

DISCLOSURE OF REGULATED INFORMATION PURSUANT TO DIRECTIVE 2004/109/EC, AS AMENDED AND SUPPLEMENTED



Tea S.p.A. SB

(incorporated as a joint stock company (società per azioni) under the laws of the Republic of Italy)

AMENDMENTS TO TERMS AND CONDITIONS OF NOTES

CHANGE OF ISSUER'S NAME

CHANGE OF SPECIFIED OFFICE OF FISCAL AGENT

8 March 2024: this notice is given by TEA S.p.A. SB (the “**Issuer**”) to the holders (the “**Noteholders**”) of “€30,000,000 2.30% Senior Unsecured Amortising Fixed Rate Notes due 7 June 2024” (ISIN: XS1608363690) originally issued by the Issuer on 7 June 2017 (the “**Notes**”)

At a meeting on 1 March 2024, Noteholders holding 100 per cent. of the aggregate principal amount of the outstanding Notes voted in favour of an extraordinary resolution (the “**Extraordinary Resolution**”) amending the terms and conditions of the Notes (the “**Conditions**”).

Following the passing of the Extraordinary Resolution and its registration of the minutes at the companies’ registry of Mantua (*registro delle imprese*), the amendments to the Conditions have been given full effect by execution on today’s date of a supplemental fiscal agency agreement (the “**Supplemental Fiscal Agency Agreement**”) by the Issuer and The Bank of New York Mellon, London Branch, as fiscal agent and paying agent (the “**Fiscal Agent**”), which is supplemental to the existing fiscal agency agreement relating to the Notes date 7 June 2017 (the “**Existing Fiscal Agency Agreement**”).

The Conditions, as amended by the Extraordinary Resolution, by way of comparison against the Conditions prior to such amendments, are shown in the Schedule to this Notice. Copies of the amended Conditions, the Supplemental Fiscal Agency Agreement and the Existing Fiscal Agency Agreement are available at the registered office of the Issuer and at the office of the Fiscal Agent specified below, as well as on the Issuer’s website on the following page: <https://teaspa.it/irj/portal/ts/investitori>

The Issuer also announces the change of: (i) its legal name, with effect from December 2021, from Tea S.p.A. to "Territorio Energia Ambiente Mantova S.p.A. Società Benefit" or, in short form, "TEA S.p.A. SB"; and (ii) the specified office of the Fiscal Agent for any communication / notice to “160 Queen Victoria Street, London EC4V 4LA, United Kingdom”.

For further information please contact:

TEA S.p.A. SB

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ANNEX – AMENDMENTS TO THE CONDITIONS OF THE NOTES

AMENDED TERMS AND CONDITIONS OF THE NOTES

The ~~€30,000,000 2.30%~~30,000,000 Senior Unsecured Amortising Fixed Rate Notes due 7 ~~June 2024~~December 2025 (the “Notes”, which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 16 (*Further Issues*) and forming a single series with the Notes) of Tea S.p.A. (the “**Issuer**”) are issued subject to and with the benefit of a fiscal agency agreement dated 7 June 2017 (such agreement, as amended and restated by the supplemental fiscal agency agreement dated 8 March 2024 and as further amended and/or supplemented and/or restated from time to time, the “**Fiscal Agency Agreement**”) made between the Issuer and The Bank of New York Mellon, London Branch as fiscal agent (the “**Fiscal Agent**” which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and as paying agent (in such capacity, the “**Paying Agent**” and, together with the Fiscal Agent, the “**Paying Agents**”, which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).

Certain provisions of these Conditions include summaries of, and are subject to, the detailed provisions of and definitions in the Fiscal Agency Agreement. The holders of the Notes (the “**Noteholders**”) the holders of the related instalment receipts (the “**Receipts**”) appertaining to the Notes in definitive form (whether or not attached to the relevant Notes) (the “**Receiptholders**”) and the holders of the related interest coupons (the “**Coupons**”) appertaining to the Notes in definitive form (whether or not attached to the relevant Notes) (the “**Couponholders**”) are bound by, and are deemed to have notice of, all the provisions of the Fiscal Agency Agreement applicable to them. Copies of the Fiscal Agency Agreement are available for inspection during normal business hours by the Noteholders, Receiptholders and Couponholders at the Specified Offices (as defined in the Fiscal Agency Agreement) of each of the Paying Agents.

1. FORM, DENOMINATION AND TITLE

1.1 Form and denomination

The Notes are in bearer form, serially numbered and in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000, with Receipts and Coupons attached on issue.

1.2 Title

Title to the Notes, the Receipts and the Coupons passes by delivery. The holder of any Note, Receipt or Coupon will (except as required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

2. STATUS

The Notes, the Receipts and the Coupons constitute direct, unconditional, unsubordinated and (subject to Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer and rank and will rank *pari passu*, without any preference among themselves. The payment

obligations of the Issuer under the Notes, the Receipts and the Coupons shall, save for such exceptions as may be provided by applicable law and subject to Condition 3 (*Negative Pledge*), at all times rank at least equally with its other outstanding unsecured and unsubordinated obligations from time to time.

3. **NEGATIVE PLEDGE**

So long as any Note or Coupon remains outstanding (as defined in the Fiscal Agency Agreement), the Issuer will not, and procures that none of its Subsidiaries (other than Tea Acque S.r.l. and AqA Mantova S.r.l.) will, create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure (i) any Indebtedness (as defined below) or (ii) any guarantee and/or indemnity in relation to any Indebtedness, without (a) at the same time or prior thereto securing the Notes, the Receipts and the Coupons equally and rateably therewith or (b) providing such other security for the Notes, the Receipts and the Coupons as may be approved by an Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of the Noteholders.

4. **DEFINITIONS**

For the purposes of these Conditions:

“**ATEM Mantova 1**” means the minimum independent geographic area (*Ambito Territoriale Minimo*) encompassing, *inter alia*, the municipalities of Mantova, Porto Mantovano, San Giorgio di Mantova, Borgo Virgilio, Curtatone, Bozzolo, Asola and San Martino d’Argine.

“**Authorised Signatories**” and each an “**Authorised Signatory**” means any person who is a director (*amministratore*), the general manager (*direttore generale*) or any attorney to whom a special power of attorney has been granted by any of the foregoing persons.

“**Business Day**” means:

- (i) for the purposes of Conditions 8.3 and 8.4, any day on which the TARGET System is open; and
- (ii) for any other purpose:
 - (a) in relation to any place, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in that place; or
 - (b) in the case of payment by credit or transfer to a Euro account, a TARGET Settlement Day.

“**Calculation Amount**” means €1,000.

“Certification Date” means a date falling not later than 45 calendar days after the approval by the Issuer’s board of directors (or equivalent body) of the relevant consolidated financial statements and, in any event, no later than six months after the end of the Relevant Period.

