

ROME LOWER COURT BANKRUPTCY SECTION

ATAC SpA in creditor arrangement No. 89/2017

Bankruptcy Judge: Lucia Caterina ODELLO

Judicial Liquidators: Franca CIELI

Lorenza DOLFINI (lawyer)

Giuseppina IVONE (lawyer)

**RULES OF SALE THROUGH BIDDING PROCEDURE FOR NON-
INSTRUMENTAL PROPERTIES SURVEYED IN PROCEDURE**

1. WHEREAS

The present RULES govern the performance of the TENDER PROCEDURE for the sale in separate lots of the 'Non-instrumental Properties' owned by ATAC SpA and intended for the liquidation described further below, which will take place at the DELEGATED NOTARY on the day and time indicated in the NOTICE OF SALE. Unless otherwise expressed, the Civil Procedure Rules on the expropriation of real estate or online sale will not apply.

2. DEFINITIONS

COMMERCIAL ADVISOR: Yard Cam Srl (hereinafter referred to as YARD), with Tax Code No. 06837300968 and Milan Economic and Administrative Index No. 1918670 – Companies Registry

with registered business address in Milan at Corso Vittorio Emanuele II, 22, and operating premise in Rome – 00198 Via Ombrone, 2/G, as the exclusive assignee of the task of marketing the properties subject to the COMPETITIVE TENDER governed by the present RULES.

PROVISIONAL AWARD: the AWARD shall go to the highest bidder declared by the DELEGATED NOTARY at the outcome of the opening of the envelopes containing the BINDING BIDS, or of the conduct of the TENDER or NEW TENDER.

NOTICE OF SALE: the notice containing an indication of the deadline for submitting BINDING BIDS, date for opening the envelopes containing them and any tender between the bidders at the DELEGATED NOTARY, which will be published according to art. 5 below.

DEPOSIT: the amount corresponding to 10% of the offered price, which must be paid by the bidder, to guarantee the fulfilment of the obligations assumed in the COMPETITIVE TENDER, by means of one or more cashier's checks, accompanying the BINDING BID or the BINDING INCREMENTAL BID, or to supplement up to 10% of the award price in the event in which it takes place, at the outcome of the TENDER or the NEW TENDER, at a price higher than that originally offered; the sums paid as a DEPOSIT may be definitively forfeited by the creditor arrangement for ATAC as contemplated in the present RULES.

'NON-INSTRUMENTAL PROPERTIES' the properties located in the Province of Rome, Municipality of Rome and as described below.

For a more complete description of the individual Lots, please refer to the Appraisal Reports, mortgage survey documentation and notarial report contained in the DATA ROOM.

DATA ROOM: the *virtual data* room prepared by the Procedure, with the help of the COMMERCIAL ADVISOR, containing yet not limited to, with reference to the individual properties: the mortgage survey report drawn up by the DELEGATED NOTARY, the expert reports of estimates filed in the composition with creditors procedure, and each property subject to competitive tendering, additional documentation, including contractual, information on the critical aspects of the asset, and additional illustrative documentation prepared by the COMMERCIAL ADVISOR.

NON DISCLOSURE AGREEMENT (NDA)

: indicates the declaration containing the commitments on the non-disclosure of information received from the interested parties, which must be drawn up as per the model available on the dedicated website of the COMMERCIAL ADVISOR www.yardre.it, signed by the interested parties and sent, together with the Registration/accreditation request, to access the data room, request inspections at individual properties or conduct other *due diligence* activities on the documentation made available.

RULES: the present regulations of the conditions for the submission of BINDING BIDS and the procedures for conducting the BIDDING PROCEDURE as a sale without auction according to the provisions contained therein through DELEGATED NOTARY.

PROCEDURE: ATAC SpA Creditor Arrangement Procedure No. 89/2017, ratified through the Rome Court decision of 26 June 2019.

TENDER: the tender that will take place between the bidders through the DELEGATED NOTARY, after opening the envelopes in case of multiple valid BINDING BIDS.

ACCREDITED INTERESTED PARTIES: subjects accredited through a valid REGISTRATION/ACCREDITATION REQUEST who can access the DATA ROOM, request inspection on the REAL ESTATE COMPLEX or carry out other technical *due diligence* activities on the documentation made available, also with reference to the PARTICIPATION.

REGISTRATION/ACCREDITATION REQUEST: declaration of interest in participating in the BIDDING PROCEDURE, which must contain an indication of the name and contact particulars, telephone numbers (including mobile phone), e-mails and/or certified e-mail, and also, possibly, domicile, as per the model available on the COMMERCIAL ADVISOR'S website, submitted by the interested parties to be accredited to access the DATA ROOM, request inspections at the Properties or

conduct other technical *due diligence* activities on the documentation made available, even with reference to the PARTICIPATION.

DELEGATED NOTARY: the name of the Notary who will be indicated in the individual notices of sale for the fulfilment of the bidding procedure.

NEW TENDER: the tender, which will take place through the DELEGATED NOTARY following the PROVISIONAL AWARD when one or multiple valid BINDING INCREMENTAL BIDS are received, between the highest bidder, the provisional successful bidder and the other bidders who participated in the previous TENDER.

MINIMUM BID the minimum BINDING BID for a price no lower than the base price of the Expert Appraisal (hereinafter referred to as the 'BASE PRICE') or the reduced price in case of deserted auctions.

BINDING BID (or **BINDING BIDS** *when referred to in plural*): the binding bid for acquisition formulated on the individual LOT as part of the liquidation procedure governed by the present RULES.

