

TERMS AND CONDITIONS OF THE NOTES

ISSUED BY

AEDES SIIQ S.P.A.

(incorporated as a società per azioni under the laws of Italy and subject to the direction and coordination (direzione e coordinamento) of Augusto S.p.A.)

€45,000,000 Secured Floating Rate Notes due 29 December 2022

Issue Price: 100 per cent.

ISIN Code: IT0005431231

*The following is the text of the terms and conditions (the “**Conditions**” or the “**Terms and Conditions**”) which will apply to the Notes issued by Aedes SIIQ S.p.A., with registered office at Via Tortona 37, Milan, and registered with the Companies Register of Milan, Monza-Brianza e Lodi under number 09721360965 (the “**Issuer**”), on 29 December 2020 (the “**Issue Date**”), pursuant to articles 2410 and following of the Civil Code.*

The corporate purposes of the Issuer are the acquisition, development, management, ownership, operation and sale of real estate assets pursuant to “SIIQ” model and requirements under any applicable law.

The Issuer’s share capital is equal to Euro 212.000.067,31, fully paid in, divided into No. 40.030.397 shares, without par value and the reserves are equal to Euro 52.442.554,720.

The €45,000,000 Secured Floating Rate Notes due 29 December 2022 (the “**Notes**”) of the Issuer (a) are subject to an agency agreement dated 29 (as amended or supplemented from time to time, the “**Agency Agreement**”) between, *inter alios*, the Issuer, Banca Finanziaria Internazionale S.p.A., as security agent (the “**Security Agent**”), Banca Finanziaria Internazionale S.p.A., as paying agent (the “**Paying Agent**”, which expression includes any successor paying agent appointed from time to time in connection with the Notes), and Banca Finanziaria Internazionale S.p.A., as calculation agent (the “**Calculation Agent**”, which expression includes any successor calculation agent appointed from time to time in connection with the Notes). The Paying Agent and the Calculation Agent are together referred to herein as the “**Agents**” and any reference to an “**Agent**” is to any one of them.

The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on 17 December 2020, notarised by Public Notary Stefano Rampolla (*repertorio* No. 64919, *raccolta* No. 17877) and registered with the Companies Register of *Milano-Monza-Brianza-Lodi* on 18 December 2020. In said determination, the board of directors have elected, pursuant to Article 20-*bis* of the Presidential Decree No. 601 of 29 September 1973, for the application of the substitutive tax regime provided for by Article 15 and ff. of such Presidential Decree No. 601 of 29 September 1973 (the “**Substitutive Tax**”). Accordingly, the Notes and Transaction Security Document will be exempt from registration, cadastral, and mortgage taxes, stamp duty as well as tax on governmental concessions.

The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of, and definitions in, the Agency Agreement and the other Finance Documents. Copies of the Agency Agreement are available for inspection upon reasonable notice and during normal business hours by the Noteholders at the specified office of each of the Agents. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement and the other Finance Documents applicable to them. References in these Terms and Conditions to the Paying Agent and the Calculation Agent shall include any successor appointed under the Agency Agreement.

1. DEFINITIONS AND INTERPRETATION

Terms otherwise used but not defined herein shall have the same meaning as defined in the Agency Agreement.

1.1 Interpretation

“**Acceleration Notice**” has the meaning given to that term in Condition 16 (*Events of Default*).

“**Acceptable Bank**” means a bank or financial institution which has a rating for its long-term unsecured and non-credit-enhanced debt obligations of A or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or A2 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised credit rating agency.

“**Accounting Principles**” means IFRS.

“**Account Bank**” means Banca Finint S.p.A. (which expression includes any successor account bank appointed from time to time).

“**Affiliate**” means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

“**Agency Agreement**” means the agreement dated the Issue Date pursuant to which the Issuer has appointed the Security Agent, the Paying Agent and the Calculation Agent to perform the services described therein.

“**Agreement for Lease**” means an agreement to grant an Occupational Lease for all or part of any Property (including, without limitations, the Milan Lease Agreement).

“**Allocated Loan Amount**” means, with respect to each Property, the amount set opposite that Property in Annex 2 (*The Properties*) of this Agreement.

“**Anti-Corruption Laws**” means:

- (a) the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions of 1997 (the “**OECD Convention**”);
- (b) the Foreign Corrupt Practices Act of 1977 of the United States of America, as amended by the Foreign Corrupt Practices Act Amendments of 1988 and 1998, and as may be further amended and supplemented from time to time (the “**FCPA**”);
- (c) the Criminal Law Convention Against Corruption of the Council of Europe;
- (d) the UN Convention Against Corruption 2003;
- (e) the UK Bribery Act 2010;
- (f) any other law (including any (i) statute, ordinance, rule, regulation or guidance; (ii) order of any court, tribunal or any other judicial body; and (iii) rule, regulation, guideline or order of any public body, or any other administrative requirement), applicable to any member of the Group, which is broadly equivalent to the FCPA and/or the UK Bribery Act 2010 or was intended to enact the provisions of the OECD Convention or which has as its objective the prevention of corruption, bribery or fraud.

“**Appointment Letter**” means the appointment letter executed on the Issue Date by the Issuer, the Security Agent and the Initial Noteholder, pursuant to which Finanziaria Internazionale S.p.A. accepts its appointment as Security Agent and representative of the Noteholders pursuant to article 2414-bis of the Civil Code.

“**Asset Manager**” means any asset manager appointed by the Issuer in respect of each Property or the Issuer itself.

“**Auditors**” means the auditors of the Issuer appointed from time to time:

- (a) at the Issue Date, Deloitte; or

- (b) any of EY, PwC, KPMG and Deloitte; or
- (c) any other reputable firm of auditors as may be appointed as the auditors of the Issuer appointed from time to time.

“**Augusto**” means Augusto S.p.A., a company whose registered office is in Milan, via Tortona 37, and VAT, fiscal code is 08863710961, and registration in the Company's Trade Register of Milan, Monza-Brianza, Lodi under number 2053931.

“**Authorisation**” means any authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“**Authorised Denominations**” means denominations of €100,000 and integral multiples of €100,000 in excess of that amount.

“**Banca Finanziaria Internazionale S.p.A.**” means a bank incorporated under the laws of the Republic of Italy as a *società per azioni*, with a sole shareholder, having its registered office in via V. Alfieri, 1, 31015, Conegliano (TV), Italy, share capital of euro 71,817,500.00 fully paid-up, tax code and enrolment in the companies' register of Treviso – Belluno number 04040580963, VAT Group “Gruppo IVA Finint S.p.A.” - VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the Register of the Banking groups as Parent Company of the Banca Finanziaria Internazionale Banking Group, member of the “*Fondo Interbancario di Tutela dei Depositi*” and of the “*Fondo Nazionale di Garanzia*”.

“**Bank Account(s)**” means each of the Rent Account, the Deposit Account, the Finance Account and the General Account and any other bank account opened by the Issuer in accordance with Condition 10 (*Bank Accounts*).

“**Banking Act**” means the Legislative Decree No. 385 of 1 September 1993, as amended from time to time.

“**Bankruptcy Law**” means the Royal Decree No. 267 of 16 March 1942, as amended from time to time and any similar law in any applicable jurisdiction.

“**Break Costs**” means the amount (if any) by which:

- (a) the interest (net of Margin) which a Noteholder should have received for the period from the date of receipt of all or any part of the Principal Amount Outstanding of the Notes held by such Noteholder or Unpaid Sum to the last day of the current Interest Period in respect of such Notes or Unpaid Sum, had such principal amount or Unpaid Sum received been paid on the last day of that Interest Period.

exceeds:

- (b) the amount which that Noteholder would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Eurozone Interbank Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

“**Building and Cadastral Requirements**” means, in relation to each Property, completion of: (i) all legal and technical building and cadastral requirements which must be satisfied with under applicable laws in order to validly transfer that Property, and (ii) all other fundamental or material customary legal and technical building and cadastral requirements which a prudent third-party purchaser would either require that they be satisfied as a condition to purchasing that Property or would require representations, warranties and indemnities from the seller confirming that such requirements have been satisfied as a condition to purchasing that Property.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in Milan and Luxembourg and which is a TARGET Day.

“**Business Plan**” means:

- (a) the business and financial plan approved by the board of directors of the Issuer on 2 September 2020 aimed at strengthening its financial and economic position whose milestones are, inter alia, (i) a capital increase from its shareholders for Euro 50.000.000; (ii) a plan for asset disposals (including, among others, of the real estate assets securing the Notes, and (iii) the assumption of new financing instruments from the market, as updated and amended from time to time;
- (b) the business plan connected to the Properties agreed with the Noteholders.

“**Calculation Date**” means the date falling three Business Days prior to an Interest Payment Date.

“**Change of Control**” means the occurrence of one or more of the following circumstances:

- (a) Augusto ceasing to legally and beneficially directly or indirectly own and control at least 30 per cent. of the shares in the Issuer;
- (b) any shareholder (or shareholders acting in concert) other than Augusto acquiring the control (including among others joint control) of the Issuer pursuant to Article 2359, par. 1 n. 1 or n. 2, of the Civil Code and/or by Article 93 of the Italian Finance Act, as amended from time to time;
- (c) any shareholder (or shareholders acting in concert), other than Augusto, acquiring a share participation in the Issuer higher than the one owned by Augusto and/or become obliged to launch a mandatory tender offer over the shares of the Issuer; and/or
- (d) Augusto ceasing to be able to appoint and remove directly or indirectly the majority of the directors or other equivalent officers of the Issuer; and/or
- (e) the Issuer ceasing to legally and beneficially directly or indirectly own and control at least 33.33 per cent. of the shares in Efir.

For the above purposes “**acting in concert**” has the meaning given to the expression “*persone che agiscono di concerto*” under Article 101-bis, section 4 and ff., of the D.lgs. no. 58/98, as amended or integrated from time to time, or under any law provision replacing the above one.

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

“**Code**” means the US Internal Revenue Code of 1986.

“**Commitment Letter**” means the commitment letter executed on 17 December 2020 between the Issuer and the initial subscriber of the Notes.

“**Compensation Prepayment Proceeds**” means the proceeds of all compensation and damages received by the Issuer for the compulsory purchase, expropriation, of, or any blight or disturbance affecting, any Property in full or in part.

“**Compliance Certificate**” means a certificate substantially in the form set out in Annex 1 (*Form of Compliance Certificate*) to these Conditions.

“**Conflicted Affiliate**” means any shareholder of the Issuer and/or any Affiliate thereof.

“**CONSOB**” means the *Commissione Nazionale per le Società e la Borsa*.

“**Construction Agreement**” means any agreement entered into by the Issuer from time to time

with respect to the construction and/or maintenance and/or service of any Property.

“**Construction Agreement Prepayment Proceeds**” means any proceed, indemnity and/or other payment paid in favour of the Issuer (including without limitation by any guarantor of the relevant Construction Agreement) in relation to any Construction Agreement.

“**CU**” means the town-planning agreements (*convenzioni urbanistiche*) relating to any Property with the relevant municipality (*Comune*).

“**Cultural Assets Law**” means the Legislative Decree 22 January 2004 n. 42, as amended from time to time.

“**Dante Fund**” means the investment fund named “*Dante Retail*” managed by Blue SGR S.p.A. (formerly Sator Immobiliare SGR S.p.A. and Aedes Real Estate SGR S.p.A.).

“**Decree 239**” means Legislative Decree No. 239 of 1 April 1996, as amended from time to time.

“**Default**” means an Event of Default or any event or circumstance specified in Condition 16 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

“**Deposit Account**” has the meaning given to it in Condition 10.1 (*Designation of Accounts*).

“**Disruption Event**” means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Notes (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Noteholders, the Paying Agent or the Issuer; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Noteholders, the Paying Agent or the Issuer preventing that, or any other Noteholders, the Paying Agent or the Issuer (as applicable):
 - (i) from performing its payment obligations under the Notes; or
 - (ii) from communicating with other Noteholders, the Paying Agent or the Issuer (as applicable) in accordance with the terms of the Notes,

and which (in either such case) is not caused by, and is beyond the control of, the Noteholders, the Paying Agent or the Issuer whose operations are disrupted.

“**Efir**” means Efir S.à.r.l., a company incorporated under the laws of Luxembourg, in the form of a société à responsabilité limitée having its registered office at 5 Allée Scheffer L - 2520 Luxembourg, Grand Duchy of Luxembourg.

“**Efir Shares**” means the number of shares directly owned by the Issuer in Efir from time to time.

“**Environment**” means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including, without limitation, land under water).

“**Environmental Claim**” means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

“**Environmental Law**” means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

“**Environmental Permits**” means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Issuer conducted on or from the properties owned or used by the Issuer.

“**Environmental Report**” means the report related to the environmental analysis made by Tauw Italia S.r.l. dated 24 November 2020.

“**EURIBOR**” means:

- (a) the Screen Rate as of the Specified Time for euro and for a period equal in length to the relevant Interest Period; or
- (b) as otherwise determined pursuant to Condition 12.6 (*Unavailability of Screen Rate*),

and if, in either case, that rate is less than zero, EURIBOR shall be deemed to be zero.

“**Event of Default**” means any event or circumstance specified as such in Condition 16 (*Events of Default*).

“**Excess Cashflow**” has the meaning given to it in Condition 10.4 (*Finance Account*).

“**Existing Bond**” means the Euro 30,000,000.00 bond issued by the Issuer due 20 December 2020.

“**Existing Facility Agreements**” means:

- (a) the Facility Agreement dated 5 November 2018 and made between, amongst other, the Issuer as borrower and Banco BPM S.p.A. as or original lender, facility agent and mandated lead arranger as amended and restated from time to time;
- (b) the Facility Agreement dated 23 September 2019 and made between, amongst other, the Issuer as borrower and Banca di Cividale S.c.p.a. as or original lender, facility agent and mandated lead arranger as amended and restated from time to time.

“**Existing Shareholder Loans**” means the loans made to the Issuer by Augusto on 28 June 2019 and 13 December 2019 for an outstanding amount of Euro 25,562,076.39 (plus accrued interest) and in relation of which the Issuer received the commitment of Augusto to convert the Subordinated Debt into share capital by the way of subscription of the pro-rata capital increase for an amount of Euro 50.000.000 already approved by the shareholders’ meeting of the Issuer at the Issue Date.

“**Exit Fee**” means, upon repayment or early redemption of any principal amount of the Notes, 0.50% on the principal amount of the Notes so repaid or redeemed.

“**Extraordinary Resolution**” means a resolution passed at a meeting of Noteholders (whether originally convened or resumed following an adjournment) duly convened and held in accordance with the Civil Code and the Issuer’s by-laws.

“**Fallback Interest Period**” means 3 months.

“**Fee Letters**” means the fee letters entered into by the Issuer and other counterparties in connection with the issue of the Notes.

“**Final Maturity Date**” means 29 December 2022.

“**Final Notarial Report**” means the 20-year notarial report in respect of the Properties to be provided to the Noteholders issued by Stefano Rampolla notary public in Milan, confirming all the contents of the Initial Notarial Report, except for the substantial first ranking mortgages (*ipoteca di primo grado sostanziale*) over the Properties as security for the Notes having been duly registered (*iscritti*) with the competent registry.

“**Finance Account**” has the meaning given to it in Condition 10.1 (*Designation of Accounts*).

“**Finance Document**” means:

- (a) the Subscription Agreement, these Terms and Conditions and the Commitment Letter;
- (b) any Transaction Security Document;
- (c) the Appointment Letter;
- (d) the Subordination Agreement and any further subordination agreement in relation to a Subordinated Debt (if any);
- (e) any Fee Letter;
- (f) the Agency Agreement;
- (g) any Note;
- (h) any Compliance Certificate; and
- (i) any other document designated as such by the Noteholders and the Issuer.

“**Finance Party**” means the Subscribers, the Noteholders, the Security Agent, the Paying Agent, the Calculation Agent and/or any other Agent.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition which has the commercial effect of a borrowing;
- (g) any derivative transaction, rather than the acquisition of cap instruments with payment upfront, entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the

marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution, being clarified that no double counting shall be taken into consideration; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h), being clarified that no double counting shall be taken into consideration.

“Funds Flow Statement” means a funds flow statement in agreed form with the Noteholders evidencing cash movement at the Issue Date (including, but not limited, the payment of the Notes in the Payment Account, the transfer from the Payment Account to the Rent Account of any proceeds of the Notes not used at the Issue Date for the repayment of the Existing Facility Agreements, the payment of the Transaction Costs at the Issue Date, the repayment of the Existing Bond by 31 December 2020, the repayment of the Existing Facility Agreements at the Issue Date, the expected transfer of cash amounts on the Rent Account and the Finance Account set out in Condition 10 (*Bank Accounts*)).

“General Account” has the meaning given to it in Condition 10.1 (*Designation of Accounts*).

“Group” means the Issuer and its Subsidiaries from time to time.

“Group Structure Chart” means the group structure chart in the agreed form.

“Historic Screen Rate” means, in relation to the Notes, the most recent Screen Rate for the currency of the Notes and for a period equal in length to the relevant Interest Period and which is as of a day which is no more than five (5) days before the Quotation Day.

“Holding Company” means, in relation to a person, any other person in respect of which it is a Subsidiary.

“IFRS” means the International Financial Reporting Standards as adopted by the European Union, to the extent applicable to the relevant financial statements.

“IMU” means the *imposta municipale propria* provided for by Article 13 of Law Decree n. 201 of 6 December 2011, as subsequently amended (an Italian municipal tax due on the ownership of real estate).

“Initial Noteholders” means Noteholders of the Notes on the Issue Date.

“Initial Notarial Report” means the 20-year notarial report relating to the Properties located in Milan prepared by Stefano Rampolla, notary public in Milan dated one Business Day in advance to the Issue Date and the 20-year notarial report to the Veneziani Property prepared by Ruben Israel, notary public in Milan dated one Business Day in advance to the Issue Date.

“Initial Valuation” means the Valuation of the Properties dated 30 June 2020 produced by Duff&Phelps - Real Estate Advisory Group at the request of (and addressed to) the Finance Parties and valuing the Properties and carried out on a “market value” basis (as defined in the then current RICS Valuation – Professional Standards ('Red Book') issued by the Royal Institution of Chartered Surveyors (or its successors)).

“Insurance Prepayment Proceeds” means any proceeds of Insurances received by the Issuer which are required to be paid into the Deposit Account in accordance with Condition 10.5 (*Deposit Account*) (excluding, for the avoidance of doubt, any sum referred to in Conditions 9.8(h)(ii), 9.8(h)(iii) and 9.8(h)(iv) (*Insurances*)).

“**Insurances**” means any contract of insurance required pursuant to Condition 9.8 (*Insurances*).

“**Interest Payment Date**” means 31 March, 30 June, 30 September and 31 December in each year and the Final Maturity Date.

“**Interest Period**” means, in relation to the Notes, each period determined in accordance with Condition 12.5 (*Interest Period*) and, in relation to an Unpaid Sum, each period determined in accordance with Condition 12.3 (*Default Interest*).

“**Interpolated Historic Screen Rate**” means, in relation to the Notes, 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 most recent Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of the Notes; and
- (b) the most recent Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of the Notes,

each for euro and each of which is as of a day which is no more than five (5) days before the Quotation Day.

“**Interpolated Screen Rate**” means, in relation to EURIBOR, 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 Screen Rate for the longest period (for which that Screen Rate is available) which is less than the relevant Interest Period; and
- (b) the Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the relevant Interest Period,

each as of the Specified Time for euro.

“**Issue Date**” means 29 December 2020.

“**Issuer Debt to Value Ratio**” means, at any reference date falling on 30 June or 31 December of each year, the aggregate of the Financial Indebtedness of the Issuer as indicated in the Issuer’s financial statement, expressed as a percentage of the market value of all the real estate assets of the Issuer (determined in accordance with the most recent valuation report at the above applicable reference date issued by an independent expert appointed by the Issuer pursuant to any applicable law including the pro-rata net asset value in any Subsidiary and or company participated by the Issuer).

“**Italian Finance Act**” means the Legislative Decree No. 58 of 24 February 1998, as amended from time to time.

