investors should evaluate, in their financial strategies, the risk that that the duration of their investment could have the same duration as the Notes.

6.10.2 Risks related to the interest rate

The investment in the Notes has the typical risks of an investment in floating rate notes. The fluctuation of the interest rates on the financial markets influences the prices and the performance of the Notes. However the Issuer will enter into Hedging Agreements with the Hedge Counterparty/ies to mitigate such risk in relation to the Notes.

Changes in market interest rates may adversely affect the market value of the Notes. As a consequence, if the Notes are sold before the final maturity date the initial investment in the Notes could be higher than the selling price of the Notes.

6.10.3 Risks related to an event beyond the control of the Issuer

Events such as the publication of the annual financial statements of the Issuer and/or the SPVs market announcements or the change in the general conditions of the market could influence the market value of the Notes. Moreover, fluctuations in the market and general economic and political conditions could adversely affect the value of the Notes.

6.10.4 Risks related to the security granted by the Issuer and the SPVs

Noteholders will share the security interest created under the Security Documents with the Lenders and (only in relation to certain Security Documents) with the Hedge Counterparties.

At the Issue Date, not all the Security Documents will be duly perfected since the relevant perfection formalities will be completed, due to technical reasons, within a certain number of business days after the Issue Date. Furthermore, when the Security Documents will be perfected, the six month hardening period of the security interest created under the Security Documents will not have elapsed. Accordingly, if the security provider is declared insolvent prior to the end of the hardening period, the security interest created under the Security Documents may be clawed back and declared ineffective.

Pursuant to Article 2474 of the Civil Code, the security granted by each SPV will not guarantee the Issuer's obligations for the repayment of the sums used by the Issuer, directly or indirectly, to purchase or subscribe participations in the relevant SPV or, to the extent it falls under Article 2474 of the Civil Code, to make any equity injections including, but not limited to, capital account payments (*versamenti in conto capitale*) or future capital account payments (*versamenti in conto futuro aumento di capitale*).

The security interest under the Security Documents in favour of the Notes will be created, under the third paragraph of Article 2414 bis of the Civil Code, in favour of the Security Agent, which will be entitled to exercise, in the name and on behalf of the Notes Subscribers (and any subsequent Noteholder, subject to the entering into of an accession deed to the Intercreditor Agreement), all the rights relating to such security interests and in favour of the Noteholders.

However, the enforceability of Italian law security interests granted in favour of a representative (*rappresentante*) of the holders of the Notes pursuant to the third paragraph of Article 2414 bis of the Civil Code has not been tested in the Italian courts and, therefore, the risk of unenforceability by the holders of the Notes of the security documents posed by Italian law cannot be eliminated or mitigated.

The security under the Security Documents may be subject to exceptions, defects, encumbrances, liens and other imperfections permitted under the Transaction Documents, whether on or after the date of the Notes are issued. The existence of such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of such security, as well as the ability of the Transaction Agent to realise or foreclose on such security. Furthermore, the first-priority ranking of security interest can be affected by a variety of factors, including the timely satisfaction of the perfection requirements, statutory liens or recharacterisation under local laws.

The security under the Security Documents may be subject to practical problems generally associated with the realisation of security interest. The Security Agent may also need to obtain the consent of a third party to enforce a security interest. The Security Agent may not be able to obtain any such consent. In addition, the consent of any third parties may not be given when required to facilitate a foreclosure on such assets. Accordingly, the Security Agent may not have the ability to foreclose upon those assets, and the value of such security may

significantly decrease. As a result, in these circumstances, the amount recoverable by the Noteholders could be materially reduced or eliminated.

Under Italian law, a security interest in certain tangible and intangible assets can only be properly perfected, and thus retain its priority, if certain actions are undertaken by the secured party and/or the grantor of the security interest. The security interests in the Security Documents may not be perfected with respect to the claims of the Notes if the Issuer fails or is unable to take the actions required to perfect the security interest. Such failure may result in the invalidity of the relevant security interest in the Security Documents or adversely affect the priority of such security interest in favour of third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same security.

In the absence of precedents, the deeds of assignment of the feed-in tariff will be entered into also in favour of the Noteholders notwithstanding that the form of assignment imposed by GSE does not expressly acknowledge the possibility that bondholders (as opposed to banks) may be beneficiaries thereunder. If such deeds are challenged by the GSE arguing that they shall not secure the Noteholders, the CTA provides that the affected assignment of the feed-in tariff shall be deemed to be terminated and each relevant SPV shall enter into (and perfect within the timeframe indicated therein) a new assignment of feed-in tariff receivables in favour of the Lenders only. In this case the Noteholders will not benefit directly from the assignments of feed-in tariff receivables, but they will benefit from them indirectly by way of the Intercreditor Agreement; however the secured obligations under such new assignment of feed-in tariff receivables will be only those arising from the Facilities Agreement.

According to certain scholars, special privileges pursuant to Article 46 of the Italian Consolidated Banking Act might not be validly granted over assets owned by third parties.

6.10.5 Risks related to variations of the tax system

All the present and future taxes applicable to any payments made in accordance with the payment obligations of the Notes will be borne by each Noteholder. There is no certainty that the tax system as at the date of this Admission Document will not be modified during the term of the Notes with consequent adverse effects on the net yield received by the Noteholders.

6.10.6 The tax regime applicable to the Notes is subject to a listing requirement and/or Noteholders qualification

The Notes are expected to be listed and negotiated on ExtraMOT PRO and, as such, the Issuer will be entitled to pay the interest, premiums and similar proceeds on Notes due to qualified Noteholders without application of any withholding tax as per Article 32, paragraph 8, of Law Decree No. 83 of 22 June 2012 and Legislative Decree No. 239 of 1st April 1996.

No assurance can be given that the Notes will be listed or that, once listed, the listings will be maintained or that such listings will satisfy the listing requirement under Article 32(8) of Law Decree No. 83 of 22 June 2012 and Legislative Decree No. 239 of 1 April 1996 in order for the Notes to be eligible to benefit from the provisions of such legislation relating to the exemption from the requirement to apply withholding tax. However, as provided by Law Decree

No. 91 dated 24 June 2014 (so called **"Decreto Competitività"**, converted into Law No. 116 dated 11 August 2014), the mentioned favourable tax treatment, applicable under Legislative Decree n. 239 of 1 April 1996, has been extended also to non-listed bonds issued by Italian non-listed companies when held by "Qualified Investors" (as defined under Article 100 of Consolidated Finance Act). If the Notes are not listed or that listing requirement is not satisfied, and the Noteholders should not qualify as Qualified Investors, payments of interest, premium and other income with respect to the Notes would be subject to a withholding tax currently at a rate of 26 per cent., and this would eventually result in Noteholders receiving less interest than expected and could significantly affect their return on the Notes.

6.10.7 Risks related to the amendment of the terms and conditions of the Notes without the consent of all Noteholders

The Terms and Conditions, the Intercreditor Agreement and the Civil Code include rules whereby the determination by Noteholders' meeting of certain matters is subject to the achievement of specific majorities. Such determinations, if correctly implemented, are binding on all the Noteholders whether or not present at such meeting and whether or not voting and whether or not approving the resolution.

6.10.8 Risks related to conflict of interest

The entity or entities involved in the issuance and the placement of the Notes could have an autonomous interest potentially conflicting with the interests of the Noteholders. The activities performed by the Mandated Lead Arranger, being an entity operating with the appointment of the Issuer and receiving a fee in relation to the placement of the Notes and being a lender to the Issuer under the Facilities Agreement, imply a conflict of interest towards the Noteholders.

6.10.9 Enforcement of the Security Documents and other Noteholders' rights

The validity and enforceability of the Finance Documents (and in particular of the Security Documents) and other Noteholders' rights is subject to legal qualifications and assumptions typical for similar transactions and the enforcement of rights is subject to procedural rules which may have an impact on the timing and manner of enforcement. Such procedures in Italy may take several years before a final order is obtained.

6.10.10 Limited liquidity of secondary market

Although an application has been made for the Notes to be admitted to trading on ExtraMOT PRO, there is not, at present, an active and liquid secondary market for the Notes. There can be no assurance that a secondary market for any of the Notes may develop for the Notes or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity of investments or that any such liquidity will continue for the life of such Notes. Consequently, any purchaser of Notes must be prepared to hold such Notes until the Maturity Date. In addition, prospective Noteholders should be aware of the prevailing and widely-reported global credit market conditions (which continue at the date hereof).

Consequently, whilst these market conditions persist, an investor in the Notes may not be able to sell or acquire credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to an investor. In addition, there exist other significant risks to investors. These risks include: (i) increased illiquidity and price volatility of the Notes as there is currently only limited secondary trading in securities of this kind; and (ii) a reduction in enforcement recoveries. These additional risks may affect the returns on the Notes to investors.

In addition, there are other significant risks to investors. These risks include: (i) increased illiquidity and price volatility of the Notes as there is currently only limited secondary trading in securities of this kind; and (ii) a reduction in enforcement recoveries. These additional risks may affect the returns on the Notes to investors.

Subject to applicable Italian laws and regulations, the transfer the Notes may also be restricted by securities laws or regulations of certain countries or regulatory bodies. See schedule 4.

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws or the securities laws of any other jurisdiction. Noteholders may not offer the Notes in the United States or for the account or benefit of a U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. It is the obligation of each Noteholder to ensure that offers and sales of Notes comply with all applicable securities laws. In addition, transfers to certain persons in certain other jurisdictions may be limited by law, or may result in the imposition of penalties or liability. For a description of restrictions which may be applicable to transfers of the Notes, see schedule 4.

6.10.11 Suitability

Prospective investors in the Notes should make their own independent decision as to whether to invest in the Notes and whether an investment in the Notes is appropriate or proper for them, based upon their own judgment, and should consult with their legal, business and tax advisers to determine the consequences of an investment in the Notes and to reach their own evaluation of their investment.

Investment in the Notes is only suitable for investors who:

(a) have the required knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;

(c) are capable of bearing the economic risk of an investment in the Notes; and

(d) recognize that it may not be possible to dispose of the Notes for a substantial period of time.

Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer, the Mandated Lead Arranger or from any other person as investment advice, it being understood that information and explanations related to the Issuer or the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes.

No communication (written or oral) received from the Issuer, the Mandated Lead Arranger or from any other person shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

6.10.12 The Notes may be redeemed prior to their maturity at the option of the Issuer

The Issuer has the option to redeem the outstanding Notes, in part or in whole, in accordance with the Terms and Conditions at any time. The amount due to the Noteholders upon exercise of that option is at their Early Redemption Amount.

If the Issuer calls and redeems the Notes in the circumstances mentioned above, the Noteholders may not be able to reinvest the redemption proceeds in comparable securities offering a yield as high as that of the Notes.

6.10.13 The Notes may be redeemed prior to their maturity after a Mandatory Prepayment Event

Upon occurrence of a Mandatory Prepayment Event, specified in the Terms and Conditions and in CTA, the Issuer must apply the relevant amount specified thereunder to redeem the Notes in whole or in part. Please refer to paragraph4.2 of the Terms and Conditions.

The amount due to the Noteholders upon such Mandatory Prepayment Event is the Early Redemption Amount pro-rata between the Instalment Amounts.

If the Issuer calls and redeems the Notes in the circumstances mentioned above, the Noteholders may not be able to reinvest the redemption proceeds in comparable securities offering a yield as high as that of the Notes.

It is possible that the Issuer will not have sufficient funds at the time of occurrence of such event to make the required redemption of Notes.

6.10.14 Limitation of the Noteholders rights under the Intercreditor Agreement

The rights of the Noteholders under the Notes and the other Finance Documents, including the rights to send an enforcement notice of the Security Documents, are limited by the complex voting mechanics provided in the Intercreditor Agreement. Under the Intercreditor Agreement there are certain decisions which are considered "Entrenched Rights" of the Noteholders (as better defined under the Intercreditor Agreement), which cannot be taken without the positive vote of the Noteholders' Meeting in accordance with the relevant majorities specified in paragraph 10.2 and 10.3 of the Terms and Conditions.

In this case if the Noteholders' meeting has voted against a proposed resolution pursuant to paragraph 10.3 of the Terms and Conditions, although the relevant majority for Extraordinary Voting Matters (as defined under the Intercreditor Agreement) may have been reached in relation to the same resolution, the resolution shall be considered as not approved for the Noteholders. The same

resolution, however, can be considered as approved for the other Secured Creditors who voted in its favour, to the extent that this circumstance would not adversely affect the rights of the Noteholders.