“Compliance Certificate” means a certificate of the Issuer duly signed by two Authorised Signatories, substantially in the form annexed to the Fiscal Agency Agreement, confirming as of the Certification Date:

- (i) that its audited IFRS consolidated financial statements in respect of the last Relevant Period give a true and fair view of the consolidated financial position of the Issuer and the Group as of the end of such Relevant Period and of the results of its operations during such period;
- (ii) that it is in compliance with the covenants contained in Condition 5.2 (*Financial Covenants*), setting out the amount of the Group’s Net Financial Debt and Shareholders’ Equity as of the Determination Date and its Consolidated EBITDA for the Relevant Period;
- (iii) to the best of the Issuer’s knowledge, having made all due enquiry, that there have been no Change of Control or Concession Event as of the date of the relevant Compliance Certificate;
- (iv) that, to the best of the Issuer’s knowledge, having made all due enquiries, there have been no events, developments or circumstances that would reasonably be expected to materially affect its ability to certify such compliance on the basis of the Issuer’s or (if applicable) the Group’s financial condition as of the Certification Date and its results of operations since the Determination Date.

“Consolidated EBITDA” means, in respect of any Relevant Period, the relevant entity’s consolidated profit for the year before income tax, finance expense, finance income and amortization, depreciation and impairment and provisions in respect of that Relevant Period, each as shown in, or determined by reference to, such entity’s latest audited consolidated financial statements

“Consolidated Total Assets” means, at any time, in respect of any Relevant Period, the total consolidated assets of the relevant entity as shown in, or determined by reference to, its latest audited consolidated financial statements.

“Determination Date” means 31 December in each year.

“EBITDA” means, in respect of any Relevant Period, the profit for the year of the relevant entity before income tax, finance expense, finance income and amortization, depreciation and impairment and provisions each as shown in, or determined by reference to, such entity’s latest audited financial statements.

“**Euro**” or “**euro**” or “**€**” means the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended.

“**Event of Default**” has the meaning given to that term in Condition 12 (*Events of Default*).

“**Group**” means the Issuer and its Subsidiaries from time to time (if any).

“**Indebtedness**” means any present or future indebtedness (whether principal or interest) for money borrowed or raised including (without limitation) any indebtedness for or in respect of:

- (i) amounts raised by acceptance under any acceptance credit facility;
- (ii) amounts raised under any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instruments;
- (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (iv) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 90 calendar days;
- (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing; and
- (vi) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (v) above.

“**Interest Payment Date**” means: [\(i\) 7 June in each year, up to and including 7 June 2025;](#) and [\(ii\) 7 December 2025.](#)

“**Interest Period**” means the period beginning on the Issue Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date up to the Maturity Date.

“**Italian Civil Code**” means the Italian civil code, enacted by Royal Decree No. 262 of 16 March 1942, as subsequently amended and supplemented.

“**IWS Concessions**” means the concessions awarded on 18 November 2005 by the Authority of the ATO of the Province of Mantova (“*Autorità dell’Ambito Territoriale Ottimale della Provincia di Mantova*”) relating to the management of the integrated water services operated by Tea Acque S.r.l. and AqA Mantova S.r.l.

“Mantova Gas Concessions” means the concessions relating to distribution of gas in the ATEM Mantova 1 and in particular the concessions awarded by the following municipalities:

- Asola;
- Borgo Virgilio
- Bozzolo;
- Curtatone;
- Mantova;
- Porto Mantovano;
- San Giorgio di Mantova;
- San Martino d’Argine.

“Mantova Gas Service Contracts” means the following service contracts entered into with the following municipalities and relating to the Mantova Gas Concessions:

- Asola, Gas Service Contract dated 11 June 2007; expiry date 31 January 2020;
- Borgo Virgilio, Gas Service Contract dated 23 December 2008; expiry date 1 January 2021;
- Bozzolo, Gas Service Contract dated 31 May 2007; expiry date 1 February 2020;
- Curtatone, Gas Service Contract dated 5 April 2011; expiry date 5 April 2023;
- Mantova Gas Service Contract dated 30 December 1999; expiry date: the earlier of (i) 30 December 2039 and (ii) the date on which the entity awarded with the gas distribution concession in the ATEM Mantova 1 will commence its operational services;
- Porto Mantovano, Gas Service Contract dated 16 September 2010; expiry date 1 October 2023;
- San Giorgio di Mantova, Gas Service Contract dated 16 September 2010; expiry date 1 October 2023;
- San Martino d’Argine, Gas Service Contract dated 17 September 2007; expiry date 10 March 2020;

“Material Adverse Effect” means any event, circumstance or matter which has or is reasonably likely to have a material adverse effect on:

- (i) the business, assets or financial condition of the Issuer and/or the Group (taken as a whole); or
- (ii) the ability of the Issuer to perform its payment or other obligations under the Notes; or
- (iii) the validity and enforceability of the Notes.

“**Material Subsidiary**” means (i) SEI – Servizi Energetici Integrati S.r.l. and (ii) at any time, any Subsidiary of the Issuer which in terms of EBITDA or Consolidated EBITDA (if such Subsidiary has its own consolidated Subsidiaries) accounts for 10 per cent. or more of the Issuer’s Consolidated EBITDA or, in terms of Total Assets or Consolidated Total Assets (if such Subsidiary has its own consolidated Subsidiaries) 10 per cent. of the Issuer’s Consolidated Total Assets and, for these purposes:

- (i) the Issuer’s Consolidated EBITDA and Consolidated Total Assets will be determined by reference to its then latest annual audited consolidated financial statements (the “**Relevant Consolidated Financial Statements**”); and
- (ii) the EBITDA or Consolidated EBITDA and Total Assets or Consolidated Total Assets of each Subsidiary will be determined by reference to the annual financial statements (whether or not audited) of such Subsidiary, in each case upon which the Relevant Consolidated Financial Statements have been based,

provided that: (a) if a Person has become a Subsidiary of the Issuer after the date on which the Relevant Consolidated Financial Statements have been prepared, the EBITDA or Consolidated EBITDA and Total Assets or Consolidated Total Assets of that Subsidiary will be determined by reference to its latest annual financial statements (whether or not audited); (b) the Relevant Consolidated Financial Statements and the corresponding financial statements of each relevant Subsidiary will be adjusted (where appropriate) to reflect fairly the EBITDA or Consolidated EBITDA and Total Assets or Consolidated Total Assets of, or represented by, any Person, business or assets subsequently acquired or disposed of; and (c) where a Subsidiary (the “**Intermediate Holding Company**”) has one or more Subsidiaries at least one of which, under this definition, is a Material Subsidiary, then such Intermediate Holding Company will be deemed to be a Material Subsidiary.

“**Maturity Date**” means 7 ~~June 2024~~December 2025.