“**Joint Resolution**” means the regulation adopted on August 13, 2018 jointly by Bank of Italy and CONSOB on, *inter alia*, clearing services.

“**Lease Document**” means:

- (a) an Agreement for Lease;
- (b) an Occupational Lease; or
- (c) any other document designated in writing as such by the Noteholders and the Issuer.

“**Lease Prepayment Proceeds**” means any premium or other amount paid to the Issuer (including any payment made by a Tenant’s guarantor) in respect of any agreement to enter into, amend,

supplement, extend, waive, surrender or release a Lease Document.

“**Lease Termination**” means any break, determination or termination of any Occupational Lease.

“**Loss Payee Clause**” means a loss payee clause in the form of Annex 3 (*Loss Payee Clause*).

“**Make Whole Premium**” means, in respect of any redemption of the Notes, an amount (calculated by the Calculation Agent) equal to 12 months interest (calculated pursuant to Clause 12.1 below) on any principal amount of the Notes so redeemed in the first 12 months from the Issue Date after deducting the pro-rata portion of any interest payments actually received by the Noteholders in respect of the principal amount of the Notes prepaid in such 12 months period. For the clarity sake, the Issuer shall never pay more than 12 months interest on the Notes redeemed within 12 months from the Issue Date.

“**Margin**” means the aggregate of 12 per cent. per annum.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the business, operations, property, condition (financial or otherwise) or prospects of the Issuer, the Group, Efir and/or the Dante Fund taken as a whole;
- (b) the ability of the Issuer to perform its obligations under the Finance Documents; or
- (c) the validity or enforceability of, or the effectiveness or ranking of any Security granted or purported to be granted pursuant to any of, the Finance Documents.

“**Material Breach**” means, in relation to any Occupational Lease, a breach of its terms by the Tenant as a result of a failure to pay Rental Income or any change of use of any of the Properties which in either case permits the Issuer to terminate the Occupational Lease pursuant to the terms of that Occupational Lease and applicable law.

“**Milan Lease Agreement**” means the lease agreement entered into between the Issuer and WPP Marketing Communications S.r.l. on 27 February 2018, as amended and integrated from time to time.

“**Monte Titoli**” means Monte Titoli S.p.A.

“**Monte Titoli Account Holders**” means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli.

“**Net Sale Proceeds**” means the cash received by the Issuer in connection with the sale, transfer or other disposal by the Issuer of any Property or asset subject to Transaction Security, after deducting:

- (a) fees and transaction costs properly reasonable incurred and duly documented in connection with that sale, transfer or disposal; and
- (b) Taxes paid or reasonably estimated by the Issuer to be payable (as certified by the Issuer to the Lenders) as a result of that sale, transfer or disposal.

“**Net Rental Income**” means Rental Income other than Tenant Contributions.

“**Noteholder**” means, in respect of a Note, the beneficial owner of such Note.

“**Noteholders' Representative**” means a person appointed, *inter alia*, to represent the interests of the Noteholders (*rappresentante comune*) by a meeting of the Noteholders or by a decree of the competent Court at the request of one or more Noteholders or at the request of the Directors of the Issuer, as provided for in Articles 2415, 2417 and 2018 of the Civil Code.

“**Occupational Lease**” means any lease or licence or other right of occupation or right to receive rent to which any Property may at any time be subject and includes any guarantee of a Tenant's

obligations under the same.

“**Original Financial Statements**” means in relation to the Issuer, its audited financial statements for the financial semester ended 30 June 2020.

“**Participating Member State**” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“**Paying Agent**” means the paying agent appointed by the Issuer in relation to the Notes.

“**Payment Account**” means the account IBAN no. IT28G0503401647000000083382 opened by the Issuer with Banco BPM.

“**Permitted Equity Injection**” means the net proceeds of any equity injection received by the Issuer pursuant to either:

- (a) a Permitted Share Issue by the Issuer; or
- (b) Subordinated Debt made available to the Issuer,

to the extent not causing a Change of Control.

“**Permitted Financial Indebtedness**” means:

- (i) (A) until the Issue Date, any Financial Indebtedness of the Issuer arising from the Existing Facility Agreements and (B) until 31 December 2020, any Financial Indebtedness of the Issuer arising from the Existing Bond;
- (ii) the further existing Financial Indebtedness of the Issuer (other than those listed in item (i) above) outstanding at the Issue Date as communicated to the market by the Issuer in compliance to any applicable law and its refinancing (up to the amount actually refinanced);
- (iii) any further Financial Indebtedness to the extent the incurrence of such Financial Indebtedness (A) on a proforma basis, does not cause the financial covenants set out in Condition 7 below be breached on the immediate precedent Reference Date and (B) is consistent with the medium-long term assumptions and targets of original Business Plan (as defined in item (a) of the related definition set out above) and is likely not to affect such medium-long term assumptions and targets,

provided that any shareholder loan granted directly or indirectly to the Issuer is a Subordinated Debt.

“**Permitted Operating Expenses**” means payments made strictly in relation of the Properties in respect of (i) any other operating costs which the Issuer will have to bear in relation to the management of any Property, (ii) any ordinary maintenance costs and, exclusively to the extent expressly indicated in the Milan Lease Agreement as at the Issue Date, the extraordinary capital expenditures; (iii) premia and other amounts due under any Insurances, provided that the aggregate amount of payments from (i) to (iii) above together may not exceed for each Property in each financial year of the Issuer the amount of operating expenses estimated for such Property under the original Business Plan (set out in let. (b) of the respective definition of “Business Plan” here above) and provided further that overheads and personnel costs are not included in the “Permitted Operating Expenses”.

“**Permitted Share Issue**” means an issue of shares by the Issuer that does not cause a Change of Control.

“Permitted Security” means (a) prior to the Issue Date, the Security created by the Issuer in order to secure all of its obligations arising under the Existing Facility Agreements, (b) with respect to the Properties and the other assets subject to Transaction Security, the other third party rights indicated in the Initial Notarial Report, (c) any Security, to the extent existent or created over any asset other than the Properties and the other assets subject to Transaction Security and the units of the Dante Fund, provided or deriving from any applicable law but not by breach thereof, (d) any Security created over any asset other than the Properties, the other assets subject to Transaction Security and the units of the Dante Fund, in relation to any Permitted Financial Indebtedness and (e) any further Security reasonably created, over any asset other than the Properties, the other assets subject to Transaction Security and the units of the Dante Fund, by the Issuer in relation to any financial indebtedness of any of its Subsidiary or participated company.

“Permitted Tax Payments” means payments to be made strictly in relation to the Properties in respect of (i) VAT due to the competent tax authority in an amount not exceeding the VAT due on such date as VAT payable in connection with the Lease Agreements and to the extent the relevant Tenant has already paid the relevant VAT on the Rent Account, (ii) Property Taxes, registration tax relating to the Lease Agreements and any other similar tax to the extent the same are due and payable, and (iii) Substitutive Tax (arising solely in connection with the Transaction Documents).

“Planning Laws” means, in relation to any Property, all applicable laws, regulations, by laws, instructions and standards, administrative measures (*provvedimenti amministrativi*) and/or orders whether national, regional, provincial or municipal with regard to regional, provincial, town, country or city planning, building and construction (including cadastral status), space occupation, building fire and safety, demolition or employee protection (to the extent dealing with building safety) and listed buildings, historical, environmental, monumental or other applicable status, which may impact on the legitimacy of the building permits.

“Post-Acceleration Priority of Payments” has the meaning given to that term in Condition 10.7 (*Post-Acceleration Priority of Payments*).

“Pre-Acceleration Priority of Payments” has the meaning given to that term in Condition 10.4 (*Finance Account*).

“Principal Amount Outstanding” means, on any date in relation to a Note, the principal amount of that Note as at the Issue Date less the aggregate of all principal payments that have been paid in respect of that Note on or prior to that date.

“Properties” means the properties described in Annex 2 (*the Properties*) to these Conditions and **“Property”** means each of them.

“Property in Milan” means the real estate asset located in Milan, Via Giulio Richard, n. 3 (Torre C).

“Property Debt to Value Ratio” means, at any time, the aggregate of the Principal Amount Outstanding of the Notes, expressed as a percentage of the sum of the market value of the Properties (determined in accordance with the then most recent Valuation) and the Efir Shares, the latter as determined (i) with respect to any Reference Date falling on 31 December, on the basis of the value provided to such shares in the related financial statements of the Issuer as at such Reference Date and (ii) with respect to any Reference Date falling on 30 June, on the basis of proquota (expressed as percentage of the overall units of the Dante Fund then represented by such Efir Shares) of the net asset value of the Dante Fund resulting from its financial statements as at such Reference Date as adjusted on the basis of the positive and negative items of the financial statements of Efir (including but not limited its financial indebtedness) as at such Reference Date.

“Property Protection/Cure Payment” means a payment made by any Finance Party or Finance Parties to finance:

- (a) the payment of any premium for insurance, or any cost or expense required to keep any insurance in force, in accordance with the Transaction Documents;
- (b) the payment of any Taxes, VAT or other tax related liabilities of the Issuer which are due and payable related to the Properties; and/or
- (c) the payment of any other amount which, in the opinion of the Security Agent (acting on the instructions of the Noteholders), is required to preserve or protect the Transaction Security (including fees and other expenses payable to any Sale Agent under any Sale Mandate),

in circumstances where the Issuer is obliged to have done so under a Transaction Document but has failed to pay the relevant amount.

“Property Taxes” means any IMU payable by the Issuer to the relevant municipal authority in relation to the Properties (or any equivalent or replacement Tax from time to time) and any *Tasi* due by the Issuer.

“Qualifying Intermediary” means an Italian resident bank or brokerage company (SIM), or a permanent establishment in Italy of a non-resident bank or SIM, acting as custodian, depository or sub-depository of the Notes (to the extent applicable) appointed to maintain direct relationships, via telematic link, with the Department of Revenue of the Ministry of Economy and Finance for the purposes of the application of Decree 239.

“Quasi-Security” means an arrangement or transaction described in Condition 8.3 (*Negative Pledge*).

“Quotation Day” means, in relation to any period for which an interest rate is to be determined, two TARGET Days before the first day of that period.

“Redemption Date” means any date on which any principal amount of the Notes is redeemed.

“Related Fund” means, in relation to any person, (a) a fund or other entity which is managed or advised by (i) that person or (ii) an Affiliate of that person or (b) any other entity which has the same manager or advisor as that person.

“Reference Date” means 30 June and 31 December of each year.

“Release Amount” means, in relation to:

- (a) each Property, an amount ensuring that the Net Sale Proceeds arising from the sale are sufficient to ensure that (A) the 120% of the related Allocated Loan Amount is applied in early redemption of the Principal Amount Outstanding of the Notes and (B) the related Make-Whole Premium and the Exit Fee on such aggregate Principal Amount Outstanding so redeemed are paid upon sale; and
- (b) any other pledged assets under the Transaction Security, 100% of the connected Net Sale Proceeds.

“Relevant Date” has the meaning given to it in Condition 17 (*Taxation*).

“Relevant Market” means the European interbank market.

“Rent Account” has the meaning given to it in Condition 10.1 (*Designation of Accounts*).

“Rental Income” means the aggregate of all amounts paid or payable to or for the account of the Issuer in connection with the letting, licence or grant of other rights of use or occupation of any

part of any Property, including each of the following amounts:

- (a) rent, licence fees and equivalent amounts paid or payable;
- (b) any sum received from any deposit held as security for performance of a tenant's obligations;
- (c) a sum equal to any apportionment of rent allowed in favour of the Issuer;
- (d) any other moneys paid or payable in respect of occupation and/or usage of that Property and any fixture and fitting on that Property including any fixture or fitting on that Property for display or advertisement, on licence or otherwise;
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
- (f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement, waiver, extension or release of any Lease Document;
- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease Document;
- (h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document;
- (i) any Tenant Contributions; and
- (j) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Issuer.

but, in each case, excluding, for the avoidance of doubt, any amount held or received as deposit or security under a Lease Document.

“Reports” means:

- (a) the legal due diligence memorandum dated on or about the Issue Date prepared by Legance Avvocati Associati;
- (b) the legal due diligence report dated on or about the Issue Date prepared by Baker&Mckenzie Luxembourg in relation to Efir;
- (c) the memorandum dated on or about 15 December 2020 prepared by Giliberti Triscornia e Associati related to the financial indebtedness of the Issuer;
- (d) the Environmental Report;
- (e) the technical and environmental due diligence reports dated 21 December 2020 prepared by Reset S.r.l.;
- (f) the Initial Notarial Report; and
- (g) the Final Notarial Report.

“Reserved Matter” means any proposal to:

- (a) change any date fixed for payment of principal or interest in respect of the Notes, to reduce or cancel the amount of interest or principal payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment; or
- (b) change the currency in which amounts due in respect of the Notes are payable; or

- (c) change the quorum requirements relating to meetings of the Noteholders or the majority required to pass an Extraordinary Resolution as set forth under these Conditions, provided that a change made to comply with mandatory laws, legislation, rules and regulations of Italy and the Issuer's By-Laws entered into force at any time while the Notes remain outstanding does not constitute a Reserved Matter for the purpose of this definition; or
- (d) release any Transaction Security in any circumstance not permitted or envisaged thereunder; or
- (e) amend this definition.

“**Sale Agent**” means the sale agent appointed pursuant to the relevant Sale Mandate to conduct, *inter alia*, the Sale Process (as defined in the relevant Sale Mandate).

“**Sale Mandates**” means the irrevocable sale mandates (*mandato con rappresentanza*) to act in the name and on behalf of the Issuer for the purpose of the sale of the Properties and the Efir Shares, and the relating irrevocable power of attorney granted also in the interest of the Noteholders pursuant to article 1723, paragraph 2, to be entered into by the Issuer, the relevant Sale Agent, the Agent, the Security Agent in accordance with the Condition 9.12 (*Mandate to Sale*).

“**Sanctioned Country**” means a country or territory which is subject to comprehensive trade, economic or financial sanctions or trade embargoes imposed, administered or enforced by (i) the US government, including the US State Department, the US Department of Commerce and the US Department of the Treasury, (ii) the United Nations Security Council, (iii) the European Union (including its member states) or (iv) Her Majesty's Treasury of the United Kingdom (as at the Issue Date, being Cuba, Iran, North Korea, Sudan, Syria and the Ukrainian territory of Crimea).

“**Sanctioned Person**” means:

- (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, the United Nations Security Council, the European Union, any Member State of the European Union, or the United Kingdom; or
- (b) any Person organised or resident in a Sanctioned Country.

“**Sanctions**” means the economic sanctions laws, regulations or restrictive measures administered, enacted or enforced from time to time by the US (including, without limitation, OFAC), the United Nations Security Council, the UK Treasury and the European Union (including its member states).

“**Screen Rate**” means EURIBOR administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters.

“**Secured Obligations**” means all amounts owing to the Finance Parties by the Issuer under the Finance Documents, other than any amount payable in respect of any Property Protection/Cure Payments.

“**Security**” means any security right, encumbrance, a mortgage, charge, pledge, lien, priority or pre-emption right, option, third party right, assignment by way of security or Italian law equivalent for the purpose of providing security (including, but not limited to *pegno*, *ipoteca*, *privilegio* (including the *privilegio speciale* created pursuant to Article 46 of the Banking Act), *pegno* or *cessione in garanzia del credito*) or other security interest or encumbrance securing any obligation

of any person or any other agreement or arrangement created with the primary intention of conferring security (and includes the segregation of assets for the purpose of Article 2447-*bis* of the Civil Code (“*Patrimoni Destinati ad uno Specifico Affare*”) or the issue of any class of stock or other financial instruments under Article 2447-*ter* of the Civil Code.

“**Semi Annual Valuation**” means the Semi Annual Valuation made by a Valuer of the Properties delivered pursuant to Condition 20.3(a) (*Valuations*) (at the request of, and addressed to, the Finance Parties) and valuing the Properties and carried out on a “market value” basis (as defined in the then current RICS Valuation – Professional Standards ('Red Book') issued by the Royal Institution of Chartered Surveyors (or its successors)).

“**Specified Time**” means approximately 11.00 a.m. Milan time.

“**Subordinated Debt**” means any loan made to the Issuer by any of its shareholders (other than the Existing Shareholders Loan):

- (a) where no amounts (whether in respect of principal, interest or otherwise) are payable under the terms of that loan prior to the Final Maturity Date;
- (b) which has no events of default or other provisions which could result in any amount under or in connection with the loan being payable or pre-payable prior to the Final Maturity Date;
- (c) which is subordinated under the terms of and subject to the release provisions contained in a subordination agreement entered into, before the disbursement of the loan, between the Security Agent and the relevant shareholder in the same form and substance satisfactory of the Security Agent,

in each case to the satisfaction of the Noteholders.

“**Subscribers**” has the meaning given to it in the Subscription Agreement.

“**Subscription Agreement**” means the subscription agreement dated 29 December 2020 between, amongst others, the Issuer and the Subscribers in relation to the Notes.

“**Subsidiary**” means, in relation to any person, a person directly or indirectly controlled by such person. For this purpose, “control” or “controlled” shall have the meaning attributed to these expressions by Article 2359, first paragraph, numbers 1) and 2) of the Civil Code and any related laws, legislation, rules or regulation amending or supplementing the foregoing.

“**Substitutive Tax**” means the Italian *imposta sostitutiva* provided for by Article 15 et seq. of the Presidential Decree no. 601 of 29 September 1973.

“**Tasi**” means the *Tassa sui Servizi Indivisibili* provided for by Law no. 147 of 27 December 2013, as subsequently amended (an Italian municipal tax due for those indivisible services provided equitably to all citizens).

“**TARGET2**” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises 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 tax, levy, impost, duty or other charge or withholding of a similar nature in respect of income, profits, gains, payroll, sales, use, VAT, registration, ad valorem, excise, franchise, gross receipts, business licenses, occupations, real or personal property, stamps, transfers, environment's compensation, which a company is required to pay, withhold or collect

(including, for the avoidance of doubt, any tax imposed under Decree 239, as subsequently amended and/or supplemented from time to time, as well as any Substitutive Tax and any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Tenant**” means any person occupying any Property pursuant to a Lease Document.

“**Tenant Contributions**” means any amount paid or payable to the Issuer by any tenant under a Lease Document or any other occupier of any Property, by way of:

- (a) contribution to:
 - (i) ground rent;
 - (ii) insurance premia;
 - (iii) the cost of an insurance valuation;
 - (iv) a service or other charge in respect of the Issuer's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, any Property; or
 - (v) a reserve or sinking fund; or
- (b) VAT.

“**Transaction Costs**” means any fees (including legal fees), costs, expenses and Taxes paid or payable by the Issuer in connection with the Finance Documents as evidenced in the Funds Flow Statement.

“**Transaction Documents**” means:

- (a) the Finance Documents;
- (b) any Lease Document;
- (c) (if and when executed) each Sale Mandate and the relevant power of attorneys;
- (d) any other document designated in writing as such by the Issuer and the Noteholders.

“**Transaction Security**” means the Security created or evidenced or expressed to be created or evidenced under the Transaction Security Documents.

“**Transaction Security Document**” means each of:

- (a) the documents set out in Condition 4.2 (*Transaction Security*);
- (b) any other document entered into at any time by the Issuer creating any guarantee, indemnity, Security or other assurance against financial loss in favour of any of the Finance Parties as Security for any of the Secured Obligations; and
- (c) any Security granted under any covenant for further assurance in any of those documents.

“**Unpaid Sum**” means any sum due and payable but unpaid by the Issuer under the Finance Documents.

“**Usury Legislation**” means Law no. 108 of 7 March 1996, as amended from time to time.

“**Valuation**” means:

- (a) the Initial Valuation;
- (b) each Semi Annual Valuation; and
- (c) any other valuation prepared by a Valuer and supplied at the reasonable request of the

Noteholders, or the Security Agent, addressed to the Finance Parties valuing any Property and which is carried out on a “market value” basis (as defined in the then current RICS Valuation – Professional Standards ('Red Book') issued by the Royal Institution of Chartered Surveyors (or its successors)).