Please refer to paragraph 10.4 of the Terms and Conditions for further acknowledgements of the limitations of the rights of the Noteholders under the Intercreditor Agreement.

6.10.15 No optional redemption for taxation reasons

Prospective investors should consider that the Terms and Conditions do not provide for an optional redemption in case the Issuer is required to pay additional amounts to the Noteholders to compensate them for certain withholding taxes arising as a consequence of a change in law or a new regulation.

If any of the events set out above occur, in fact, the Issuer may be required to pay additional amounts and there can be no assurance that the funds available in all of these circumstances would be sufficient to ensure that the Issuer has the necessary funds to meet its payment obligations in respect of the Notes in whole or in part.

6.10.16 Insolvency laws applicable to the Issuer or the SPVs

The Issuer and the SPVs are incorporated in the Republic of Italy. The Issuer and the SPVs will be subject to Italian insolvency laws. The Italian insolvency laws may not be as favourable to Noteholders' interests as creditors as the laws of other jurisdictions with which the Noteholders may be familiar.

For instance, if the Issuer becomes subject to certain bankruptcy proceedings, payments made by the Issuer in favour of the Noteholders or on their behalf prior to the commencement of the relevant proceeding may be liable to claw-back by the relevant trustee. In particular, in a bankruptcy proceeding (*fallimento*), Italian law provides for a standard claw-back period of up to one year (six months in some circumstances), although in certain circumstances such term can be up to two years. In this regard, Article 65 of the Bankruptcy Law may be interpreted as to provide for a claw back period for two years applicable to any payment by the Issuer pursuant to an early redemption at the option of the Issuer if the stated maturity of the Notes falls on or after the date of declaration of bankruptcy of the Issuer.

Furthermore pursuant to the terms of the pledge over the Issuer's shares and the pledges over the SPVs' quota, as the case may be, holders of the Notes do not have any right to vote at every shareholders' meetings of the Issuer and the SPVs, as applicable, (although the Transaction Agent may have certain rights under the terms of the pledge over the Issuer's shares and the pledge over the SPVs' quota, as the case may be, in connection with such meetings in certain circumstances).

Consequently, Noteholders cannot influence every decisions by the management of the Issuer or the SPVs or every decisions by the respective shareholders, including the declaration of dividends in respect of the Issuer's ordinary shares, and the SPV's quota, although such decisions are subject to the provisions/limitations under the Finance Documents.

Moreover, the cash transfers operated by each SPV under the SPV Quotaholder Loans Agreements and any other payment to a party by an Italian party could be subject to a claw back action (*azione revocatoria*) under Article 67 of the Bankruptcy Law or the declaration of ineffectiveness (*dichiarazione di inefficacia*) under Article 65 of the Bankruptcy Law, as the case may be, in case of adjudication of bankruptcy of the relevant party.

6.10.17 Change of law

The structure of the transaction described hereunder and, *inter alia*, the issue of the Notes are based on Italian law and tax and administrative practice in effect at the date hereof and have due regard to the expected tax treatment of the Notes under such law and practice. No assurance can be given as to any possible change to Italian law or tax or administrative practice after the date of this Admission Document or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

6.10.18 Innovative transaction structure

The transaction described hereunder seeks to merge features of a banking facility in the structure of a debt securities issue. Although precedent transaction of this type have been already completed in the Italian market, to date there are no case law nor official legal, tax, regulatory or accounting guidelines which clearly address the specific features of this transaction. Consequently, there can be no assurance that interpretations, rules or guidelines expressed or issued by the relevant authorities in the future on the financing structure will not have a material adverse effect on any investment in the Notes.

6.10.19 FATCA (Foreign Tax Compliance Act)

Whilst the Notes are held within the clearing systems, in all but the most remote circumstances, it is not expected that FATCA (as defined below) will affect the amount of any payment received by the clearing systems.

In any case, according to the Terms and Conditions, the Issuer is permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Section 1471 through 1474 (or any amended or successor provision) ("**FATCA**") or pursuant to any agreement with the U.S. Internal Revenue Service or any law implementing an intergovernmental approach to FATCA ("**FATCA Withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a Noteholder for any FATCA Withholding deducted or withheld by the Issuer, the Paying Agent or any other Party and this may result in Noteholders receiving lower payments than expected and could significantly adversely affect their return on the Notes.

6.10.20 Financial Model

The results of the Financial Model are not projections or forecasts. As specified under paragraph 5.2.5 above, a financial model simply illustrates hypothetical results that are mathematically derived from specified assumptions. In addition, the Financial Model shows cash flows available for debt service and does not model individual financial performance of individual PV Plants. Actual revenues, operating, maintenance and capital costs, interest rates and taxes might differ significantly from those assumed for the purposes of any run of the Financial

Model. Accordingly, actual performance and cash flows for any future period might differ significantly from those shown by the results of the Financial Model. The inclusion of summary information derived from the Financial Model herein should not be regarded as a representation by the Issuer or any other person that the results contained in the Financial Model will be achieved. Prospective investors in the Notes are cautioned not to place undue reliance on the Financial Model or summary information derived therefrom and should make their own independent assessment of the future results of operations, cash flows and financial condition of the Issuer and the SPVs.

6.10.21 Forward-looking statements

This Admission Document contains certain forward-looking statements. The reader is cautioned that no forward-looking statement is a guarantee of future performance. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Words such as "may", "will", "seek", "continue", "aim", "anticipate", "target", "projected", "expect", "estimate", "intend", "plan", "goal", "believe", "achieve" or similar expressions are intended to identify forward-looking statements and subjective assessments. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements.

The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Admission Document and are based on assumptions that may prove to be inaccurate. No-one undertakes any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Admission Document.

6.10.22 Legal investments considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent:

a) Notes are legal investments for it;

b) Notes can be used as collateral for various types of borrowing; and

c) other restrictions apply to the purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

6.10.23 Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit ("**Investor's Currency**") other than euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange

controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes, and (iii) the Investor's Currency-equivalent market value of the Notes.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

7. INFORMATION ABOUT THE ISSUER

7.1 Legal and commercial name of the Issuer

Sungem Holding Italy S.p.A.

7.2 The place of registration of the issuer and its registration number

The Issuer has its registered office in Bologna (Italy) Via Galliera, No. 91 and is registered with the Companies' Registry of Bologna under No. 03653231203, R.E.A. No. BO - 536145.

7.3 The date of incorporation

The Issuer was incorporated on 12 October 2017.

7.4 Term

The duration of the Issuer is until 31 December 2050.

7.5 Domicile and legal form of the Issuer, legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office)

The Issuer is a joint stock company (società per azioni) incorporated under the laws of the Republic of Italy, with its registered office in Bologna (Italy) Via Galliera, No. 91, certified e-mail (*PEC - Posta Elettronica Certificata*): sungemholding@legalmail.it.

7.6 Description of the Issuer

7.6.1 Sungem Holding Italy S.p.A. is the investment company formed by SunGem SubSerfinCo S.a.r.l - which owns 76,206 shares of the Issuer, equal to 69.29% of its share capital - and Agri SubSerfinCo S.a.r.l. - which owns 33,772 shares of the Issuer, equal to 30.71% of its share capital - for its investments in the Italian renewable energy sector. It is a holding company directly owning 100% of the quotas of the SPVs.

7.6.2 SunGem SubSerfinCo S.a.r.l is fully owned by SunGem Serfinco S.a.r.l. that, in turn, is controlled by the Sponsors. In particular, Amplio owns 40% of the quotas of SunGem Serfinco S.a.r.l. and Gottex owns 55% of the quotas of SunGem Serfinco S.a.r.l.

7.6.3 Agri SubSerfinCo S.a.r.l is fully owned by Agri Serfinco S.a.r.l. that, in turn, is controlled by the Sponsors. In particular, Amplio owns 40% of the quotas of Agri Serfinco S.a.r.l. and Gottex owns 60% of the quotas of Agri Serfinco S.a.r.l.

7.6.4 The Issuer's strategy is to operate the portfolio described above.

7.7 Any recent events particular to the Issuer, the SPVs, which are to a material extent relevant to the evaluation of the Issuer's solvency

The Issuer believes that there are no recent events particular to the Issuer or to the SPVs which are to a material extent relevant to the evaluation of the Issuer's or SPVs' solvency (other than disclosed in this Admission Document).

8. ORGANISATIONAL STRUCTURE

8.1 Sungem Holding Italy S.p.A. is the investment company formed by SunGem SubSerfinCo S.a.r.l and Agri SubSerfinCo S.a.r.l. for its investments in the Italian renewable energy sector.

8.2 Below a table indicating the members of the board of directors of statutory auditors and the independent auditors at present holding office.

Members of the Board of Director	Chairman
	Alberto Della Rosa
	Director
	Stephen Roniger Timothy
	Director
	Cesar J. Dufour Benoni
Board of Statutory Auditors	Chairman
	Marziano Francesco Lavizzari
	Standing Auditors
	Massimo Mingozzi
	Stefano Barelli
	Substitute Auditors
	Alessandra Nitti
	Andrea Bellu
Independent Auditors	EY S.P.A.

8.3 The auditors EY S.p.A. above have been appointed by the Shareholders' of the Issuer for the three year period 2018-2020.

8.4 As at the date hereof, the Issuer is wholly owned by SunGem SubSerfinCo S.a.r.l - which owns 76,206 shares of the Issuer, equal to 69.29% of its share capital - and Agri SubSerfinCo

S.a.r.l. - which owns 33,772 shares of the Issuer, equal to 30.71% of its share capital. The current ownership structure of the Issuer is shown below:

9. MAJOR SHAREHOLDERS

9.1 As at the date hereof, the Issuer's share capital is fully owned by the Shareholders. In particular SunGem SubSerfinCo S.à.r.l. holds 69.29% of the Issuer's share capital and Agri SubSerfinCo S.à.r.l. holds 30.71% of the Issuer's share capital. In addition:

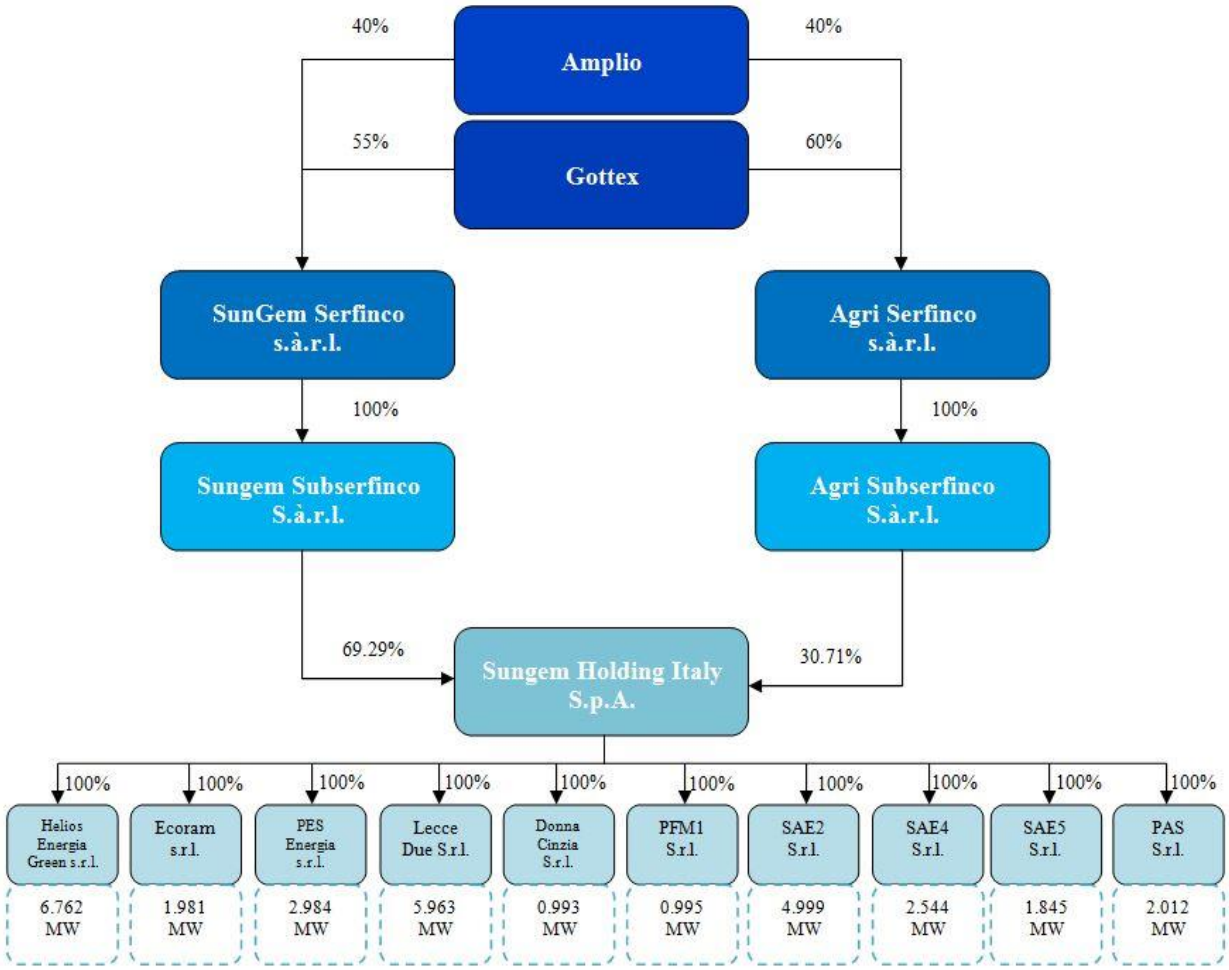
9.1.1 SunGem SubSerfinCo S.à.r.l. is fully owned by SunGem Serfinco s.à.r.l. whose quotas are in turn owned by the Sponsors as follows:

- 55% of corporate capital owned by Gottex; and
- 40% of corporate capital owned by Amplio.

