

# REGOLAMENTO PRESTITO OBBLIGAZIONARIO

***TERNIENERGIA S.P.A.***

joint stock company

with registered office in Strada dello Stabilimento, 1 05035, frazione Nera Montoro, Narni (TR)

share capital of Euro 50,529,680.00

fiscal code, VAT number and registration number with the Company Register of Terni 01339010553

R.E.A. No TR-89319

## **ADMISSION DOCUMENT**

**to the trading of financial instruments called**

**“TerniEnergia 2019”**

**On the professional segment (ExtraMOT PRO) of the ExtraMOT**

**managed by the Italian Stock Exchange**

The financial instruments are issued in dematerialised form in accordance with legislative decree No. 58/98, as subsequently amend, and held by Monte Titoli

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

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## 1. DEFINITIONS

Find below a list of terms and definitions used in this Admission Document. Such terms and definitions, unless otherwise specified, have the meaning described below, provided that the same meaning for each term shall be deemed both for singular and plural.

“**Admission Document**” means this admission document to the trading of the Notes edited in accordance with the Rules of ExtraMOT.

“**Calculation Agent**” means Banca Popolare dell’Etruria e del Lazio Società Cooperativa being the subject calculating the interest rate and the default interest on the Notes.

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

“**ExtraMOT**” means the multilateral trading facility of financial instruments organised and managed by the Italian Stock Exchange.

“**ExtraMOT PRO**” means the professional segment of the ExtraMOT.

“**Fund RA**” means the closed-end real estate fund called “RA - Renewable Assets” established by Prelios SGR S.p.A. and the Issuer on 24 June 2013.

“**Issuer**” means TerniEnergia S.p.A. a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office in Strada dello Stabilimento 05035, frazione Nera Montoro, Narni (TR), fiscal code, VAT number and registration number with the Company Register of Terni 01339010553, R.E.A. No. TR-89319.

“**Italian Stock Exchange**” means *Borsa Italiana S.p.A.*, with registered office in Milan, Piazza degli Affari, 6.

“**Italy Star**” means the multilateral system of trading organised and managed by Italian Stock Exchange for medium enterprises having a capitalisation included between Euro 40,000,000.00 (forty million/00) and Euro 1,000,000,000.00 (one billion/00).

“**Monte Titoli**” means Monte Titoli S.p.A., with registered office in Milano, Piazza degli Affari n.6.

“**Noteholders**” means the beneficial owners of the Notes.

“**Notes**” means Euro 25,000,000.00 (twenty-five million/00) notes due 30 September 2019 issued by the Issuer.

“**Qualified Investors**” means the subjects listed in annex II, part 1 and 2 of the directive 2004/39/CE (“Mifid”). These subjects are the “qualified investors” (*investitori qualificati*) described in article 100 of TUF which, considering the reference to article 34-ter of Consob Regulation No. 11971 dated 14 May 1999 and article 26 of Consob Regulation No. 16190 dated 29 October 2007, are equivalent to the “professional clients” (*clienti professionali*) provided by the Mifid.

“**Rules of ExtraMOT**” means the rules of the ExtraMOT issued by the Italian Stock Exchange in force from 8 June 2009 as subsequently amended.

“**Subscriber**” means JCI Capital Limited Investment & Asset Management.

“**Subscription Agreement**” means the agreement pursuant to which the Subscriber will subscribe the Notes.

“**TERNI Research**” means TERNI Research S.p.A., with registered office in Strada dello Stabilimento, 1 05035, frazione Nera Montoro, Narni (TR).

“**TUF**” means the Italian Legislative Decree no. 58 dated February 24<sup>th</sup>, 1998 as subsequently amended and supplemented.

## **2. TYPE OF DOCUMENT**

- 2.1. The Admission Document is drawn in the shorted form in accordance with the Rules of ExtraMOT provided that the shares of the Issuer are traded on the Italy Star.
- 2.2. The information related to (i) the Issuer, (ii) its organizational structure, (iii) its shareholders, (iv) its assets and liabilities, (v) its financial situation and (vi) its profits and losses, can be found on the website of the Issuer ([www.ternienergia.com](http://www.ternienergia.com)).

### 3. RISK FACTORS

*The transaction described in this Admission Document has the typical risk factors of an investment in debt securities and obligations. Each of the risks discussed below could have a material adverse effect on the business, financial and economical condition of the Issuer. In addition, each of the risks discussed below could adversely affect the trading or the trading price of the Notes or the rights of the investors under the Notes and, as a result, investors could lose some or all of their investment.*

*Investors should note that these risks may not be the only risks the Issuer faces. The Issuer has described only those risks that the Issuer currently considers to be material. There may be additional risks and uncertainties not presently known to the Issuer or that the Issuer considers immaterial, that might also have a material adverse effect on the Issuer's business, financial condition, results of operations.*

*The risk factors should be considered together with the other information contained in the Admission Documents.*

#### 1. Risk factors related to the Issuer

##### 1.1 Risks related to transactions with related parties (*parti correlate*)

The Issuer managed and is managing commercial, financial, real estate and advice relationships and transactions with related parties (*parti correlate*) as defined in the CONSOB regulation No. 17221/10 as amended and supplemented. As at the date of this Admission Document, such relationships provide economic conditions which are evaluated by the Issuer, in accordance with the market economic conditions. However, there is no guarantee that if those transactions were entered into with third parties, they would have negotiated and executed the relevant agreements under the same terms and conditions. The Issuer underlines that in transactions with related parties there is the potential risk of an alteration of the patrimonial and financial situation and the economic result of the Issuer together with a possible conflict of interests which may cause the missing or partial pursuit of the corporate interest.

The effect of the transaction with related parties on the income and costs of services for the Issuer as at 30 June 2013 is equal to 6.70% (six point seventy per cent.) and 9.20% (nine point twenty per cent.), respectively.

At the date of this Admission Document, the Issuer is involved in the following transactions with related parties:

(i) Supply of services agreements

The Issuer entered into the following services agreement:

- Framework agreement with TERNI Research for (a) the supplying of management services and logistics, including the leasing of buildings in Narni, Stabilimento street 1, Milan, Borgogna street and in Lecce, (b) the management of legal and corporate affairs and (c) the management of human resources and computer systems controlling.

(ii) Guarantees granted by the holding in favour of the Issuer

It should be noted that TERNI Research provided, as at June 30, 2013, to leading financial institutions, corporate guarantee in an aggregate of Euro 48,500,000.00 (forty eight million and fifty hundred thousand/00).

(iii) Guarantees granted by the Issuer in favour of related parties

For some related parties who have purchased photovoltaic plants through finance lease agreements with leasing companies, the Issuer entered into agreements with the latter to guarantee the fulfillment of the obligations of the lease agreement by the related parties. As at June 30, 2013, the remaining debts of such lease agreements are equal to Euro 56,300,000.00 (fifty six million three hundred thousand/00).