“**Valuer**” means any of CBRE Limited, Cushman Wakefield, Inc., Colliers International Valuation UK LLP, Jones Lang LaSalle S.r.l. and Savills plc (and each of their respective successors and affiliates) or any other surveyor or valuer appointed from time to time by the Noteholders.

“**Veneziani Property**” means the real estate property located in Rome, Via Veneziani no. 56.

“**VAT**” means:

- (a) value added tax imposed by the Italian Presidential decree of 26 October 1972, number 633 and Legislative Decree No. 331 of 30 August 1993;
- (b) any tax imposed in compliance with the EC Directive 2006/112 of 28 November 2006 on the common system of value added tax; and
- (c) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution or replacement for, or levied in addition to, such tax referred to in paragraph (a) above, or elsewhere.

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Conditions to:
 - (i) any “**Subscriber**”, “**Noteholder**”, “**Noteholders’ Representative**”, “**Security Agent**”, “**Issuer**” or “**Party**” shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
 - (ii) a document in “**agreed form**” is a document which is previously agreed in writing by or on behalf of the Issuer’ Agent and the Security Agent;
 - (iii) “**assets**” includes present and future properties, revenues and rights of every description;
 - (iv) “**attachment**” includes a *pignoramento*;
 - (v) “**certified copy**” means a copy certified in writing signed by a director or the secretary (or equivalent) of the relevant Party to be a true, complete and up-to-date copy of the relevant document which remains in full force and effect and has not been amended as at the date of such certification;
 - (vi) any “**Finance Document**”, “**Transaction Document**” or any other agreement or instrument is a reference to that document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (vii) “**guarantee**” means any guarantee (including, without limitation, any “*garanzia personale*” and/or “*contratto autonomo di garanzia*” which is independent from the debt to which it relates), letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

- (viii) “**indebtedness**” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (ix) “**insolvency proceedings**” includes: (I) *fallimento, concordato preventivo, concordato fallimentare, liquidazione coatta amministrativa, amministrazione straordinaria, amministrazione straordinaria delle grandi imprese in stato di insolvenza, cessio bonorum, proposte di concordato, concordato in bianco, restructuring agreements (including, without limitation, those related to only part of the indebtedness of a company and those under Article 182-bis of the Bankruptcy Law and accordi di ristrutturazione con intermediari finanziari under Article 182-septies of the Bankruptcy Law), convenzioni di moratoria* pursuant to Article 182-septies of the Bankruptcy Law, a piano di *risanamento* pursuant to Article 67, paragraph 3, of the Bankruptcy Law, as well as any other procedure set out as *procedura di risanamento* and/or *procedura di liquidazione* pursuant to Italian Legislative Decree no. 170 of 21 May 2004; (II) any other *procedura concorsuale*; (III) any bankruptcy (*faillite*), voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*), controlled management (*gestion contrôlée*), suspension of payments (*sursis de paiement*), arrangement with creditors (*concordat préventif de faillite*) proceedings, fraudulent conveyance (*actio pauliana*), general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally and (IV) any similar proceedings or act in any other jurisdiction (including Luxembourg) with the same purposes or effects pursued by the procedures or acts mentioned under point (I) and (III);
- (x) a “**law**” shall be construed as any law (including common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court;
- (xi) a “**lease**” includes, without limitation, a *contratto di locazione, an affitto di azienda* and an *affitto di ramo d’azienda*;
- (xii) an “**obligation**” being **due** includes without limitation, any *credito liquido ed esigibile* and *credito scaduto*. A matured obligation includes, without limitation, any *credito liquido ed esigibile* and *credito scaduto*;
- (xiii) a “**person**” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
- (xiv) a “**receiver**”, “**administrative receiver**”, “**administrator**” or the like includes, without limitation, a *curatore, commissario giudiziale, commissario straordinario, commissario liquidatore*, or any other person performing the same function of each of the foregoing;
- (xv) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (xvi) “**wilful**” means “*doloso*”;
- (xvii) “**winding-up**”, “**liquidation**”, “**administration**” or “**dissolution**” includes,

without limitation, any *scioglimento, liquidazione, procedura concorsuale, cessione dei beni ai creditori*;

- (xviii) a provision of law or regulation is a reference to that provision as amended or re-enacted; and
- (xix) a time of day is a reference to London time.
- (b) Following the appointment of the Noteholders' Representative, with respect to (i) any communication and/or notice to be sent to the Noteholders, (ii) request to be made by the Issuer and/or any other party to the Noteholders, and/or consent or approval to be provided by the Noteholders, any reference in this Agreement to a "Noteholder" or "Noteholders" being, as the case may be, the addressee(s) of a notice, communication and/or request or the person(s) responsible for giving a consent or authorisation under these Conditions shall be deemed as referred to both the Noteholders' Representative (acting on behalf of the Noteholders) and the Noteholders.
- (c) Section, Clause and Annex headings are for ease of reference only.
- (d) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in these Conditions.
- (e) A Default (other than an Event of Default) is "continuing" if it has not been remedied or waived and an Event of Default is "continuing" if it has not been remedied or waived.

1.3 Currency symbols and definitions

"€", "EUR" and "euro" denote the single currency of the Participating Member States.

1.4 Meaning of "outstanding"

For the purposes of these Conditions and the Notes (but without prejudice to its status for any other purpose), "**outstanding**" means, in relation to the Notes, all of the Notes (including Further Notes, if any) issued other than:

- (a) those Notes which have been redeemed or purchased and cancelled in accordance with the Conditions and the Agency Agreement;
- (b) those Notes in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including premium (if any) and all interest payable thereon) have been duly paid to the Noteholders or to the relevant Paying Agent in the manner provided in the Agency Agreement (and where appropriate notice to that effect has been given to the Noteholders in accordance with Condition 24 (*Notices*) and remain available for payment (against presentation of the relevant Note, if required).

provided, that, for each of the following purposes, namely:

- (i) the right to attend, vote or partake at any meeting of the Noteholders, on an Extraordinary Resolution, or in any written consent and any direction or request by the Noteholders of the Notes;
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of Conditions 16 (*Events of Default*), 22 (*Amendments and Waivers*) and 23 (*Meetings of Noteholders and Modification*); and
- (iii) any discretion, power or authority (whether contained in the Agency Agreement or vested by operation of law) which the Security Agent is required, expressly or

impliedly, to exercise in or by reference to the interests of the Noteholders,

those Notes (if any) which are for the time being held by or on behalf of, or beneficially owned by, the Issuer or any Subsidiary of the Issuer, or any Conflicted Affiliate, or in respect of such holding, the Issuer or any Conflicted Affiliate has entered into any securities lending or re-purchase agreement, sub-participation agreement or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated shall (unless and until ceasing to be so held or owned) be deemed not to remain outstanding.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination

The Notes are issued in bearer (*al portatore*) and dematerialised form in the Authorised Denominations and will be held in dematerialised form in accordance with the provisions of Articles 83-*bis* et seq. of the Italian Financial Act and the Joint Resolution on behalf of the Noteholders.

2.2 Title

The Notes will be held in book entry form and title to the Notes will be evidenced by book-entries pursuant to the relevant provisions of the Monte Titoli in accordance with the provisions of Article 83-*bis* et seq. of the Italian Financial Act and the Joint Resolution on behalf of the Noteholders, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their respective date of issue. No certificate or physical document of title will be issued in respect of the Notes.

3. TRANSFERS OF NOTES

3.1 Transfers

A Noteholder may transfer the Notes it hold in whole or in part in accordance with the applicable Monte Titoli rules and these Conditions.

Notes may not be transferred unless the principal amount of Notes transferred or (where not all of the Notes held by a Noteholder are being transferred) the principal amount of the balance of the Notes not transferred is an Authorised Denomination.

3.2 Formalities Free of Charge

A transfer of Notes will be effected without charge by or on behalf of the Issuer or any Agent subject to (i) the Person making such application for transfer paying or procuring the payment of any Taxes, duties and other governmental charges in connection therewith and (ii) the relevant Agent being satisfied with the documents of title and/or identity of the Person making the application.

3.3 Definitive form

If for any reason Monte Titoli fails or the Notes can no longer be held in book entry form with Monte Titoli, the Issuer will issue Notes in bearer definitive form which will be deposited with an intermediary in accordance with Decree 239, and the provisions of Conditions 2 (*Form, Denomination and Title*) and 3 (*Transfers of Notes*) shall not apply.

4. STATUS OF THE NOTES AND SECURITY

4.1 Status

The Notes are direct, unconditional, unsubordinated obligations of the Issuer which are secured in the manner provided in Condition 4.2 (*Transaction Security*) and (subject as provided above) rank

and will rank *pari passu* without any preference among themselves and at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, except for obligations mandatorily preferred by law applying to companies generally.

4.2 **Transaction Security**

The Notes are secured pursuant to:

- (a) an Italian-law governed first ranking mortgage between the Issuer and the Security Agent over the Properties;
- (b) an Italian-law governed pledge between the Issuer and the Security Agent over the Bank Accounts;
- (c) an Italian-law governed assignment by way of security between the Issuer and the Security Agent of the Occupational Leases, the Construction Agreements and the Insurances (together with a Loss Payee Clause in respect of such Insurances);
- (d) a first ranking pledge over the 33.33% shares of the Issuer in Efir S.à.r.l. governed by Luxembourg Law; and
- (e) the Loss Payee Clause over all the Insurances to be provided by 15 (fifteen) Business Days from the Issue Date.

4.3 **Limitations on Enforcement**

The Noteholders may not take any steps, actions or proceedings to accelerate the repayment of the principal amount of the Notes (together with accrued interest and all other amounts accrued, payable or outstanding under the Finance Documents) and enforce any of the Transaction Security except by the Noteholders directing the Security Agent and the Security Agent to take such acceleration and enforcement action.

No Noteholder may proceed directly against the Issuer unless the Security Agent having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing, in which case the Noteholders shall be entitled, to the extent permitted by applicable law or regulation, to take action to accelerate the Notes or, as the case may be, enforce the Transaction Security.

5. **REPRESENTATIONS OF THE ISSUER**

5.1 **General**

- (a) The representations set out in this Condition 5.1 are made by the Issuer on the Issue Date to each Finance Party by reference to the facts and circumstances then existing.
- (b) Each representation set out in this Condition 5.1 is deemed to be repeated by the Issuer to each Finance Party on each Interest Payment Date by reference to the facts and circumstances then existing, save as otherwise expressly provided.
- (c) The representation contained in Condition 5.13 (*Financial statements*) will be made on the date of delivery of the relevant Financial Statements and only with respect to those Financial Statements.
- (d) The representation contained in Condition 5.16 (*Valuation*) will be made on the date of delivery of the relevant Valuation and only with respect to those Valuation.

5.2 **Status**

- (a) The Issuer is a *società per azioni*, duly incorporated and validly existing under the law of its jurisdiction of incorporation.

- (b) The Issuer is a real estate investment trust under the special regime for SIIQ (*Società di Investimento Immobiliare Quotate*), introduced by art.1 of Italian law 27 December 2006, n. 296, as amended and integrated from time to time.
- (c) The Issuer has the power and authority to own its assets and carry on its business as it is being conducted.

5.3 **Binding obligations**

The obligations expressed to be assumed by the Issuer under the Transaction Documents to which it is a party are, subject to any general principles of law limiting its obligations which are specifically referred to in any legal opinion delivered pursuant to the Finance Documents, legal, valid, binding and enforceable obligations, subject to any general principles of law limiting its obligations and/or limitations, qualifications and reservations provided under any legal opinion delivered to the Subscribers in relation to the Notes (the “**Legal Reservations**”).

5.4 **Non-conflict with other obligations**

The creation, issue and sale of the Notes (in the case of the Issuer only) and the entry into and performance by the Issuer of, and the transactions contemplated by the Finance Documents to which is a party do not and will not conflict with:

- (a) any law or regulation applicable to each of them;
- (b) its constitutional documents or the constitutional documents of any of its Subsidiaries;
- (c) any financing agreement or instrument binding upon the Issuer or any of its assets; and
- (d) without prejudice to item (c) above, any agreement or instrument binding upon the Issuer or any of its assets to an extent which has a Material Adverse Effect.

5.5 **Power and authority**

The Issuer has full capacity, power and authority to issue the Notes and grant the Transaction Security and to enter into, perform and deliver, and has taken all necessary action to authorise the issue of the Notes and the granting of the Transaction Security, the entry into and performance of the Transaction Documents to which it is or will be a party and the performance of any obligations assumed by the Issuer thereunder.

5.6 **Validity and admissibility in evidence**

All Authorisations required:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party;
- (b) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
- (c) for the conduct of business, trade and ordinary activities of the members of the Group (including the ownership and the sale of the Properties),

have been obtained or effected and are in full force and effect.

The issuance of the Notes is, at the Issue Date, consistent with the long term objectives and assumptions of the Business Plan.

5.7 **Governing law and enforcement**

- (a) The choice of the applicable law as the governing law of each Transaction Document to which it is a party (as set out in each Transaction Document) will, subject to any general

principles of law which are specifically referred to in any legal opinion delivered pursuant to the Finance Documents, be recognised and enforced in its relevant jurisdiction.

- (b) Any judgment obtained in relation to any Transaction Document in the jurisdiction of the governing law of that Transaction Document will, subject to any general principles of law which are specifically referred to in any legal opinion delivered pursuant to the Finance Documents, be recognised and enforced in its relevant jurisdiction.

5.8 **Deduction of Tax**

All payments by it under the Finance Documents (other than the Notes) and, subject to these Conditions, all payments of principal and interest under the Notes by the Issuer will be made without withholding or deduction on account of any taxes, duties or other government charges of whatever nature imposed, levied, collected, withheld or assessed provided that the holders of the Notes comply with any applicable rules and law to benefit from any exemption from any such withholding and/or deduction of taxes and duties above.

5.9 **No filing or stamp taxes**

Under the law of its jurisdiction of incorporation it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents (other than the Substitutive Tax).

5.10 **Taxes**

- (a) The Issuer has paid all taxes due and payable by it prior to the accrual of any fine or penalty for late payment, unless (and only to the extent that):
 - (i) payment of those Taxes has been contested in good faith;
 - (ii) adequate reserves have been maintained for those taxes and the costs required to contest them; and
 - (iii) failure to pay those Taxes is not reasonably likely to have a Material Adverse Effect.
- (b) The Issuer is residence for tax purposes is in Italy.

5.11 **No default**

- (a) No Event of Default is continuing or might reasonably be expected to result from the issue of the Notes or the entry into, the performance of, or any transaction contemplated by, any Finance Documents.
- (b) No other event or circumstance is outstanding which constitutes a breach, default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which might have a Material Adverse Effect.
- (c) No Default will occur if the repayment of the Existing Bond is made by 31 December 2020.

5.12 **No misleading information**

- (a) Any written factual information provided by it or on its behalf in relation to it, the Dante and/or Efir or in connection with any Transaction Document was true, complete and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
- (b) The financial projections in connection with any Transaction Document provided by it

prior to the date hereof have been prepared on the basis of recent historical information and on the basis of reasonable assumptions.

- (c) No event or circumstance has occurred or arisen and no information has been omitted that, in each case would result in the information contained in paragraph (a) being untrue or misleading in any material respect.

5.13 **Financial statements**

- (a) The Original Financial Statements were prepared in accordance with the Accounting Principles consistently applied.
- (b) The Original Financial Statements fairly present the financial condition as at the end of the relevant financial year and the results of operations during the relevant financial year.
- (c) Save for any event due to persistence of the pandemic event due to the Covid-19 virus spread out in 2020, there has been no material adverse change in its business or financial condition (or the business or financial condition of the Issuer) since 30 September 2020.
- (d) Its most recent financial statements delivered pursuant to Condition 6.1 (*Financial Statements*):
 - (i) have been prepared in accordance with the Accounting Principles as applied to the Original Financial Statements; and
 - (ii) fairly present its and the Group's financial condition as at the end of the relevant financial year and operations during the relevant financial year.

5.14 ***Pari passu* ranking**

- (a) Its payment obligations under the Notes and the other Finance Documents will rank at least *pari passu* with all its other present and future unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.
- (b) Each Transaction Security Document to which the Issuer is a party creates, subject to any general principles of law which are specifically referred to in any legal opinion delivered pursuant to the Finance Documents and Legal Reservations (as defined in Condition 5.3 above), the security interests which that Transaction Security Document purports to create and those security interests are valid and effective; and
- (c) The Transaction Security has or will have, subject to any general principles of law which are specifically referred to in any legal opinion delivered pursuant to the Finance Documents and Legal Reservations, in the case of the mortgage over the Properties, first ranking priority (or subsequent ranking priority insofar as the prior ranking Security is conferred under another Transaction Security Document) and is not subject to any prior ranking or *pari passu* ranking Security (other than under another Transaction Security Document).

5.15 **No proceedings**

- (a) No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect has or have (to the best of its knowledge and belief) been started against it.
- (b) No judgment or order of a court, arbitral body or agency which might reasonably be expected to have a Material Adverse Effect has (to the best of its knowledge and belief) been made against it.

5.16 Valuation

- (a) All information supplied by the Issuer or on its behalf to the Valuer for the purposes of any Valuation was true and accurate in all material respects as at its date or (if appropriate) as at the date (if any) at which it is stated to be given.
- (b) Any financial projections contained in the information referred to in paragraph (a) above have been prepared as at their date, on the basis of recent historical information and on the basis of reasonable assumptions.
- (c) The Issuer has not omitted to supply any information to the Valuer which, if disclosed, would adversely affect the Valuation.

5.17 Cadastral Register

The actual status of each Property complies in all material respects with the cadastral plans filed with the Cadastral Register.

5.18 Title to Property

- (a) The Issuer is the sole legal and beneficial owner of each Property and has good and marketable title to each Property, in each case, free from any Security (other than those created by or pursuant to the Transaction Security Documents and the Permitted Security) and restrictions and onerous covenants.
- (b) The Issuer is the legal and beneficial owner of, and has good, valid and marketable title to each of its assets which are expressed to be the subject of the Transaction Security, in each case free from any Security other than the Permitted Security.
- (c) Save for the Property in Milan that is currently interested by refurbishment works which will be completed by the term provided in paragraph (d) of Condition 15.4 (*Mandatory Redemption following a Change of Control and other milestones*) below, no facility necessary for the enjoyment and use of each Property is enjoyed on terms entitling any person to terminate or curtail its use. Each Property is free and clear of material damage which would have a material adverse effect on the value, saleability or use of each Property. Each Property is free and clear of structural defects which would have a material adverse effect on the value, saleability or use of each Property. Each Property is not subject to or at risk of flooding or subsidence which would have a material adverse effect on the value, saleability or use of each Property.
- (d) Each Property is held by the Issuer free from any lease or licence (other than those Lease Documents which have been delivered to the Noteholders as a condition precedent or entered into in accordance with these Conditions).
- (e) The Issuer has not received any notice of any adverse claim by any person in respect of the ownership of each Property or any interest in each Property which if adversely determined would have a Material Adverse Effect nor has any acknowledgement been given to any such person in respect of each Property.
- (f) (i) Each of the Property is properly and correctly registered with the relevant land register (*conservatoria dei registri immobiliari*) held by the Revenues' Agency (*Agenzia delle Entrate – Servizi Catastali e Ipotecari*) and Cadastral Office and (ii) there are no discrepancies between (x) the description of each Property registered with the relevant land register (*conservatoria dei registri immobiliari*) held by the relevant Revenues' Agency (*Agenzia delle Entrate – Servizi Catastali e Ipotecari*) and Cadastral Office and (y) the situation of fact of the relevant Property, which would prevent the transferability of each

Property for the purpose of Article 29, paragraph 1-bis, of Law 52/1985, except for the discrepancy related to the the refurbishment works in course at the Issue Date, including the works to be carried out by WPP under the lease agreement for the Milan Property, which will cured by 31 December 2021.