“**Net Financial Debt**” means the sum of the following items:

- (i) total non-current financial liabilities; plus
- (ii) total current financial liabilities; plus
- (iii) total financial liabilities for leases; plus
- (iv) the amount (being the amount financed) under factoring or securitisation programmes over trade receivables on a *pro solvendo* (with recourse) basis; less

- (v) available cash (*disponibilità finanziarie*) and cash equivalents (where “cash equivalents” means cash at banks and all assets that can be liquidated within one month); less
- (vi) other marketable debt obligations issued or guaranteed by the government of the Republic of Italy, the United States of America, the United Kingdom, any member state of the European Union or by an instrumentality or agency of any of them in each case having an investment grade rating; less
- (vii) liabilities under shareholders loans, provided that such liabilities are subordinated to the Notes,

in each case, as shown in, or determined by reference to, the Issuer’s latest audited annual financial statements (consolidated, if available).

“**Net Financial Debt – Consolidated EBITDA Ratio**” means the ratio of (i) Net Financial Debt as of the Determination Date to (ii) Consolidated EBITDA for the Relevant Period.

“**Net Financial Debt – Shareholders’ Equity Ratio**” means the ratio of (i) Net Financial Debt as of the Determination Date to (ii) Shareholders’ Equity as of the Determination Date.

“**Net Proceeds**” means the net proceeds of the issuance and offering of the Notes.

“**No Default Certificate**” means the certificate to be delivered on each Reporting Date and duly signed by two Authorised Signatories of the Issuer, certifying that no Event of Default has occurred during that Relevant Period and/or is continuing as of the date of the relevant certificate or (if an Event of Default is continuing) the steps, if any, being taken to remedy it.

“**Permitted Concession Handover**” means (i) any cessation of business by the Issuer or any Material Subsidiary relating to any Relevant Concession operated by it, whereby such Relevant Concession expires and, following a competitive tender process in which the Issuer or such Material Subsidiary has participated in good faith, is awarded to a third party or (ii) any cessation of business by Tea Acque S.r.l. and / or AqA Mantova S.r.l. relating to any of the IWS Concessions operated by such entities, as a consequence, *inter alia*, of any new guidelines or regulations issued by the local regulatory authorities requiring a corporate reorganization or restructuring, provided that such IWS Concessions are transferred to and managed by an entity under the Control of the Issuer.

“**Permitted Security Interest**” means:

- (i) any Security Interest arising by operation of law in the ordinary course of business of the Issuer or a Subsidiary, provided that such Security Interest is not (and does not become capable of being) enforced; or

- (ii) any Security Interest created by a Person which becomes a Subsidiary after the Issue Date, where such Security Interest already exists at the time that Person becomes a Subsidiary provided that (A) such Security Interest was not created in connection with or in contemplation of that Person becoming a Subsidiary, (B) the aggregate principal amount of Indebtedness secured by such Security Interest is not increased and no additional assets become subject to such Security Interest, in both cases either in connection with or in contemplation of that Person becoming a Subsidiary or at any time thereafter; or
- (iii) any Security Interest (a “**New Security Interest**”) created in substitution for any existing Security Interest permitted under paragraph (ii) above (an “**Existing Security Interest**”), provided that (A) the principal amount secured by the New Security Interest does not at any time exceed the principal amount secured by the Existing Security Interest, and (B) other than by reason of general market trends beyond the control of the Issuer or the relevant Subsidiary, the value of the assets over which the New Security Interest subsists does not at any time exceed the value of the assets over which the Existing Security Interest subsisted; or
- (iv) any Security Interest securing Project Finance Indebtedness; or
- (v) any Security Interest which is created in connection with, or pursuant to, a securitisation or like arrangement whereby (i) the payment obligations in respect of the instruments representing the Indebtedness secured by the relevant Security Interest are to be discharged solely from the revenues generated by the assets over which such Security Interest is created (including, without limitation, receivables) and (ii) the holders of such instruments have no recourse in relation to such Indebtedness against any assets of any member of the Group; or
- (vi) any Security Interest not falling within paragraphs (i) to (v) above, provided that the aggregate principal amount of Indebtedness secured by such Security Interest does not exceed an amount equal to 7.5 per cent. of the Issuer’s Consolidated Total Assets.

“**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

“**Project**” means the ownership, acquisition (in each case, in whole or in part), development, restructuring, leasing, maintenance and/or operation of an asset or assets, and the equity participations in a company holding such asset or assets.

“**Project Finance Indebtedness**” means any present or future Indebtedness assumed by a Person (the “**relevant debtor**”) to finance or refinance a Project, whereby (A) the claims of the creditors under such Indebtedness (the “**relevant creditors**”) against the relevant debtor are limited to (i) the amount of cash flow or net cash flow generated by and through the Project during the tenor of such Indebtedness and/or (ii) the amount of proceeds deriving from the enforcement of any Security Interest given by the relevant debtor over

the Project to secure such Indebtedness and (B) the relevant creditors have no recourse whatsoever against any assets of any member of the Group other than the Project and such Security Interest.

“**Relevant Concession**” means any concession, licence, franchise or similar rights awarded directly or indirectly by any local, provincial, regional, national or other government entity for the distribution of gas in the Republic of Italy.

“**Relevant Date**” means whichever is the later of (A) the date on which a payment first becomes due and (B) if the full amount payable has not been received in by the Fiscal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Noteholders and Couponholders in accordance with Condition 13 (*Notices*).

“**Relevant Jurisdiction**” means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject by reason of its tax residence or a permanent establishment maintained therein in respect of payments made by it of principal and interest on the Notes, the Receipts or the Coupons.

“**Relevant Period**” means a 12-month period ending on (and including) a Determination Date.

“**Reporting Date**” means a date falling no later than forty five (45) days after the approval by the Board of Directors of the Issuer’s annual IFRS consolidated financial statements with respect to that Relevant Period.

“**Security Interest**” means any mortgage, charge, pledge, lien, other encumbrance or other form of security interest including, without limitation, anything substantially analogous to any of the foregoing under the laws of any jurisdiction.

“**Shareholders’ Equity**” means the shareholders’ equity of the Issuer, as shown in the Issuer’s latest audited annual financial statements (consolidated, if available), less any dividends paid, declared, recommended or approved.

“**Subsidiary**” means, in respect of the Issuer at any particular time, any *società controllata*, as defined in Article 2359 of the Italian Civil Code.

“**Substantial Part**” means business or (as the case may be) assets representing the following percentages of the Issuer’s Consolidated EBITDA or Consolidated Total Assets:

- (i) in the case of Condition 12(e) (*Cessation of business*), 20 per cent. or more; or
- (ii) in all other cases, 16.5 per cent. or more,

in each case determined at any particular time by reference to the Issuer’s then latest audited consolidated annual financial statements.

“**TARGET Settlement Day**” means any day on which the TARGET System is open for the settlement of payments in euro.

“**TARGET System**” means the ~~Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2)~~ real-time gross settlement (RTGS) system known as T2 and operated by the Eurosystem, or any successor thereto.