(iv) Relationship with directors

As at 30 June 2013, the following individuals are both directors and shareholders of the Issuer:

	As at December 31, 2012				As at June 30, 2013	
	N° of shares	%	Buy	Sell	N° of shares	%
Venturi Fabrizio	42,089	0.11%	-	-	42,089	0.11%
Ricci Paolo	40,813	0.11%	-	6,000	34,813	0.09%
Neri Stefano	108,452	0.29%	-	-	108,452	0.29%

Stefano Neri holds directly 0.29% (zero point twenty nine per cent.) of the share capital of the Issuer. Additionally, Stefano Neri controls TERNI Research (which holds 56.07 % (fifty six point zero seven per cent.) of the share capital of the Issuer), of which he holds 1.97% (one point ninety seven per cent.) directly and 52.14% (fifty two point fourteen per cent.) indirectly through Skill & Trust Holding, of which he owns a controlling share capital of 62.93% (sixty two point ninety three per cent.). Paolo Ricci directly owns 0.09% (zero point zero nine per cent.) of the share capital of the Issuer. Fabrizio Venturi directly owns 0.11% (zero point eleven per cent.) of the Issuer's share capital.

As at 30 June 2013, Stefano Neri is the Chairman and the Chief Executive Officer of both the Issuer and TERNI Research.

As at 30 June 2013, Vittorio Pellegrini is the effective member of the board of statutory auditors of the Issuer and the Chairman of the board of statutory auditors of TERNI Research

The positions above underline the existence of a partial overlapping of the corporate positions in the Issuer and in TERNI Research.

Please note that the extraordinary shareholders' meeting of TERNI Research, dated 9 December 2013, approved a partial proportional demerger (*scissione parziale proporzionale*) according to which TERNI Research will transfer to Italeaf S.p.A., *inter alia*, all the shares of the Issuer presently owned by TERNI Research.

Such partial proportional demerger shall not enter into effect before the 10th of February 2014.

Should the current board of directors and statutory auditors (*collegio sindacale*) of Italeaf S.p.A. and the Issuer remain unaltered as at the date in which the approved partial proportional demerger will enter into effect, the following overlap, arising from the certain official positions, will occur :

NAME	POSITION IN ITALEAF S.P.A.	POSITION IN THE ISSUER
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Stefano Neri	Chairman	Chairman and Chief Executive Officer
Monica Federici	Chief Executive Officer	Member of the board of directors
Ivano Emili	Member of the board of directors	Special Proxy empowering to commit the Issuer into transactions up to Euro500,000.00 (fifty hundred thousand/00) for each transaction
Vittorio Pellegrini	Chairman of the board of statutory auditors	Effective member of the board of statutory auditors

The positions above underline the existence of a partial overlapping of the corporate positions in the Issuer and in Italeaf S.p.A..

## 1.2 Risks related to industrial strategy

The Issuer intends to reach the following industrial strategy:

The Issuer intends to establish itself among the leaders in the world in its field, focusing on the integration of the financial structure and on the affirmation of a new business model.

The Issuer aims to a strong growth in creation of value, strengthening the internationalization process, focusing on the segment of industrial size plant, and strengthening partnerships and synergy relationships with industrial and financial companies with high credit worthiness. A strategy already outlined in the last presented business plan, which is pushed and accelerated by an innovative model of access to capital, with a strengthening of production of cash flows and the stability of margins in the period of the plan.

The Issuer will retain ownership (full or in JV) of most of the asset, so as to ensure stable and recurring revenues in the long period. The new investments are expected to be very limited and will focus on the energy efficiency sector that is rapidly growing, with high profit margins and with the possibility of technological innovation.

In order to achieve a significant growth, the Issuer will require, therefore, a new model which allows to develop, and build the plants on behalf of investors who acquire the property and give to the Issuer the plant management. This model, which provides for the sharp contraction in investment in additional plant property of the Issuer, will reduce the net financial position, and at the same time, will allow to self-finance the planned measures with cash flows generated by industrial activity and by the sale of plants to investors.

The industrial strategy highlights the importance of EPC activity, also thanks to the agreement reached with Prelios SGR S.p.A. and with Capital Power to set up the Fund RA, intended to invest in new asset class which consists of energy production plants from renewable sources.

The Issuer is the technical and industrial partner Fund RA. Following the successful placement of the quotas of Fund RA, the Issuer, at the beginning of 2014, will contribute to Fund RA plants directly owned for approximately Euro 70,000,000.00 (seventy million/00) of enterprise value, but will hold shares of the Fund RA equal to approximately 5% (five per cent.).

The remaining liquidity of the Fund RA will be used for new projects, which the Issuer will develop and built in different areas of the world and then manage directly.

In 2016 the Issuer is expecting a significant increase in revenues and profitability and, simultaneously, a reduction in the NFP and an increase in cash flow.

The forecast for the year 2013 includes a consolidated net profit target of approximately Euro 7,000,000.00 (seven million/00), preserving the financial equilibrium. In the period of the industrial strategy a total target of production value of approximately Euro 585,000,000.00 (fifty hundred eighty five million/00) is expected, growing steadily over the intermediate targets from Euro 136,000,000.00 (one hundred thirty six million/00) in 2014 to Euro 201,000,000.00 (two hundred one million/00) in 2015, up to Euro 248,000,000.00 (two hundred forty eight million/00) in 2016 and with a CAGR of 35% (thirty five per cent.). Total net income for this year and the following two years is expected to be of approximately Euro 43,000,000.00 (forty three million/00), with planned objectives of Euro 8,000,000.00 (eight million/00) in 2014, Euro 15,000,000.00 (fifteen million/00) in 2015 and Euro 20,000,000.00 (twenty million/00) in 2016. EBIT will increase from Euro 14,000,000.00 (fourteen million/00) in 2014, to Euro 23,000,000.00 (twenty three million/00) in 2015 up to 30,000,000.00 (thirty million/00) in 2016, with a virtuous relationship in the ratio of EBIT / net financial expenses. The EBITDA margin is constant over the period at 14.5% (fourteen point five per cent.).

Cash flow increases: between 2014 and 2016 is expected an operational cash flow with annual targets respectively of Euro 31,600,000.00 (thirty million and six hundred thousand/00), Euro 42,500,000.00 (forty two million and five hundred thousand/00) and Euro 41,900,000.00 (forty million and nine hundred thousand/00). Cash flow will be increased by the expected improvement in the operating results and the careful management of working capital due to the new business model.

Improvement of the net financial position: the Issuer expected to reduce the NFP to approximately Euro 68,000,000.00 (sixty eight million/00) in 2014, Euro 60,000,000.00 (sixty million/00) in 2015 and finally to 52,000,000.00 (fifty two million/00) in 2016.