- (g) The functions and activities to be carried out in the Properties are compliant in all material respect with the town planning regulation, the Building Titles, the Administrative Authorizations and the destination of use (*destinazione d'uso*). The Issuer has complied in all material respects with Planning Laws and CU to which it or each Property may be subject and with any condition, agreement or undertaking to applicable planning permissions or otherwise relating to or affecting each Property.
- (h) Except for those Building Titles (as defined below) *in itinere* with respect to the refurbishment works of the Property in Milan in course at the Issue Date which will be obtained by the 31 December 2021, the Properties have been, and related facilities and public works have been, built and have been amended, refurbished and modified and are currently in place on the basis of, and in compliance with, valid and legal building titles (*titolo edilizio*), *piani attuativi*, *atti d'obbligo*, *vincolo e/o asservimento*, *accordi di programma*, building licences, licenses, authorizations, Planning Laws, declarations, SCIA and any other necessary administrative orders and landscape authorisation and no objection (*nulla osta*) as well as *progetti preliminari*, *definitivi* and/or *esecutivi* duly approved (*validato* and *approvato*) by the competent authorities (the “**Building Titles**”) in compliance with any applicable Law and any consortium regulation and any authorization issued pursuant to the applicable Law, including Building Titles. If any further Building Titles and/or Administrative Authorisations are necessary, they will be duly and timely obtained by the Issuer in compliance with applicable laws.
- (i) The Properties obtained the issuance (even by way of tacit consent) of the declarations of fitness for use and the prevention of fire, certification of the compliance of the plants, environmental authorisations and procedures, test certificate, authorizations, consents, permits, licences, permissions, declarations, SCIA (the “**Administrative Authorizations**”). The Administrative Authorizations are and will be legal, valid and in compliance with applicable Law. The activities will be carried out in the Properties on the basis of, and in accordance with, authorized licenses (if required) for the exercise of business activities and/or on the basis of provisions for the exercise of the same activities. With respect to the Milan Property the Administrative Authorizations will be obtained at the end of the refurbishment works in course at the Issue Date, including the works to be carried out by the tenant under the Milan Lease Agreement for the Milan Property, and in any case not later than 31 December 2021.
- (j) The issuance of the Notes will not constitute a cause of invalidity, termination, cancellation, loss or no-renewal of the Administrative Authorizations and there are no facts or circumstances capable to constitute a cause of invalidity, termination, cancellation, loss or no-renewal (or renewal implying material costs) of the Administrative Authorizations.
- (k) All town-planning and building permits relating to the Properties have been duly obtained pursuant to the applicable laws and regulations. The Properties are fit for the scopes they are respectively used for; the Veneziani Property has its proper *certificato di agibilità* and does not present any unsafety feature (*inagibilità*) under applicable Law; the Property in Milan is currently under refurbishment and at the end of the works provided under the related existing Lease Agreement, it shall have its proper *certificato di agibilità* and will not present any unsafety feature (*inagibilità*) under applicable Law.

- (l) As per the best knowledge of the Issuer after making diligent enquiry, the Properties are not subject to the provisions of the Cultural Assets Law and are not included in, or affected by any Security relating to, protected areas including, amongst others, environmental, historical, archaeological, landscape-related and architectural values (*vincoli ambientali, paesaggistici, storici, architettonici e archeologici*) except for the archaeological encumbrance pursuant to article 134 and 142 of the Cultural Asset Law applicable to the Veneziani Property and the landscape encumbrance applicable to the Property in Milan, established by means of the resolution of the Regional Executive Committee of the Lombardy Region dated 30 December 1994, no. 62221 (and subsequent variations).
- (m) As per the best knowledge of the Issuer after making diligent enquiry, the Properties are not materially adversely affected, in whole or in part, by public domain assets such as, amongst others, public roads, railways, mining rights, any form of water public domain assets (such as lakes, rivers, streams or water flows generally, either superficial or underground), or by any of their statutory linked easement areas.
- (n) The Issuer has complied and will comply, and, as per the best knowledge of the Issuer after making diligent enquiry, the Properties complied, comply and will comply, in all material respects, with all material Laws in force from time to time, and European, national, regional and local orders, statutes and directives enacted or to be enacted by any competent administrative and legislative authority, ministry, department, committee or any other competent authority (hereinafter, the “**Environmental Laws**”), in relation to the protection of the environment, production, manipulation, distribution, utilization, treating, deposit, disposal, dump, transport or management of any substance, waste, sewage or emission that is or is classified as polluting, contaminating, toxic or noxious, with reference to the Environmental Laws.
- (o) No claim, proceeding or formal notice by any person in respect of any Environmental Law has been commenced or (to the best of its knowledge and belief, having made due and careful enquiry) is threatened in writing against the Issuer.
- (p) Apart from the items indicated for the Veneziani Property in the Environmental Report, no toxic/harmful materials are present in the Properties, including asbestos-containing materials (ACMs) – in respect of which remediation or clean-up activities are required pursuant to any applicable Law as well as no contamination in soil and ground-waters has been registered. All facilities necessary for the enjoyment and use of the Properties (including those necessary for the carrying on of business in the Properties) are enjoyed by the Properties to the extent their lack may determine a Material Adverse Effect.
- (q) The relevant Tenants have not exercised any termination right, withdrawal right, right nor renewal the respective Lease Agreement on the relevant expiry date.

5.19 **Information for Reports**

- (a) The information supplied by it or on its behalf to the lawyers who prepared any Report for the purpose of that Report was, in all material respects, true and accurate as at the date of that Report or (if appropriate) as at the date (if any) at which it is stated to be given.
- (b) The information referred to in paragraph (a) above was at the date it was expressed to be given complete and did not omit any information which, if disclosed would make that information untrue or misleading in any material respect.
- (c) As at the Issue Date, nothing has occurred since the date of any information referred to in paragraph (a) above which, if disclosed, would make that information untrue or misleading

in any material respect.

5.20 **Financial Indebtedness**

The Issuer has not incurred, nor it is a principal debtor or guarantor of, any Financial Indebtedness, other than the Permitted Financial Indebtedness.

5.21 **Centre of main interests and establishments**

It has its centre of main interest (as that term is used in Article 3(1) of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast)) in its jurisdiction of incorporation and it has no “establishment” (as that term is used in Article 2(h) of such regulation) in any other jurisdiction.

5.22 **Security**

- (a) No Security exists over all or any of the present or future assets of the Issuer expressed to be the subject of the Transaction Security except as permitted under Condition 8.3 (*Negative pledge*).
- (b) No Security exists over all or any of (i) the shares held by the Issuer in Efir (other than those subject of the Transaction Security), and (ii) the quotas held by Efir in the Dante Fund.

5.23 **Anti-money laundering, anti-terrorism laws and Sanctions**

- (a) Each member of the Group (including, to the best of their knowledge and belief having made due enquiry, each of their directors, officers and employees) is in compliance in all material respects with applicable Sanctions, and all applicable anti-money laundering and counter-terrorism financing provisions of the US Bank Secrecy Act of 1970 and all regulations issued pursuant to it, and is not knowingly engaged in any activity that would reasonably be expected to result in the Issuer being the subject of Sanctions.
- (b) No member of the Group:
 - (i) is a person designated a Sanctioned Person;
 - (ii) is a person who is otherwise the target of Sanctions; or
 - (iii) is controlled by (including by virtue of such person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, a Sanctioned Person such that the entry into, or performance under, these Conditions or any other Finance Document would be prohibited under any relevant law.
- (c) Each member of the Group and, to the best of their knowledge having made due enquiry, their directors, officers and employees, are in compliance with all Anti-Corruption Laws and Sanctions to the extent they are applicable to them.

5.24 **Insolvency**

No:

- (a) corporate action, legal proceeding or other procedure or step described Condition 16.8 (*Insolvency proceedings*); or
- (b) creditors’ process described in Condition 16.9 (*Creditors’ process*),

has been taken in relation to the Issuer, and none of the circumstances described in Condition 16.7 (*Insolvency*) applies to the Issuer.

5.25 **Group Structure Chart**

The Group Structure Chart delivered pursuant to Schedule 1 (*Conditions precedent*) of the Subscription Agreement is true, complete and accurate in all material respects and shows each member of the Group and the participation of the Issuer in Efir and indirectly in the Dante Fund. This representation is given only on the Issue Date.

6. INFORMATION UNDERTAKING OF THE ISSUER

The undertakings in this Condition 6 are for the benefit of the Finance Parties and shall remain in force for so long as any amount of the Notes is outstanding under the Finance Documents.

For the avoidance of doubt, the disclosure of information pursuant to this Condition 6 shall be conducted by the Issuer in compliance with applicable laws and regulations including, if applicable, Regulation (EU) No. 596/2014 (*Market Abuse Regulation*).

6.1 Financial statements

The Issuer shall supply to the Noteholders sending a copy also to the Noteholders' Representative if appointed (also by reference to documents published on the Issuer's website, to the extent the Issuer timely notifies to the Noteholders of such publication):

- (a) as soon as the same become available, but in any event within 180 days after the end of each of its financial years:
 - (i) its audited consolidated financial statements for that financial year; and
 - (ii) its audited un-consolidated financial statements for that financial year, and
- (b) as soon as the same become available, but in any event within 90 days after the end of each financial semester, its consolidated and unconsolidated financial statements for that financial semester;
- (c) as soon as the same become available, but in any event within 90 days after the end of each financial semester, the financial report of Efir and the financial statement (*rendiconto*) of the Dante Fund.

6.2 Compliance Certificate

- (a) The Issuer shall supply to the Noteholders, sending a copy also to the Noteholders' Representative if appointed with each financial statements indicated in paragraph (a) and (b) of Condition 6.1 (*Financial Statements*), a Compliance Certificate setting out (in reasonable detail) (A) computations as to compliance with Condition 7 (*Financial Covenants*) as at each Reference Date and (B) the list of the Financial Indebtedness incurred by the Issuer from the delivery of the last Compliance Certificate (or, if applicable, from the Issue Date) and its compliance with the conditions set out in paragraph (iii) of the definition of "Permitted Financial Indebtedness" set out in Condition 1.1 (*Interpretation*) above.
- (b) Each Compliance Certificate shall confirm that, so far as the Issuer is aware no Default has occurred and is continuing or, if a Default has occurred and is continuing, what Default has occurred and the steps (if any) being taken to remedy that Default.
- (c) Each Compliance Certificate shall be signed by a director of the Issuer.

6.3 Requirements as to financial statements

- (a) Each set of financial statements delivered by the Issuer pursuant to Condition 6.1 (*Financial statements*) shall be certified by a director of the relevant company as fairly presenting (if unaudited) or giving a true and fair view of (if audited) its financial condition

as at the date as at which those financial statements were drawn up.

- (b) The Issuer shall procure that each set of financial statements delivered pursuant to Condition 6.1 (*Financial statements*) shall include the audited profit and loss accounts, balance sheets and cashflow statements of the applicable Issuer as well as a certified update value as at the relevant Reference Date of the real estate assets of the Issuer.
- (c) The Issuer shall procure that each set of financial statements delivered pursuant to Condition 6.1 (*Financial statements*) is prepared using the Accounting Principles.
- (d) The Issuer shall procure that each set of financial statements delivered pursuant to Condition 6.1 (*Financial statements*) is prepared using the Accounting Principles, accounting practices and financial reference periods consistent with those applied in the preparation of the Original Financial Statements unless, in relation to any set of financial statements, it notifies the Noteholders that there has been a change in the Accounting Principles, the accounting practices or reference periods and its auditors (or, if appropriate, the auditors of the relevant Issuer) deliver to the Noteholders:
 - (i) a description of any change necessary for those financial statements to reflect the Accounting Principles, accounting practices and reference periods upon which that the Original Financial Statements were prepared; and
 - (ii) sufficient information, in form and substance as may be reasonably required by the Noteholders, to enable the Noteholders to make an accurate comparison between the financial position indicated in those financial statements and, in the case of the Issuer, the Original Financial Statements.

Any reference in these Conditions to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which, in the case of the Issuer, the Original Financial Statements were prepared.

- (e) The Noteholders may notify the Issuer, stating the questions or issues which the Noteholders wishes to fairly discuss with the auditors. In this event the Issuer must ensure the auditors are authorised (at the expense of the Issuer):
 - (i) to discuss the financial position of Issuer with the Noteholders on request from the Noteholders; and
 - (ii) to disclose to the Noteholders any information the Noteholders may reasonably request.

6.4 **Monitoring of the Properties**

- (a) Along with each financial statements indicated in paragraph (b) of Condition 6.1 (*Financial Statements*), the Issuer must supply to the Noteholders in the agreed form a report containing the following information, in respect of (except in the case of proposed or required capital expenditure or repairs under paragraphs (vii) and (xi) below) the six month period ending the Reference Date to which the relevant set of financial statements relates:
 - (i) a schedule of the existing occupational tenants of each Property, showing for each tenant the (A) floors/space occupied and gross area (in square metres), (B) payment frequency, (C) use and (D) lease start and break/expiry dates; (E) rent, (F) service charge, (G) VAT and (H) any other amount paid or payable in that period by that tenant;
 - (ii) details of:

- (A) any arrears of rents or service charges under any Lease Document; and
 - (B) any other breaches of covenant under any Lease Document,
and any step being taken to recover or remedy them;
 - (iii) details of any insolvency or similar proceedings affecting any occupational tenant of any Property or any guarantor of that occupational tenant;
 - (iv) details of any rent reviews with respect to any Lease Document in progress or agreed;
 - (v) details of any Lease Document which has expired or been determined or surrendered and any new letting proposed and any notice received from tenants terminating Occupational Leases;
 - (vi) copies of all material correspondence with insurance brokers handling the insurance of each Property;
 - (vii) details of any actual or proposed capital expenditure with respect to each Property;
 - (viii) capital expenditure budgets;
 - (ix) details of operating expenditure incurred during that period (both quantum and items);
 - (x) interest in each Property from prospective tenants;
 - (xi) details of any actual or required material repairs to any Property;
 - (xii) any other information in relation to any Property reasonably requested in writing by the Noteholders (acting on the instructions of the Noteholders).
- (b) The Issuer must notify the Noteholders of:
- (i) any likely occupational tenant of any part of each Property (including all payment terms) which is reasonable deemed of interest by the Issuer; and
 - (ii) any likely buyer of any part of each Property (including terms of reference) which is reasonable deemed of interest by the Issuer.

6.5 Year end

The Issuer shall procure that the end of each financial year of each of the Issuer falls on 31 December.

6.6 Information: miscellaneous

The Issuer shall supply to the Noteholders:

- (a) starting from 1st January 2021, on a quarterly basis and within 10 Business Days from the beginning of such quarter, updates on the sale programme of the Properties (including, the main details of the offer received and the main economics thereof);
- (b) promptly, any change in the Business Plan;
- (c) all documents dispatched by the Issuer to its respective shareholders (or any class of them) or its creditors generally (or any class of them) at the same time as they are dispatched;
- (d) all material communications with Tenants dispatched or received by the Issuer including, but not limited to, amendments, waivers and/or any exercise of termination rights or other discretions, at the same time as they are dispatched or received;

- (e) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current or pending against any member of the Group, and which, if adversely determined, is reasonably likely to have a Material Adverse Effect;
- (f) promptly upon becoming aware of them, the details of any judgment or order of a court, arbitral body or agency which is made against any member of the Group, and which is reasonably likely to have a Material Adverse Effect; and
- (g) promptly, such further information regarding the financial condition, business and operations of any member of the Group as the Noteholders may reasonably request.

6.7 **Notification of Default**

- (a) The Issuer shall notify the Noteholders sending a copy also to the Noteholders' Representative if appointed of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- (b) Promptly upon a request by the Noteholders, the Issuer shall supply to the Noteholders sending a copy also to the Noteholders' Representative if appointed a certificate signed by two directors on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

6.8 **“Know your customer” checks**

- (a) If:
 - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of the Issue Date;
 - (ii) any change in the status of the Issuer (or of a Holding Company of the Issuer) after the Issue Date; or
 - (iii) a proposed transfer by a Noteholder of the Notes to party that is not a Noteholder prior to such transfer,

obliges a Noteholder (or, in the case of paragraph (iii) above any prospective new Noteholder) to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, the Issuer shall promptly upon the request of a Noteholder supply, or procure the supply of, such documentation and other evidence as is reasonably requested by such Noteholder (in order for such Noteholder (or, in the case of paragraph (iii) above, any prospective new Noteholder) to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents).

7. **FINANCIAL COVENANTS**

For so long as any Note remains outstanding, the Issuer shall ensure that:

- (i) the Property Debt to Value Ratio does not exceed 60 per cent at any Reference Date (starting from 31 December 2020); and
- (ii) the Issuer Debt to Value Ratio does not exceed 60 per cent. at any Reference Date (starting from 31 December 2020),

provided that, irrespective of the delivery of a Compliance Certificate, the compliance of the financial covenant set out in item (i) may be immediately tested, upon receipt, on the basis of the relevant Valuation updated as at such Reference Date.

8. GENERAL UNDERTAKINGS OF THE ISSUER

The undertakings in this Condition 8 are for the benefit of the Finance Parties and shall remain in force from the Issue Date for so long as any amount of the Notes is outstanding.

8.1 Authorisations

The Issuer shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) if requested by the Noteholders, supply certified copies to the Noteholders of,

any Authorisation required under any law or regulation of each of their jurisdiction of incorporation (i) to enable each of them to perform its own obligations under the Transaction Documents, (ii) for the conduct of business, trade and ordinary activities of the members of the Group (including the ownership of the Property) and (iii) to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Transaction Document.

8.2 Compliance with laws

The Issuer shall comply in all respects with all laws to which it or any Property or any other asset which is the subject of the Transaction Security may be subject if failure to do so would have a Material Adverse Effect.

8.3 Negative Pledge

- (a) The Issuer shall not create or permit to subsist any Security over any of its respective assets subject to Transaction Security and/or on the units of the Dante Fund.

- (b) The Issuer shall not:

- (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Issuer or any other member of the Group;
- (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset (each of them, a “**Quasi-Security**”).

- (c) Paragraphs (a) and (b) above do not apply to any Security or (as the case may be) Quasi-Security, listed below:

- (i) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (ii) any Security arising under the Transaction Security Documents;
- (iii) any lien arising by operation of law and not as a result of any default or omission by any member of the Group;
- (iv) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on

the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group;

- (v) any Permitted Security; or
- (vi) any Security over receivables (not subject to Transaction Security) assigned or otherwise disposed to the relevant financier in the context of a factoring and/or other receivable financing transaction which is Permitted Financial Indebtedness.

8.4 Disposals

- (a) The Issuer shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of the Properties and any other assets of Transaction Security.
- (b) Unless the sale is made by the *mandatario* pursuant to the Mandate to Sale (where the sale shall be made at the terms and conditions set out therein), the Issuer may dispose of any Property (the “Permitted Sale”) if:
 - (i) the disposal is made for the entire Property and not only in part;
 - (ii) no Default and/or Event of Default would result from that disposal; and
 - (iii) the Net Sale Proceeds to be received by the Issuer in the Deposit Account are not less than the relevant Release Amount.
- (c) The Issuer must ensure that the Net Sale Proceeds are collected on the Deposit Account and immediately applied in accordance with Condition 15.2 (*Mandatory Redemption from the Net Sale Proceeds, Lease Prepayment Proceeds, Insurance Prepayment Proceeds and Compensation Prepayment Proceeds and other proceeds*).

8.5 Merger

The Issuer will not enter into any amalgamation, demerger, merger or corporate reconstruction, unless the prior consent of the Noteholders is reached pursuant to the voting rules and quorum applicable to Reserved Matters, provided that, in case of infra-group merger between the Issuer and any of its fully owned subsidiaries not subject to insolvency proceedings and/or winding up where the Issuer is the incorporating entity, such consent shall not be unreasonably deny or delay.

8.6 Change of business, conduct of business and other contracts

- (a) The Issuer shall not carry on any business other than in the case of the Issuer, the ownership and management of its interests in the Properties and the ownership of other real estate properties.
- (b) The Issuer shall comply with the Business Plans, any of its milestones and assumptions and shall not amend the Business Plans in a way that may have a Material Adverse Effect.

8.7 Acquisitions

The Issuer shall not make any acquisition or investment other than as expressly permitted under these Conditions other than those acquisition that, on a proforma basis taking into account the expected acquisition and assuming the perfection of the acquisition at the then previous Reference Date, would not determine a breach of the financial covenants set out in Condition 7 (*Financial Covenants*) as at such Reference Date.