9.1.2 Agri SubSerfinCo S.à.r.l. is fully owned by Agri Serfinco s.à.r.l. whose quotas are in turn fully owned by the Sponsors as follows:

- 60% of corporate capital owned by Gottex; and
- 40% of corporate capital owned by Amplio.

9.2 The current Group structure is shown below:



9.3 The Group structure will remain unchanged until the Issue Date.

9.4 A Change of Control of the Issuer may occur according to the provisions set out under the Finance Documents. In particular a "Change of Control" will be triggered by the following circumstances:

9.4.1 (i) the Sponsors cease:

(a) to own, directly or indirectly, 50.1% of the share capital and the voting rights in the Debtor; and/or

(b) the right to appoint, jointly or separately, directly or indirectly, more than 50.1% of the members of the Board of Directors of the Debtor,

(c) to control the Debtor jointly or separately pursuant to article 2359 paragraph 1, or 2 of the Civil Code,

except in case of Permitted Transfer (it being understood that in any case where the Shareholders cease to own directly 100 per cent of the share capital and voting rights in the Debtor, the successor – even if permitted hereunder – shall comply with the provisions under Clause 19 (Assignment and Benefit of this Agreement) of the Intercreditor Agreement);

(ii) the Debtor ceases to hold 100% of the SPVs' corporate capital],

in each case provided that it has not been approved by the Transaction Agent acting in compliance with the Intercreditor Agreement.

9.4.2 The Issuer is subject to direction and control activity (*attività di direzione e coordinamento*) for the purpose of Article 2497 et seq. of the Civil Code exercised by Sungem Subserfinco S.à.r.l. / Agri Subserfinco S.à.r.l., which is entitled to exercise the majority of the voting rights in the Issuer.

10. ISSUER'S CONSOLIDATED PRO FORMA FINANCIAL INFORMATION

10.1 The consolidated pro forma balance sheet as of 31 December 2016 and the pro forma consolidated income statement for the year then ended of the Issuer (the "**Consolidated Pro Forma Financial Information**"), together with the examination report prepared by EY S.p.A. in accordance with ISAE 3420, ***Assurance Reports on the Process to Compile Pro Forma Financial Information Included in a Prospectus,*** is attached to this Admission Document as Schedule 2. The attached documents are expressed in the Italian language.

The Consolidated Pro Forma Financial Information has been compiled by the Sole Director of the Issuer for information purposes to illustrate the pro forma effect of the acquisition by the Issuer of Donna Cinzia S.r.l., Ecoram S.r.l., Helios Energia Green S.r.l., Leccedue S.r.l., Productions Agricole Solari S.r.l., Pes Energia S.r.l., Photovoltaic productions M1 S.r.l., Sardinia Agrienergia Due S.r.l., Sardinia Agrienergia Quattro S.r.l. and Sardinia Agrienergia Cinque S.r.l., including the formation of Sungem Holding Italy S.p.A.and the related transactions (collectively, the "**Acquisition**") on the 31 December 2016 balance sheet and on the income statement for the year then ended, as if the Acquisition and the incorporation of the Issuer occurred, respectively, on 31 December 2016 for balance sheet purposes and on 1 January 2016 for income statement purposes.

The Consolidated Pro Forma Financial Information derives from the historical data relating to the financial statements as of 31 December 2016 and for the year then ended of the companies acquired, prepared in accordance with the Italian rules governing the preparation of financial statements, audited by EY S.p.A.

In order to properly understand the Consolidated Pro Forma Financial Information, it is necessary to consider: i) since the pro forma information is prepared based on assumptions, if the acquisitions had actually occurred on the dates referred to above, the results that are presented would not have been necessarily the same, and ii) the pro forma information does not constitute a forecast since it is prepared to represent only the significant effects that can be identified and measured on the historical financial information, without considering the future potential impact of such changes on the economic and financial trends of the acquired companies.

10.2 A consistent approach with the criteria adopted to prepare the Consolidated Pro Forma Financial Information at 31 December 2016, was applied in the preparation of the unaudited pro forma consolidated balance sheet as of 31 August 2017 and the unaudited pro forma consolidated income statement for the eight month period then ended, which are attached to this Admission Document as Schedule 3. Certain selected unaudited pro forma consolidated financial information is detailed in the following table:

31 August 2017		**Selected unaudited pro forma consolidated financials information**
Total revenues		9,668,476
	revenues from sales	1,451,795
	revenues from feed in tariff	7,918,955
	*other revenues***	297,726
EBITDA		7,537,296
EBIT		3,550,035
Net profit		(8,732)
Net equity		(6,122,821)
Net financial position*		(63,246,269)

* the net financial position has been calculated solely taking into account the bank's financial debt and total liquidity, whereas shareholder's funding has been excluded as deemed equity.
** this item has been added for the purpose of tying out Total revenues.

10.3 As for the above reported financials, it is worth enlightening the following:

10.3.1 The SPVs' net equity (except for the PAS' net equity) includes a negative reserve, which is equal to an aggregate amount of Euro (5,292,102), for the hedging of the expected cash flows. Such negative reserve corresponds to the expected possible value to unwind the hedging derivatives that have been subscribed.

10.3.2 The consolidated net equity includes the effects of the accounting for the leasing contract by using the financial method. Such effects determine a reduction of the net equity for an amount equal to Euro (940,718) after deduction of taxes.

11. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING (TERMS AND CONDITIONS)

See Schedule 1.

12. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

12.1 Application for admission to trading

The Issuer has applied to the Italian Stock Exchange for admission of the Notes to trading on ExtraMOT PRO. The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on ExtraMOT PRO, together with the information required in relation

to trading, shall be communicated by the Italian Stock Exchange by the issuance of a notice, pursuant to Section 11.6 of the guidelines contained in the Rules of ExtraMOT.

12.2 Other regulated markets and multilateral trading facilities

At the date of this Admission Document, the Notes are not listed on any other regulated market or multilateral trading facility or other trading venues in Italy or elsewhere, nor does the Issuer intend to submit, for the time being, an application for admission to listing of the Notes on any other regulated market or multilateral trading facilities or other trading venues other than ExtraMOT PRO.

12.3 Intermediaries in secondary market transactions

No entities have made a commitment to act as intermediaries on a secondary market.

12.4 Trading method

The trading of the Notes on ExtraMOT PRO is restricted to Qualified Investors only.

13. MISCELLANEA

In accordance with the Notes Subscription Agreement, the Notes Subscribers have undertaken to subscribe 100% (one hundred per cent.) of the nominal amounts of the Notes and to pay the subscription price in respect of the Notes on the Issue Date.

Certain restrictions apply to the ability of the Notes Subscribers and their assignee to sell the Notes. For more details please refer to paragraph 1.6 above and schedule 4.

14. USE OF THE PROCEEDS RELATED TO THE SELLING OF THE NOTES

The net proceeds of the Notes will be used by the Issuer:

a) to grant quotaholder loans and/or cash contributions to the SPVs;

b) to pay the Transaction Costs (including, *inter alia*, cost of advisors, counsels);

c) make a distribution to the Shareholders;

d) for general corporate purposes; and

e) each SPV will use the proceeds of the Notes advanced by the Issuer to it by way of quotaholder loans and/or cash contributions to reimburse in full the respective existing financial indebtedness, break costs, prepayment penalties and unwinding costs associated to the Hedging Liabilities.

15. TAX REGIME APPLICABLE TO THE NOTES

The information set out below constitutes a summary of the tax framework applicable to the acquisition, the holding, and the transfer of the Notes in accordance with current tax legislation in Italy. The following does not represent a complete analysis of all the tax aspects that may be significant in relation to the decision to purchase, possess, or sell the Notes, nor does it cover the tax consequences applicable to all the categories of potential underwriters of the Notes, some of whom may be subject to a special rules. The following description is based on current law and practice existing in Italy on the date of the Admission Document,

notwithstanding the fact that they remain subject to possible changes even with retroactive effects and thus represents a simple introduction to the matter. The investors are required to seek advice from their own tax consultants on the tax consequences, according to Italian law, the law of the country in which they are considered as residents for tax purposes and any other significant jurisdiction, on the purchase, possession, and sale of the Notes as well as the payment of interest, principal, and/or other sums deriving from the Notes. Each Noteholders shall be responsible for the taxes and fees, both present and future, that are or may be due by law on the Notes and/or on the relative interest and other revenue. In particular, the relative Noteholders shall be considered responsible for all taxes applicable to the interest and other proceeds originating from the Issuer or other parties involved in the payment of such interest and other proceeds, including, but not limited to, the substitute tax under Decree No. 239 of 1 April 1996 (**"Decree No. 239"**).

15.1 Treatment for direct tax purposes of the interest and the other proceeds of the Noteholders

Decree No. 239 dictates the system applicable, among other aspects, to the interest and the other revenue of the bonds (*obbligazioni*) and debentures similar to bonds (*titoli similari alle obbligazioni*) issued by capital companies other than banks and shareholding companies with shares negotiated on regulated markets or multi-lateral negotiation systems. For these purposes, debentures similar to bonds are defined as securities that incorporate an unconditional obligation to pay, at maturity, an amount not less than their nominal value and that do not give any right to directly or indirectly participate in the management of the issuer or of the business in relation to which they are issued nor any type of control on the management. This system applies to the bonds and similar securities negotiated on regulated markets or multi-lateral negotiation systems of member States of the European Union and States adhering to the Agreement on European economic space included in the list established in Ministry Decree which allow for a satisfactory exchange of information with the Republic of Italy issued in accordance with article 11, paragraph 4, letter c), of Decree No. 239 (as amended by Legislative Decree No. 147 of 14 September 2015) (**"White List"**).

The tax system described in this section (**"Treatment for direct tax purposes of the direct interest and other proceeds of the Notes"**) exclusively concerns the rules applicable: (i) to the interest and other proceeds of the Notes insomuch as traded on the multi-lateral ExtraMOT PRO trading system or another regulated market or multi-lateral trading system included in the definition established in article 1 of Decree No. 239; (ii) to the relative Noteholders which, holding title according to applicable laws and regulations, buys, owns, and/or sells the Notes insomuch as traded on the multi-lateral ExtraMOT PRO trading system or another regulated market or multi-lateral trading system included in the definition established by article 1 of Decree No. 239.