“**Termination Payment Event**” means:

- (i) the receipt by or on behalf of the Issuer or any Subsidiary as the case may be, of one or more Termination Value Payment(s), provided that such Termination Value Payment(s) are in an aggregate overall amount equal to or in excess of Euro ~~15,000,000~~ 12,000,000; or
- (ii) the occurrence of the Termination Value Payment(s) Account Trigger Event.

“**Termination Value Payment(s)**” means, at any time, the payment of the termination value(s) due to the Issuer or any Subsidiary as the case may be, pursuant to the relevant Mantova Gas Service Contract, as well as in accordance with the relevant regulation from time to time applicable (i) upon the termination, forfeiture, revocation, resolution or expiry (*decadenza, risoluzione, revoca, recesso or scadenza*) (whether in advance of the stated maturity or at such stated maturity) of the Mantova Gas Concessions under the terms of the Mantova Gas Service Contracts or as a result of the Issuer or any Subsidiary exercising its rights of withdrawal (*recesso*) under the Mantova Gas Service Contracts; or (ii) in any other circumstances where the Issuer or any Subsidiary is substituted by another entity (which is not part of the Group or which is not any temporary association of companies (*associazione temporanea di imprese*) where the Issuer or any Subsidiary is a participant) in managing the Mantova Gas Concessions and the payment of the termination value(s) is to be made by such other entity in accordance with the relevant Mantova Gas Service Contract.

“**Termination Value Payment(s) Account**” means a bank account held with Intesa Sanpaolo S.p.A. and opened by the Issuer in accordance with, and subject to, Condition 5.5 (*Termination Value Payment(s) Account*).

“**Termination Value Payment(s) Account Trigger Event**” means the circumstance where the amount held in the Termination Value Payment(s) Account is equal to or in excess of Euro ~~15,000,000~~ 12,000,000.

“**Total Assets**” means, at any time, in respect of any Relevant Period, the total assets of a relevant entity as shown in, or determined by reference to, its then latest audited separate financial statements.

Save as the context otherwise provides, any reference in these Conditions to a provision of law, decree or regulation is a reference to that provision as amended or re-enacted.

5. COVENANTS

5.1 Information covenants

For so long as any Notes remain outstanding, the Issuer will:

- (i) inform the Noteholders immediately by means of a notice given in accordance with Condition 13 (*Notices*) of the occurrence of any Event of Default;
- (ii) deliver the No Default Certificate to the Fiscal Agent on each Reporting Date;
- (iii) inform the Noteholders immediately by means of a notice given in accordance with Condition 13 (*Notices*) of the receipt of any Termination Value Payment due to the Issuer or any Subsidiary, as the case may be, pursuant to the relevant Mantova Gas Service Contract;
- (iv) no later than the Certification Date, deliver to the Fiscal Agent an electronic copy of the Issuer's annual IFRS consolidated financial statements translated into English. The Issuer shall ensure that each set of such annual IFRS consolidated financial statements is:
 - (a) audited by independent auditors; and
 - (b) accompanied by a Compliance Certificate.

So long as any of the Notes remains outstanding, the Issuer shall make such IFRS audited consolidated financial statements and the accompanying Compliance Certificate for the relevant Relevant Period available for inspection free of charge by any Noteholder on its website (www.teaspa.it), at its own registered office and at the Specified Office of the Fiscal Agent.

5.2 Financial Covenants

So long as any Note remains outstanding, the Issuer shall ensure that, as of each Determination Date:

- (i) its Net Financial Debt - Shareholders' Equity Ratio is no more than 1.5; and
- (ii) its Net Financial Debt – Consolidated EBITDA Ratio is no more than 4.6.

The financial ratios set out in this Condition 5.2 shall be tested as of each Determination Date following approval by the Issuer's shareholders' meeting (or equivalent body) of the Issuer's annual financial statements (consolidated, if available), so that the financial ratios will be tested once in each financial year based on the previous Relevant Period, as evidenced by the Compliance Certificate in relation to such Relevant Period delivered pursuant to Condition 5.1 (d) above and for the first time in respect of the 12-month period ending on (and including) 31 December 2017.

5.3 Listing

The Issuer shall, for so long as any Notes remain outstanding, use all reasonable endeavours to maintain a listing of the Notes on the regulated market of the Irish Stock Exchange or another regulated market on a stock exchange in the European Economic Area provided, however, that, if it is impracticable or unduly burdensome to maintain such admission, the Issuer shall use all reasonable endeavours to procure and maintain admission to trading of the Notes on a major securities market which is either a regulated market or a multilateral trading platform for the purposes of the Markets in Financial Instruments Directive 2004/39/EC situated or operating in the European Economic Area.

5.4 Accounting policies

The Issuer shall ensure that each set of IFRS consolidated financial statements delivered pursuant to Condition 5.1 is prepared using accounting policies, practices and procedures consistent with those applied in the preparation of the immediately preceding annual consolidated financial statements of the Issuer unless, in relation to any such set of consolidated financial statements, the Issuer provides the Fiscal Agent, for inspection by the Noteholders, with: (i) a description of any material changes in accounting policies, practices and procedures; (ii) sufficient information to make an accurate comparison between such consolidated financial statements and the previous consolidated financial statements; and (iii) sufficient information to enable Noteholders to determine whether Condition 5.2 (*Financial Covenants*) has been complied with.

5.5 Termination Value Payment(s) Account

- (a) If the Issuer receives any Termination Value Payment which is less than Euro ~~15,000,000~~ 12,000,000, the Issuer shall immediately open the Termination Value Payment(s) Account and deposit such Termination Value Payment on such account, which shall have the following characteristics: (i) the interest payable on such account shall not be less than the average rate of interest generally payable to Intesa Sanpaolo S.p.A.'s accountholders for escrow deposits (*depositi vincolati*) of equivalent amounts; and (ii) the Issuer may not withdraw or transfer any amounts out of such account until the occurrence of a Termination Value Payment(s) Account Trigger Event and a payment is made in accordance with paragraph (c) below.
- (b) Following the receipt of the initial Termination Value Payment and the opening of the Termination Value Payment(s) Account in accordance with paragraph (a) above, the Issuer (i) shall credit all subsequent Termination Value Payment(s) received on the Termination Value Payment(s) Account and (ii) may make any additional payments (different from Termination Value Payment(s)) into the Termination Value Payment(s) Account in order to procure the occurrence of a Termination Value Payment(s) Account Trigger Event.
- (c) Following the occurrence of a Termination Value Payment(s) Account Trigger Event, the Issuer shall utilise all the funds credited on the Termination Value

Payment(s) Account exclusively for the purpose of making a payment to the Paying Agent for the purpose of the early redemption of the Notes in accordance with Condition 8.4 (*Mandatory Redemption in case of Concession Event*).