8.8 Loans or credit

The Issuer shall not be a creditor in respect of any Financial Indebtedness, except for any intercompany or shareholders loan to the extent not made in breach of the provisions of Condition

10 (*Bank Accounts*) below.

8.9 **No Guarantees or indemnities**

The Issuer shall not give or allow to be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person or enter into any document under which the Issuer assumes any liability of any other person other than:

- (i) any guarantee or indemnity granted in the interests of its Affiliates existing as at the Issue Date and listed in Annex 5 (*Guarantee*) hereto; and
- (ii) any further guarantee or indemnity granted in the interests of its Affiliates or participated companies to the extent at the date on which such guarantee or indemnity is granted:
 - (A) the principal outstanding amount of the Notes does not exceed Euro 20,000,000.00 if the Issuer still owns the Property in Milan and the Efir Shares representing at least 33.33% of the Efir overall share capital; or
 - (B) the principal outstanding amount of the Notes does not exceed Euro 7,000,000.00 if the Issuer still owns Veneziani Property and the Efir Shares representing at least 33.33% of the Efir overall share capital.

8.10 **Dividends and share redemption and Subordinated Debt**

- (a) The Issuer shall not:
 - (i) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
 - (ii) repay or distribute any dividend or share premium reserve;
 - (iii) make any payments under or in respect of any equity documents or any loan or other instrument (including Subordinated Debts);
 - (iv) redeem, repurchase, defease, retire or repay any of its share capital or any loan or other instrument (including Subordinated Debts, excluding their convention into share capital of the Issuer) or resolve to do so; or
 - (v) pay any management, advisory or other fees or other payments to or to the order of any of the direct or indirect shareholders or Affiliates of the Issuer or any officers, directors or employees of such shareholders or Affiliates.
- (b) For the avoidance of doubt, par. (a) above does not apply to:
 - (i) any interest to be paid under the Existing Shareholder Loan to the extent, at the time of such payment, a capital increase in the Issuer has been perfected following the Issue Date for an amount at least equal to Euro 27,000,000.00, with at least Euro 2,000,000.00 thereof paid in cash; and
 - (ii) any dividends, distributions and/or any other payment to be done in favour of the generality of its shareholders required in order to comply with the legal requirements for a “SIIQ” company,

as long as any of such payment listed in items (i) and (ii) is not made whilst a Default is pending or may occur as a result of the payment.

8.11 **Share capital**

- (a) The Issuer shall not issue any shares other than pursuant to a Permitted Share Issue.

- (b) The Issuer shall not amend or otherwise vary any rights attaching to its issued shares.

8.12 **Financial Indebtedness**

- (a) The Issuer shall not incur or allow to remain outstanding any Financial Indebtedness.
- (b) Paragraph (a) above does not apply to any Financial Indebtedness incurred under the Finance Documents or any Permitted Financial Indebtedness.

8.13 **Taxes**

- (a) The Issuer must pay all Taxes due and payable by it prior to the accrual of any fine or penalty for late payment, unless (and only to the extent that):
 - (i) payment of those Taxes is being contested in good faith;
 - (ii) adequate reserves are being maintained for those taxes and the costs required to contest them; and
 - (iii) failure to pay those Taxes is not reasonably likely to have a Material Adverse Effect.
- (b) The Issuer must ensure that its residence for tax purposes is in Italy.

8.14 **Constitutional Documents**

The Issuer shall not amend, vary, novate, supplement, supersede, waive or terminate the constitutional documents of the Issuer (except in accordance with any mandatory provision of applicable law).

8.15 **Centre of main interests and establishments**

The Issuer is in a member state of the European Union shall not change its “centre of main interests” (as that term is used in Article 3(1) of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast)) without the consent of the Noteholders.

8.16 **Anti-Corruption and Sanctions Compliance**

- (a) The Issuer shall comply with and conduct its business in compliance in all material respects with Anti-Corruption Laws and shall not knowingly (acting with due care and enquiry) engage in any transaction, activity or conduct that would violate any Sanctions applicable to it.
- (b) The Issuer undertakes that it will not (i) use the proceeds of the Notes to fund any activities of, or business with, any Sanctioned Person, or in any Sanctioned Country, or in any other manner that would result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions to the extent they are applicable to it or (ii) use any revenue or benefit derived from any activity or dealing with a Sanctioned Person for the purpose of discharging amounts owing to any Finance Party in respect of the Notes.
- (c) The Issuer and each other Issuer shall adopt and maintain, policies and procedures designed to promote and achieve compliance with Anti-Corruption Laws and Sanctions mandatorily applicable to it.

8.17 **Arm’s length basis**

- (a) The Issuer shall enter into any transaction with any person except on arm's length terms and for full market value.

- (b) Except as expressly permitted by the Finance Documents, the Issuer shall not enter into any transaction (including any Lease Document) with any Conflicted Affiliate, any direct or indirect shareholder of a Conflicted Affiliate or any officer, director or employee of the Issuer, any Conflicted Affiliates or any direct or indirect shareholder of the Conflicted Affiliates.

8.18 Access

- (a) Upon five Business Days' prior written notice from the Noteholders (acting on the instructions of the Noteholders), the Issuer shall irrevocably grant the Finance Parties and/or any representative thereof access to:
 - (i) any Property and any relevant information in connection therewith (including, without limitation, power to check the Lease Document and compliance with administrative/cadastral regulations); and
 - (ii) on a best efforts basis, each Tenant's leased portion in respect of any Property.
- (b) The Issuer shall procure that access is granted in accordance with paragraph (a) above at all reasonable times during normal business hours provided that such access may only be granted once every three months, unless and Event of Default has occurred in which case the access rights will be exercisable at any time as required by the Noteholders upon five Business Days' prior written notice from the Noteholders.

8.19 Miscellanea

- (a) All costs and expenses related to the issuance of the Notes (including, without limitation, payment of all fees due to Monte Titoli, the Paying Agent, the custodian bank and the relevant stock exchange) shall be borne exclusively by the Issuer.
- (b) If requested by the Noteholders, the Issuer shall cooperate with a view to ensuring that the Notes are rated and/or securitised after the Issue Date provided that the costs of obtaining or securing such rating and/or securitisation shall not be borne by the Issuer.

8.20 Use of Proceeds

The Issuer shall procure that the proceeds of the Notes are paid in the Payment Account and shall use the proceeds of the issuance of the Notes to:

- (i) refinance in full all existing Financial Indebtedness of the Issuer under the Existing Facility Agreements and the Existing Bond together with all other payments which may be payable in connection with such refinancing (including without limitations the related secured hedging);
- (ii) fund the payment of any fees, costs and expenses, stamp registration and other Taxes incurred by the Issuer in connection with the issuance of the Notes (including, but not limited, the Substitutive Tax); and
- (iii) for the proceeds residual from the utilisations set out in (i) and (ii) above, fund general corporate purposes of the Issuer,

in each case above in accordance with the Funds Flow Statement.

9. PROPERTY UNDERTAKINGS

The undertakings in this Condition 9 are for the benefit of the Finance Parties and shall remain in force from the Issue Date for so long as any amount of the Notes is outstanding.

9.1 Title

- (a) The Issuer shall:
- (i) in all material respects observe and perform all restrictive and other covenants, stipulations and obligations (including but not limited to building rights, leasehold, easements, qualitative obligations and perpetual clauses) now or at any time affecting the Properties;
 - (ii) duly and diligently to the extent in accordance with the principles of good estate management enforce all restrictive or other covenants, stipulations and obligations (including but not limited to building rights, leasehold, easements, qualitative obligations and perpetual clauses) benefiting the Properties and not waive, release or vary (or agree to do so) the obligations of any other party thereto; and
 - (iii) promptly take all such steps (including, without limitation, the execution, completion and delivery of documentation, returns, forms and certificates, the answering of any questions or correspondence from any relevant tax authority or any land registry, the payment of any fees, stamp duty land tax, penalties and interest and the delivery of any stamp duty land tax certificates received from any tax authority to the Facility Agent as soon as received by it), as may be necessary to enable the Security expressed to be created by the Finance Documents to be validly registered at any land registry; and
 - (iv) observe and perform in all material respects all the covenants on the part of the landlord in the Occupational Leases now or at any time affecting the Properties.
- (b) The Issuer shall carry out, at its own cost and expense, all activities, provide all documents, pay all amounts and do everything else necessary to remedy the environmental issues and liabilities indicated in the Environmental Report and shall ensure that the relevant technical advisors appointed to the Noteholders confirms that the above activities have been completed within 31 March 2021.
- (c) The Issuer shall carry out, at its own cost and expense, all activities and fulfil all formalities required to ensure the Building and Cadastral Requirements are met for each Property and the circumstances listed in Annex 4 (*Report*) are cured and shall ensure that the relevant technical advisors appointed to the Noteholders confirm that the above activities have been reasonably completed within 31 December 2021 – with the exception of those activities in relation to which in the Annex 4 (*Report*) a different completion time is estimated in relation to which the above term will be deemed therefore aligned to the one indicated in the Annex 4 (*Report*) in relation to such specific activities – and, if earlier, in any case, with respect to the Property in Milan, by the term provided under the related existing Lease Agreement in order to avoid any sanction on part of the Issuer (including, but not limited, penalties or right of termination by the tenant).
- (d) The Issuer shall carry out, at its own cost and expense, all activities and fulfil all formalities required to ensure that the circumstances listed in Annex 4 (*Report*) are, when the relevant activities are considered feasible (on the basis of the actual available documentation, including but not limited a declaration of the relevant public body that the requested documentation is not available) by the technical advisor appointed by mutual consent of both the Issuer and the Noteholders, cured and shall ensure that the relevant technical advisors appointed to the Noteholders confirm that the above activities have been reasonably completed within the timing set out in Annex 4 with respect to such specific circumstance.

9.2 Planning

- (a) The Issuer shall:
- (i) comply in all material respects with any conditions attached to any planning permission relating to or affecting the Properties;
 - (ii) comply in all material respects with Planning Laws and CU to which it or the Properties may be subject and with any condition, agreement or undertaking to applicable planning permissions or otherwise relating to or affecting the Properties;
 - (iii) carry out the activities eventually required to ensure that the status of the Properties complies in all material respects with the cadastral plans filed with the Cadastral Register at all times;
 - (iv) not carry out any material development on or of the Properties or make any material change in use of the Properties; and
 - (v) duly and timely comply with any administrative measure, order or provision of any kind that may be issued or in any case applied to the Properties with respect to (and/or to ensure) their compliance with Planning Laws, including orders providing for the payment of duties or the submission of documents and any other required order.

9.3 Lease Documents

- (a) In relation to the Milan Lease Agreement and/or any further Lease Agreement ensuring an annual rent equal to or higher than Euro 100,000.00, the Issuer shall not, without the consent of the Noteholders:
- (i) enter into or agree to enter into any new Lease Agreement from those in place as of the Issue Date that may be prejudicial of the rights of the Noteholders provided that a 5 Business Days prior notice is given in writing to the Noteholders in advance of the execution of any new Occupational Lease;
 - (ii) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Lease Document that may be prejudicial of the rights of the Noteholders, provided that a 5 Business Days prior notice is given in writing to the Noteholders in advance of the execution of such amendments, supplement, extension, waiver, surrender or release;
 - (iii) exercise any right to break, determine, otherwise terminate or extend any Lease Document except that (for any Lease Agreement other than the Milan Lease Agreement) it is substituted with a new Lease Document pursuant to par. (e) and (f);
 - (iv) commence any forfeiture or irritancy proceedings in respect of any Lease Document;
 - (v) grant any licence or right to use or occupy any part of the Properties, in breach of any Lease Document;
 - (vi) permit or consent to any sublease or assignment of any tenant's interest under any Lease Document, provided that any sublease will be permitted to the extent the tenant remains liable vis à vis the Issuer of the payment of any rent; or
 - (vii) agree to any change of use under, or (except where required to do so under the terms of the relevant Lease Document) rent review in respect of, any Lease

Document.

provided that, only with respect to the Veneziani Property, it will be permitted for the Issuer to renegotiate the terms of related Lease Document to the extent the tenor and the Rental Income of the same are not affected and/or reduced and the amendments are not prejudicial to the interest of the Noteholders.

- (b) The Issuer shall:
- (i) diligently collect or procure to be collected all Rental Income;
 - (ii) exercise its rights and comply with its obligations under each Lease Document; and
 - (iii) use its reasonable endeavours to ensure that each tenant complies with its obligations under each Lease Document,
- in a proper and timely manner.
- (c) The Issuer must supply to the Noteholders a copy of each Lease Document, a copy of each amendment, supplement or extension to a Lease Document and a copy of each document recording any rent review in respect of a Lease Document promptly upon entering into the same.
- (d) The Issuer must use their reasonable endeavours to find tenants for any vacant lettable space in any Property with a view to granting a Lease Document with respect to that space.
- (e) Without prejudice to Conditions 9.3(a)(iii) and 16.16, where a Lease Termination has occurred:
- (i) as a result of the Issuer exercising its rights to terminate, in accordance with the terms of the terminated Occupational Lease and applicable law as a consequence of a Material Breach; and/or
 - (ii) as a result of the Tenant exercising its right to withdraw from any Occupational Lease on the basis of “serious grounds” (*recesso per gravi motivi*) in accordance with the terms of the Occupational Lease and applicable law; and/or
 - (iii) as a result of the declaration of that Occupational Lease as null and/or void pursuant to applicable law,

the Issuer shall within the 12 (twelve) months after any such termination (the “**Cut Off Date**”) enter into a new unconditional and binding Occupational Lease (a “**New Occupational Lease**”) for that part of the Properties (or a smaller portion of that part of the Properties) which was the subject of the terminated Occupational Lease:

- (i) with a person that is not a Conflicted Affiliate or related to a Conflicted Affiliate;
- (ii) which is on arm’s length and market terms and conditions (*condizioni di mercato*); and
- (iii) which is effective and under which the regular periodical passing rental income (net of related Tax, costs and expenses) payable on and from the Cut Off Date is an amount (when aggregated with the rental income from the other Lease Agreements in place in relation to which no Lease Termination nor any event listed in par. (f) and (g) below has occurred) from time to time at least equal to that necessary in order to pay the interest on the Notes for the then following 12 months period.

- (f) Where a Lease Termination has occurred for any reason other than those matters referred under paragraphs (e)(i), (e)(ii) and (e)(iii) above and (g) below, the Issuer shall within the six months after any such termination (the “**Six Month Date**”) enter into a new unconditional and binding Occupational Lease (a “**New Occupational Lease**”) for that part of any Property (or a smaller portion of that part of any Property) which was the subject of the terminated Occupational Lease:
- (i) with a person that is not a Conflicted Affiliate or related to a Conflicted Affiliate;
 - (ii) which is on arm’s length and market terms and conditions (*condizioni di mercato*); and
 - (iii) which is effective and under which the regular periodical passing Net Rental Income payable on and from the Six Month Date is an amount at least equal to the greater of:
 - (A) the amount (when aggregated with the rental income from the other Lease Agreements in place in relation to which no Lease Termination nor any event listed in par. (g) below has occurred) from time to time at least equal to that necessary in order to pay the interest on the Notes for the then following 12 months period; and
 - (B) the regular periodical passing Net Rental Income that would have been payable under the terminated Occupational Lease it replaces.
- (g) Where an Occupational Lease is terminated as a result of the exercise by the relevant tenant of a break option or upon the expiry of its term, the Issuer shall within the six months after the date on which such Occupational Lease terminates or expires enter into a new unconditional and binding Occupational Lease (a “**New Occupational Lease**”) for that part of any Property (or a smaller portion of that part of any Property) which was the subject of the Occupational Lease which terminated or expired:
- (i) with a person that is not a Conflicted Affiliate or related to a Conflicted Affiliate;
 - (ii) which is on arm’s length and market terms and conditions (*condizioni di mercato*); and
 - (iii) which is effective and under which the regular periodical passing Net Rental Income payable on and from the six months after the date on which such Occupation Lease terminates or expires is an amount at least equal to the amount (when aggregated with the rental income from the other Lease Agreements in place in relation to which no Lease Termination nor any event listed in par. (f) above has occurred) from time to time at least equal to that necessary in order to pay the interest on the Notes for the then following 12 months period.

9.4 **Maintenance and energy efficiency improvements**

- (a) The Issuer must ensure that all buildings, plant, machinery, fixtures and fittings on the Properties are in, and maintained in:
- (i) good and substantial repair and condition and, as appropriate, in good working order; and
 - (ii) such repair, condition and, as appropriate, good working order as required in accordance with good estate management and to enable them to be let in accordance with all applicable laws and regulations.

It is agreed that the Issuer shall comply with this Condition 9.4 (a) also by providing in the relevant Lease Agreement that the activities above are carried out by the relevant Tenant, subject to a general duty of control and inspection of the Issuer.

- (b) The Issuer must carry out any energy efficiency improvements necessary, or take any other steps necessary, to ensure that at all times each part of the Properties which is designed to be let can be let or can continue to be let without breaching any applicable laws or regulations in respect of minimum levels of energy efficiency for properties.

9.5 Development

- (a) The Issuer shall not:
 - (i) make or allow to be made any application for planning permission in respect of any part of the Properties;
 - (ii) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of the Properties;
 - (iii) incur capital expenditure in respect of works of alteration, addition, maintenance, repair, improvement, refurbishment and/or extension to the Properties, other than the capital expenditures expressly indicated in the Milan Lease Agreement delivered at the Issue Date.
- (b) Paragraph (a) above shall not apply to:
 - (i) the maintenance of the buildings, plant, machinery, fixtures and fittings in accordance with the Finance Documents;
 - (ii) any alterations or improvements which a tenant is entitled to undertake at its costs and expenses in accordance with the terms of the relevant Lease Document and in respect of which the Issuer in its capacity as ownership is required to give its consent pursuant to the terms of that Lease Document to the extent not affecting the value, transferability and/or title over the Property or any part thereof;
 - (iii) any improvement (but not alteration) of the Property reasonably requested by a new tenant in order to increase the occupancy of the Property itself which in any case do affect (i) the title, operation, transferability, use, value of the Property, (ii) the compliance with the Building Titles and any applicable law (including, without limitations, landscape encumbrances set out in Condition 5.18 (*Properties*) paragraph (I)), and (iii) the amount of the rents due by the tenants under the applicable Lease Agreements and provided that such improvement are not funded by means of utilisation of the pledged Bank Accounts (and/or any sum to be collected therein pursuant to the Conditions); or
 - (iv) the carrying out of non-structural improvements or alterations which affect only the interior of any building on the Properties.

9.6 Notices

- (a) The Issuer shall promptly upon receipt of the same provide reasonable details (and if requested a copy of any written particulars received by it) to the Noteholders of any material notice, order, directive, designation, resolution or proposal (a “**Planning Notice**”) having application to the Properties or to the area in which it is situated and requiring action by the Issuer from any planning authority or other public body or authority under or by

virtue of the Planning Laws or any other statutory power or powers conferred by any other law.

- (b) To the extent the Issuer does not comply with its material obligations under a Planning Notice, upon reasonable prior notice to the Issuer the Noteholders may at the cost of the Issuer take all reasonable or expedient steps (in the name of the Issuer or otherwise) to remedy such non-compliance and/or make objections or representations against or in respect of any Planning Notice.

9.7 **Power to remedy**

- (a) If the Issuer fails to perform any obligations under the Finance Documents or any Transaction Document (including, without limitations, the Construction Agreements related to the refurbishment and restoration works on the Property in Milan in course at the Issue Date), the Noteholders (if permitted by the Noteholders) or the Security Agent (acting on the instructions of the Noteholders) or their respective agents and contractors, at costs and expenses of the Issuer, are irrevocable allowed:
 - (i) to enter any part of any Property;
 - (ii) to comply with or object to any notice served on the Issuer in respect of any Property; and
 - (iii) to take any action that the Security Agent (acting on the instructions of the Noteholders) may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.
- (b) The Issuer must immediately on request by the Security Agent (acting on the instructions of the Noteholders): (A) pay the documented costs and expenses of the Noteholders, the Security Agent, or their agents and contractors reasonably incurred in connection with any action taken by it under this Condition and (B) grant any power of attorney and execute any deed, agreement or document or action required by the Security Agent in order to put in place the activities set out in this Condition.
- (c) None of the Security Agent or the Noteholders shall be obliged to account as mortgagee in possession as a result of any action taken under this Condition nor shall be deemed as liable vis-à-vis the Issuer or any third party for any damage, loss or costs arising from their activities pursuant to this Condition 9.7 (*Power to Remedy*).