In accordance with Decree No. 239, the payments of interest and other proceeds (including the difference between the issue price and the repayment price) deriving from the Notes:

a) are subject in Italy to the tax substituting income tax applicable according to the rate of 26% and settled on a definitive basis, if carried out in favor of actual beneficiaries which are: (i) individuals residing for tax purposes in Italy; (ii) partnerships residing for tax purposes in Italy that do not conduct commercial activity; (iii) public and private agencies residing in Italy for tax purposes and different from companies, which do not have as their exclusive or principal object the exercise of commercial activity; (iv) subjects exempt from income tax and residing for tax purposes in Italy. In these cases, the interest and the other proceeds deriving from the Notes do not form the tax base for the purpose of taxes on the income of the aforementioned individuals, companies and entities. The substitute tax is applied by the banks, asset brokerage

companies (SIM), trust companies, and the other subjects indicated in a special decree of the Ministry of Economics and Finance;

b) are subject in Italy to the tax substituting income tax applicable according to the rate of 26% and settled as an advance, if carried out in favor of actual beneficiaries who are individuals residing in Italy for tax purposes or public or private entities residing in Italy for tax purposes, other than the companies, possessing the Notes in the running of a commercial business. In this case, the interest and the other revenue form the income for the company of the recipient and the substitute tax may be deducted from the total tax due on the taxable income;

c) are not subject to substitute tax in Italy on income tax, if it is done in favor of actual beneficiaries that are: (i) joint-stock companies residing in Italy, partnerships that conduct commercial activities or permanent establishments in Italy of non-resident companies in relation to which the Notes are actually connected; (ii) Italian securities funds, SICAV, pension funds residing in Italy in accordance with Legislative Decree No. 124 of 21 April 1993, as subsequently modified by Legislative Decree No. 252 of 5 December 2005 and Italian real estate funds constituted in accordance with art. 37 of the Consolidated Financial Act and art. 14-bis of Law No. 86 of 25 January 1994; (iii) individuals residing in Italy who have entrusted the management of their investments, including the Notes, to an Italian financial broker and have opted for the application of the so-called managed savings system in accordance with art. 7 of Legislative Decree No. 461 of 21 November 1997 (for the purposes of this section, "**Managed Savings**" or "*regime del risparmio gestito*");

d) are not subject in Italy to tax substituting income tax, if carried out in favor of actual beneficiaries which are non-resident parties in Italy, without a permanent establishment in Italian territory to which the Notes are actually connected, on the condition that:

   (i) the latter (x) are residents of a country that allows an adequate exchange of information with Italy listed in the White List, or, in the case of institutional investors lacking tax subjectivity, on the condition that they are constituted in one of the aforementioned countries; (y) are international agencies and organizations constituted on the basis of international agreements made executive in Italy; or (z) central foreign banks or agencies that also manage the official reserves of a foreign state; and

   (ii) the Notes are deposited directly or indirectly at: (x) a bank or an SIM residing in Italy; (y) a permanent establishment in Italy of a bank or a non-resident SIM that have direct relations remotely with the Ministry of the Economy and Finance; or (z) at an organization or a non-resident company that adhere to the centralized administration system of the notes and have direct relations with the Ministry of the Economy and Finance; and

   (iii) in respect to the Italian subjects indicated in item (i) (x) above, the banks and the exchange agents mentioned in item (ii) above receive a self-certification of the beneficial owner of the interest that attests to the fact that the economic beneficiary is a resident of one of the aforementioned countries. The self-certification must be prepared in accordance with the model approved by the Ministry of the Economy and Finance (Ministry Decree of 12 December 2001, published in Ordinary Supplement no. 287 of Official Gazette No. 301 of 29 December 2001) and subsequent updates and is valid until its withdrawal on the part of the investor. The self-certification does not have to be presented in

the event that an equivalent declaration (including model No. 116/IMP) has already been presented to the same broker; in the case of institutional investors without tax subjectivity, the institutional investor will be considered to be the actual beneficiary and the related self-certification will be presented by the relative management organization; and

(iv) the banks or foreign exchange brokers mentioned in items (ii) and (iii) above receive all the information necessary to identify the non-resident party which is the beneficial owner of the Notes and all the information necessary for the purpose of determining the amount of the interest that the aforementioned financial beneficiary has the right to receive.

In the event that the conditions indicated in items (i), (ii), (iii) and (iv) of letter (d) are not satisfied, the underwriter of the Notes not resident in Italy is subject to a tax substituting the income tax for the income tax applied according to the rate of 26% on the interest and other proceeds deriving from the Notes. In this last case, the substitute tax may be applied at a reduced rate in light of the international conventions against double taxation, if applicable.

Individuals residing in Italy possessing the Notes not within a company framework and who have opted for the Managed Savings framework are subject to a substitute tax applied at a rate of 26% on the accrued operating profit at the end of each fiscal year (this profit will also include the interest and the other proceeds accruing on the Notes). The substitute tax on the results due on the operation is applied to the interest of the contributor on the part of the authorized broker.

The interest and other proceeds from the Notes held by Italian joint-stock companies, partnerships whose exclusive or principal purpose is commercial business, sole proprietors, public and private entities other than companies that hold the Notes in connection with their own commercial business as well as permanent establishments in Italy of non-resident companies in relation to which the Notes are actually connected, form the taxable base: (i) of the income tax on companies (IRES); or (ii) of the income tax on individuals (IRPEF), in addition to that of the additional ones, if applicable; in the presence of certain requirements, the aforementioned interest also form the taxable base of the regional tax on production activities (IRAP).

The interest and other proceeds of the Notes received by collective investment savings organizations (O.I.C.R.) and by those with headquarters in Luxembourg that have already been authorized for placement in the territory of the State, in accordance with Article 11-bis of Law Decree No. 512 of 30 September 1983, converted by Law No. 649 of 25 November 1983 (the so-called "**Historical Luxembourg Funds**") are not subject to any withholdings at the source or any replacement tax. Law Decree No. 225 of 29 December 2010, converted by Law No. 10 of 26 February 2011, introduced significant modifications to the tax system for Italian mutual investment funds and the Historical Luxembourg Funds, abrogating the framework for taxation on the accruing profit from the operation of the fund and introducing taxation for stakeholders at the rate of 26%, at the time of the receipt of the proceeds deriving from the stake in the aforementioned funds and on the proceeds received from the redemption, liquidation, or sale of the shares. This discipline is applicable to common asset investment funds under Italian law previously governed by Article 9 of the Law No. 77 of 23 March 1983, to variable capital investment companies (SICAV) established by Article 14 of the Legislative Decree No. 84 of 25 January 1992 and to closed common asset investment funds established by Article 11 of the Law No. 344 of 14 August 1993 (for the purposes of the present section, the "**Funds**").

Italian pension funds are subject to a 20% substitute tax on the operating profit.

15.2 Treatment for direct tax purposes of the capital gains earned on the Notes

The possible capital gains earned in the event of the sale or the repayment of the Notes are included in the calculation of relevant company income for income tax purposes (and, in several cases, also of the IRAP taxable base) and is, for this reason, subject to taxation in Italy according to ordinary rules, if the relative Noteholder is:

a) an Italian commercial company;

b) an Italian commercial entity;

c) a permanent establishment in Italy of non-resident parties to which the Notes are actually connected; or

d) an individual residing in Italy who engages in a commercial business to which the Notes are actually connected.

In accordance with Legislative Decree No. 461 of 21 November 1997, if the Noteholder is an individual who does not own Notes under a company framework, the capital gains earned from the transfer or from the repayment of the Notes is subject to a substitute tax applied at the rate of 26%. According to the so-called declaration framework (*regime della dichiarazione*), which is the ordinary framework applicable in Italy to the capital gains earned by individuals residing in Italy who own Notes in a non-company framework, the substitute tax is applied cumulatively to the capital gains earned over the course of the fiscal year, net the relative capital losses, by the respective Noteholders who own the Notes in a non-company framework. The capital gains earned, net of relative capital losses, must be indicated individual in the annual tax return of the respective Noteholders. The substitute tax must be paid by the relative Noteholders through a direct payment. If the total amount of the capital losses is greater than the total amount of the capital gains, the excess may be brought as a deduction, up to the concurrent amount, from the capital gains for the subsequent tax periods, but not beyond the fourth period.

As an alternative to the normal framework of the return, Italian individuals who own Notes in a non-company framework may opt for being subject to a substitute tax for each set of capital gains earned from each transfer or repayment transaction (the so-called "**Administered Savings System**" or "*regime del risparmio amministrato*"). The separate taxation of each capital gains according to the Administered Savings System is permitted on the condition that: (i) the Notes are deposited at Italian banks, securities brokerage companies (SIM) or other authorized financial brokers; and (ii) the underwriter opts for the Administered Savings System by way of written communication. The financial broker, on the basis of the information communicated by the taxpayer, applies the substitute tax on the capital gains earned on the occasion of each sales or repayment transaction of the Notes, net the capital losses or the losses incurred, thereby withholding the substitute tax due on the proceeds earned and due to the relative Noteholders. According to the Administered Savings System, in the event that there are capital losses, losses, or negative differentials, the sums of the aforementioned capital losses, losses, or negative differentials are calculated as a deduction, up to their concurrence, from the amount of the capital gains, positive differentials or revenue earned in the subsequent transactions put into existence in the realm of the same relation, in the same tax period and in subsequent periods, but not beyond the fourth period. The contributor is not obligated to express the capital gains earned on the annual income statement.

The capital gains earned by individuals residing in Italy who hold the Notes in a non-company framework who have opted for the so-called Managed Savings system form the result of the operation which will be subject to replacement tax, even if it is not realized, at the end of each tax period. If in a certain year the result of the operation is negative, the corresponding amount

is calculated as a decrease in the result of the operation of subsequent tax periods, but not beyond the fourth period for the entire amount that has its capacity in them. The replacement tax on the results due on the operation is applied to the interest of the contributor on the part of the authorized broker. The contributor is not obligated to express the capital gains earned on the annual income statement.

In the event that the respective Noteholders is a Fund, as defined above, the capital gains earned shall be included in the operating profit of the Fund accruing at the end of each fiscal year. The Fund is not subject to any taxation on the aforementioned profit, but instead the substitute tax is due according to the maximum rate of 26% on the occasion of the allocations undertaken in favor of the underwriters of the shares in the Fund.

The capital gains earned by the underwriters that are Italian pension funds will move to the determination of the total results of the operation which, in turn, is subject to a replacement tax in the measure of 20%.

The 26% substitute tax is applicable, in the event of certain conditions, to the capital gains earned from the sale or the repayment of the Notes by individuals or legal entities not residing in Italy and without a permanent establishment in Italian territory to which the Notes are actually connected, if the Notes are owned in Italy.

This despite the fact that according to the points established by Article 23 of Presidential Decree No. 917 of 22 December 1986, the capital gains earned by parties not residing in Italy and without permanent establishments in Italian territory to which the Notes are actually connected are not subject to taxation in Italy on the condition that the Notes are considered "traded on regulated markets" in accordance with article 23, paragraph 1) letter f) no. 2), of Presidential Decree No. 917 of 22 December 1986, despite the fact that they are held in Italy. The exemption is applied on the condition that the non-resident investors present a self-certification to the authorized broker in which they declare that they are not residents in Italy for tax purposes.

In any case, parties not residing in Italy and the actual beneficiaries of the Notes, without a permanent establishment in Italy to which the Notes are actually connected, are not subject to substitute tax in Italy on the capital gains earned as a result of the sale or the repayment of the Notes, on the condition that they are residents of a country that allows an adequate exchange of information with Italy listed in the White List, or, in the case of institutional investors that are still without tax subjectivity, on the condition that they have been founded in one of the aforementioned countries (Article 5, paragraph 5, letter a) of Legislative Decree No. 461 of 21 November 1997); in this case, if the non-resident underwriters, without a permanent establishment in Italy to which the Notes are actually connected, have opted for the Administered Savings System or for the Managed Savings system, the non-application of the substitute tax depends on the submission of a self-certification to the authorized financial broker attesting to compliance with the aforementioned requirements.

Lastly and regardless of the points established above, the individuals or legal entities not residing Italy and without a permanent establishment in Italian territory to which the Notes are actually connected who could benefit from the framework of an international convention against double taxation stipulated with the Republic of Italy will not be subject to substitute tax in Italy on the capital gains earned, on the condition that the capital gains earned as a result of the sale or the repayment of the Notes are subject to taxation exclusively in the country of residence of the receiving party; in this case, if the non-resident underwriters, without a permanent establishment in Italy to which the Notes are actually connected, have opted for the Administered Savings System or the Managed Savings system, the non-application of the substitute tax depends on the submission to the authorized financial broker of the appropriate

documentation also including a statement issued by the competent tax authority of the country of residence of the non-resident party.