6. INTEREST

6.1 Interest Rate and Interest Payment Dates

The Notes bear interest on their principal amount outstanding from and including the Issue Date at the following rates (each such rate, a “Rate of Interest”):

(a) for the period from (and including) the Issue Date to (but excluding) 7 June 2024, 2.30 per cent. per annum; and

(b) for the period thereafter, 5.00 per cent. per annum,

in each case, payable ~~annually~~ in arrear on ~~each~~ the relevant Interest Payment Date, subject as provided in Condition 7 (*Payments*).

The first payment (representing a full year’s interest) shall be made on 7 June 2018.

Interest in respect of any Note shall be calculated per Calculation Amount. The amount of interest payable per Calculation Amount for any Interest Period shall be ~~equal to the product of 2.30 per cent. and;~~

(i) for each Interest Period from (and including) the Issue Date to (but excluding) 7 June 2024, €23.00 per Calculation Amount;

(ii) for the Interest Period from (and including) 7 June 2024 to (but excluding) 7 June 2025, €50.00 per Calculation Amount; and

(iii) for the Interest Period from (and including) 7 June 2025 to (but excluding) the Maturity Date, €25.00 per Calculation Amount.

6.2 Interest Accrual

Each Note will cease to bear interest from and including its due date for final redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of payment. In such events, it shall continue to bear interest at the rate specified in Condition 6.1 (both before and after judgment) until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note are received by or on behalf of the relevant Noteholder; and
- (ii) the day falling seven calendar days after the Fiscal Agent has notified the Noteholders of receipt of all sums due in respect all Notes up to that seventh

calendar day (except to the extent that there is any subsequent default in payment in accordance with these Conditions) in accordance with Condition 13 (*Notices*).

6.3 Calculation of Broken Interest

When interest is required to be calculated in respect of any Note for a period which is ~~equal to or~~ shorter than an Interest Period, ~~the day count fraction used will be~~ it shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards) and multiplying such rounded figure by a fraction equal to the denomination of such Note divided by the Calculation Amount.

For the purposes of this Condition 6.3, the “Day Count Fraction” means (a) the actual number of days in the ~~relevant~~ period from and including the date from which interest begins to accrue (the “Accrual Date”) to but excluding the date on which it falls due, divided by (b) the actual number of days ~~in the Interest Period in which the relevant period falls (from and including the first such day~~ Accrual Date to but excluding the last)next following Interest Payment Date, such number to be multiplied by two where the Accrual Date is on or after 7 June 2025.

7. PAYMENTS

7.1 Payments in respect of Notes

Payments of principal and interest in respect of each Note, Receipt or Coupon will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Notes or the appropriate Receipt or the appropriate Coupons (as the case may be) at the Specified Office of any Paying Agent by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) maintained by the payee with a bank in a city in which banks have access to the TARGET System. Payments of principal or interest due in respect of any Note other than on presentation and surrender of matured Receipts or Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Note.

7.2 Payments subject to applicable laws

All payments in respect of principal and interest on the Notes made in accordance with these Conditions shall be subject to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 (*Taxation*)) any law implementing an intergovernmental approach thereto.

7.3 Surrender of unmatured Receipts and Coupons

Each Note should be presented for redemption together with all unmatured Receipts and Coupons relating to it, failing which the amount of any such missing unmatured Receipts and/or Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Receipts and/or Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender (or, in the case of part payment only, endorsement) of the relevant missing Receipts and/or Coupon at any time before the expiry of ten years after the Relevant Date in respect of the relevant Note (whether or not the relevant Receipts or Coupon would otherwise have become void pursuant to Condition 10 (*Prescription*)) or, if later, five years after the date on which the relevant Receipts or Coupon would have become due, but not thereafter.

7.4 Payments on a Business Day

A Note, Receipt or Coupon may only be presented for payment on a day which is a Business Day in the place of presentation (and, in the case of transfer to a Euro account, in a city in which banks have access to the TARGET System). If the due date for payment of any amount in respect of any Note, Receipt or Coupon is not a Business Day, the holder shall not be entitled to payment of the amount due until the next succeeding Business Day and no further interest or other payment will be made as a consequence of the day on which the relevant Note, Receipt or Coupon may be presented for payment under this Condition 7 falling after the due date.

7.5 Paying Agents

The initial Paying Agents and their initial Specified Offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent, appoint additional or other Paying Agents and appoint a successor fiscal agent, provided it will at all times maintain:

- (i) a Fiscal Agent; and
- (ii) for so long as the Notes are listed on any stock exchange or admitted to trading by any relevant authority, a Paying Agent (which may be the Fiscal Agent) having its Specified Office in such place as may be required by applicable laws and regulations or the rules and regulations of the relevant stock exchange.

Notice of any change in the Paying Agents or their Specified Offices will promptly be given to the Noteholders in accordance with Condition 13 (*Notices*).

7.6 Partial Payments

If a Paying Agent makes a partial payment in respect of any Note, Receipt or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

8. REDEMPTION AND PURCHASE

8.1 Redemption by Amortisation and Final Redemption

Unless previously redeemed, or purchased and cancelled as provided below, the Notes will be redeemed by the Issuer on each amortisation date specified in column A below (each an “**Amortisation Date**”, with the final Amortisation Date being the Maturity Date) in an aggregate principal amount equal to the amount specified in column B below (each an “**Amortisation Amount**”), subject as provided in Condition 7 (*Payments*).

The principal aggregate amount outstanding of the Notes shall be reduced, *pro rata* with respect to each outstanding Note, by the Amortisation Amount for all purposes with effect from the relevant Amortisation Date such that the aggregate principal amount outstanding of the Notes following such reduction shall be as specified in column C below, unless, upon due presentation of the relevant Note or Receipt, the payment of the relevant Amortisation Amount is improperly withheld or refused or unless default is otherwise made in respect of payment. In such events, Condition 6.2 (*Interest Accrual*) will apply. For the avoidance of doubt, any Amortisation Amount indicated in the table below shall be reduced *pro rata* by any amount of the Notes which is redeemed in accordance with Condition 8.3 (*Redemption at the Option of the Noteholders*).

Amortisation Date	Amortisation Amount (euro millions)	Aggregate Principal Amount Outstanding of the Notes thereafter (euro millions)
<u>Amortisation Date</u>		
7 June 2020	3	27
7 June 2021	5	22
7 June 2022	5	17
7 June 2023	5	12
7 June <u>December</u> <u>2024</u> <u>2025</u>	12	0

In these Conditions, references to “principal” shall, unless the context requires otherwise, be deemed to include any Amortisation Amount, references to the “due date” for payment shall, unless the context requires otherwise, be deemed to include any Amortisation Date and references to the “principal amount outstanding” of a Note on any date shall be to its original principal amount less (i) the aggregate of all principal payments made in respect of such Note in accordance with this Condition 8.1.