The debt / equity will decrease from 1.06x (one point zero six times) in 2014 to 0.81x (zero point eighty one times) in 2015, with the final target of 0.60x (zero point sixty times) in 2016. The debt / EBITDA will decrease from 3.44x (three point forty four times) in 2013 to 2.07x (two point zero seven times) in 2015 to 1.45x (one point forty five times) in 2016. The total investment target in the period was 16,500,000.00 (sixteen million five thousand hundred/00) for ESCO activities with the formula of financing through third parties. It is confirmed the remuneration policy of shareholders for the period 2014-2016: the distribution of approximately 50% (fifty per cent.) of consolidated net income will be proposed to the Board of Directors.

In case the Issuer will not reach its industrial strategy, the profitability of the Issuer and its capacity to increase the proceedings could be compromised and could have a negative effect on its business and its perspectives.

### 1.3 Risks related to the indebtedness

The Issuer's main financial resources are the cash flows arising from the operational management of the company related to the commercial relationships with the debtors for the supply of the Issuer's activities.

Based on the balance sheet closed on 30 June 2013, the Issuer has a consolidated net financial position equal to Euro 125,683,598.00 (one hundred twenty five million six hundred eighty-three thousand five hundred and ninety-eight/00).

The Issuer may request loans essential for its development and for the repayment of the loans already requested.

#### 1.4 Risks related to exchange rates

The Issuer operates in several markets outside of Italy and had entered into commercial agreements in local currencies. Accordingly, any variation of exchange rates could adversely impact on the financial, economical and patrimonial situation of the Issuer.

#### 1.5 Risks related to litigation

On the basis of the information available, the Issuer considers that the conclusion of the judicial civil proceeding to which the Issuer is a party, will not materially jeopardize the corporate activity of the Issuer.

#### 1.6 Risks related to the dependence on key figures

The financial results of the Issuer depends on key figures who make fundamental contributions to the development of the Issuer. In particular, Stefano Neri who is the chairman and the CEO of the Issuer.

The annual salary for 2013 approved by the shareholders' meeting on 29 April 2013 in favour of Stefano Neri as chairman and CEO of the Issuer, is equal to Euro 200,000.00 (two hundred thousand/00) plus a variable bonus up to 15% (fifteen per cent.) of the annual salary, based on the targets achieved by the Issuer.

Such annual salaries have been approved considering the scope of his authorized activities. In particular, Stefano Neri has the power of ordinary and extraordinary administration with a limit of Euro 12,000,000.00 (twelve million/00) for each single transaction and the power of incorporation of any kind of company.

In the event that Stefano Neri concludes his collaboration with the Issuer, there is no guarantee that the Issuer will replace him with another individual having the same expertise and ability. As a consequence, although the management of the Issuer considers that the Issuer has a structure appropriate to guarantee the continuity of its corporate activity, the conclusion of the collaboration with Stefano Neri could cause a decrease of the competitiveness of the Issuer.

#### 1.7 Risks related to relationships with strategic partners

The Issuer is developing and intends to develop its corporate activity by entering into agreements with the leading companies of the sector.

On 24 June 2013, Prelios SGR S.p.A. and the Issuer entered into an agreement for the establishment of "RA" - Renewable Assets, a closed-end real estate mutual fund, reserved for qualified investors, investing in assets functional to the generation of energy from renewable sources.

The Issuer, in agreement with Prelios SGR S.p.A., will also play a strategic role in the development of a pipeline of photovoltaic or other renewable energy plants, that may be transferred to Fund RA and managed by the Issuer as tenant.

Should such agreements be terminated or otherwise cease to be into effect, the financial, economical and patrimonial situation of the Issuer may be negatively affected, unless the Issuer enters into an agreement having substantially the same terms and conditions with another entity.

1.8 Explanation of the lack of compliance with the direction and coordination of TERNI Research or Italeaf S.p.A.

TERNI Research exclusively exercises the typical administrative and patrimonial rights as shareholder of the Issuer (e.g. vote in the shareholders' meeting and receipt of dividends) and the management of the Issuer considers that the Issuer works in fully autonomy.

For example, the Issuer independently manages the treasury and the relationships with clients and suppliers. The relationships with TERNI Research are restricted exclusively to the supplying of administrative services granted according to market conditions and to the granting of a weak patronage letter or a personal guarantee in favour of financial institutions. The management of the Issuer considers that the granting by TERNI Research of patronage letters in favour of the Issuer does not constitute a financial dependence not jeopardizes for the possibility of the Issuer to establish relationship with other financial institutions.

Should the partial demerger described in section 1.1(iv), similarly to TERNI Research, Italeaf S.p.A will exercises the typical administrative and patrimonial rights as shareholder of the Issuer (e.g. vote in the shareholders' meeting and receipt of dividends) and the management of the Issuer considers that the Issuer would work in fully autonomy.

**2. Risk factors related to the market sector in which the Issuer works**

2.1 Risks related to international and national policies supporting the production of energy from renewable energy sources

The development of electricity from renewable energy sources strongly depends on national laws supporting the sector.

Since 2011, Italian laws have substantially reduced the contributions remunerating the production of electricity by photovoltaic plants. Certain countries provide contributions to the energy produced by renewable energy plants. However, the Issuer may not guarantee that such support will be maintained also in the future.

2.2 Risks related to the competitiveness of the energy produced by renewable sources in respect of energy produced by traditional sources

The main energy sources competitors with renewable sources are oil, coal, natural gas and nuclear energy. The volatility of the prices of fossil combustibles, in particular those of oil and natural gas, has facilitated the competitiveness of the renewable energy sources. However, the technological progress in the exploitation of energy sources other than renewable energy sources could make the production of the electricity with energy renewable sources less favourable.

2.3 Risks related to the difficulty to find financial resource by the clients

The request of the building up of photovoltaic plants is strictly correlated to the capacity of the banking system to provide with sufficient instruments to allow the client to have access to not too onerous and complex financing.

As at the date of the Admission Document, the clients of the Issuer mainly enter into leasing agreements in order to request to build-up photovoltaic plants. The leasing agreements have some positive aspects, provided that the obligations of payment are more guaranteed taking advantage operationally and from the accounting perspective. The internal procedures of the leasing companies and the financial institutions to enter into such agreements are still complex and with an uncertain

duration. Moreover some leasing companies and financial institutions do no longer offer financial leasing agreements for this type of plants.

This lack of financing from the banking system, could negatively affect the development of the request in the photovoltaic sector with negative consequences for the Issuer.