9.8 **Insurances**

- (a) The Issuer must ensure that at all times from the Issue Date, Insurances are maintained in full force and effect, which:
 - (i) insure the Issuer in respect of its interests in the Properties and the plant and machinery on the Properties (including fixtures and improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs);
 - (ii) provide cover against loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage for a property of the type of the Properties;
 - (iii) provide cover for site clearance, shoring or propping up, professional fees and

- VAT together with adequate allowance for inflation;
- (iv) provide cover against acts of terrorism, including any third party liability arising from such acts;
 - (v) provide cover for loss of rent (in respect of a period of not fewer than 18 months or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance;
 - (vi) include third party liability insurance; and
 - (vii) insure such other risks as a prudent company or other person in the same business as the Issuer would insure.
- (b) The Issuer must ensure that the Insurances comply with the following requirements:
- (i) each of the Insurances must contain:
 - (A) a non-invalidation and non-vitiation clause under which the Insurances will not be avoided or vitiated as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any other insured party or any agent of any other insured party;
 - (B) a waiver of the rights of subrogation of the insurer (if applicable) as against the Issuer, each Finance Party and the tenants of the Properties other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of the Properties or any Insurance; and
 - (C) within 15 (fifteen) Business Days from the Issue Date and, thereafter, contextually with the issuance of any further Insurance, a Loss Payee Clause under which the Security Agent is named as first loss payee (other than in respect of any claim under any public liability and third party liability insurances);
 - (ii) the Issuer must give at least 30 days' notice to the Noteholders if the insurer proposes to:
 - (A) repudiate, rescind or cancel any Insurance;
 - (B) treat any Insurance as avoided in whole or in part;
 - (C) treat any Insurance as expired due to non-payment of premium; or
 - (D) otherwise decline any claim under any Insurance by or on behalf of any insured party,

and, in respect of paragraph (C) above, shall procure that the Noteholders have the opportunity to rectify any such non-payment of premium within the notice period; and
 - (iii) the Issuer must be free to assign or otherwise grant Security over all amounts payable to it under each of its Insurances (other than in respect of any claim under any public liability and third party insurance) and all its rights in connection with those amounts in favour of the Security Agent.
- (c) Upon request of the Noteholders, the Issuer must ensure that the Noteholders receives

copies of the Insurances, receipts for the payment of premiums for insurance and any information in connection with the Insurances and claims under them which the Noteholders may reasonably require.

- (d) The Issuer must promptly notify the Noteholders of:
 - (i) the proposed terms of any future renewal of any of the Insurances;
 - (ii) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened in writing or pending;
 - (iii) any written claim, and any actual or threatened in writing refusal of any claim, under any of the Insurances; and
 - (iv) any event or circumstance which has led or may lead to a breach by the Issuer of any term of this Condition.
- (e) The Issuer must:
 - (i) comply with the terms of the Insurances;
 - (ii) not do or permit anything to be done which may make void or voidable any of the Insurances; and
 - (iii) comply with all reasonable risk improvement requirements of its insurers.
- (f) The Issuer must ensure that:
 - (i) each premium for the Insurances is paid within the period permitted for payment of that premium; and
 - (ii) all other things necessary are done so as to keep each of the Insurances in force.
- (g) If the Issuer fails to comply with any term of this Condition 9.8, the Noteholders (if permitted by the Noteholders), or the Security Agent may, at the expense of the Issuer, effect any insurance and generally do such things and take such other action as the Noteholders or the Security Agent (acting on the instructions of the Noteholders) may reasonably consider necessary or desirable to prevent or remedy any breach of this Condition 9.8.
- (h)
 - (i) Except as provided below, the proceeds of any Insurances must be paid into the Deposit Account.
 - (ii) To the extent required by the basis of settlement under any Insurances or under any Lease Document, the Issuer must apply moneys received under any Insurances in respect of the Properties towards replacing, restoring or reinstating the Properties.
 - (iii) The proceeds of any loss of rent insurance will be treated as Rental Income and applied in such manner as the Noteholders (acting reasonably) requires to have effect as if it were Rental Income received over the period of the loss of rent.
 - (iv) Moneys received under liability policies held by the Issuer which are required by the Issuer to satisfy established liabilities of the Issuer to third parties must be credited to the General Account and used only to satisfy those liabilities.

9.9 **Environmental matters**

- (a) The Issuer must:

- (i) comply and take reasonable steps to ensure that any relevant third party complies with all Environmental Law;
 - (ii) obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to it or to the Properties; and
 - (iii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or the Properties,
 - where failure to do so has a Material Adverse Effect or result in any liability for a Finance Party.
- (b) The Issuer must, promptly upon becoming aware, notify the Noteholders and Noteholders of:
- (i) any Environmental Claim started;
 - (ii) any circumstances reasonably likely to result in an Environmental Claim; or
 - (iii) any suspension, revocation or notification of any Environmental Permit.

9.10 **Compulsory purchase**

- (a) The Issuer shall notify the Noteholders promptly if the whole or any material part of the Properties is compulsorily purchased or the applicable governmental agency or authority serves an order for the compulsory purchase of the same on the Issuer or if the Issuer becomes aware that any action or declaration is approved for the purposes of a compulsory purchase procedure (including, without limitation any *dichiarazione di pubblico interesse*) in respect of the Properties.
- (b) On receipt of such notice from the Issuer, the Noteholders shall be entitled to request a revised Valuation of the Properties (and the cost of any such Valuation shall be borne by the Issuer) ignoring that part of the Properties being compulsorily purchased.

9.11 **Conflicted Affiliate**

No Conflicted Affiliate, other than the Issuer (and any related party engaged for the asset and/or property management of the Properties, if any), shall receive any payment in connection with the Properties or any Lease Document.

9.12 **Sale Mandate**

The Issuer shall enter into with respect to each Property and, subject to the fact that an Event of Default is outstanding, the Efir Shares by:

- (a) 30 June 2021 (or, with respect to Efir Shares, thereafter as long as there is an Event of Default outstanding); or (only with respect to the Property subject matter of any relevant binding offer or preliminary agreement as described here below); and
- (b) if by such date set out in item (a) the Issuer has delivered to the Noteholders evidence that a binding offer and/or binding preliminary agreement has been entered into and is in place with respect to the sale of any Property to the extent the contents thereof comply with Condition 8.4 (*Disposals*) above and the longstop date for the perfection of the sale does not fall beyond 31 December 2021, 15 January 2022 (or, with respect to Efir Shares, thereafter as long as there is an Event of Default outstanding) or the earlier date on which the binding offer or preliminary agreement has been terminated or ceased to have effect,

the following documents in form and substance satisfactory to the Noteholders:

- (a) an irrevocable mandate to sale – in the interest of the Noteholders – in favour of a third-

party *mandatario* – selected and appointed by the Issuer in a short list of three high standing companies selected by the Noteholders and sent to the Issuer by the Noteholders not later than 15 Business Days from the above applicable term – in respect of the Properties;

- (b) the connected notarized irrevocable power of attorney to such *mandatario* for the sale of the Properties and the Efir Shares in the name and on behalf of the Issuer.

The mandate shall be effective from 17 January 2022 and will fix the initial purchase consideration in accordance with the most recent Valuation of each Property (or, with respect to the Efir Shares, the most recent value determined in line with the definition of “Property Debt to Value Ratio”) as at such date with a subsequent 10% decalage – in case of not receipt of a binding commitment (in form and substance in line with the standard market practice) to purchase (with closing to be perfected in 3 months from the receipt of the binding offer) – in the subsequent 6 months period.

10. BANK ACCOUNTS

10.1 Designation of Accounts

- (a) The Issuer must maintain the following bank accounts in its name:
 - (i) a rent account designated the “**Rent Account**”;
 - (ii) a deposit account designated the “**Deposit Account**”;
 - (iii) a finance account designated the “**Finance Account**”; and
 - (iv) a current account designated the “**General Account**”.
- (b) The Issuer may not, without the prior consent of the Security Agent (acting on the instructions of the Noteholders), maintain any other bank account where any amount related to the Properties is paid except for the Accounts related to the Existing Facilities Agreements that will be closed within (30) Business Days from the Issue Date, provided that any account related to the Properties paid into these Accounts will be transferred into the Bank Accounts by 3 (three) Business Days from its collection.
- (c) Without prejudice to paragraph (e) below, prior to the occurrence of an Event of Default:
 - (i) subject to paragraph (ii) below and notwithstanding any conflicting provision of this Condition 10 (*Bank Accounts*), the Bank Accounts shall be operated by the Issuer provided that no amounts standing to the credit of the Bank Accounts may be withdrawn from the Bank Accounts except upon approval of the Security Agent (acting upon instructions of the Noteholders); and
 - (ii) until the occurrence of a Default, the Issuer will have the sole right to operate the General Account and may withdraw amounts standing to the credit of the General Account for application in or towards any purpose for which moneys in that Bank Account may be applied.
- (d) Following the occurrence of an Event of Default the Security Agent will have the sole right to operate the Bank Accounts and it, acting alone (but upon instructions of the Noteholders), may withdraw any amounts standing to the credit of the Bank Accounts.
- (e) No Bank Account may be operated by the Issuer until the repayment in full of the Existing Bond and payment of the Substitutive Tax, other than for the purpose of making such payments.

10.2 Account Bank

- (a) Subject to paragraphs (b) and (c) below, each Bank Account must be held with the Account

Bank.

- (b) A Bank Account must be replaced with a bank account at the same or another bank at any time if the Security Agent (acting on the instructions of the Noteholders) so requests.
- (c) The replacement of a Bank Account only becomes effective when the relevant bank agrees with the Security Agent and the Issuer, in a manner satisfactory to the Security Agent (acting on the instructions of the Noteholders), to fulfil the role of the bank holding that Bank Account.

10.3 Rent Account

- (a) Without prejudice to Condition 10.1 (*Designation of Accounts*), paragraph (b) above, starting from the 30th Business Day from the Issue Date, the Issuer must ensure that:
 - (i) the proceeds of the Notes not to be used for the repayment of the loans under the Existing Facilities Agreement and the Transaction Costs at the Issue Date are immediately transferred from the Payment Account to the Rent Account on the Issue Date;
 - (ii) all Rental Income and Tenants' Contributions and any other amount related to the Properties (excluding Lease Prepayment Proceeds and those to be applied in another Bank Account pursuant to this Condition 10 (*Bank Account*)) are paid directly into the Rent Account.
 - (b) The amount standing on the Rent Account as a result of the payment made pursuant to paragraph (a)(i) above shall be used:
 - (i) by 31 December 2020, for the purpose of repaying in full the Existing Bond by transferring such amount on the Payment Account and then applied against such prepayment provided that, in advance of the transfer to the Payment Account, it is provided evidence (in form and substance satisfactory to the Noteholders) that:
 - (A) the repayment in full of the Existing Bond shall occur on the date of transfer on the Payment Account; and
 - (B) irrevocable instructions have been provided to Banco BPM S.p.A. as account bank of the Payment Account for the repayment of the Existing Bond;
 - (ii) by the term provided by operation of law, for the payment in full of the Substitutive Tax related to the Notes, provided that at the date of utilisation of the Rent Account for such purpose, the Issuer shall provide written evidence to the Noteholders which such payment has been done,
- provided that no Default is outstanding or would occur by reason of such payments.
- (c) If any payment of any amount referred to in paragraph (a) above is paid into a Bank Account other than the Rent Account, that payment must be transferred immediately into the Rent Account.
 - (d) Subject to paragraph (b) above, the Issuer will be permitted to apply the Rental Income at each Interest Payment Date in the following order:
 - (i) *first*, in or towards payment in the Finance Account of the amount needed for make the payments due as at such Interest Payment Date pursuant to paragraphs from (i) to (v) of paragraph (c) of Condition 10.4 (*Finance Account*);

- (ii) *second*, the creation of the applicable DSRA (as defined in Condition 10.4 (*Finance Account*)) in the Finance Account;
 - (iii) *third*, in or towards payment of and Permitted Tax Payments and insurance premium under the Insurances;
 - (iv) *fourth*, in or towards payment of Permitted Operating Expenses,
- provided further that for the payments under (iii) and (iv) above:
- (1) the Security Agent has received a certificate signed by two directors of the Issuer certifying that:
 - (A) no Default is continuing; and
 - (B) the representations set out in Condition 5.1 are correct in all material respects and will be correct in all material respects immediately after the withdrawal; and
 - (2) the Issuer provides to the Security Agent the invoices in respect of such Permitted Operating Expenses and Permitted Tax Payment.

10.4 Finance Account

- (a) The Issuer must ensure that, at the Issue Date, an amount equal to the interest on the Notes expected to be due at the then subsequent Interest Payment Date (as determined by the Calculation Agent) are paid directly into the Finance Account as per the Funds Flow Statement.
- (b) All amounts standing to the credit of the Rent Account on the date falling on each Interest Payment Date in order to cover the interest and other amounts expected to be due on the following Interest Payment Date (as determined by the Calculation Agent) (the “**DSRA Amount**”) must be transferred to the Finance Account. Should the amount then standing on the Rent Account be not sufficient to cover 100% of such amount (or at any time the amount standing on the Finance Account proves to be lower than the DSRA Amount then applicable), upon collection on the Rent Account of any amount, it shall be immediately transferred on the Finance Account (and may not be utilised for any other purpose) until the DSRA Amount from time to time applicable is credited on such Finance Account.
- (c) On each Interest Payment Date (or such other date between Interest Payment Dates as may be required to make any payment under paragraphs (iii) and (v) below), amounts standing to the credit of the Finance Account shall be applied in the following order of priority the “**Pre-Acceleration Priority of Payments**”) in each case only if and to extent that payments of a higher order of priority have been made in full and the relevant payment does not cause the Finance Account to become overdrawn:
 - (i) *first*, in or towards payment *pro rata* of any amount due and payable (and/or unpaid and owing) to the Security Agent under the Finance Documents;
 - (ii) *second*, in or towards payment *pro rata* of any amount due and payable (and/or unpaid and owing) to the Agents and the Account Bank;
 - (iii) *third*, in or towards repayment of any Property Protection/Cure Payments;
 - (iv) *fourth*, in or towards payment *pro rata* of interest due and payable and/or unpaid in respect of the Notes provided that for the purpose of the payment of interest (1) the required amounts shall be transferred, on the Interest Payment Date and in the limits of this item (iv), from the Finance Accounts to the Issuer’s Account (as

defined in the Agency Agreement) and (2) the payment of interest shall be then made from the Issuer's Account to the Noteholders; and

- (v) *fifth*, in or towards payment of or provision for any other sum due and payable (and/or unpaid and owing) to the Finance Parties under the Finance Documents.

It remains understood that upon a Property's sale, the DSRA Amount shall be promptly reduced taking into account any lower amount due by the Issuer on the subsequent Interest Payment Date, releasing any extra amount.

10.5 **Deposit Account**

- (a) The Issuer must ensure that Net Sale Proceeds, Lease Prepayment Proceeds, Insurance Prepayment Proceeds, the Construction Agreements Prepayment Proceeds and Compensation Prepayment Proceeds and any distribution or payment from Efir as well as other amounts set out in Condition 15.2 are paid directly into the Deposit Account.
- (b) If any payment of any amount referred to in paragraph (a) above is paid into a Bank Account other than the Deposit Account, that payment must be paid immediately into the Deposit Account.
- (c) Upon collection, amounts standing to the credit of, the Deposit Account shall be immediately applied in redemption of the Notes in accordance with Condition 15.2 (*Mandatory Redemption from Net Sale Proceeds, Lease Prepayment Proceeds, Insurance Prepayment Proceeds and Compensation Proceeds and other proceeds*).
- (d) No withdrawal shall be permitted to the Issuer pursuant to paragraph (c) above unless the Security Agent has received a certificate signed by two directors of the Issuer certifying that:
 - (i) no Event of Default is continuing; and
 - (ii) the representations set out in Condition 6 are correct in all material respects and will be correct in all material respects immediately after the withdrawal.

10.6 **General Account**

Subject to Condition 10.1(c) and the requirement that amounts paid into the General Account for a particular purpose must be used for that purpose, the Issuer may withdraw any amount from the General Account for any purpose which are not prohibited by the Finance Documents.

10.7 **Post-Acceleration Priority of Payments**

All moneys recovered by (or on behalf of) the Security Agent for the benefit of the Finance Parties on and from the delivery of an Acceleration Notice shall be applied in the following order of priority (the "**Post-Acceleration Priority of Payments**") in each case only if and to extent that payments of a higher order of priority have been made in full:

- (a) *first*, in or towards payment *pro rata* of any amounts due and payable (and/or unpaid and owing) to the Security Agent under the Finance Documents;
- (b) *second*, in or towards payment *pro rata* of any amounts due and payable (and/or unpaid and owing) to the Agents and the Account Bank;
- (c) *third*, in or towards payment of interest due and payable and/or unpaid in respect of the Notes;
- (d) *fourth*, in or towards payment *pro rata* in full of all amounts of principal due and payable and/or unpaid in respect of the Notes and any Make Whole Premium, any Exit Fee and

Break Costs;

- (e) *fifth*, in or towards payment *pro rata* of or provision for any other sum due and payable (and/or unpaid and owing) to the Finance Parties under the Finance Documents (including amounts repayable in respect of Property Protection/Cure Payments); and
- (f) *sixth*, the balance if any to the Issuer.

10.8 **Miscellaneous Accounts provisions**

- (a) The Issuer must ensure that no Bank Account goes into overdraft.
- (b) Any amount received or recovered by the Issuer or the Security Agent otherwise than by credit to a Bank Account must be held subject to the Transaction Security and immediately be paid to the relevant Bank Account, or in the case of the Security Agent, in accordance with Condition 10.7 (*Post-Acceleration Priority of Payments*) in the same funds as received or recovered.
- (c) If any payment is made into a Bank Account which should have been paid into another Bank Account, then the Issuer, or in case of its breach the Security Agent, to the extent the latter has been informed about such event, shall transfer such payment to the appropriate Bank Account.
- (d) Amounts standing to the credit of any Bank Account may be applied by the Issuer or, as the case may be, the Security Agent in payment of any amount due but unpaid to a Finance Party under the Finance Documents, in accordance with the:
 - (i) priority of payments in Condition 10.4(c) (*Finance Account*) (prior to the occurrence of an Event of Default); or
 - (ii) the instructions from the Security Agent, acting upon instructions of the Noteholders (following the occurrence of an Event of Default).
- (e) No Finance Party is responsible or liable to the Issuer for:
 - (i) any non-payment of any liability of the Issuer which could be paid out of moneys standing to the credit of a Bank Account; or
 - (ii) any withdrawal wrongly made, if made in good faith.
- (f) The Issuer must provide within five Business Days of any request by the Security Agent, the Security Agent with the following information in relation to any payment received in a Bank Account:
 - (i) the date of payment or receipt;
 - (ii) the payer; and
 - (iii) the purpose of the payment or receipt.
- (g) The Issuer is obliged to take such action as is required to make a withdrawal from any of the Bank Accounts in accordance with paragraph (d) above.
- (h) The proceeds of sale of any Property or shares in the Issuer pursuant to the Sale Mandates shall be credited to an account designated by the Security Agent (acting upon instructions of the Noteholders) upon receipt.
- (i) The Issuer acknowledges and agrees that the Security Agent shall have the right to request at any time to the Account Bank the activation of remote access to the Bank Accounts (so-

called “*remote banking*”) with the power to dispose of the amounts credited therein exclusively in accordance with this Agreement.