8.2 Redemption for Taxation Reasons

If:

- (i) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction, or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 31 May 2017, on the next Interest Payment Date the Issuer would be required to pay additional amounts as provided or referred to in Condition 9 (*Taxation*); and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

the Issuer may at its option, having given not less than 30 nor more than 60 days’ notice to the Noteholders in accordance with Condition 13 (*Notices*) (which notice shall be irrevocable), redeem all the Notes, but not some only, at any time at their principal amount outstanding together with interest accrued to but excluding the relevant date of redemption, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts, were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 8.2, the Issuer shall deliver to the Fiscal Agent to make available at its Specified Office to the Noteholders (i) a certificate signed by two Authorised Signatories of the Issuer stating the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem as described in this Condition 8.2 have occurred and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of the change or amendment.

8.3 Redemption at the Option of the Noteholders

If a Change of Control occurs, then the Noteholders shall have the option (a “**Change of Control Put Option**”) within 30 calendar days of a Change of Control Notice (as defined below) being given to the Noteholders (the “**Exercise Period**”) to give to the Issuer through a Paying Agent a Put Notice (as defined below) requiring the Issuer to redeem or purchase Notes held by such Noteholder on the Put Event Redemption Date (as defined below). The Issuer will, on such Put Event Redemption Date, redeem or repurchase at their principal amount outstanding, all, but not part only, of the Notes which are the subject of the Put

Notice, together with interest accrued and unpaid to but excluding the Put Event Redemption Date.

Promptly (and in any event within 20 Business Days) upon the Issuer becoming aware that a Change of Control has occurred, the Issuer shall give notice (a “**Change of Control Notice**”) to the Noteholders in accordance with Condition 13 (*Notices*), which notice shall (i) refer specifically to this Condition 8.3, (ii) describe in reasonable detail the event or circumstances resulting in the Change of Control, (iii) specify the Put Event Redemption Date and (iv) offer to redeem or purchase, on the Put Event Redemption Date, all Notes at their principal amount together with interest accrued thereon to the Put Event Redemption Date. For so long as the Notes are listed on the regulated market of the Irish Stock Exchange and the rules of such exchange so require, the Issuer shall also notify the Irish Stock Exchange promptly of any Change of Control. The Issuer shall redeem or purchase on the Put Event Redemption Date all of the Notes held by Noteholders that require the redemption at the price specified above. If any Noteholder does not require early redemption during the Exercise Period, such Noteholder shall be deemed to have waived its rights under this Condition 8.3 to require early redemption of all Notes held by such Noteholder in respect of such Change of Control but not in respect of any subsequent Change of Control.

To exercise the Change of Control Put Option provided in this Condition 8.3, the holder of the Notes must deliver at the Specified Office of any Paying Agent, on any Business Day during the Exercise Period, a duly signed and completed notice of exercise in the form (for the time being current and which may, if such Notes are held in a clearing system, be in any form acceptable to such clearing system and may be delivered in any manner acceptable to such clearing system) obtainable from the Specified Office of any Paying Agent (a “**Put Notice**”) and in which the holder must specify a bank account to which payment is to be made under this Condition 8.3 accompanied by such Notes or evidence satisfactory to the Paying Agent concerned that such Notes will, following the delivery of the Put Notice, be held to its order or under its control. Upon delivery of a Put Notice and up to and including the Put Event Redemption Date, no transfer of title to the Notes for which the Change of Control Put Option has been delivered will be allowed. A Put Notice given by a holder of any Note shall be irrevocable except where, prior to the Put Event Redemption Date, an Event of Default has occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the Put Notice.

8.4 Mandatory Redemption in case of Concession Event

Unless previously redeemed, or purchased and cancelled as provided in this Condition 8, upon the occurrence of the Concession Event, the Issuer will redeem ~~in part~~ the Notes ~~(including the relevant part of the principal amount outstanding, and~~ in an amount equal to the Mandatory Redemption Amount (together with any accrued and unpaid interest on ~~such part of the principal amount outstanding~~ Mandatory Redemption Amount until the date of such redemption) ~~in an amount equal to the Mandatory Redemption Amount~~, on a Business Day which falls no later than 20 Business Days after the occurrence of such a Concession Event (the “**Mandatory Redemption Date**”), in accordance with the provisions of

Condition 7 (*Payments*), provided that, ~~such~~ the Mandatory Redemption Date falls prior to 7 ~~June 2023~~ December 2024.

Immediately upon occurrence of the Concession Event, the Issuer shall give notice thereof to the Noteholders in accordance with Condition 13 (*Notices*), which notice shall (i) refer specifically to this Condition 8.4 and (ii) specify the Mandatory Redemption Date pursuant to this Condition 8.4.

In the case of a partial redemption of Notes provided for in this Condition 8.4 (*Mandatory Redemption in case of Concession Event*) the Notes to be redeemed ("**Redeemed Notes**") will be drawn by lot by the Fiscal Agent not more than 10 Business Days prior to the Mandatory Redemption Date (the "**Selection Date**").

A list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 (*Notices*) not less than 5 Business Days prior to the Mandatory Redemption Date. The aggregate nominal amount of Redeemed Notes represented by Definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of Definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the minimum denomination of the Notes, and the aggregate nominal amount of Redeemed Notes represented by a Global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the Mandatory Redemption Date and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 (*Notices*) at least five Business Days prior to the Selection Date. For the purposes of these Conditions:

"Change of Control" means the occurrence of any event or circumstance in which any Person or Persons acting in concert (in each case, other than one or more Permitted Holders), together with any of their Affiliates, has or gains control of the Issuer.

"Concession Event" means the occurrence of each of the following events:

- (i) the Mantova Gas Concessions are awarded to Persons different from the Issuer or any of its Subsidiaries following a competitive tender process; and
- (ii) a Termination Payment Event occurs.

"Control" means the power to (i) appoint or remove a majority of the directors of the Issuer or (ii) exercise more than 50% of the voting rights normally exercisable at the Issuer's ordinary and extraordinary shareholders' meetings.

"Mandatory Redemption Amount" means €~~15,000,000~~ 12,000,000.

"Permitted Holder(s)" means either (a) a Public Entity or (b) any Person who, either directly or indirectly through one or more intermediate Persons, is under the Control of one or more Public Entities at any time.

“Public Entity” means any municipality, province or consortium incorporated pursuant to Article 31 of Legislative Decree No. 267 of 18 August 2000, as amended which, on the Issue Date, either directly or indirectly through one or more intermediate Persons, holds an equity interest in the share capital of the Issuer.

“Put Event Redemption Date” means the date specified in the Put Event Notice, being a date not less than 30 nor more than 60 calendar days after the expiry of the Exercise Period.

8.5 No other redemption

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 8.1 to 8.4 above.

8.6 Purchases

The Issuer or any of its Subsidiaries may at any time purchase Notes in any manner and at any price, *provided that* all unmatured Receipts and Coupons appertaining to the Notes are purchased with such Notes).