### **3. Risks factors related to the quotation of the Notes**

#### **3.1 Risks related to the quotation on ExtraMOT PRO, the liquidity of the markets and the possible volatility of the price of the Notes**

The Issuer has fulfilled the admission request for trading of the Notes on ExtraMOT PRO. ExtraMOT PRO is the professional sector of the ExtraMOT, reserved exclusively for Qualified Investors. Therefore, the Noteholders other than the Qualified Investors do not have access to the ExtraMOT PRO with a consequent limitation of the possibilities to divest the Notes.

The Notes will not be assisted by a specialist. Therefore, even if the investor is a Qualified Investor, it could have some difficulty in finding a counterparty to divest the Notes before the final maturity date and could obtain a price lower than the subscription price.

As a consequence, the Qualified Investors should evaluate, in their financial strategies, that the duration of the investment could have the same duration of the Notes, provided that the amount of the disbursement will be at least equal to the nominal amount of the Notes.

#### **3.2 Risks related to the interest rate**

The investment in the Notes has the typical risks of an investment in notes with fixed rate. Therefore, the fluctuation of the interest rates on the financial markets influences the prices and the performance of the Notes. In case the investors will sell the Notes before the Final Maturity Date, their market value could be significantly lower than the subscription price and the initial investment in the Notes could be higher than the selling price of the Notes.

#### **3.3 Risks related to the decrease of the creditworthiness**

The price of the Notes is influenced by the creditworthiness of the Issuer during all their duration. Therefore, the Issuer cannot exclude that the price of the Notes on the secondary market could be influenced by a different appreciation of the risk of the Issuer.

#### **3.4 Risks related to an event beyond the control of the Issuer**

Events such as the approval of the balance sheet or the semi-annual relation of the Issuer, press release or the change in the general conditions of the market could influence the market value of the Notes. Moreover, the fluctuations of the market and economic and political general conditions could negatively affect the value of the Notes, independently from the creditworthiness of the Issuer.

#### **3.5 Risks related to the lack of guarantees**

The Notes are not secured by any guarantee or security granted by the Issuer or any other entity and the Notes are only exclusively guaranteed with the assets of the Issuer. In case of bankruptcy or winding-up of the Issuer, the Noteholders shall not have any priority in respect to the other creditors of the Issuer. Therefore, in case of bankruptcy or winding-up of the Issuer the Noteholders shall participate any the other unsecured creditor or the Issuer to the recovery of their investment.

#### **3.6 Risks related to variations of the tax system**

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

3.7 Risks related to the amendment of the terms and condition of the Notes without the consent of all Noteholders

The Terms and Conditions and the Italian civil code have some rules that provide for the determination of the noteholders' meeting related to certain arguments subordinated to the hiring of specific majority. Such determination, if correctly implemented, shall be binding upon all the noteholders whether present or not present at such meeting and whether voting or not voting.

3.8 Risks related to conflict of interest

The entity or entities involved in the issuance and the placement of the Notes could have an autonomous interest potentially conflicting with the interests of the Noteholders.

The activities performed by the Arranger, being an entity operating with the appointment of the Issuer and receiving a fee also in relation to the placement of the Notes, imply a conflict of interest towards the Noteholders.

## 4. TERMS AND CONDITIONS

### TERNIENERGIA S.P.A.

(a joint stock company incorporated under the laws of the Republic of Italy)

**Euro 25,000,000.00 Notes due 2019**

Issue Price 100% (one hundred per cent.)

**ISIN CODE IT0004991573**

**TerniEnergia S.p.A.**

**Registered office: Strada dello Stabilimento n.1, 05035, fraz. Nera Montoro, Narni (TR)**

**VAT no.: 01339010553**

**Share capital: Euro 50,529,680.00**

The following is the text of the terms and conditions (the "**Terms and Conditions**") of the Notes issued by TerniEnergia S.p.A. (the "**Issuer**"), on the 6<sup>th</sup> of February 2014 (the "**Issue Date**"), pursuant to articles 2410 and followings of the Italian Civil Code.

In these Terms and Conditions:

### 1. DEFINITIONS

"**Assets**" means, in relation to a company, the tangible and intangible assets and/or shares and financial instruments held by the company itself.

"**Bankruptcy Law**" means Royal Decree No. 267 of 16 March 1942, as subsequently amended and supplemented.

"**Business Day**" means a day (other than Saturday or Sunday) on which banks are generally open for business in London and Milan and the Trans-European Automated Real Time Gross - Settlement Express Transfer System (or any successor thereto) is open.

"**Calculation Agent**" means Banca Popolare dell'Etruria e del Lazio Soc. Cooperativa. "**Condition**" means each clause of the present Terms and Conditions.

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

"**Decree 213/1998**" means the Italian Legislative Decree No. 213 of 24 June 1998.

"**Default Interest**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Early Redemption Date**" has the meaning ascribed to it in Condition 7 (*Events of Default*).

"**EBITDA**" means, in relation to the Group, and based on the results of the annual or semiannual, as the case may be, consolidated financial statements, the algebraic sum of the following items of the Profit and Loss Account (*Conto Economico*):

1. (+) A) revenues; other operating income; change in inventories of semi-finished and finished products; and

2. (-) B) Costs of raw materials, consumables, and goods for resale; costs for services; personnel costs; other operating costs.

"**Event of Default**" has the meaning ascribed to it in Condition 7 (*Events of Default*).

"**ExtraMOT**" means the multilateral trading facility of financial instruments organised and managed by the Italian Stock Exchange.

"**ExtraMOT PRO**" means the professional segment of the ExtraMOT.

"**Final Maturity Date**" has the meaning ascribed to it in Condition 4 (*Issue Date and Final Maturity Date*).

"**Financial Covenants**" has the meaning ascribed to it in Condition 8 (vii).

"**First Interest Payment Date**" means the Interest Payment Date falling on the 6<sup>th</sup> of February 2015.

"**Following Business Day Convention - unadjusted**" means, for any Interest Payment Date, that falls on a day that is not a Business Day, that any payment due on such Interest Payment Date will be postponed to the next day that is a Business Day; provided that interest due with respect to such Interest Payment Date shall not accrue from and including such Interest Payment Date to and including the date of payment of such interest as so postponed.

"**Group**" means the Issuer and any other entity included, from time to time, in the consolidated financial statement of the Group published according to the regulations of the Italy Star.

"**Insolvency Proceedings**" means any bankruptcy or similar proceeding applicable to any company or other organization or enterprise under the relevant laws of incorporation or operation, and in particular, as for Italian law, including but not limited to the following procedures: *fallimento*, *concordato preventivo*, *liquidazione coatta amministrativa*, and *amministrazione straordinaria delle grandi imprese in stato di insolvenza*.

"**Interest Calculation Period**" means each period from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date; provided that (i) the first Interest Calculation Period shall begin on (and include) the Issue Date, and end on (but exclude) the First Interest Payment Date; and (ii) the last Interest Calculation Period shall begin on (and include) the fourth Interest Payment Date (*i.e.* 6 February 2018) and end on (but exclude) 6 February 2019.