11. **PROPERTY PROTECTION/CURE PAYMENTS**

- (a) Any one or more Finance Parties may, with the consent of the Security Agent and as directed by the Security Agent (acting on the instructions of the Noteholders), make a Property Protection/Cure Payment whether or not requested by the Issuer.
- (b) Each Property Protection/Cure Payment shall:
 - (i) be repayable within three Business Days of demand made by the relevant Finance Party with the consent of the Security Agent as directed by the Security Agent (acting on the instructions of the Noteholders)) and in any event shall be repayable on the Final Maturity Date; and
 - (ii) bear interest in accordance with Condition 12.3 (*Default Interest*) as if it were an Unpaid Sum.

12. **INTEREST**

12.1 **Interest Rate**

The rate of interest on the Notes for each Interest Period is the percentage rate per annum which is the sum of:

- (i) the Margin; and
- (ii) the applicable EURIBOR.

12.2 **Interest Accrual**

- (a) Subject to Condition 14 (*Payment Mechanic*) and the following provisions of this Condition, the Issuer shall pay accrued interest on the Principal Amount Outstanding of the Notes in cash on each Interest Payment Date.
- (b) Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal or any other amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 12.2 (both before and after judgment) until the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder.

12.3 **Default Interest**

- (a) If the Issuer fails to pay any amount payable by it under the Finance Documents on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (b) below, is 2.00 per cent. per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted principal outstanding under the Notes in the currency of the overdue amount for successive Interest Periods, up to and including the date on which payment is to be made to the Noteholders in respect thereof as stated in a notice given to the Noteholders in accordance with Condition 24 (*Notices*) (such date to be not later than the day on which the whole of such principal amount, together with an amount equal to the interest which has accrued pursuant to this proviso up to and including that date, has been received by the Security Agent or the Paying Agent), except to the extent that there is a default in the subsequent payment thereof to the Noteholders in accordance with the Conditions. Any interest accruing under this paragraph shall be immediately payable by the Issuer on demand by the Noteholders.

- (b) If any overdue amount consists of all or part of the Principal Amount Outstanding under any Notes which became due on a day which was not the last day of an Interest Period:
 - (i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period relating to that Note; and
 - (ii) the rate of interest applying to the overdue amount during that first Interest Period shall be 2.00 per cent. per annum higher than the rate which would have applied if the overdue amount had not become due.

12.4 Notification of Rates of Interest

The Calculation Agent shall promptly notify the Issuer, the Paying Agent and the Noteholders of the determination of a rate of interest under these Conditions.

12.5 Interest Period

- (a) In relation to the Notes, an Interest Period is each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date.
- (b) The determination of the extent to which a rate is for a period equal in length to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of these Conditions.
- (c) The first Interest Payment Date is 30 June 2021.

12.6 Unavailability of Screen Rate

- (a) *Interpolated Screen Rate:* If no Screen Rate is available for EURIBOR for an Interest Period, the applicable EURIBOR shall be the Interpolated Screen Rate for a period equal in length to such Interest Period.
- (b) *Shortened Interest Period:* If no Screen Rate is available for EURIBOR for:
 - (i) the currency of the Notes; or
 - (ii) the relevant Interest Period and it is not possible to calculate the Interpolated Screen Rate,such Interest Period shall (if it is longer than the applicable Fallback Interest Period) be shortened to the applicable Fallback Interest Period and the applicable EURIBOR for that shortened Interest Period shall be determined pursuant to the definition of EURIBOR.
- (c) *Shortened Interest Period and Historic Screen Rate:* If an Interest Period is, after giving effect to paragraph (b) above either the applicable Fallback Interest Period or shorter than the applicable Fallback Interest Period and, in either case, no Screen Rate is available for EURIBOR for:
 - (i) the currency of the Notes; or
 - (ii) the relevant Interest Period and it is not possible to calculate the Interpolated Screen Rate,

the applicable EURIBOR shall be the Historic Screen Rate.

- (d) *Shortened Interest Period and Interpolated Historic Screen Rate:* If paragraph (c) above applies but no Historic Screen Rate is available for the relevant Interest Period, the applicable EURIBOR shall be the Interpolated Historic Screen Rate for a period equal in length to that Interest Period.

12.7 **Break Costs**

- (a) The Issuer shall, within three Business Days of demand by a Noteholder, pay to that Noteholder its Break Costs attributable to all or any part of a Note or Unpaid Sum being paid by the Issuer on a day other than the last day of an Interest Period for the Notes or Unpaid Sum.
- (b) Each Noteholder shall, as soon as reasonably practicable after a demand by the Issuer, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

13. **USURY LEGISLATION**

- (a) The total remuneration payable by the Issuer under the Notes (including accrued interests) (the “**Total Remuneration**”) determined as of the Issue Date is in compliance with the Usury Legislation.
- (b) Notwithstanding any other provision of these Conditions, if at any time the Total Remuneration exceeds the maximum remuneration permitted by the Usury Legislation (as amended or supplemented from time to time), then any such remuneration shall be reduced, for the shortest possible period (if applicable), to the maximum amount permitted to be payable by the Issuer in accordance with the Usury Legislation.

14. **PAYMENT MECHANICS**

14.1 **Payments**

- (a) Payments of principal and interest in respect of each Note will be made to the accounts of Noteholders shown in the book-entries of, and in accordance with the rules and regulations of, Monte Titoli.
- (b) Each payment in respect of the Notes will be made by transfer to the account of the Noteholder shown in the book-entries of, and in accordance with the rules and regulations of, Monte Titoli. Payment instructions (for value the due date, or, if the due date is not a Business Day, for value the next succeeding Business Day) will be initiated by the Paying Agent on the due date for payment, subject to the Paying Agent being in receipt of sufficient funds for such payment.
- (c) All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 17 (*Taxation*).
- (d) On any redemption of any of the Notes (in whole or in part), payment of the relevant principal amount will be made to the relevant Noteholders shown in the book-entries in accordance with the rules and regulations of Monte Titoli.

14.2 **No Set-off by Issuer**

All payments to be made by the Issuer under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim. No exception may be raised by the Issuer for avoiding or delaying in full or part such payment and any such exception may be raised only upon payment (*Solve et repete*).

14.3 **Business Days**

- (a) If the due date for payment of any amount in respect of any Note is not a Business Day, Noteholders shall not be entitled to payment of that amount until the next succeeding Business Day in that calendar month (if there is one) or the preceding Business Day (if

there is not).

- (b) During any extension of the due date for payment of any principal or Unpaid Sum under the Finance Documents interest is payable on the principal or Unpaid Sum at the rate payable on the original due date, to the extent permitted under any applicable law and/or regulation.

14.4 **Currency of Account**

- (a) Subject to paragraphs (b) to (e) (inclusive) below, euro is the currency of account and payment for any sum due from the Issuer under any Finance Document.
- (b) Any redemption or purchase of the Notes shall be made in the currency in which the Notes are denominated, pursuant to the Finance Documents, on its due date.
- (c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated, pursuant to the Finance Documents, when that interest accrued.
- (d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- (e) Any amount expressed to be payable in a currency other than euro shall be paid in that other currency.

14.5 **Change of Currency**

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
 - (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Noteholders after consultation with the Issuer; and
 - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Noteholders (acting reasonably).
- (b) If a change in any currency of a country occurs, the Finance Documents and the Notes will, to the extent the Noteholders after consultation with the Issuer specify to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Market and otherwise to reflect the change in currency.

14.6 **Disruption to Payment Systems etc.**

If the Noteholders determines that a Disruption Event has occurred or the Noteholders are notified by the Issuer that a Disruption Event has occurred:

- (a) the Noteholders shall, if requested to do so by the Issuer, consult with the Issuer with a view to agreeing with the Issuer such changes to the operation or administration of the Notes as the Noteholders may deem necessary in the circumstances; and
- (b) the Noteholders shall not be obliged to consult with the Issuer in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances.

14.7 **Paying Agent**

- (a) The Notes are the subject to the Agency Agreement and the Noteholders are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement provided that a copy of the Agency Agreement is available for inspection of the Noteholders at the office of the Paying Agent.
- (b) Each payment due under any Finance Document which is made by the Issuer to the Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant obligations of the Issuer under that Finance Document; except to the extent that there is a default in the subsequent payment of that payment to the relevant Noteholders in accordance with such Finance Document.
- (c) If any payment under a Finance Document is made by the Issuer to the Paying Agent after the due date of that payment, that payment shall be deemed not to have been made until the full amount of that payment is paid to the relevant Noteholders in accordance with that Finance Document.
- (d) If any payment under a Finance Document is made by the Issuer to the Paying Agent on or before its due date but the corresponding payment is made by the Paying Agent to the relevant Noteholder after its due date, payment shall be deemed not to have been made until the full amount is paid to the relevant Noteholder in accordance with the relevant Finance Document.

14.8 **Payments subject to applicable laws**

Payments in respect of principal and interest on the Notes are subject in all cases (but without prejudice to the provisions of Condition 17 (*Taxation*)) to (i) any fiscal or other laws and regulations applicable in the place of payment 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 any law implementing an intergovernmental approach thereto.

14.9 **Calculation Agent**

Each determination which is made by the Calculation Agent in connection with the Finance Documents in the manner provided in the Agency Agreement shall satisfy, to the extent of such determination, the relevant obligations of the Issuer under that Finance Document and shall be final and binding on the Issuer, the Noteholders, the Security Agent and the Agents.

15. **REDEMPTION AND PURCHASE**

15.1 **Redemption on Final Maturity Date**

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed in full at 100 per cent. of their Principal Amount Outstanding on the Final Maturity Date.

15.2 **Mandatory Redemption from the Net Sale Proceeds, Lease Prepayment Proceeds, Insurance Prepayment Proceeds and Compensation Prepayment Proceeds and other proceeds**

The Issuer shall be required to credit:

- (a) without prejudice to Condition 16, upon collection, any Net Sale Proceed, any Lease Prepayment Proceeds, Insurance Prepayment Proceeds, Compensation Prepayment Proceeds and Construction Agreement Prepayment Proceeds; and
- (b) unless the sale is made by the *mandatario* pursuant to the Mandate to Sale (where the sale

shall be made at the terms and conditions set out therein), upon sale (whether or not permitted pursuant to these Conditions and without prejudice for the operation of Condition 16 (if applicable)) of any Property or asset subject to Transaction Security, the higher of (i) 100% of the applicable Net Sale Proceeds and (ii) the connected Release Amount (less that part thereof related to the Make Whole Premium and the Exit Fee);

- (c) without prejudice to the Condition 15.4 (*Mandatory Redemption following a Change of Control and other milestones*), within 30 Business Days from both the sale by Efir of any of the units of the Dante Fund and any distribution made by the Dante Fund to Efir, an amount equal to Applicable Percentage of the related sale proceeds and/or such distribution collected by Efir, where “**Applicable Percentage**” means the ratio, expressed as percentage, between the number of the shares of Efir owned by the Issuer and the then aggregate number of shares issued by Efir; and
- (d) upon collection and without double counting with the payment under (c) above, any distribution or payment received directly or indirectly by the Issuer from Efir;

into the Deposit Account and to apply such amount in redemption of the principal outstanding amount of the Notes (in whole or in part) on a *pro rata* basis at the time set out in Condition 10.5 (*Deposit Account*) above.

15.3 **Mandatory Redemption as a result of illegality**

If, in any applicable jurisdiction, it is or becomes unlawful for any Noteholder to hold the Notes or it becomes unlawful for any Affiliate of a Noteholder for that Noteholder to do so:

- (a) that Noteholder shall promptly notify the Issuer upon becoming aware of that event; and
- (b) the Issuer shall redeem the Notes held by that Noteholder on the Interest Payment Date occurring after the Noteholder has notified the Issuer or, if earlier, the date specified by the Noteholder in the notice delivered to the Issuer (being no earlier than the last day of any applicable grace period permitted by law) at a price equal to 100 per cent. of their Principal Amount Outstanding.
- (c) The Issuer shall notify the Noteholders and the Agents of any such redemption undertaken in accordance with Condition 15.3(b) above.

15.4 **Mandatory Redemption following a Change of Control and other milestones**

If any of the following circumstances occurs:

- (a) a Change of Control occurs, unless the Change of Control has been prior consented in writing by the Noteholders and to the extent the definition of “Change of Control” has been amended in consideration of the updated corporate structure of the Issuer,
- (b) any condition precedent or condition subsequent set out in the Milan Lease Agreement is not satisfied or not waived or occur, as the case may be, by the applicable term set out thereunder;
- (c) the ordinary annual rent of the Milan Lease Agreement does not start to be paid in accordance with the Lease Agreement by 1st July 2021; and/or
- (d) the extraordinary refurbishment works due by the Issuer on the Property in Milan as evidenced in the Reports are not completed by 31 March 2021 or, if earlier, the date required under the Milan Lease Agreement in order to avoid any right of termination for the Tenant;

the Issuer shall immediately notify the Noteholders and redeem all of the Notes in full at a price

equal to 100 per cent. of their Principal Amount Outstanding.

15.5 **Redemption at the Option of the Issuer**

The Issuer may redeem the Notes in whole or in part upon ten (10) Business Days' notice (or such shorter period as the Noteholders may agree) in a minimum principal amount of €500,000 on a *pro rata* basis (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the relevant optional redemption date in such amount).

15.6 **Partial Redemption**

If the Notes are redeemed in part in accordance with Conditions 15.2 (*Mandatory Redemption from Net Sale Proceeds, Lease Prepayment Proceeds, Insurance Prepayment Proceeds and Compensation Proceeds and other proceeds*), each Note shall be redeemed in part on a *pro rata* basis in the proportion which the aggregate principal amount of the Notes to be redeemed on the relevant optional redemption date bears to the aggregate Principal Amount Outstanding of all Notes on such date.

15.7 **Redemption for Tax Reasons**

- (a) If:
- (i) as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 17 (*Taxation*)), or any change in the application or official interpretation of the laws or regulations of a Tax Jurisdiction, which change or amendment becomes effective after the date of the Subscription Agreement, on the following Interest Payment Date the Issuer would be required to pay Additional Amounts as provided or referred to in Condition 17 (*Taxation*); and
 - (ii) the requirement cannot be mitigated in full by the Issuer taking reasonable measures available to it,

the Issuer may at its option, having given not fewer than 30 nor more than 60 days' notice to the Noteholders, redeem all the Notes, but not some only, at a price equal to 100 per cent. of their Principal Amount Outstanding (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes on the redemption date specified in the notice), 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 in relation to an amount then due in respect of the Notes.

- (b) Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Noteholders (i) a certificate signed by two Directors of the Issuer stating the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions to the right of the Issuer so to redeem 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.

15.8 **No Other Redemption**

The Issuer shall not be entitled to redeem the Notes otherwise than in accordance with this Condition 15 (*Redemption and Purchase*).

15.9 **Redemption Amount**

Any repayment or redemption under these Conditions shall be made together with:

- (a) accrued interest on the amount repaid or redeemed;

- (b) any Break Costs;
- (c) any Make Whole Premium, where applicable;
- (d) any Exit Fee; and
- (e) any other amount which is due and payable as a result of the repayment or redemption, but shall otherwise be made without premium or penalty.

15.10 **Make Whole Premium and Exit Fee**

In connection with any repayment or redemption of the Notes:

- (a) following the exercise of any rights by the Finance Parties pursuant to Condition 16 (*Events of Default*); or
- (b) pursuant to this Condition 15 (*Redemption and Purchase*);

the Issuer shall pay to the Noteholders the Make Whole Premium and the Exit Fee at the time of such repayment or redemption, it being understood that the market Whole Premium accrues and it is due only in the event of redemption at the option of the Issuer pursuant to Condition 15.5 (*Redemption at the Option of the Issuer*) and 15.7 (*Redemption for Tax Reasons*) or mandatory redemption upon sale of any Property and/or distributions from Efir pursuant to Condition 15.2 (*Mandatory Redemption from the Net Sale Proceeds, Lease Prepayment Proceeds, Insurance Prepayment Proceeds and Compensation Prepayment Proceeds and other proceeds*).

15.11 **Purchases**

No member of the Group or any Conflicted Affiliate may purchase any of the Notes.

15.12 **Cancellations**

Any Note which is redeemed or any Note which is purchased and surrendered for cancellation by the Issuer or any of its Affiliates shall be cancelled and may not be reissued or resold.

16. **EVENTS OF DEFAULT**

16.1 If any of the following events (each, an “**Events of Default**”) occurs and is continuing, the Noteholders:

- (a) give written notice to the Issuer (with a copy to the Security Agent and the Agents) that the Notes are due and repayable within 15 (fifteen) Business Days in each case at their Principal Amount Outstanding together with accrued interest and all other amounts accrued, payable or outstanding under the Finance Documents (an “**Acceleration Notice**”), at which time they and all such amounts shall become immediately due and payable; and/or
- (b) exercise or direct the Agents to exercise any or all of the rights, remedies, powers or discretions available to it under the Finance Documents:

16.2 **Non-payment**

The Issuer does not pay on the due date any amount payable pursuant to an Finance Document at the place at and in the currency in which it is expressed to be payable unless:

- (a) its failure to pay is caused by:
 - (i) administrative or technical error; or
 - (ii) a Disruption Event; and
- (b) payment is made within 3 Business Days of its due date.

It is agreed that in the event of any failure of payments at the Final Maturity Date, the Issuer may cure such a failure by paying the due amounts within 15 (fifteen) Business Days from the Final Maturity Date.

16.3 Financial covenants

- (a) Any requirement of Condition 7 (*Financial Covenants*) is not satisfied unless, if the Noteholders have provided an Acceleration Notice in the meanwhile, is not remedied by the subsequent Reference Date.
- (b) Any failure by the Issuer to deliver a Compliance Certificate pursuant to Condition 6.2 (*Compliance Certificate*).

16.4 Other obligations

- (a) The Issuer does not comply with any of its obligations under Conditions 8 (*General undertakings of the Issuer*), 9 (*Property undertakings*), 10 (*Bank accounts*) or any of its obligations under any Transaction Security Document.
- (b) The Issuer does not comply with any provision of the Finance Documents (other than those referred to in paragraph (a) above, Condition 16.2 (*Non-payment*) and Condition 16.3 (*Financial covenants*)).
- (c) No Event of Default under paragraph (b) above will occur if the failure to comply is capable of remedy and is remedied within 15 Business Days of the earlier of (A) the Noteholders giving notice to the Issuer and (B) the Issuer becoming aware of the failure to comply.

16.5 Misrepresentation

Any representation or statement made or deemed to be made by the Issuer in the Finance Documents or any other document delivered by or on behalf of the Issuer under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made, unless:

- (a) the event or circumstance giving rise to such representation or statement being incorrect or misleading is capable of being remedied; and
- (b) such event or circumstance is remedied within 15 Business Days of the earlier of (i) the Issuer becoming aware thereof, and (ii) the Noteholders providing written notice to the Issuer of such misrepresentation.

16.6 Cross default

- (a) Any Financial Indebtedness of any member of the Group and/or Efir and/or the Dante Fund is not paid when due nor within any originally applicable grace period.
- (b) Any Financial Indebtedness of any member of the Group and/or Efir and/or the Dante Fund is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Financial Indebtedness of any member of the Group and/or Efir and/or the Dante Fund is cancelled or suspended by a creditor of any member of the Group and/or Efir and/or the Dante Fund as a result of an event of default (however described).
- (d) Any creditor of any member of the Group and/or Efir and/or the Dante Fund becomes entitled to declare any Financial Indebtedness of any member of the Group and/or Efir and/or the Dante Fund due and payable prior to its specified maturity as a result of an event of default (however described).

- (e) Any personal guarantee, letter of credit, counterindemnity, indemnity and similar instruments granted by the Issuer or on its behalf is enforced in full or in part.
- (f) No Event of Default will occur under this Condition 16.6 if:
 - (i) in relation to the Issuer, the aggregate amount of Financial Indebtedness or guarantee falling within paragraphs (a), (b), (c) and (e) above is less than €1,000.000 (or the equivalent in any other currency or currencies) in aggregate; and/or
 - (ii) in relation to any member of the Group and/or Efir and/or Dante Fund, the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness or guarantees falling within paragraphs from (a) to (e) above is less than €10,000.000 (or the equivalent in any other currency or currencies) in aggregate.
- (g) This Condition 16.6 applies to Efir and Dante Fund to the extent that Efir Shares are subject to a Transaction Security.