15.3 Tax on Contributions and Inheritance

The tax on contributions and inheritance, abrogated the first time by Law No. 383 of 18 October 2001 in relation to the contributions made or the inheritance opened beginning on 25 October 2001, was subsequently re-introduced by Law Decree No. 262 of 3 October 2006, converted into Law, without modifications by Law No. 286 of 24 November 2006, took effect on 29 November 2006 and was subsequently modified by Law No. 296 of 27 December 2006, with effectiveness beginning on 1 January 2007.

As a result of the aforementioned modifications, the transfer of the Notes because of death is currently subject to a tax on inheritance in the following manner:

(i) if the transfer takes place in favor of a spouse, a direct descendent or ascendant, a tax is due in the amount of 4% of the value of the notes transferred, with a deductible of € 1 million for each beneficiary;

(ii) if the transfer takes place to a brother or a sister a 6% tax is due on the value of the notes transferred with a deductible of € 100,000.00 for each beneficiary;

(iii) if the transfer takes place to relatives up to the fourth degree, related in a direct line or in a collateral line up to the third degree, a 6% tax is due on the entire value of the notes transferred to each beneficiary;

(iv) in any case, an 8% tax is due on the entire value of the notes transferred to each beneficiary.

The transfer of the Notes as a result of donation is subject to a tax on donations according to the same rates and to the same allowances established for tax on inheritance.

15.4 Stamp Tax

Art. 13, paragraph 2-ter, of Part I of the Tariff attached to Presidential Decree No. 642 of 26 October 1972 (**"The Stamp Tax on Communications to the Clientele"**), as modified by Law Decree No. 201 of 6 December 2011, converted into Law No. 214 of 22 December 2011, and by Law No. 147 of 27 December 2013 introduced a stamp tax on the value of the products and financial instruments object of communications to the clientele beginning on 1 January 2012. The communication relating to the products and financial instruments are considered in any case to have been sent at least once over the course of a year even when there is no obligation to send or prepare it. The tax is currently due in the amount of 0.2% annually (in any case only for subjects other than individuals the maximum annual tax is €14,000).

This tax is also applied to financial instruments – such as Notes – owned through a financial broker who performs the activity in the Italian territory.

The significant taxable base is determined at the end of the summary period, as results from the periodic communications relating to the relations held.

Ministry Decree of 24 May 2012 dictated the measures to implement the relative discipline over the Stamp Tax on Communications to the Clientele.

The Income Agency, with Circular No. 48/E of 21 December 2012, established that not subject to Stamp Tax on Communications to the Clientele are the summaries and the communications that the management companies send to various subjects among their own clients. For the concept of client, as established by Ministerial Decree of 24 May 2012, reference should be made to the Measure of the Governor of the Banca d'Italia of 15 July 2015. In application of this Measure, the following subjects do not fall under the definition of Client: "*banks, finance companies, electronic funds institutions (IMEL), payment institutions (istituti di pagamento), insurance companies, investment companies, collective savings investment organizations (common investment funds and SICAV), savings investment companies (SGR), central financial instrument management companies, pension funds, Poste Italiane S.p.A., Cassa Depositi e Prestitiand any other subject that performs financial brokerage activities. Controlling companies, controlled companies and companies under the common control of the above mentioned subjects do not fall under the definition of Client*".

SCHEDULE 1

Terms and Conditions of the Notes

*The following is the text of the terms and conditions (the "**Conditions**") of the "€ 70,000,000 floating rate Notes due on 30 June 2030" (the "**Notes**"). These Conditions shall be read and construed in conjunction with the Common Documents (as defined below). The Notes are subject to, and the Noteholders shall benefit of, the Common Terms Agreement (as defined below) and the other Common Documents. The rights and powers of the Noteholders (as defined in section 1.3 below) may only be exercised in accordance with these Conditions, the Common Terms Agreement and the other Common Documents. The Notes Subscriber, as initial Noteholder and original party to the Common Documents, and any other Noteholder, by executing a deed of accession to the Common Documents (other than the Security Documents) in the form specified in Schedule 1 Part B of the Intercreditor Agreement and attached hereto as Appendix 2 (Form of Accession Deed) in accordance with Condition 10.9 below, are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Common Documents. These Conditions shall be read and construed in conjunction with the sections of the documents incorporated by reference set out in the table below.*

1. CURRENCY, DENOMINATION, FORM AND TRANSFERS, CERTAIN DEFINITIONS

1.1 Currency, Denomination

These Notes (the **"Notes"**) are being issued by **Sungem Holding Italy S.p.A.** (the **"Issuer"**) in Euro in the denomination of EUR 100,000 each (the "**Specified Denomination**") and in an aggregate principal amount of Euro 70,000,000.00 as floating rate notes (the "**Notes**").

1.2 Form and Transfers

(a) The Notes are issued in dematerialised form (*forma dematerializzata*) in accordance with Article 83-bis and following of Italian Legislative Decree No. 58 of 24 February 1998 as amended (the **"Financial Law"**) and the Regulation issued by the Bank of Italy and CONSOB on 22 February 2008, as amended and supplemented from time to time (the **"BoI/CONSOB Regulation"**) and will be held and accounted for in book entry form with the central securities depository and management system managed by Monte Titoli on behalf of the Noteholders (as defined in Condition 1.3) until redemption or cancellation thereof for the account of the relevant Monte Titoli Account Holder (as defined in Condition 1.3). No physical documents of title will be issued in respect of the Notes. However, the Noteholders have the right to obtain certifications (*certificazioni*) pursuant to Article 83-quinquies and Article 83-novies, 1(b) of the Financial Law.

(b) The Notes will at all times be evidenced by, and title thereto will be transferable by means of, book-entries on the relevant accounts opened with Monte Titoli in accordance with:

(i) Article 83-bis and following of the Financial Law; and

(ii) the BoI/CONSOB Regulation.

1.3 Certain Definitions

Unless otherwise defined in these Conditions or the context requires otherwise, words and expressions used in these Conditions have the meaning and construction ascribed to them in the common terms agreement dated on the date hereof between, amongst others, the Issuer and Unicredit S.p.A. as Transaction Agent (the "**Common Terms Agreement**").

"Custodian" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which a Noteholder maintains a securities account in respect of the Notes and includes any clearing system (including Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium and Clearstream Banking, *societe anonyme*, 42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg) which holds an account with Monte Titoli;

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Note for any period of time (the **"Calculation Period"**), the actual number of days in the Calculation Period divided by 360;

"Decree No. 239" means Legislative Decree No. 239 of 1 April 1996 as amended from time to time;

"Determination Day" means the second Business Day prior to the commencement of the relevant Interest Period;

"Early Redemption Amount" means in relation to a Note its relevant principal amount outstanding plus interest (including Margin) accrued to, but excluding, the date of redemption;

"EURIBOR/6months" means:

(a) the applicable Screen Rate;

(b) if no Screen Rate is available for the Interest Period: the Interpolated Screen Rate; or

(c) if:

(i) no Screen Rate is available for the Interest Period; and

(ii) it is not possible to calculate an Interpolated Screen Rate,

the Reference Bank Rate,

provided that if the Reference Interest Rate months cannot be determined in accordance with the foregoing provisions of this paragraph, the Reference Interest Rate will be the arithmetic mean last determined in relation to the Floating Rate Notes in respect of the immediately preceding Interest Period;

"First Interest Payment Date" means the Payment Date falling in December 2017.

"Instalment Amount" has the meaning attributed to it in Condition 4.1(Redemption at Maturity);

"Instalment Date" has the meaning attributed to it in Condition 4.1 (Redemption at Maturity);

"Interest Payment Date" means each 30 June and 31 December, subject to adjustment in accordance with the provisions set out in Condition 3.3(Payment Business Day) below;

"Interest Period" means for the first interest period the period from, and including, the Issue Date to, but excluding, the First Interest Payment Date and for the following periods the period from, and including, each Interest Payment Date to, but excluding, the following Interest Payment Date;

"Interpolated Screen Rate" means the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of the Floating Rate Notes; and

(b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of the Floating Rate Notes

on the Determination Day for Euro;

"Issue Date" means 14 December 2017;

"Margin" means 235 bps per annum;

"Maturity Date" has the meaning attributed to it in Condition 4.1 below (Redemption at Maturity);

"Monte Titoli Account Holders" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and includes any clearing system (including Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium and Clearstream Banking, societe anonyme, 42 Avenue IF Kennedy, 1855 Luxembourg, Luxembourg) which holds an account with Monte Titoli;

"Noteholder" means, from time to time, any holder of a Note;

"Noteholders' Representative" means the Noteholders' representative to be appointed pursuant to Condition 10.8 (Noteholders' Representative) below;

"Payment Business Day" means a day (other than a Saturday or a Sunday):

(a) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of payment of the Notes (if any);

(b) on which Monte Titoli is operating; and

(c) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Milan and on which the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 is open;

"Rate of Interest" has the meaning attributed to it in Condition 2.2 (Rate of Interest);

"Reference Banks" means the principal office in Italy of Intesa Sanpaolo S.p.A. and BNP Paribas S.A. or such other banks as may be appointed by the Calculation Agent in consultation with the Issuer;

"Reference Banks Rate" means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Calculation Agent at its request by the Reference Banks as the rate at which the relevant Reference Bank could borrow funds in the European Interbank Market, in the relevant currency and for the relevant period, were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that period;

"Reference Interest Rate" means EURIBOR 6/months being the rate (expressed as a percentage rate per annum) for deposits in Euro for a period equivalent to the relevant Interest Period which appears on the Screen Page as of 11.00 AM (Brussels time) on the Determination Day, all as determined by the Calculation Agent;

"Screen Rate" means the percentage rate per annum determined by the Banking Federation of the European Union for the relevant period, displayed on the appropriate page (currently, page EURIBOR 01) of the Reuters screen. If the agreed page is replaced or service ceases to be available, the Calculation Agent after consultation with the Issuer may (acting reasonably) specify another page or service displaying the appropriate rate;

"Security Agent" means the noteholders representative to be appointed pursuant to Condition 10.9 (Security Agent) below.

"Specified Denomination" has the meaning attributed to it in Condition 1.1 (Currency, Denomination).

2. INTEREST

2.1 Interest Payment Dates

The Notes shall bear interest on their outstanding principal amount from, and including the Issue Date to and including the Maturity Date. Interest on the Notes shall be payable semi-annually in arrears on each Interest Payment Date.

2.2 Rate of Interest

The annual rate of interest for each Interest Period shall be the Reference Interest Rate plus the Margin (the **"Rate of Interest"**).

2.3 Minimum Rate of Interest

If the Reference Interest Rate in respect of any Interest Period determined in accordance with the above provisions is less than 0.00 per cent per annum, the Reference Interest Rate for such Interest Period shall be 0.00 per cent per annum.

2.4 Accrual of Interest

If the Issuer fails to redeem the Notes when due, interest shall continue to accrue, automatically and without demand, on the outstanding principal amount of the Notes from,

and including, the due date for redemption to, but excluding, the date of actual redemption of the Notes at the default rate of interest which corresponds to the relevant Rate of Interest plus 2% (*two per cent.*) per annum. The default interest is without prejudice to the right to compensation for any other costs, expenses as a consequence of such delay.

2.5 **Calculation of Amount of Interest**

(a) The Calculation Agent will, on or as soon as practicable after each date at which the relevant Rate of Interest is to be determined, calculate the amount of interest payable under the Notes in respect of the Specified Denomination for the relevant Interest Period.

(b) The amount of interest payable for any Interest Period shall be calculated by applying, for any Note, the Rate of Interest, as appropriate, to the Specified Denomination, multiplying such sum by the applicable Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency, with half of such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

2.6 **Notification of Rate of Interest and Amount of Interest**

The Calculation Agent will cause the relevant applicable Rate of Interest, the Interest Period, the interest amount and the Interest Payment Date for the relevant Interest Period to be notified to the Issuer and to the Noteholders in accordance with Condition 9 (Notices) promptly after their determination and, if required by the rules of any stock exchange or multilateral trading facility on which the Notes are from time to time listed, will cause the relevant Rate of Interest, the Interest Period, the interest amount and the Interest Payment Date for the relevant Interest Period to be notified to such stock exchange or multilateral trading facility, as soon as possible after their determination.