"**Interest Coverage Ratio**" means, in relation to the Group, and based on the results of the annual or semi-annual, as the case may be, consolidated financial statements, the following ratios:

- (i) the EBITDA; and
- (ii) the amount of interest expense and other charges due and payable by the Group in relation to its Net Financial Debt during the relevant reference period.

"**Interest Determination Date**" means (i) with respect to the first Interest Calculation Period, the date falling on the second Business Day immediately preceding the Issue Date, and (ii) with respect to each subsequent Interest Calculation Period, the date falling on the second Business Day immediately preceding such Interest Calculation Period.

"**Interest Payment Date**" has the meaning ascribed to it in Condition 5.1 (*Interest*).

"**Interest Rate**" has the meaning ascribed to it in Condition 5.2 (*Interest Rate*).

"**Issuer**" means TerniEnergia S.p.A. a joint stock company (*società per azioni*) incorporated under the laws of the Republic of Italy, with registered office in Strada dello Stabilimento n.1, 05035, fraz. Nera Montoro, Narni (TR), fiscal code, VAT number and registration number with the Company Register of Terni 01339010553, R.E.A. No. TR-89319.

"**Issue Date**" has the meaning ascribed to it in Condition 4 (*Issue Date and Final Maturity Date*).

"**Issue Price**" has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

"**Italian Stock Exchange**" means *Borsa Italiana S.p.A.*, with registered office in Milan, Piazza degli Affari, 6.

"**Italy Star**" means the multilateral system of trading organised and managed by Italian Stock Exchange for medium enterprises having a capitalisation included between Euro 40,000,000.00 and Euro 1,000,000,000.00.

"**Last Interest Payment Date**" means the Interest Payment Date falling on 30 September 2019.

"**Liens**" means any guarantee, mortgage, pledge, charge or lien or privilege on assets as security for the obligations of the Issuer and / or any third party (including any form of destination and segregation of assets).

"**Monte Titoli**" means Monte Titoli S.p.A., with registered office in Milano, Piazza degli Affari n.6.

"**Net Financial Debt**" means, in relation to the Group, and based on the results of the annual or semi-annual, as the case may be, consolidated financial statements, the net financial debt calculated according to *Comunicazione* CONSOB n. DEM/6064293 dated 28 July 2006, as subsequently amended and supplemented.

"**Net Financial Debt Corporate**" means, in relation to the Group, and based on the results of the annual or semi-annual, as the case may be, consolidated financial statements, the net financial debt calculated according to *Comunicazione* CONSOB n. DEM/6064293 dated 28 July 2006, as subsequently amended and supplemented, excluding from the non-current net financial position, any debt arising from leasings and loans specifically granted to finance or re-finance the construction of renewable energy plants and industrial plants.

"**Nominal Value**" has the meaning ascribed to it in Condition 2.1 (*Denomination and Price*).

"**Noteholders**" means the beneficial owners of the Notes.

"**Noteholders' Representative**" has the meaning ascribed to it in Condition 12 (*Meetings of the Noteholders*).

"**Notes**" means Euro 25,000,000.00 (twenty-five million/00) notes due 2019 issued by the Issuer.

"**Plants**" means any plant listed under Annex A.

"**Principal Amount Outstanding**" means, at any relevant date, Euro 25,000,000.00 (twenty-five million/00) *minus* the aggregate of all repayments of principal made.

"**Qualified Investors**" means the subjects listed in annex II, part 1 and 2 of the directive 2004/39/CE ("**Mifid**"). These subjects are the "qualified investors" (*investitori qualificati*) described in article 100 of TUF which, considering the reference to article 34-*ter* of Consob Regulation No. 11971 dated 14 May 1999 and article 26 of Consob Regulation No. 16190 dated 29 October 2007, are equivalent to the "professional clients" (*clienti professionali*) provided by the Mifid.

"**Reference Date**" means (i) the 30 June of each year starting from 2015, with respect to any semi-annual consolidated financial statement of the Group, and (ii) the 31 December of each year starting from 2014, with respect to any annual consolidated financial statement of the Group.

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

"**TUF**" means the Italian Legislative Decree no. 58 dated February 24<sup>th</sup>, 1998, as subsequently amended and supplemented.

"**Total Assets**" means the algebraic sum of:

- (i) total non-current assets;
- (ii) total current assets; and
- (iii) assets held for sale;

as indicated under the annual or semi-annual, as the case may be, consolidated financial statement of the Group.

"**Usury Law**" means Italian Law No. 108 of 7 March 1996, as subsequently amended and supplemented.

"**Valuation Date**" means the first Business Day falling after (i) 60 (sixty) calendar days following the Reference Date referring to any semi-annual consolidated financial statement of the Group, and (ii) 90 (ninety) calendar days following the Reference Date referring with respect to any annual consolidated financial statement of the Group.

## **2. NOTES**

### **2.1 Denomination and Price**

The total amount of the Notes issued will be equal to Euro 25,000,000.00 (twenty-five million/00) and will be issued in a minimum denomination of Euro 100,000.00 (one hundred thousand/00) and additional increments of Euro 100,000.00 (one hundred thousand/00) thereafter (the "**Nominal Value**").

The Notes will be issued for a price equal to 100% (one hundred per cent.) of their Nominal Value, i.e. for a price equal to Euro 100,000.00 (one hundred thousand/00) for each Note (the "**Issue Price**").

### **2.2 Form and Title**

The Notes will be issued in bearer and dematerialised form and will be wholly and exclusively deposited with Monte Titoli. The Notes will at all times be evidenced by book- entries in accordance with the provisions of Articles 83-*bis* et seq. of the TUF and Regulation 22 February 2008 jointly issued by CONSOB and Bank of Italy, both as amended from time to time.

Any transaction regarding the Notes (including transfers and the establishment of Liens), as well as the exercise of proprietary rights, may only be made in accordance with the provisions of Articles 83-*bis* et seq. of the TUF. The Noteholders will not be able to request delivery of the documents representative of the Notes, save for the right to request the certification referred to in Articles 83-*quinquies* and 83-*sexies* of the TUF.

### **2.3 Status and guarantees**

The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any other legal entity or natural person. In respect of the obligation of the Issuer to repay principal and pay interest on the Notes, the Notes will rank *pari passu* and without any preference or priority among themselves except for the obligations of the Issuer which are preferred according to the general provisions required by law.

The Notes have not been and will not be convertible into shares or participation rights in the share capital of the Issuer nor any other company. Therefore, the Noteholders will not have any right to direct and/or indirect control the management of the Issuer or any other company.