8.7 Cancellations

All Notes which are (i) purchased by the Issuer or (ii) redeemed and any unmatured Receipts and Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold. Any Notes so purchased, while held by or on behalf of the Issuer or any of its Subsidiaries, shall not entitle the holder to vote at any meeting of Noteholders.

8.8 Final Notices

Upon the expiry of any notice as is referred in Conditions 8.2 and 8.3, the Issuer shall be bound to redeem the Notes to which the notice refers in accordance with the terms of such Conditions. If a notice of redemption is given by the Issuer pursuant to these Conditions and a Noteholder delivers a Put Notice pursuant to Condition 8.3, the first in time of such notices shall prevail.

9. TAXATION

9.1 Payment without Withholding

All payments of principal and interest in respect of the Notes, the Receipts and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders, the Receiptholders and Couponholders after such withholding or deduction shall equal the respective amounts of principal and interest which would have been received in respect of the Notes, the Receipts or the

Coupons in the absence of such withholding or deduction; except that no additional amounts shall be payable in respect of any Note, Receipt or Coupon:

- (i) presented for payment by, or by a third party on behalf of, the holder who is liable to such Taxes in respect of such Note, Receipt or Coupon by reason of it having some connection with the Relevant Jurisdiction other than a mere holding of the Note, the Receipt or the Coupon; or
- (ii) presented for payment in the Relevant Jurisdiction; or
- (iii) presented for payment by or on behalf of a holder of Notes, Receipts or Coupons who would have been able to avoid such withholding or deduction by making a declaration or any other statement, including but not limited to, a declaration of residence or non-residence, but fails to do so; or
- (iv) requested more than 30 days after the Relevant Date except to the extent that a holder of such Note, Receipt or Coupon would have been entitled to such additional amounts on presenting such payment Note, Receipt or Coupon for payment on the last day of the period of 30 days; or
- (v) in relation to any payment or deduction on principal, interest or other proceeds of any Note on account of *imposta sostitutiva* pursuant to Italian Legislative Decree No. 239 of 1 April 1996 (the “**Decree No. 239**”) or future similar law and any related implementing regulations (each as amended or supplemented from time to time); or
- (vi) in circumstances in which the formalities to obtain an exemption from *imposta sostitutiva* under Decree No. 239 have not been complied with, except where such formalities have not been complied with due to the actions or omissions of the Issuer or its agents; or
- (vii) 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 are paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Italian tax authorities.

9.2 Additional Amounts

Any reference in these Conditions to any amounts of principal and interest in respect of the Notes, the Receipts and the Coupons shall be deemed also to refer to any additional amounts which may be payable under this Condition 9.

10. PRESCRIPTION

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 7 (*Payments*) within a period of ten years in the

case of principal and five years in the case of interest from the appropriate Relevant Date, subject to provisions of Condition 7 (*Payments*).

11. REPLACEMENT OF NOTES, RECEIPTS AND COUPONS

If any Note, Receipt or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the Specified Office of the Fiscal Agent, subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes, Receipts or Coupons must be surrendered before replacements will be issued.

12. EVENTS OF DEFAULT

If any of the following events occurs:

- (i) *Non-payment*: if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of 5 Business Days in the case of principal or 7 Business Days in the case of interest; or
- (ii) *Breach of other obligations*: if the Issuer fails to perform or observe any of its other obligations or undertakings under these Conditions and (except in any case where the failure is incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 calendar days following the service by any Noteholder, either to the Issuer or to the Specified Office of the Fiscal Agent, of written notice addressed to the Issuer requiring the same to be remedied; or
- (iii) *Cross-default*: if (a) any Indebtedness of the Issuer or any of its Subsidiaries is declared (or is capable of being declared) to be due and repayable prior to its stated maturity by reason of any actual event of default (however described); or (b) the Issuer or any of its Subsidiaries fails to make any payment in respect of any Indebtedness on the due date for payment as extended by any applicable grace period; or (c) any Security Interest given by the Issuer or any of its Subsidiaries for any Indebtedness is (or becomes capable of being) enforced; provided that the aggregate amount of the Indebtedness, in respect of which one or more of the events mentioned in this paragraph (iii) have occurred individually or in the aggregate equals or exceeds Euro 7,000,000 (or its equivalent in any other currency); or
- (iv) *Winding up, etc.*: if an order is made by any competent court or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Material Subsidiaries save for the purposes of (a) a solvent reconstruction, amalgamation, reorganisation, merger or consolidation on terms

previously approved by an Extraordinary Resolution of the Noteholders, or (b) or pursuant to a Permitted Reorganisation; or

- (v) *Cessation of business*: if the Issuer or any of its Subsidiaries ceases or announces that it shall cease to carry on all or a Substantial Part of its business, otherwise than for the purposes of, or pursuant to, a Permitted Concession Handover or a Permitted Reorganisation; or
- (vi) *Insolvency/Composition*: if the Issuer or any of its Material Subsidiaries:
 - (a) is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due; or
 - (b) stops or suspends (or threatens to stop or suspend) payment of all or a part of, or admits in writing its inability to, its debts; or
 - (c) becomes subject to any liquidation, insolvency, composition, reorganisation or other similar proceedings or application is made for the appointment of an administrative or other receiver, administrator, liquidator or other similar official or an administrative or other receiver, administrator, liquidator or other similar official is appointed in relation to the Issuer or any of its Material Subsidiaries or, as the case may be, in relation to the whole or a Substantial Part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or a Substantial Part of the undertaking or assets of any of them; or
 - (d) proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or of a particular type of) its debts (or of any part which it will or it might otherwise be unable to pay when due); or
 - (e) proposes or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors in respect of any of such debts, or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries; or
- (vii) *Enforcement proceedings*: if a distress, attachment, execution or other legal process is levied or enforced on or against all or a Substantial Part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries and is not discharged or stayed within 90 calendar days; or
- (viii) *Unsatisfied judgment*: if one or more judgment(s) or order(s) for the payment of any amount in excess of Euro 7,000,000 million (or its equivalent in other currencies), whether individually or in aggregate, is rendered against the Issuer or any of its Subsidiaries, becomes enforceable in a jurisdiction where the Issuer or any of its Subsidiaries are incorporated and continue(s) unsatisfied and unstayed

for a period of 45 calendar days after the date(s) thereof or, if later, the date therein specified for payment; or

- (ix) *Unlawfulness*: if it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or any such obligations cease or will cease to be legal, valid, binding and enforceable; or
- (x) *Material litigation*: if any litigation, arbitration, administrative or regulatory proceeding or action or labour claim is commenced by or against the Issuer or any of its Subsidiaries or any of their respective assets which, if adversely determined, has or would be expected to have a Material Adverse Effect; or
- (xi) *Analogous event*: if any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in this Condition;

then any Note may, by written notice addressed by the holder thereof to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further action or formality.