16.7 **Insolvency**

- (a) A member of the Group and/or Efir and/or the Dante Fund:
 - (i) is unable or admits inability to pay its debts as they fall due;
 - (ii) suspends making payments on any of its debts; or
 - (iii) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors (excluding any Noteholder in its capacity as such) with a view to rescheduling any of its indebtedness.
- (b) The value of the assets of any member of the Group and/or Efir and/or the Dante Fund is less than its liabilities (taking into account contingent and prospective liabilities).
- (c) A moratorium is declared in respect of any indebtedness of any member of the Group and/or Efir and/or the Dante Fund.

16.8 **Insolvency proceedings**

- (a) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any member of the Group and/or Efir and/or the Dante Fund other than a solvent liquidation or reorganisation of any member of the Group which is not the Issuer;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of any member of the Group and/or Efir and/or the Dante Fund;
 - (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of a member of the Group which is not the Issuer), receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any member of the Group and/or Efir and/or the Dante Fund or any of its assets; or
 - (iv) enforcement of any Transaction Security over any assets of any member of the Group and/or Efir and/or the Dante Fund,
 or any analogous insolvency or other proceeding or step is taken in any jurisdiction.

- (b) Paragraph (a) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 90 days of commencement.

This Condition 16.8 applies to Efir and Dante Fund to the extent that Efir Shares are subject to a Transaction Security.

16.9 **Creditors' process**

- (a) Subject to paragraph (b) below, any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Issuer and/or Efir and/or the Dante Fund having an aggregate value of €500,000 in respect of the Issuer, or €1,000,000 in respect of any other entity, and in any case is not discharged within 90 days.
- (b) Any expropriation, attachment, sequestration, distress or execution affects any Property or asset subject to Transaction Security.

This Condition 16.9 applies to Efir and Dante Fund to the extent that Efir Shares are subject to a Transaction Security.

16.10 **Unlawfulness**

It is or becomes unlawful for the Issuer to perform any of its obligations under the Finance Documents.

16.11 **Repudiation**

The Issuer repudiates an Finance Document or evidences an intention to repudiate an Finance Document.

16.12 **Cessation of business**

The Issuer suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

16.13 **Audit qualification**

The Auditors qualify any audited annual consolidated financial statements delivered pursuant to Condition 6.1 (*Financial Statements*) due to circumstances which have, or are reasonably likely to have, a Material Adverse Effect.

16.14 **Judgment**

Any judgment of a monetary nature of a final non-appealable court of competent jurisdiction is made against one or more Issuer and is unsatisfied which has, or is reasonably likely to have, a Material Adverse Effect.

16.15 **Litigation**

Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced in relation to the Finance Documents or the transactions contemplated in the Finance Documents or against any member of the Group and/or Efir and/or the Dante Fund or its assets which are reasonably likely to be adversely determined against the relevant member of the Group and/or Efir and/or the Dante Fund and which is so adversely determined have or are reasonably likely to have a Material Adverse Effect.

This Condition 16.15 applies to Efir and Dante Fund to the extent that Efir Shares are subject to a Transaction Security.

16.16 **Termination of any Lease Document**

Any Lease Document is broken or otherwise terminated, save (except for the Milan Lease

Agreement) as provided under Condition 9.3 (e), (f) and (g) above.

16.17 Compulsory purchase

Any part of the Properties or any asset subject to Transaction Security is compulsorily purchased or the applicable local authority makes an order for the compulsory purchase of all or any part of the Properties or any asset subject to Transaction Security where, such circumstance, in the opinion of the Noteholders, taking into account the amount and timing of any compensation payable, the compulsory purchase affect more than 20% of the Property and/or has or will have a Material Adverse Effect.

16.18 Major damage

Any part of any Property is destroyed or damaged where such circumstance, in the opinion of the Noteholders, taking into account the amount and timing of receipt of the proceeds of insurance effected in accordance with the terms of these Conditions, may cause a reduction for more than 20% of the market value of the Property and/or has or will have a Material Adverse Effect.

16.19 Material adverse change

Any event or circumstance occurs which has, or is reasonably like to have, a Material Adverse Effect.

16.20 Existing Bond and security, listing

- (a) By the close of business of the Issue Date, (i) all the Financial Indebtedness under Existing Facilities Agreements (and related secured hedging coverage) have not been terminated and repaid in full and/or any commitment thereunder is still outstanding and the Transaction Costs are not paid and/or (ii) any and all the Security (other than the Transaction Security) over the Properties and Efir Shares have not been terminated and released in full.
- (b) The proceeds of the Notes not to be used for the repayment of the loans under the Existing Facilities Agreement and for the payment of the Transaction Costs at the Issue Date have not be immediately transferred from the Payment Account to the Rent Account on the Issue Date upon collection in the Payment Account.
- (c) By the close of business of 31 December 2020 (and in any case by the close of business of the date on which the proceeds of the Notes have been retransferred from the Rent Account to the Payment Account), all the Financial Indebtedness under Existing Bond (and related secured hedging coverage) have not been terminated and repaid in full and/or any commitment thereunder is still outstanding
- (d) The Final Notarial Report is not delivered to the Noteholders by 7 Business Days from the Issue Date.
- (e) Any of the shares of the Issuer cease to be listed in the relevant regulated trade market held by Borsa Italiana S.p.A. or the related trading is suspended for more than 5 consecutive trading days.
- (f) The Existing Shareholder Loans are not converted in full into share capital of the Issuer by 31 July 2021 unless the maturity date of such Existing Shareholder Loans (and connected interest payments) are postponed in full at a date which falls after the Final Maturity Date.
- (g) By 31 December 2021 it has not been provided to the Noteholders written evidence of the irrevocable approval of all the shareholders of Efir (in accordance with Article 12 of the Luxembourg law of 5 August 2005 on financial collateral arrangements) that, subject to

any pre-emption right, right of first offer, right to match, drag along or tag along right provided in the by-laws or in the shareholder agreement of Efir:

- (i) following an enforcement of the pledge over the shares of Efir, any of the Noterholders and/or other entities managed by Castlelake L.P. is hereby accepted and authorised in advance as shareholder of Efir, in particular for the purpose of article 710-12 of the Luxembourg law of 10 August 1915 regarding commercial companies, as amended from time to time (without any further consent or approval, authorization and/or waiver being required in the future from any of the Shareholders in connection with any enforcement of the pledge);
- (ii) all necessary formalities and approvals required under (1) article 710-12 of the Luxembourg law of 10 August 1915 regarding commercial companies, as amended from time to time, relating to the transfer of shares in private limited liability companies and (2) article 12 paragraph 2 of the Luxembourg law of 5 August 2005 on financial collateral arrangements, as amended from time to time relating to the appropriation of shares in private limited liability companies have been fully obtained and that no further action, formality or requirement shall be fulfilled in this respect and in order to authorize the persons mentioned in items (i) above to become shareholders in Efir,

provided that no Event of Default would occur pursuant to this paragraph (e) if either (i) the principal outstanding amount at such date is not higher than Euro 20,000,000.00 or (ii) in the following 15 (fifteen) days (A) the Noteholders and the Issuer agree (at their absolute discretion) to replace the pledge over Efir Shares with a first ranking security over different collateral, (B) such alternative security is actually given to the Noteholders (in form and substance satisfactory to them) and (C) the terms and conditions of the Notes are amended accordingly (in form and substance satisfactory to them)..

17. TAXATION

17.1 Tax Gross-up

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future Taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts (“**Additional Amounts**”) as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note:

- (a) the holder of which is liable for such Taxes or duties in respect of such Note by reason of it having some connection with the Tax Jurisdiction other than the mere holding of such Note; or
- (b) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day were a payment day (in accordance to Condition 14.3 (*Business Days*)); or
- (c) held by, or on behalf of, a holder who could have received payment without such withholding or deduction in respect of such Note if it had made a declaration or any other statement to the relevant tax authority, including, but not limited to, a declaration of residence or non-residence or other similar claim for exemption; or

- (d) presented for payment by or on behalf of a Noteholder not qualifying from exemption from *imposta sostitutiva* under Decree 239 by reason of such Noteholder being resident in a country which does not allow for a satisfactory exchange of information with Italy and/or said Noteholder has not timely complied with any procedure for obtaining said exemption, except where such procedures have not been complied with due to the actions or omissions of the Issuer or its agents; or
- (e) any combination of the items (a) to (d) (inclusive) above.

As used herein:

- (i) “**Tax Jurisdiction**” means the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax; and
- (ii) the “**Relevant Date**” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 24 (*Notices*).

17.2 **FATCA**

Notwithstanding anything to the contrary contained in these Conditions, any amount to be paid by the Issuer in respect of the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, as amended, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (or any law implementing such an intergovernmental agreement) (a “**FATCA Deduction**”), and none of the Issuer will be required to pay additional amounts on account of any FATCA Deduction.

17.3 **Substitutive Tax**

Pursuant to article 20-*bis* of the Italian Presidential Decree No. 601 of 29 September 1973, the Issuer, in the determination of the directors of the Issuer has elected to exercise the option for the application of the Substitutive Tax provided for by Articles 15 and ff. of the Decree 601 29 September 1973.

In consideration of having to pay Substitutive Tax in respect of the Notes, the Issuer irrevocably undertakes that it shall pay itself the amount due as Substitutive Tax at the time provided by applicable law.

17.4 **Stamp taxes**

- (a) The Issuer shall pay and, within three Business Days of demand, indemnify the Security Agent, each Agent and each Noteholder against any cost, loss or liability that the Security Agent, each Agent or a Noteholder incurs in relation to all stamp duty, registration and other similar taxes which may be payable upon or in respect of the creation and issue of the Notes, or the execution, delivery, registration, performance and enforcement of any Finance Document.
- (b) However, the Issuer shall not bear any Taxes, notarial costs, security registration or perfection fees or costs, increased costs, gross-up or indemnity costs (excluding, for the purpose of this Condition 17.3, any gross-up or indemnity costs payable in accordance with Condition 17.1 (*Tax Gross-up*) that, for the avoidance of doubt, shall be due according to the Conditions) that arise in connection with a transfer of the Notes by a Noteholder as a

result of laws applicable to the transferee of such Notes.

18. OTHER INDEMNITIES

18.1 Currency indemnity

- (a) If any sum due from the Issuer under the Finance Documents (a “**Sum**”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the “**First Currency**”) in which that Sum is payable into another currency (the “**Second Currency**”) for the purpose of:
- (i) making or filing a claim or proof against that Issuer;
 - (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Issuer shall as an independent obligation, within three Business Days of demand, indemnify each Noteholder to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

- (b) The Issuer waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

18.2 Other indemnities

The Issuer shall (or shall procure that the Issuer will), within three Business Days of demand, indemnify each Noteholder against any cost, loss or liability incurred by that Noteholder as a result of:

- (a) the occurrence of any Event of Default;
- (b) a failure by the Issuer to pay any amount due under an Finance Document on its due date;
or
- (c) the Notes (or part of the Notes) not being redeemed in accordance with a notice of redemption given by the Issuer.

18.3 Indemnity to the Noteholders

The Issuer shall promptly indemnify each Noteholder against any cost, loss or liability incurred by the Noteholder (acting reasonably) as a result of:

- (a) investigating any event which it reasonably believes is a Default; or
- (b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.

19. MITIGATION BY THE NOTEHOLDERS

19.1 Mitigation

- (a) Each Noteholder shall, in consultation with the Issuer, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to Conditions 15.3 (*Mandatory Redemption as a result of Illegality*) or Condition 17 (*Taxation*) including (but not limited to) transferring any of its rights and obligations (*cessione del contratto*) or assigning any of its claims (*cessione del credito*)

under the Notes and Finance Documents to another Affiliate or specified office.

- (b) Paragraph (a) above does not in any way limit the obligations of the Issuer and the rights of the Noteholders under the Finance Documents.

19.2 **Limitation of liability**

- (a) The Issuer shall promptly indemnify each Noteholder for all costs and expenses reasonably incurred by that Noteholder as a result of steps taken by it under Condition 19.1 (*Mitigation*) above.
- (b) A Noteholder is not obliged to take any steps under Condition 19.1 (*Mitigation*) above if, in the opinion of that Noteholder (acting reasonably), to do so might be prejudicial to it.

20. **COSTS AND EXPENSES**

20.1 **Amendment costs**

If:

- (a) the Issuer requests an amendment, waiver or consent; or
- (b) an amendment is required pursuant to Condition 14.5 (*Change of Currency*),

the Issuer shall, within three Business Days of demand, reimburse any Finance Party for the amount of all costs and expenses (including legal fees, which may or may not be subject to an agreed cap) reasonably incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.

20.2 **Enforcement costs**

The Issuer shall, within three Business Days of demand, pay to the Finance Parties the amount of all costs and expenses (including legal fees) incurred by the Finance Parties in connection with the enforcement of, or the preservation of any rights under the Finance Documents.

20.3 **Valuations**

- (a) The Issuer shall procure that the Semi Annual Valuation is delivered to the Noteholders within 20 Business Days after the commencement of each financial semester, starting 15 February 2021 and such Semi Annual Valuation shall be dated on or about the date of its delivery to the Noteholders.
- (b) Upon the occurrence of an Event of Default, the Noteholders and/or the Security Agent acting on the Noteholders' instructions (each a "**Requestor**") may request a Valuation at any time in addition to the Initial Valuation and each Semi Annual Valuation.
- (c) The Issuer shall promptly on demand pay to the Requestor the costs of:
 - (i) the Initial Valuation;
 - (ii) each Semi Annual Valuation;
 - (iii) a Valuation obtained by the Requestor in connection with the compulsory purchase of all or part of any Property; and
 - (iv) a Valuation obtained by the Requestor at any time when a Default is continuing or (as determined by the Requestor acting reasonably) is reasonably likely to occur once such Valuation is obtained.
- (d) Any Valuation not referred to in paragraph (c) above will be at the cost of the Requestor.
- (e) The Issuer shall do all such things as are reasonably required by the Requestor to enable a

Valuer to complete a Valuation.

21. INSTRUCTIONS TO THE SECURITY AGENT

21.1 The Security Agent shall:

- (a) unless a contrary indication appears in a Transaction Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Security Agent in accordance with any instructions given to it by the Noteholders; and
- (b) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (a) above.

21.2 The Security Agent shall be entitled to request instructions, or clarification of any instruction, from the Noteholders as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.

21.3 Whenever the Security Agent is bound to act at the request or direction of the Noteholders under the provisions of the Transaction Documents, the Security Agent shall not be so bound unless first indemnified and/or prefunded and/or secured to its satisfaction against all costs, charges, expenses, claims, fees or liabilities to which it may render itself liable and all liabilities which it may incur by so doing.

22. AMENDMENTS AND WAIVERS

22.1 Required consents

Subject to Condition 22.2 (*Replacement of Screen Rate*) below and any mandatory provision of Italian applicable laws and regulations, any term of the Transaction Documents (other than the Subscription Agreement) may be amended or waived only with the consent of the Noteholders by way of Extraordinary Resolution and the Issuer and in any case in accordance with By-Laws of the Issuer and the applicable laws and regulations in Italy, including the provisions of the Civil Code Any such amendment or waiver will be binding on all Noteholders and Issuer.

22.2 Replacement of Screen Rate

If the Screen Rate is not available for euro, any amendment or waiver which relates to providing for another benchmark rate to apply in relation to that currency in place of that Screen Rate (or which relates to aligning any provision of an Finance Document to the use of that other benchmark rate) may be made with the consent of the Noteholders and the Issuer. Any such amendment or waiver will be binding on all Noteholders and Issuer.

23. MEETINGS OF THE NOTEHOLDERS AND MODIFICATION

Subject to the terms of the Agency Agreement (to the extent applicable), any meetings of the Noteholders may be convened by any Noteholder, the Noteholders' Representative, if appointed, or the Board of Directors of the Issuer at any time at their discretion, or will be convened by the Board of Directors of the Issuer without delay upon receiving a written request signed by Noteholders holding not less than one-twentieth (or such other amount as may be required from time to time by applicable law) of the then aggregate Principal Amount Outstanding of the Notes. If the Issuer's Board of Directors delays in convening such a meeting following such request or requisition by Noteholders, the meeting may be convened by the Issuer's Board of Statutory Auditors or, in case of default of the Issuer's Board of Statutory Auditors in convening such a meeting, by a decision of the competent Court in accordance with the provisions of Article 2367 of the Civil Code.

The convening of meetings and the validity of resolutions thereof shall be governed by the applicable provisions of Italian laws – including without limitation any applicable provision of the Italian Finance Act and related implementing decrees – and (if applicable) the Issuer’s By-Laws in force from time to time. In particular, a meeting will be validly held if attended by, in the case of a single call meeting, the thresholds applicable in accordance with the provisions of the Civil Code and the Issuer’s By-Laws or in the case of a multiple call meeting:

- (i) in the case of a first meeting, one or more persons present holding or representing more than one-half of the then aggregate Principal Amount Outstanding of the Notes; and
- (ii) in the case of a second meeting (if the first meeting was inquorate), one or more persons present holding or representing more than one-third of the then aggregate Principal Amount Outstanding of the Notes.

The majority required to pass an Extraordinary Resolution at any meeting will be (subject to the applicable provisions of Italian laws and (if applicable) the Issuer’s By-Laws in force from time to time), in the case of a single call meeting, the thresholds applicable in accordance with the provisions of the Civil Code and the Issuer’s By-Laws or in the case of a multiple call meeting:

- (i) for voting on any matter other than a Reserved Matter, both in case of a first meeting or a second meeting, the favourable vote of one or more persons holding or representing more than two-thirds of the aggregate Principal Amount Outstanding of the Notes represented at the meeting; or
- (ii) for voting on a Reserved Matter, both in case of a first meeting or a second meeting, the favourable vote of the higher of (a) one or more persons present holding or representing at least two-thirds of the aggregate Principal Amount Outstanding of the Notes represented at the meeting or (b) one or more persons holding or representing more than one-half of the then aggregate Principal Amount Outstanding of the Notes.

Any Extraordinary Resolution duly passed at any such meeting of the Noteholders will be binding on all Noteholders, whether or not they are present at the meeting.

24. NOTICES

24.1 Notices to the Noteholders

Notwithstanding any other provision in the Finance Documents, for so long as the Notes are held through Monte Titoli, any notice or other communication regarding the Notes shall be deemed to have been duly given when given through the systems of Monte Titoli. Any such notice or communication shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

Any notice addressed to the Noteholders pursuant to these Conditions shall be also given to the Noteholders’ Representative, if appointed.

24.2 Notices from the Noteholders

Notices to be given by any Noteholder shall be in writing and given by lodging the same with the Issuer.

25. PARTIAL INVALIDITY

If, at any time, any provision of an Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

26. **REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Noteholders, any right or remedy under an Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of the Noteholders shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

27. **CHANGES TO THE ISSUER**

27.1 **Assignments and transfer by Issuer**

The Issuer may not assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

28. **CONDUCT OF BUSINESS BY THE NOTEHOLDERS**

No provision of these Terms and Conditions will:

- (a) interfere with the right of any Noteholder to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Noteholder to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige any Noteholder to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

29. **CALCULATIONS AND CERTIFICATES**

29.1 **Accounts**

In any litigation or arbitration proceedings arising out of or in connection with an Finance Document, the entries made in the accounts maintained by a Noteholder are *prima facie* evidence of the matters to which they relate.

29.2 **Certificates and determinations**

Any certification or determination by the Calculation Agent of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

29.3 **Day count convention**

Any interest, commission or fee accruing under an Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the Relevant Market differs, in accordance with that market practice.

30. **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

30.1 **Governing Law**

The Notes are governed by Italian law.

30.2 **Jurisdiction**

The Courts of Milan shall have exclusive jurisdiction in relation to all disputes (including claims for set-off and counterclaims) arising out of or in connection with the Notes.