2.7 **Determinations Binding**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 2 (Interest) by the Calculation Agent shall (in the absence of wilful misconduct or gross negligence) be binding on the Issuer, the Paying Agent and the Noteholders and, in the absence of the aforesaid, no liability to the Issuer, the Paying Agent or the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

2.8 **Usury Law**

If at any time the interest rate applicable to the Notes as determined pursuant to this section 2 (Interest) were in breach of Law No. 108 of 7 March 1996, as amended and supplemented from time to time, the applicable interest rate shall then be reduced, for the shortest possible period (if applicable) to the maximum interest rate from time to time allowed under the above mentioned law.

3. **PAYMENTS**

3.1 **Payments**

All payments in respect of the Notes will be credited, in accordance with the instructions of Monte Titoli, by the Paying Agent on behalf of the Issuer to the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders from such aforementioned accounts to the accounts of the beneficial owners of those Notes or through the clearing systems to the accounts with the clearing systems of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli and of the relevant clearing systems, as the case may be.

3.2 **Manner of Payment**

Payments of amounts due on the Notes shall be made in Euro.

3.3 **Payment Business Day**

(a) If the due date for any payment in respect of the Notes would otherwise fall on a day which is not a Payment Business Day the due date for such payment shall be postponed to the next day which is a Payment Business Day unless the due date for such payment would thereby fall into the next calendar month, in which event the due date for such payment shall be the immediately preceding day which is a Payment Business Day.

(b) If the due date for a payment of interest is brought forward or postponed, the amount of interest of the Notes shall be adjusted accordingly.

(c) If the due date for the redemption of the principal amount of the Notes is adjusted the Noteholder shall not be entitled to payments in respect of such adjustment.

3.4 **References to Principal and Interest**

(a) References in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(i) each Instalment Amount of the Notes (as specified in Condition 4.1);

(ii) the Early Redemption Amount of the Notes (as specified below); and

(iii) any premium and any other amounts (other than interest) which may be payable under or in respect of the Notes.

(b) References in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts (as defined in Condition 6) which may be payable under Condition 6.

4. **REDEMPTION**

4.1 **Redemption at Maturity**

Unless previously redeemed in whole or in part or purchased and cancelled, and subject to adjustment in accordance with Condition 3.3, the Notes shall be redeemed on each instalment date (each an "**Instalment Date**") at each instalment amount (each an "**Instalment**

Amount") set out in Appendix 1 (Amortisation Plan) below. In any case the Notes shall be redeemed in full at the Instalment Date of 30 June 2030 (the "**Maturity Date**").

4.2 **Early Redemption – Mandatory Prepayment Event**

Upon occurrence of a Mandatory Prepayment Event under clause 6 (*Mandatory Prepayment Events and Voluntary Prepayment Ev*ents) of the Common Terms Agreement, (different from those under clause 6.6 – which latter, for the avoidance of doubt shall not apply to the Notes- and 6.8 of the Common Terms Agreement) the Issuer shall redeem the Notes in whole or part, to the extent provided under clause 6 (*Mandatory Prepayment Events and Voluntary Prepayment Events*) of the Common Terms Agreement. Notes redeemed pursuant to this Condition 4.2 will be redeemed at their Early Redemption Amount pro rata between the outstanding Instalment Amounts:

(i) within 3 Business Days of the date in which the Issuer has received any Cure Amount in the case under clause 6.4 (Equity Cure) of the Common Terms Agreement;

(ii) and on the next Instalment Date, for all the other cases indicated under this Condition 4.2, to the extent notice thereof has been delivered to Borsa Italiana at least 3 Business Days prior to such Instalment Date.

4.3 **Early Redemption at the Option of the Issuer**

The Issuer may, at its option and at any time, redeem the Notes in part or in whole, giving not less than 10 Business Days' irrevocable prior notice of redemption, in accordance with Condition 9 (Notices), to the Noteholders' Representative, the Paying Agent, the Calculation Agent and the Noteholders. Notes shall be redeemed pro-rata, between the outstanding Instalment Amounts at their Early Redemption Amount.

5. **PAYING AGENT AND CALCULATION AGENT**

5.1 **Appointment; Specified Offices**

Banca Finanziaria Internazionale S.p.A., having its specified office at Via Alfieri, 1 31015 Conegliano (TV), Italy, will act as initial Paying Agent and Securitisation Services S.p.A., having its specified office at Via V. Alfieri 1, Conegliano (TV), will act as initial Calculation Agent.

Each of the Paying Agent and the Calculation Agent reserves the right at any time to change their respective specified offices and will promptly notify the Transaction Agent of the new offices.

5.2 **Variation or Termination of Appointment**

(a) Subject to the provisions under the Agency Agreement, the Issuer reserves the right (with the prior approval of the Noteholders' Representative) at any time to vary or terminate the appointment of the Paying Agent or the Calculation Agent and to appoint other Paying Agents or another Calculation Agent.

(b) The Issuer shall at all times maintain:

(i) so long as the Notes are listed on a stock exchange or a multilateral trading facility: a Paying Agent in such place as may be required by the rules of such stock exchange or multilateral trading facility or its supervisory authority; and

(ii) a Calculation Agent.

(c) The Noteholders will be given notice by the Issuer in accordance with Condition 9 (Notices) of any variation, termination, appointment or any other change to the Paying Agent and the Calculation Agent as soon as possible upon the effectiveness of such change.

(d) The Issuer undertakes, to the extent this is possible in a member state of the European Union, to maintain a Paying Agent in a member state of the European Union who is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other directive (the **"Directive"**) implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

5.3 **Agents of the Issuer**

The Paying Agent and the Calculation Agent act solely as agents of the Issuer and do not have any obligations towards or relationship of agency to any Noteholder.

6. **TAXATION**

6.1 **General Taxation**

(a) At the Issue Date, the Notes will be subject to the Italian tax regime regulated by Decree No. 239 of April 1, 1996 ("**Decree 239**") provided that the Notes are listed on a regulated stock market or on a multilateral trading facility of a EU Member State or a State belonging to the European Economic Area which allows the exchange of information with the Italian tax authorities. A substitute tax (*imposta sostitutiva*) levied at the rate of 26 per cent will be applicable to interest and other proceeds payable to Noteholders resident in Italy which are individuals, non-commercial partnerships, non-profit organisations, or entities which are exempt from corporate income tax. No *imposta sostitutiva* will be applicable on interest and other proceeds payable to:

(i) Italian resident corporate entities, Italian investment funds, Italian real estate investment funds, Italian pension funds or Italian permanent establishments of non-resident companies which have deposited the Notes in accordance with the provisions of the Decree No. 239;

(ii) non-Italian resident persons which are resident for tax purposes in a country which allows an adequate exchange of information with the Republic of Italy as indicated by Article 6 of Decree No. 239 that refers to applicable Italian tax laws and regulations as amended from time to time, including inter alia, Ministerial Decree as of September 4, 1996 as amended (the "**Qualifying Countries**");

(iii) institutional investors incorporated in one of the Qualifying Countries if the Notes have been deposited in accordance with the provisions of article 7 of Decree No, 239 as amended and supplemented. In addition, non-Italian resident persons indicated in point (ii) above or non-Italian resident institutional investors indicated in point (iii) above have to produce a self-certification (in compliance with the tax forms and official instructions provided by the Italian Revenue Agency) stating that they meet the requirements of Decree No. 239; in any other case, the *imposta sostitutiva* levied at the rate of 26 per cent will be applicable on interest and other proceeds payable to non-Italian resident persons. The rate of the *imposta sostitutiva* may be decreased pursuant to the provisions of the applicable double tax treaty (if any).

(b) all payments of principal and interest payable by the Issuer on the Notes shall be made without deduction or withholding for or on account of any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of the country in which the Issuer is domiciled (or resident for tax purposes) or by or on behalf of any political subdivision or authority therein or thereof having power to tax (**"Withholding Taxes"**), unless such deduction or withholding is required by law. In such event, the Issuer shall pay such additional amounts (the **"Additional Amounts"**) of principal and interest as may be necessary in order that the net amounts received by the Noteholders after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable had no such deduction or withholding been required.

(c) No such Additional Amounts shall, however, be payable on account of any Withholding Taxes:

(i) which are payable otherwise than by deduction or withholding from payments of principal or interest; or

(ii) which are payable where the Noteholder is able to avoid such deduction or withholding by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

(iii) which are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the country of domicile (or residence for tax purposes) of the Issuer or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding; or

(iv) which are payable as a result of a Noteholder's (or beneficial owner's) failure, or the failure of any agent having custody or control over a payment, to establish its exemption from such deduction or withholding by complying with any requirements to report on it, its owners or holders of interests, or to enter into an agreement with a taxing authority to provide such information; or

(v) which in case of payments by the Issuer are payable by reason of the Noteholder having, or having had, some personal or business connection with the country in which the Issuer is domiciled (or resident for tax purposes); or

(vi) in respect of any payment or deduction of any interest or principal on account of imposta sostitutiva (at the then applicable rate of tax) pursuant to Decree No. 239 with respect to any Notes or, for the avoidance of doubt, Italian Legislative Decree No. 461 of November 21, 1997 (as amended by Italian Legislative Decree No. 201 of June 16, 1998) (as any of the same may be amended or supplemented) or any related implementing regulations; or

(vii) in all circumstances in which the procedures set forth in Decree No. 239 in order to benefit from a tax exemption have not been met or complied with by the relevant Noteholder except where such procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

(viii) in respect of any Notes where payments are required:

(A) to Italian tax resident Noteholders beneficially owning the interest connected to the Notes; or

(B) more than 30 days after the Maturity Date except to the extent that the relevant Noteholder would have been entitled to an Additional Amount on the payment of such Note on such thirtieth day assuming that day to have been a Payment Business Day; or

(C) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts is paid to a non-Italian resident legal entity or a non-Italian resident individual which is neither resident nor incorporated in a Qualifying Country; or

(D) in respect of any Notes where such withholding or deduction is required pursuant to Presidential Decree No. 600 of 29 September 1973, as amended or supplemented from time to time.

(d) In the board resolution for the issuance of the Notes, the Issuer has explicitly elected for the application to the Notes and related security of the *imposta sostitutiva* regime provided for by Article 20-bis of the Presidential Decree 29 September 1973, n. 601. The relevant amount, which will be charged to the Issuer, will be paid to the Italian tax authorities by the Mandated Lead Arranger in its role of financial intermediary in charge for the promotion and the placement of the Notes, pursuant to Article 20bis of the Presidential Decree 29 September 1973, n. 601.

6.2 **FATCA**

Notwithstanding any other provision in this Agreement, the Issuer shall be permitted to withhold or deduct any amounts in respect of U.S. federal withholding tax required by the rules of U.S. Internal Revenue Code Section 1471 through 1474 (or any amended or successor provision that is substantively comparable and not materially more onerous to comply with) ("**FATCA**") or pursuant to any agreement with the U.S. Internal Revenue

Service or any law implementing an intergovernmental approach to FATCA ("**FATCA Withholding**"). The Issuer will have no obligation to pay additional amounts or otherwise indemnify a Noteholder for any FATCA Withholding deducted or withheld by the Issuer, the Paying Agent or any other Party.

7. STATUS OF THE NOTES

The Issuer represents and agrees that:

(a) the Notes constitute direct secured and unconditional obligations of the Issuer and will at all times rank *pari passu* amongst themselves;

(b) the obligations of the Issuer under the Notes are, subject to the fulfilment of the relevant perfection formalities which are provided under the relevant Security Documents, secured claims under the Security Documents created in favour of the Security Agent pursuant to article 2414 bis third paragraph of the Italian Civil Code.

8. ACCELERATION

8.1 Termination Event

Subject to the terms of the Intercreditor Agreement, the Noteholders' Representative shall be entitled to declare the Notes due and demand immediate redemption thereof at the Early Redemption Amount, together with accrued interest, upon occurrence of a Termination Event as defined in Schedule 3 (Termination Events) of the Common Terms Agreement.

8.2 Notice

Any notice, including any notice declaring Notes due in accordance with this Condition 9, shall be made in accordance with Condition 9.3 (Form of Notice to Be Given by any Noteholder).