### **3. SUBSCRIPTION AND TRANSFER OF THE NOTES**

The Notes shall be exclusively placed to, and successively held by and retransferred to, Qualified Investors.

The Notes are issued with exemption from the obligation to publish a prospectus for the purposes of Article 100 of the TUF and Article 34-ter of Regulation adopted by Consob Resolution no. 11971/1999, as subsequently amended and supplemented.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as subsequently amended or supplemented, or any other applicable securities law in force in Canada, Australia, Japan or any other country in which the transfer and/or the subscription of the Notes is not permitted by the relevant authorities.

Notwithstanding the foregoing, any transfer of the Notes to any of abovementioned Countries, or in Countries other than Italy and to non-residents or entities not incorporated in Italy, will be allowed only in the following circumstances: (i) to the extent which is expressly permitted by the laws and regulations applicable in the Country in which it is intended to transfer the Notes, or (ii) if applicable laws and regulations in force in these Countries provide for the specific exemptions that allow the transfer of the Notes.

The transfer of the Notes will be made in compliance with all applicable regulations, including the provisions relating to anti-money laundering referred to in Italian Legislative Decree no. 231/2007, as subsequently amended and supplemented.

### **4. ISSUE DATE AND FINAL MATURITY DATE**

The Notes will be issued on the 6<sup>th</sup> of February 2014 (the "**Issue Date**").

The final maturity date will fall on 30 September 2019 (the "**Final Maturity Date**") (without prejudice to what otherwise provided herein under Condition 7 (*Events of Default*)).

### **5. INTEREST**

#### **5.1** Interest will accrue on the Principal Amount Outstanding of each Note from the Issue Date (included) up to the earlier between (a) the Early Redemption Date (excluded) and (b) 6 February 2019 (excluded), and will be payable in Euro (i) on the First Interest Payment Date, (ii) annually on the 6<sup>th</sup> of February of each year from (and including) 6 February 2016 to (and including) 6 February 2018 (each an "**Interest Payment Date**") and (iii) on the Final Maturity Date for the Last Interest Payment Date.

Interest accrued on the Principal Amount Outstanding of the Notes will be calculated by the Calculation Agent on each Interest Determination Date.

Interest shall cease to accrue on any part of the Principal Amount Outstanding of the Notes from (and including) the due date for redemption of such part, unless payment of principal due and

payable but unpaid is improperly withheld or refused, whereupon interest shall continue to accrue on such principal (as well after as before any judgment) at the rate from time to time applicable to the Notes.

## 5.2 Interest Rate

The Notes shall accrue interest at an annual fixed rate determined on the basis of the Actual/Actual (ICMA). (Following Business Day Convention – unadjusted) equal to 6.875% (six point eight tundra seventy five per cent.) *per annum* (the "**Interest Rate**").

Should the Issuer fail to pay any amount payable by it in relation to the Notes, it shall pay the Interest Rate on the overdue amount plus a margin of 2% (two per cent) *per annum*, in accordance with the applicable regulation (the "**Default Interest**"), to be calculated by the Calculation Agent from the date on which this payment should have been made (including) until the date of actual payment (excluded).

If the relevant Interest Rate and/or the relevant Default Interest exceed the limits provided by the Usury Law, they shall be deemed automatically reduced (for the period strictly necessary) to the maximum interest rate allowed by such law to be calculated by the Calculation Agent.

## 6. REDEMPTION, PURCHASE AND CANCELLATION

Unless previously redeemed in full and cancelled, the Notes will be redeemed in a lump sum on the Final Maturity Date at their Principal Amount Outstanding *plus* any interest payable thereon.

If the Final Maturity Date would fall on a day other than a Business Day, it will be postponed to the next following Business Day without any additional amount in favor of the Noteholders.

## 7. EVENTS OF DEFAULT

The absolute majority of the Noteholder or the Noteholders' Representative, as the case may be, shall have the right to request the early redemption of the Notes upon the occurrence of any of the following conditions (each event below shall be treated as "**Event of Default**"):

(a) **Payment Default:** any failure of the Issuer to pay any principal or interest amounts payable on the Notes unless such failure is due to an administrative or technical error which is not due to willful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Issuer and the relevant payment is performed within 5 (five) Business Days of the relevant discovery of the administrative or technical error.

(b) **Insolvency Proceedings of the Issuer:** (i) a judicial steps have been taken against the Issuer aimed at commencing any Insolvency Proceedings, and/or (ii) the Issuer is subject to any Insolvency Proceedings or has entered into any of the agreements provided for by article 182 *bis* or article 67 paragraph 3 (d) of the Bankruptcy Law; provided that the above subparagraphs (i) and (ii) shall not apply to any proceeding which is discharged, stayed or dismissed within 120 (one hundred twenty) days from its commencement, and/or (iii) the Issuer is subject to any of the situation described in articles 2445, 2446, 2447 of the Italian Civil Code, save for what provided under Condition 8(vi).

(c) **Transfer of assets to creditors:** the transfer of assets to creditors by the Issuer pursuant to Article 1977 of the Italian Civil Code.

(d) **Liquidation:** the adoption of a resolution of the competent body of the Issuer whereby it is resolved the winding up of the Issuer.

(e) **Litigation:** the filing against the Issuer of any litigation, arbitration or administrative proceedings (including any dispute with any statutory or governmental authority) for amounts exceeding Euro 20,000,000.00 (twenty million/00); provided that this subparagraph shall not apply to any litigation, arbitration or administrative proceedings which is discharged, stayed or dismissed within 120 (one hundred twenty) days of its commencement.

(f) **Covenants:** any of the covenants under Condition 8 (*Covenants by the Issuer*) is not complied with by the Issuer; provided that if the circumstances that gave rise to that event may be remedied, are not remedied within 180 (one hundred eighty) days since the date on which the Issuer is aware of such circumstance.

(g) **Cross default of the Issuer:** the failure by the Issuer to pay any payment obligation (other than those payment obligations arising from the Notes), for amounts exceeding Euro 3,000,000.00 (three million/00) unless such payment is made within 180 (one hundred eighty) days starting from the relevant failure.

(h) **Force Majeure Events:** the occurrence of force majeure events, such as wars, revolutions, embargos, actions by civil and/or military authorities, earthquakes, floods, droughts, water pollution, power lines breaks that persist for a period exceeding 60 (sixty) non consecutive calendar days in the same solar year and from which on the expiry of the 60 (sixty) days derives an Event of Default.

(i) **Compulsory nationalization of the Issuer's assets:** nationalization, expropriation or dispossession by a government, public or regulatory body of the Assets of the Issuer.

(j) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any of its obligations under, or in respect of, the Notes or the present Terms and Conditions, or an event occurs, as a consequence of which one or more obligations of the Issuer under the present Terms and Conditions become invalid, illegal, or cease to be effective or enforceable.