In these Conditions:

“Permitted Reorganisation” means,

- (i) in the case of any Subsidiary, any reorganisation, amalgamation, merger, demerger, consolidation, contribution in kind or restructuring or other similar transaction, in each case whilst solvent whereby a Substantial Part of the assets and undertaking of such Subsidiary are transferred, sold, contributed, assigned or otherwise vested in the Issuer and/or another Subsidiary of the Issuer; or
- (ii) in the case of the Issuer, any reorganisation, amalgamation, merger, demerger, consolidation, contribution in kind or restructuring or other similar transaction, in each case whilst solvent whereby all or substantially all of the Issuer’s assets and undertaking are transferred, sold, contributed, assigned or otherwise vested in a body corporate that is in good standing, validly organised and existing under the laws of the Republic of Italy, and such body corporate (A) assumes as principal debtor in respect of the Notes and (B) continues to carry on all or substantially all of the business of the Issuer; or
- (iii) any reorganisation, amalgamation, merger, demerger, consolidation, contribution in kind or restructuring whilst solvent or other similar arrangement on terms previously approved by an Extraordinary Resolution.

13. NOTICES

Notices to Noteholders will be valid if published in a reputable leading English language daily newspaper published in London with an international circulation (which is expected to be the Financial Times) and (so long as the Notes are listed on a securities market of the Irish Stock Exchange and it is a requirement of applicable laws and regulations or the rules of the Irish Stock Exchange) a leading newspaper having general circulation in the Republic of Ireland or on the website of the Irish Stock Exchange (*www.ise.ie*) or, if such publication shall not be practicable, in an leading English language daily newspaper of general circulation in Europe (which is expected to be the Financial Times). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, the first date on which publication is made. Receiptholders and Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Condition 13.

14. MEETING OF NOTEHOLDERS, NOTEHOLDERS' REPRESENTATIVE; MODIFICATION

14.1 Meetings of Noteholders

Subject to compliance with mandatory provisions of Italian law applicable from time to time, the Fiscal Agency Agreement contains provisions for convening meetings of Noteholders to consider any matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, Receipts or Coupons.

All meetings of the Noteholders will be held in accordance with applicable provisions of Italian law in force at the time. The Issuer (through its board of directors (*consiglio di amministrazione*) or, as the case may be, its management boards (*consiglio di gestione*)) or the Noteholders' Representative may convene a meeting of Noteholders at any time at their discretion and the Issuer and the Noteholders' Representative shall be obliged to do so upon request in writing of the Noteholders holding at least one-twentieth of the aggregate principal amount of the Notes for the time being outstanding.

A meeting of Noteholders will be validly held (i) in case of initial meeting, if there are one or more eligible voters present that hold or represent holders of at least 60 per cent. of the aggregate principal amount of the outstanding Notes, and (ii) in case of any adjourned meeting, if there are one or more eligible voters present that hold or represent holders of at least 51 per cent. of the aggregate principal amount of the outstanding Notes; provided, however, that the Issuer's by-laws may provide for different (including higher) quorums (to the extent permitted under Italian law). Unless a different majority is required pursuant to the Issuer's by laws, as in force from time to time, and the relevant Italian laws and regulation, including Articles 2415, 2369, paragraph 3 of the Italian Civil Code, as in force and interpreted from time to time, the majority required to pass a resolution will be: (i) in case of initial meeting, one or more eligible voters that hold or represent holders of at least 60 per cent. of the aggregate principal amount of the outstanding Notes, and (ii) in case of any adjourned meeting, one or more eligible voters that hold or represent holders of at least 51 per cent. of the aggregate principal amount of the outstanding Notes.

Certain proposals listed in the Fiscal Agency Agreement (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons) may only be sanctioned by a resolution passed at a meeting (including adjourned meetings as provided under Article 2415 of the Italian Civil Code) of Noteholders by one or more persons holding or representing not less than one half of the aggregate principal amount of the Notes for the time being outstanding (or the different majority provided by the relevant Italian laws governing the passing of such proposals in force from time to time), in case the Issuer's by laws, as in force from time to time, provides for lower majorities.

Officers and statutory auditors of the Issuer shall be entitled to attend the Noteholders' meetings but not participate or vote with reference to the Notes held by the Issuer. Any resolution duly passed at any such meeting shall be binding on all the Noteholders and on all Receiptholders and Couponholders, whether or not they are present at the meeting or voted in favour or against the resolution.

14.2 Noteholders' Representative

Pursuant to Articles 2415 and 2417 of the Italian Civil Code, a representative of the Noteholders (*rappresentante comune* or the “**Noteholders' Representative**”) may be appointed, *inter alia*, to represent the interests of Noteholders, such appointment to be made by an Extraordinary Resolution or by an order of a competent court at the request of one or more Noteholders or the Issuer. Each such Noteholders' Representative shall have the powers and duties set out in Article 2418 of the Italian Civil Code.

14.3 Modification

The Notes, the Receipts, the Coupons and these Conditions may be amended without the consent of the Noteholders, the Receiptholders or the Couponholders to correct a manifest error. In addition, the parties to the Fiscal Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error and it is not materially prejudicial to the interests of the Noteholders. In addition, the parties to the Fiscal Agency Agreement may agree, without the consent of the Noteholders, to modify any provision thereof in order to comply with mandatory laws, legislation, rules and regulations of the Republic of Italy applicable to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution.

15. ROUNDING

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions), all figures resulting from such calculations will be rounded, if necessary, to the nearest euro cent (with half a euro cent being rounded upwards).

16. FURTHER ISSUES

The Issuer may from time to time, provided that the Noteholders provide their consent pursuant to an Extraordinary Resolution and in accordance with the Fiscal Agency Agreement, create and issue further notes having the same terms and conditions as those of the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding Notes, or upon such terms as the Issuer may determine at the time of their issue.

17. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

18.1 Governing Law

The Fiscal Agency Agreement, the Deed of Covenant, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Fiscal Agency Agreement, the Deed of Covenant, the Notes, the Receipts and the Coupons are governed by, and construed in accordance with, English law. Condition 14 (*Meetings of Noteholders, Noteholders' Representative; Modification*) and the provisions of the Fiscal Agency Agreement concerning the meetings of Noteholders are subject to compliance with mandatory provisions of Italian law.

18.2 Submission to Jurisdiction

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes, the Receipts or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Notes, the Receipts or the Coupons (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This Condition 18.2 is for the benefit of each of the Noteholders, Receiptholders and Couponholders and shall not limit the right of any of them, to the extent this is allowed by law, to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

18.3 Agent for Service of Process

The Issuer irrevocably appoints Law Debenture Corporate Services Limited, whose registered office is at [8th Floor, 100 Wood Street Bishopsgate](#), London EC2V 7EX ~~N 4AG~~, as its agent in England to receive service of process in any Proceedings in England based on any of the Notes, the Receipts or the Coupons. If for any reason the Issuer does not have

such an agent in England, it will promptly appoint a substitute process agent and notify the Noteholders of such appointment in accordance with Condition 13 (*Notices*). The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.