8.3 Cancellation

All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

9. NOTICES

9.1 Notification to Clearing System

Without prejudice to and in addition to the provisions of Clause 19 (Notices) of the Common Terms Agreement and save for the provisions of Condition 10 (Amendment of the Conditions, joint representative) below, and without prejudice to any other mandatory provisions of Italian law from time to time in force (including, without limitation, the Financial Law and the relevant implementing regulations), any notice regarding the Notes and/or to be given by the Issuer to the Noteholders, as long as the Notes are held through Monte Titoli, shall be deemed to have been duly given if given, by or on behalf and at the instructions of the Issuer, through the systems of Monte Titoli.

9.2 Notification in case of Listing

(a) In case the Notes are admitted to listing, trading or quotation by any listing authority, stock exchange or multilateral trading facility, notices shall be published by the Issuer additionally in accordance with the rules and regulations of such listing authority, stock exchange or multilateral trading facility or in accordance with the law and regulation applicable from time to time.

(b) Any such notice shall be deemed to have been given on the date of such publication.

9.3 **Form of Notice to be given by any Noteholder**

(a) Unless stipulated differently in these Conditions, notices regarding the Notes which are to be given by any Noteholder to the Issuer shall be validly given if delivered in writing in the English language to the Issuer by hand or registered mail with return receipt (*avviso di ricevimento*) at the following address: Via Galliera n. 91, 20141 Bologna, Italy.

(b) The Noteholders shall provide evidence satisfactory to the Issuer of its holding of the Notes. Such evidence may be:

(i) in the form of a certification from the Custodian with which the relevant Noteholder maintains a securities account in respect of the Notes that such Noteholder is, at the time such notice is given, the Noteholder of the relevant Notes, or

(ii) in any other appropriate manner satisfactory to the Parties.

10. AMENDMENT OF THE CONDITIONS, NOTEHOLDERS' REPRESENTATIVE

10.1 **Noteholders' Meeting**

In accordance with Article 2415 of the Italian Civil Code, the Noteholders' general meeting (the "**Noteholders Meeting**"), has the power to resolve upon the following:

(a) the appointment and revocation of the Noteholders' Representative;

(b) amendments of these Conditions;

(c) proposals for creditors' arrangements (*amministrazione controllata* and *concordato*);

(d) the establishment of a fund for the expenses needed to protect the joint interest and the related accounts (*rendiconto*); and

(e) other matters of common interest to the Noteholders.

10.2 **Calling of Meetings**

A Noteholders Meeting may be convened by the directors of the Issuer or the Noteholders' Representative, at their discretion, and shall be convened, in any event, upon a written request by Noteholders holding at least 5 (five) per cent of the aggregate principal amount of the outstanding Notes, in each case in accordance with Article 2415 of the Italian Civil Code, or, in default of such request, by a decision of the competent court in accordance with Article 2367, paragraph 2, of the Italian Civil Code.

All Noteholders Meetings will be convened and held in accordance with Italian law (including without limitation, the Financial Law and the relevant implementing regulations thereof) and the Issuer's by-laws, each as from time to time amended.

The notice to convene a Noteholders Meeting shall specify, inter alia, the date, time, place and agenda of the Noteholders Meeting and shall be notified to the Noteholders (or according to such other publication method which may be required under any Italian law applicable or according to the by-laws of the Issuer from time to time) – at the expense of the Issuer – provided that a proof of receipt is achieved at least 8 days prior to the date of the Noteholders Meeting (or such other period as may be prescribed by then applicable Italian law or the Issuer's by-laws) by means of:

(a) letter or telegram to be sent by means of post offices or equivalent means with evidence of receipt (*avviso di ricevimento*) by the relevant addressees;

(b) simple letter (*lettera semplice*), copy of which shall be returned by the addressees duly signed for receipt with evidence of the date of receipt;

(c) telefax message or e-mail provided alternatively that:

(A) each of the addressees confirms in writing the receipt and the date thereof;

(B) there is evidence (also by electronic means) of the receipt by the addressees,

(d) through the systems of Monte Titoli as indicated under Clause 9.1 above

provided that if, at any time, the Noteholders Meeting is not convened by e-mail as contemplated under 10.2(c) above, the Issuer and/or the Noteholders' Representative shall deliver by email to the Noteholders for information purposes only, the notice of calling of the Noteholders Meeting, to the Noteholders, providing that the identities of the Noteholders are known by the Issuer and/or the Noteholders' Representative at the time of calling the relevant Noteholders Meeting.

10.3 **Noteholders' Meetings and Quorums**

In compliance with Article 2415, paragraph 3, of the Italian Civil Code the rules set forth under Italian law for an extraordinary general meeting of the shareholders of joint stock companies apply to the Noteholders Meetings. Resolutions adopted are recorded in the competent companies' register under the responsibility of the public notary who drafted the minutes of the relevant Noteholders Meeting.

Without prejudice to Condition 10.4 (Binding Effects of the Resolutions – Intercreditor Agreement) below, the majority required to pass a resolution of the Noteholders Meeting shall be one or more Noteholders representing:

(a) for voting on any matter other than a Reserved Matter or an Extraordinary Matter ("**Ordinary Matter**"):

(A) on first call at least 51 % of the principal amount of the Notes for the time being outstanding;

(B) in a case of a Noteholders Meeting convened following adjournment of the initial meeting for want of quorum, at least 45 % of the principal amount of the Notes for the time being outstanding represented at the relevant Noteholders Meeting,

(an "**Ordinary Resolution**");

(b) without prejudice to Clause 10.3(c) below, for voting on a Reserved Matter, at any meeting convened to vote on a Reserved Matter at least 66.67% of the aggregate principal amount of the Notes for the time being outstanding. For the purpose of this provision, a "**Reserved Matter**" means any amendment of these Conditions pursuant to Article 2415, paragraph 1, item 2, of the Italian Civil Code;

(c) for voting on an Extraordinary Matter, at any meeting convened to vote on a Extraordinary Matter at least 75% of the aggregate principal amount of the Notes for the time being outstanding (an "**Extraordinary Resolution**"). For the purpose of this provision, a "**Extraordinary Matter**" means any of the following matters:

(i) any matters falling under the definition of Entrenched Rights under the Intercreditor Agreement, which is not an Ordinary Matter or a Reserved Matter;

(ii) to change the quorum required at any meeting or the majority required to pass an Extraordinary Matter; and/or

(iii) to amend this definition or this Clause.

10.4 **Binding Effects of the Resolutions – Intercreditor Agreement**

(a) Any resolution passed at a Noteholders' Meeting duly convened and held shall be binding upon all Noteholders whether present or not present at the meeting and whether or not voting.

(b) The Noteholders acknowledge and agree that, in light of the provisions set out under the Intercreditor Agreement, subject to the Entrenched Rights (as defined in the Intercreditor Agreement), any decision taken by the Secured Creditors pursuant to the Intercreditor Agreement in accordance with the terms therein will be binding on all Noteholders including:

(i) if an ICA Direct Voting Mechanic (as defined under the Intercreditor Agreement) applies and is permitted by the relevant applicable laws in respect to a Voting Matter pursuant to the Intercreditor Agreement, the relevant Voting Matter will be decided on the basis of said ICA Direct Voting Mechanic, irrespective of the provisions of this Agreement; and

(ii) if the Noteholders' Meeting has voted in favour of any proposed resolution pursuant to Condition 10.3 above, but the relevant majority for passing the relevant request under the Intercreditor Agreement has not been reached, the relevant request may be considered, in certain circumstances, as not approved

by all the Secured Creditors, including the Noteholders, if so provided under the Intercreditor Agreement;

(iii) if the Noteholders' Meeting has not voted in favour of a proposed resolution pursuant to Condition 10.3 above, but the relevant majority for Extraordinary Voting Matters (as defined under the Intercreditor Agreement) has been reached in relation to the same resolution, then the resolution shall be considered as not approved for the Noteholders but may nonetheless be considered as approved for the other Secured Creditors who voted in its favour, to the extent that this circumstance is not prejudicial to the Noteholders; and

(iv) any decision taken by the Noteholders' Meeting will count for the purpose of the Intercreditor Agreement as specified in Clause 5.3 (Method and quantum of voting) of the Intercreditor Agreement and therefore the outstanding principal amount of the Notes who took part to the meeting will count either for (where such Noteholders have voted in favour of the Proposal at the relevant Noteholders Meeting) or against (where such Noteholders have not voted in favour of the Proposal at the relevant Noteholders Meeting) the relevant decision.

10.5 **Challenge of Resolutions**

In accordance with Article 2416 of the Italian Civil Code, the resolutions adopted by the Noteholders' Meeting may be challenged in accordance with Articles 2377 and 2379 of the Italian Civil Code. Such challenge is made before the Court of Milan against the Noteholders' Representative.

10.6 **Voting Rights**

Each Noteholder participating in any vote shall cast its vote in accordance with the outstanding principal amount of its entitlement to the outstanding Notes.

10.7 **Noteholders' Individual Action**

In accordance with Article 2419 of the Italian Civil Code individual actions by Noteholders are not precluded, provided such actions are not in conflict with the resolutions of the meeting of Noteholders provided by Article 2415 of the Italian Civil Code and with the terms of the Intercreditor Agreement.

10.8 **Noteholders' Representative**

(a) A representative of the Noteholders (*rappresentante comune*) shall be appointed under Article 2417 of the Italian Civil Code in order to represent the Noteholders' interests under these Conditions, to give effect to the resolutions passed at a meeting of the Noteholders and to execute and exercise on behalf of the Noteholders their rights and act as their agent in relation to the Finance Documents.

(b) If the Noteholders' Representative is not appointed by a meeting of Noteholders, the Noteholders' Representative shall be appointed by a decree of the competent court where the Issuer has its registered office at the request of one or more Noteholders or at the request of the directors of the Issuer. The Noteholders' Representative shall

remain appointed for a maximum period of three (3) financial years but may be reappointed again thereafter.

10.9 **Security Agent**

A security agent of the Noteholders shall be appointed pursuant to Article 2414-bis, paragraph 3, of the Italian Civil Code in order to (i) hold in the name and on behalf of the Noteholders the Security Interest created under the Security Documents; and (ii) upon instructions of the Transaction Agent on behalf of the Noteholders (and in any case subject to the Intercreditor Agreement), exercise all substantial and procedural rights, remedies and powers relating to the Security Interest created under the Security Documents (including, without limitations, create, perfect, maintain, enforce, cancel and discharge the Security Interest created under the Security Documents).

10.10 **Accession to the Common Documents**

(a) Concurrently with the purchase of the Notes, each Noteholder (other than the Notes Subscriber in its capacity as initial Noteholder) shall execute a deed of accession to the Common Documents (other than the Security Documents) in the form specified in Schedule 1 Part B of the Intercreditor Agreement and attached hereto as Appendix 2 (Form of Accession Deed).

(b) By accepting a Note, the Noteholders:

(i) shall be deemed to have agreed to, and accepted, the appointment of Securitisation Services S.p.A. as the initial Noteholders' Representative in accordance with the Notes Subscription Agreement and the relevant resolution of appointment; and

(ii) shall be deemed to:

(A) have agreed to, and accepted, the appointment of the Security Agent as agent of the Noteholders for the purposes of Article 2414-bis, paragraph 3, of the Italian Civil Code; and

(B) have agreed and acknowledged that the Security Agent will exercise on behalf of the Noteholders, all the rights relating to the Security created under the Security Documents, subject to the Intercreditor Agreement.

11. **PRESCRIPTION**

Claims against the Issuer for payments in respect of the Notes shall be prescribed and shall become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the date on which a payment in respect thereof first becomes due and payable.

12. **REPRESENTATIONS**

The representations and warranties made by the Issuer and the SPVs in the Common Terms Agreement at the times specified in the Common Terms Agreement shall benefit the Noteholders.

13. COVENANTS

The covenants made by the Issuer and the SPVs in the Common Terms Agreement shall apply to this Terms and Conditions on the terms set out in the Common Terms Agreement.

14. TERMINATION EVENTS

The Termination Events set out in the Common Terms Agreement shall apply to this Terms and Conditions on the terms set out in the Common Terms Agreement, and the consequences of the occurrence of any such Termination Event are as set out in the Common Terms Agreement.

15. APPLICABLE LAW, SUBMISSION TO JURISDICTION, ENFORCEMENT AND ADMISSION TO TRADING

15.1 Applicable Law

The Notes and all rights and obligations of the Noteholders and the Issuer and any non-contractual obligations arising out of or in connection with them, shall be governed by, and shall be construed exclusively in accordance with, Italian law.