(k) **Delisting:** the adoption of an act or measure whose consequence is the delisting of the Notes or the delisting of shares of the Issuer.

(l) **Others:** any laws, decrees and resolutions enacted by the Italian Government or any political sub-division thereof, including any Region, are revoked or amended or new laws, decrees and resolutions are enacted so that interests of the Noteholders are negatively affected in a material manner. On the first Business Day following a 90 (ninety) days prior request of early redemption (the "**Early Redemption Date**") to be sent by registered letter addressed to the Issuer's registered office, or according to other modalities as required by the Italian Stock Exchange (for example, through publication on the website of the Issuer), the amounts payable by the Issuer to the Noteholders shall become immediately due and payable with respect to the principal and all interest accrued on the Notes.

## 8. COVENANTS BY THE ISSUER

For so long as any Note remains outstanding, the Issuer shall, unless a written waiver is provided by the absolute majority of the Noteholders or the Noteholders' Representative, as the case may be:

- (i) maintain its properties, machinery and, equipment in good condition, as well as to take out and maintain adequate insurance coverage in place with leading insurance companies in relation to them, in accordance with good commercial practice;

- (ii) not approve or carry out extraordinary transactions of any kind, including without limitation special transactions on its own share capital, corporate transformations (*trasformazioni*), merger (*fusioni*) or spin-off (*scissioni*), other than any transaction whose nominal value is equal to or lower than the 15% (fifteen per cent.) of the then share capital of the Issuer;
- (iii) not sell, lease, transfer or otherwise dispose of any of its Assets whose value exceeds 25% (twenty five per cent.) of the Total Assets, other than any contribution of the Plants to "Renewable Assets" an Italian investment fund managed by Prelios SGR S.p.A.;
- (iv) without prejudice to Condition 8 (ii) above, not change its by-laws (*atto costitutivo* and *statuto*) in any material respect and shall not change the date of its financial year's end;
- (v) ensure that all of its corporate books are correct, complete, accurate and not misleading in all material respects, and are regularly kept in accordance with the laws and accounting standards;
- (vi) not reduce its own share capital, except for the mandatory cases provided for by law; and, in the event that the Issuer's share capital is reduced due to losses pursuant to applicable laws, ensure that, no later than 60 (sixty) Business Days from the resolution approving such reduction, the Issuer's share capital required by applicable laws is restored;
- (vii) ensure that the following financial covenants are respected on each Valuation Date (the "**Financial Covenants**"):
  - (a) Interest Coverage Ratio: equal to or greater than 1.5X (one point five times);
  - (b) Net Financial Debt/EBITDA: equal to or less than 8X (eight times);
  - (c) Net Financial Debt Corporate/EBITDA: equal to or less than 5X (five times);
- (viii) publish on its own website the annual consolidated financial statements of the last two financial years preceding the Issue Date; being understood that the consolidated financial statements shall be audited by an external auditor pursuant to Italian Legislative Decree no. 39 dated 27 January 2010; in addition to that, publish on its own website the annual and semi-annual consolidated financial statements for each financial year following the Issue Date, until the full redemption of the Notes and ensure that any such annual consolidated financial statements are audited by an external auditor in accordance with the abovementioned Legislative Decree no. 39 dated 27 January 2010; publish on its own website the Admission Document, the present Terms and Conditions and, on each Valuation Date, the result of the calculation performed by the Issuer of the Financial Covenants; promptly notify to the Noteholders the occurrence of any failure by the Issuer to fulfill its obligations under the present Terms and Conditions or any event which may cause an Event of Default;
- (ix) promptly notify to the Noteholders the occurrence of legal proceedings of any kind and/or proceedings commenced by the Italian Tax Agency (*Agenzia delle Entrate*) against the Issuer for amounts exceeding Euro 1,000,000.00 (one million/00);
- (x) comply with all applicable provisions of the Rules of ExtraMOT in order to avoid any kind of sanction, as well as the revocation or exclusion of the Notes by decision of the Italian Stock Exchange;

- (xi) diligently fulfill all the obligations undertaken by the Issuer towards Monte Titoli, in relation to the centralized management of the Notes;
- (xii) promptly notify to the Noteholders any suspension and/or revocation and/or exclusion of the Notes or the shares of the Issuer from trading under the ExtraMOT PRO or the Italy Star, as the case may be;
- (xiii) not take any step or institute any proceeding for the purpose of obtaining a reduction in the rate of interest applicable to the Notes or total cancellation of all payable interest;
- (xiv) promptly notify the Noteholders the rating assigned to the Issuer and/or the Notes (if such rating is available) and any variation thereto.

## **9. PAYMENTS**

Payments of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by authorized intermediaries.

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other applicable laws and regulations applicable in the place of payment.

## **10. ADMISSION TO TRADING**

The Issuer has filed with the Italian Stock Exchange for admission to trading of the Notes on the ExtraMOT PRO.

The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on the ExtraMOT PRO, together with the functional information to trading shall be communicated by the Italian Stock Exchange with a notice, pursuant to Sec. 11.6 of the Guidelines contained in the regulation for the management and operation of the ExtraMOT issued by the Italian Stock Exchange, and effective from June 8, 2009 (as amended and supplemented from time to time).

The Notes are not traded in a regulated market “*mercato regolamentato*” therefore are not subject to the Commission Regulation (EC) No 809/2004.

## **11. RESOLUTIONS AND AUTHORIZATIONS RELATING TO THE NOTES**

The issuance of the Notes was approved by the board of directors of the Issuer on 27 January 2014. In particular, the Issuer has approved to proceed with the issuance of the Notes for a maximum aggregate nominal value equal to Euro 25.000.000,00 (twenty-five million/00).

## **12. MEETINGS OF THE NOTEHOLDERS**

The Noteholders may convene a meeting in order to protect common interests related to the Notes. All meetings of the Noteholders will be held in accordance with applicable provisions of Italian law in force at the time. In accordance with Article 2415 of the Italian Civil Code, the meeting of Noteholders is empowered to resolve upon the following matters: (i) the appointment and revocation of a Noteholders' representative (the "**Noteholders' Representative**"), (ii) any amendment to these Terms and Conditions, (iii) motions by the Issuer for the composition with creditors (*amministrazione controllata* and *concordato*); (iv) establishment of a fund for the expenses necessary for the protection of the common interests of the Noteholders and the related statements of account; and (v) any other matter of common interest to the Noteholders.

Such a meeting may be convened by the board of directors of the Issuer or the Noteholders' Representative at their discretion and, in any event, in accordance with the provisions of Article

2415 of the Italian Civil Code. If the meeting has not been convened following such request of the Noteholders, the same may be convened by a decision of the competent court in accordance with the provisions of Article 2367 of the Italian Civil Code. Every such meeting shall be held at a place as provided pursuant to Article 2363 of the Italian Civil Code.