15.2 Submission to Jurisdiction

The courts of Milan have exclusive jurisdiction to settle and determine any dispute in connection with the Notes or their validity, interpretation or performance and any non-contractual obligations arising out of or in connection with any Note.

15.3 Enforcement

Any Noteholder of Notes held through Monte Titoli may in any proceedings against the Issuer, or to which such Noteholder and the Issuer are parties, protect and enforce in its own name its rights arising under such Notes on the basis of a statement issued by the Custodian with whom such Noteholder maintains a securities account in respect of the Notes:

(a) stating the full name and address of the Noteholder;

(b) specifying the aggregate principal amount of the Notes credited to such securities account on the date of such statement; and

(c) confirming that the Custodian has given written notice to Monte Titoli containing the information pursuant to 11.3(a) and 11.3(b); or

(d) any other means of proof permitted in legal proceedings in the country of enforcement.

15.4 Admission to trading

Application has been made to the Italian Stock Exchange for the Notes to be admitted to trading on the ExtraMOT PRO. As long as the Notes are admitted to trading on the ExtraMOT PRO, copies of the Common Documents are physically available, may be inspected and obtained by Noteholders and prospective Noteholders free of charge during usual business hours at the specified offices of the Issuer and of the Noteholders' Representative at any time after the date of the Admission Document.

15.5 **Finance Documents available for inspection**

Copies of the Finance Documents are available for inspection by prospective Noteholders during normal business hours at the registered office of the Noteholders' Representative being Securitisation Services S.p.A.

APPENDIX 1

AMORTISATION PLAN

Interest Payment Date	Installment due (EUR)	Outstanding (EUR)
31-dic-17	-	100,000
30-giu-18	3,241	96,759
31-dic-18	2,209	94,550
30-giu-19	3,178	91,372
31-dic-19	2,406	88,966
30-giu-20	3,420	85,546
31-dic-20	2,688	82,858
30-giu-21	3,712	79,146
31-dic-21	3,002	76,144
30-giu-22	3,923	72,221
30-dic-22	3,238	68,983
30-giu-23	4,229	64,754
31-dic-23	3,548	61,206
30-giu-24	4,598	56,608
31-dic-24	3,818	52,790
30-giu-25	4,950	47,840
31-dic-25	4,097	43,743
30-giu-26	5,232	38,511
31-dic-26	4,315	34,196
30-giu-27	5,466	28,730
31-dic-27	4,461	24,269
30-giu-28	5,597	18,672
31-dic-28	4,528	14,144
30-giu-29	5,172	8,972
31-dic-29	4,454	4,518
30-giu-30	4,518	-

APPENDIX 2
FORM OF ACCESSION DEED

[To be executed by exchange of letters]

To: [●] as Transaction Agent and [●] as Security Agent

cc: [existing secured creditor]

THIS DEED dated [●], is supplemental to:

(a) the Intercreditor Agreement (the "**ICA**") dated [•] and made between, amongst others, [•] as transaction agent (the "**Transaction Agent**") and [•] [*name Debtor*] (as from time to time amended, restated, novated or supplemented); and

(b) the Common Terms Agreement (the "**Common Terms Agreement**") of the same date and made between, amongst others, the Transaction Agent and [•] [*name Debtor*] (as from time to time amended, restated or supplemented).

Words and expressions defined or incorporated by reference in the ICA have the same meaning when used in this Deed.

[*Secured Creditor*] (the "**New Secured Creditor**") of [*address*] agrees with the Transaction Agent that, with effect from [*Insert Date*], the New Secured Creditor will become a party to and be bound by and benefit from the ICA and the Common Terms Agreement as a Secured Creditor in respect of the Secured Liabilities.

The New Secured Creditor confirms that it [is/is not] a Qualifying Secured Creditor.

The New Secured Creditor confirms the appointment of its relevant Secured Creditor Representative of the New Secured Creditor under the ICA.

[The New Secured Creditors confirm the appointment of the Transaction Agent and the Security Agent (which hereby accept) under the ICA to act as its represent as its agent (mandatario con rappresentanza) acting on behalf and in the name of each Secured Creditor:

(i) to do anything which the Transaction Agent and the Security Agent as applicable is entitled to do under any Finance Document and subject to the terms of this Agreement, together with any other incidental rights, powers, authorities and discretions; and

(ii) to exercise any of the rights conferred on the Transaction Agent and the Security Agent as applicable in relation to the assets subject to the Security Documents;

(iii) for the Security Agent, to identify the Secured Creditors from time to time existing;

(iv) for the Security Agent, to negotiate and approve the terms and conditions of such Finance Documents, execute any other agreement or instruments, give or receive any notice and take any other action in relation to the creation, perfection, maintenance, confirmation, extension, enforcement and release, in whole or in part, of the security created thereunder, in each case in the name and on behalf of it and the other Finance Parties.

In addition and without prejudice to the above, the New Secured Creditor hereby irrevocably confirms the appointment of the Security Agent, which accepts, at its agent (rappresentante dei sottoscrittori dei titoli) in relation to the Security Documents (the "**Security Agent**") pursuant to and in accordance with article 2414 bis third paragraph of the Italian Civil Code to exercise all rights (tutti i diritti, inclusi i diritti di natura processuale) in relation to the Security created under the Security Documents. The New Secured Creditors confirms that the mandate of the Security Agent shall have the same terms and conditions of the appointment under Schedule 3 of the ICA.

The notice details for the New Secured Creditor are as follows:

[*insert address, telephone, fax, email and contact details*].

Nothing in this Deed shall be continued as a novation (*novazione*) under art. 1230 and ff of the Italian Civil Code.

This Deed and any non-contractual obligations arising out of or in connection with it are governed by Italian law.

The courts of Milan have exclusive jurisdiction to settle and determine any dispute in connection with this Deed and any non-contractual obligations arising out of it or in connection with it.

[Transaction Agent, Security Agent] / [New Secured Creditor]

SCHEDULE 2:

ISSUER'S CONSOLIDATED PRO FORMA FINANCIAL INFORMATION AS OF 31 DECEMBER 2016 AND FOR THE YEAR THEN ENDED AND RELATED AUDITORS' REPORT PREPARED IN ACCORDANCE WITH ISAE 3420, "ASSURANCE REPORTS ON THE PROCESS TO COMPILE PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS"

(EXPRESSED IN THE ITALIAN LANGUAGE)

SCHEDULE 3:

ISSUER'S UNAUDITED CONSOLIDATED PRO FORMA FINANCIAL INFORMATION AS OF 31 AUGUST 2017 AND FOR THE EIGHT MONTH PERIOD THEN ENDED

(EXPRESSED IN THE ITALIAN LANGUAGE)

SCHEDULE 4: SELLING RESTRICTIONS

1. **GENERAL**

1.1 No action has been or will be taken in any jurisdiction by the Issuer or the Notes Subscribers that would, or is intended to, permit a public offering of the Notes, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required.

1.2 Each Notes Subscriber represents, warrants and agrees that it will, to the best of its knowledge and belief, comply with all the relevant laws and regulations in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes any offering material, in all cases at its own expense.

1.3 Each Noteholder represents and agrees that it will not offer, sell or deliver any Notes or distribute any document relating to the Notes to persons resident, domiciled or located, including a permanent establishment thereof established in one of the countries not listed in the Italian Ministerial Decree issued pursuant to Article 11, paragraph 4, of Decree N. 239 of April 1, 1996. Currently reference is to be made to the Ministerial Decree of September 4, 1996, as subsequently amended and supplemented.

2. **THE UNITED STATES OF AMERICA (THE "UNITED STATES")**

2.1 Each Notes Subscriber represents, warrants and undertakes to the Issuer that:

(a) it acknowledges (on behalf of itself and any person on whose behalf it is acquiring the Notes) that the Notes have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States;

(b) it is acquiring the Notes outside the United States in an "offshore transaction" as defined in and in compliance with Regulation S under the Securities Act; and

(c) it will not reoffer, resell, pledge or transfer any Notes except in accordance with the Securities Act and any applicable laws of any state or other jurisdiction of the United States.

For purposes of this agreement, "**United States**" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

3. **UNITED KINGDOM**

Each Notes Subscriber represents, warrants and undertakes to the Issuer and each other Notes Subscriber that:

(a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act

2000 ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

4. **ITALY**

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, each Notes Subscriber represents and agrees that no Notes may be offered, sold or delivered nor may copies of any document relating to the Notes be distributed in the Republic of Italy, except:

a) to Qualified Investors; or

b) in circumstances where an exemption from the rules governing public offers of securities applies, pursuant to Article 100 of the Financial Law or CONSOB's implementing regulations, including Article 34-*ter*, paragraph 1, of the CONSOB Regulation No. 11971 of May 14, 1999, as amended and supplemented from time to time.

Any such offer, sale or delivery of the Notes or distribution of any other document relating to the Notes in the Republic of Italy must be made in compliance with the selling restrictions under paragraphs (a) and (b) above and must be:

(i) made by an investment firm, bank or financial intermediary licensed to conduct such activities in the Republic of Italy in accordance with the Financial Law, CONSOB Regulation No. 16190 of October 29, 2007 and the Italian Banking Act;

(ii) subject to undertaking of the Issuer to comply with Article 129 of the Italian Banking Act and the implementing guidelines of the Bank of Italy issued on 25 August 2015 and amended on 10 August 2016, as further amended from time to time; and

in compliance with any other applicable laws and regulations or requirement or limitation which may be imposed by CONSOB, the Bank of Italy or any other competent authority.

SCHEDULE 5: O&M CONTRACTS

(a) The agreement entered into on 06/07/2010 between Donna Cinzia Srl and Convert Italia SpA for the operation and maintenance of a 0,99 MWp solar park as amended on January 2016 and as may be further amended after the date hereof pursuant to this Agreement;

(b) the agreement entered into on 12/02/2010 between Produzioni Fotovoltaiche M1 Srl and Convert Italia SpA for the operation and maintenance of a 0,99 MWp solar park as amended on January 2016 and as may be further amended after the date hereof pursuant to this Agreement;

(c) the agreement entered into on 12/05/2014 between Ecoram Srl and Rios Rinnovabili Srl for the operation and maintenance of a 0,99 MWp solar park (Atri);

(d) the agreement entered into on 12/05/2014 between Ecoram Srl and Rios Rinnovabili Srl for the operation and maintenance of a 0,99 MWp solar park (Montefino);

(e) the agreement entered into on 30/11/2011 between Helios Energia Green Srl and Rios Rinnovabili Srl for the operation and maintenance of a 2,45 MWp solar park as amended on 16/04/2014 and as may be further amended after the date hereof pursuant to this Agreement;

(f) the agreement entered into on 30/11/2011 between Helios Energia Green Srl and Rios Rinnovabili Srl for the operation and maintenance of a 1,62 MWp solar park as amended on 16/04/2014 and as may be further amended after the date hereof pursuant to this Agreement;

(g) the agreement entered into on 30/11/2011 between Helios Energia Green Srl and Rios Rinnovabili Srl for the operation and maintenance of a 2,69 MWp solar park as amended on 16/04/2014 and as may be further amended after the date hereof pursuant to this Agreement;

(h) the agreement entered into on 01/10/2015 between Sardegna Agrienergia Quattro Srl and Rios Rinnovabili Srl for the operation and maintenance of a 2,54 MWp solar park;

(i) the agreement entered into on 01/10/2015 between Sardegna Agrienergia Cinque Srl and Rios Rinnovabili Srl for the operation and maintenance of a 1,84 MWp solar park;

(j) the agreement entered into on 01/12/2017 between Produzioni Agricole Solari Srl and Rios Rinnovabili Srl for the operation and maintenance of a group of PV plants installed on stables and totalizing 2,0 MWp;

(k) the agreement entered into on 08/08/2014 between PES Energia Srl and Solarig Italia O&M Srl for the operation and maintenance of a 2,99 MWp solar park;

(l) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Azzarone);

(m) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Barba);

(n) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Caorte);

(o) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Di Pace);

(p) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Pallara);

(q) the agreement entered into on 01/11/2015 between LecceDue Srl and Solarig Italia O&M Srl for the operation and maintenance of a 0,99 MWp solar park (Placentino);

(r) the agreement entered into on 20/11/2017 between Sardegna Agrienergia Due Srl and Homes Srl for the operation and maintenance of a 4,99 MWp solar park.