Notwithstanding the provisions of article 2415, third paragraph, of the Italian Civil Code, any meeting of the Noteholders will be validly held if there are one or more persons present being or representing Noteholders holding at least the absolute majority of the Principal Amount Outstanding of the Notes at that time.

Notwithstanding the provisions of article 2415, third paragraph, of the Italian Civil Code, the majority required to pass a resolution at any meeting (including any adjourned meeting) convened to vote on any resolution will be one or more persons holding or representing at least the absolute majority of the Principal Amount Outstanding of the Notes at that time.

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

The Noteholders' Representative, subject to applicable provisions of Italian law, shall be appointed and remain appointed pursuant to Article 2417 of the Italian Civil Code in order to represent the Noteholders' interests under these Terms and Conditions and to give effect to resolutions passed at a meeting of the Noteholders. If the Noteholders' Representative is not appointed by a meeting of such Noteholders, the Noteholders' Representative shall be appointed by a decree of the court where the Issuer has its registered office at the request of one or more Noteholders or at the request of the board of directors of the Issuer.

### **13. PRESCRIPTION**

Claims against the Issuer for payments in respect of the Notes will be barred and become void (*prescritti*) unless made within ten years in the case of principal or five years in the case of interest from the date the relevant payment are due.

### **14. TAXATION**

Any tax and fee, present and future, applicable to the Notes shall be borne by the Noteholders; no other costs will be borne by the Issuer.

### **15. NOTICES**

So long as the Notes are held on behalf of the beneficial owners thereof by Monte Titoli, notices to the Noteholders may be given through the systems of Monte Titoli.

### **16. GOVERNING LAW AND JURISDICTION**

The Notes are governed by, and shall be construed in accordance with, Italian law.

The Courts of Milan are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with these Notes.

**ANNEX A  
PLANTS**

<b>OWNER</b>	<b>PLANT TYPE</b>	<b>NAME OF THE PLANT</b>	<b>REGION</b>	<b>POWER (Kwp)</b>
<b>TerniEnergia SpA</b>	SOLAR	APOLLOSA	Campania	918.00
<b>TerniEnergia SpA</b>	SOLAR	FRATTA4	Umbria	437.00
<b>Soc. Agricola Fotosolara Oristano Srl</b>	SOLAR	ORISTANO	Sardegna	964.00
<b>Soc. Agricola Fotosolara Bonannaro Srl</b>	SOLAR	BONNANARO	Sardegna	725.00
<b>Investimenti Infrastrutture Srl</b>	SOLAR	ROCCAFORZATA	Puglia	617.30
<b>DT Srl</b>	SOLAR	DT	Umbria	995.22
<b>TerniEnergia SpA</b>	BIOMASS	BORGOSIESIA	Piemonte	850.00
<b>Energia Alternativa Srl</b>	SOLAR	SANDEMETRIO	Puglia	996.82
<b>Energia Alternativa Srl</b>	SOLAR	APIRO	Marche	842.40
<b>Energia Alternativa Srl</b>	SOLAR	POLVERIGI	Marche	903.60
<b>Energia Alternativa Srl</b>	SOLAR	ANCONA1	Marche	3.212.00
<b>Energia Alternativa Srl</b>	SOLAR	LEQUILE 5	Puglia	997.00
<b>Energia Alternativa Srl</b>	SOLAR	LEQUILE 6	Puglia	997.00
<b>Energia Alternativa Srl</b>	SOLAR	CAMPICENA 3	Marche	903.60
<b>Energia Alternativa Srl</b>	SOLAR	CAMPICENA 4	Marche	903.60
<b>Energia Alternativa Srl</b>	SOLAR	CAMPICENA 5	Marche	903.60
<b>Energia Alternativa Srl</b>	SOLAR	MARSCIANO	Umbria	1.778.48
<b>Energia Alternativa Srl</b>	SOLAR	SERRA1	Marche	903.60
<b>Energia Alternativa Srl</b>	SOLAR	FILOTTRANO 4	Marche	540.00

## **5. ADMISSION TO TRADING AND RELEVANT METHODS**

### **Application for admission to trading**

The Issuer has filed with the Italian Stock Exchange an application for admission to trading of the Notes on the ExtraMOT PRO. The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on the ExtraMOT PRO, together with the information required in relation to trading shall be communicated by the Italian Stock Exchange by the issuance of a notice, pursuant to Section 11.6 of the guidelines contained in the Rules of ExtraMOT.

### **Other regulated markets and multilateral trading facilities**

At the date of this Admission Document, the Notes are not listed on any other regulated market or multilateral trading facility or Italian or foreign equivalent, nor does the Issuer intend to submit an application for admission to listing of the Note on any other regulated market or multilateral trading facilities other than the ExtraMOT PRO.

### **Intermediaries in secondary market transactions**

It should be noted that no entities have made a commitment to act as intermediaries on a secondary market.

### **Trading method**

The trading of notes on the ExtraMOT PRO is reserved for Qualified Investors only.

## 6. LIMITATIONS TO THE CIRCULATION OF THE NOTES

In accordance with the Subscription Agreement executed on or about the Issue Date, the Subscriber undertook to subscribe the 100% (one hundred per cent.) of the nominal amounts of the Notes and to pay the subscription price of the Notes.

Pursuant to the Subscription Agreement, the Issuer and the Subscriber have represented that:

- (i) no action has been commenced or will be commenced in relation to the Notes by the Issuer, the subscriber, their affiliates or any person acting on their behalf in order to make a public offer of financial instruments in Italy or in other foreign country not in accordance with the applicable law on financial instruments, tax laws and any applicable law or regulation;
- (ii) they have not promoted any public offer to CONSOB in order to obtain by this latter the approval of the Admission Document in Italy;
- (iii) any offer, sell or placement of the Notes in Italy shall be arranged by banks, investment enterprise or financial company authorised to perform these activities in Italy by the legislative decree No. 385/93 as subsequently amended, the TUF, the CONSOB regulation No. 16190/07 and pursuant to any other applicable laws or regulations and in accordance with any other requirement of notice or limitation imposed by the CONSOB or the Bank of Italy, as the case may be;
- (iv) in relation to the further circulation of the Notes in Italy, article 100-bis of TUF provides, also in the secondary market the compliance with the regulations related to the public offer and the duties of information requested by the TUF and the CONSOB regulations, unless such further circulation is exempt from such laws and regulations and from the requirements of the TUF and the CONSOB regulations.

## **7. USE OF THE PROCEEDS RELATED TO THE SELLING OF THE NOTES**

The proceeds from the selling of the Notes will be used by the Issuer to implement its industrial strategy described under the risk factor 1.2 (*Risks related to industrial strategy*) of section 3 above.