BINDING INCREMENTAL BID (or **BINDING INCREMENTAL BIDS** *when referred to in plural*): the binding incremental bid for the acquisition of the single LOT, which can be validly formulated within the term of 10 (ten) days from the PROVISIONAL AWARD, for a price increased by at least 10% of the PROVISIONAL AWARD price.

BASE PRICE: minimum price that must be indicated in the BINDING BID to be considered valid for the PROVISIONAL AWARD of the LOT indicated in the Bid.

BIDDING PROCEDURE: competitive procedure for the sale of individual LOTS regulated by the present RULES.

COMMISSION: the consideration due to the COMMERCIAL ADVISOR of 0.95% of the sale price, which, given that it constitutes a charge for the performance of the BIDDING PROCEDURE, is charged to the buyer and must be paid on the stipulated sale date

3. OBJECT OF THE SALE AND AUCTION BASE PRICE

The BIDDING PROCEDURE governed by the present RULES seeks to sell the following properties as individual Lots and described in more detail below:

GENERAL DATA							AUCTION BASE
Lot	ASSETS in ROME	Destination	Cadastral particulars				
			Sheet	Part	Sub	Category	
No. 1	Cardinal de Luca Area	Building area	550	14	-	-	7.700.000
No.2	Cave Ardeatine Area	Area	813	17	-	-	1.520.000
No.3	Ex SSE Etiopia Viale Etiopia	Building	564	23	501	D/5	900.000
		Area	564	339	-	-	
No.4	Acilia Area	Area	1074	1924 1926 1927 1929	-	-	1.480.000
No.5	Ex SSE Lucio Sestio No.10	Offices	961	1670 1078	-	A/10	2.600.000
		Land	961	32 1869	- -		

No.6	Flat, Via Tuscolana No. 178	Flat	894	141	2	A/3	195.000
No.7	Offices, Via Tuscolana No. 171173	Offices, Cielo Terra	929	216 217 58	501	D/8	12.500.000
GENERAL DATA							AUCTION BASE
Lot	ASSETS in ROME	Destination	Cadastral particulars				
			Sheet	Part	Sub	Category	
No.8	Centro Carni Area	Area	638	various		-	
No.9	OstienseGarbatella Area	Area	823	247/ part 297 298 300 16 232 231		-	14.500.000

4. PUBLICATION OF THE NOTICE OF SALE

The NOTICE OF SALE or extract thereof will be published by the Judicial Liquidators of the ATAC SpA creditor arrangement at least 60 days before the deadline for submitting BINDING BIDS as per art. 107, subsection 1, last paragraph 1. Bankruptcy for at least once in the newspaper *IlSole24ore* and on the Public Sales Portal of the Ministry of Justice. It will also be published on the portal authorised by the Ministry of Justice for advertising judicial sales on the website www.astalegale.net; and may even be published on the COMMERCIAL ADVISOR's website www.yardre.it and the ATAC SpA website. The publication of the NOTICE OF SALE on the aforementioned portals may be accompanied by the present RULES and expert appraisals of the properties.

5. REGISTRATION REQUEST FOR ACCESS TO THE DATA ROOM,

INSPECTIONS AND POSSIBLE DUE DILIGENCE ACTIVITIES

5.1 In order to access the DATA ROOM, request inspections or perform other technical *due diligence* activities on the documentation made available, the interested parties must submit a REGISTRATION/ACCREDITATION REQUEST, accompanied by the additional documentation indicated in the following paragraph

5.2 The ACCREDITATION REQUEST will not be considered when:

- i) formulated by a subject who is in a state of bankruptcy, compulsory administrative liquidation, creditor arrangement or against whom a proceeding is underway for the opening of such bankruptcy or insolvency procedures on the submission date, including subject to any type of procedure governed by Italian or foreign law, which denotes a state of insolvency or crisis, sale of the activity or compulsory management; ii) not prepared in accordance with the provisions of the RULES.

5.3 The REGISTRATION/ACCREDITATION REQUEST must be sent to the dedicated e-mail address concorsuali@yard.it together with the following documentation:

- a) copy of the RULES, endorsed by initials on each page and fully signed at the bottom by the interested party;
- b) NON DISCLOSURE AGREEMENT, endorsed by initials on each page and fully signed at the bottom by the interested party, legal representative for legal persons, or duly authorised agent;
- c) copy of a valid identity document of the person signing the declarations.

Having examined the received documentation and on the basis of the information contained therein, the COMMERCIAL ADVISOR will send the corresponding notice (containing the DEDICATED ACCESS PASSWORD) to the ACCREDITED INTERESTED PARTIES regarding admission to the *Data Room* to conduct the *due diligence*.

6. DUE DILIGENCE, DATA ROOM AND INSPECTIONS

- 6.1 *Due diligence* will concern the information documents made available in the DATA ROOM, in addition to inspections conducted at individual properties subject to liquidation, to be agreed with the COMMERCIAL ADVISOR upon request by e-mail. Consultation of the DATA ROOM and inspections of the individual properties will be allowed only to ACCREDITED INTERESTED PERSONS, possibly accompanied by previously indicated technicians who are identified before access only until the day preceding the submission deadline for BINDING BIDS
- 6.2 All information contained in the DATA ROOM must be independently verified by the ACCREDITED INTERESTED PARTIES.
- 6.3 Judicial liquidators, together with the employees, consultants or agents in any capacity for the company ATAC SpA and the COMMERCIAL ADVISOR, neither accept any liability nor provide any guarantees regarding the correctness and completeness of the information and documentation included in the Data Room, provided or transmitted in any other way to the ACCREDITED INTERESTED PARTIES, bidders or other parties participating in the present BIDDING PROCEDURE, and it is therefore their exclusive responsibility to check this documentation at their own risk, expense and liability.
- 6.4 Until closure of the DATA ROOM, the ACCREDITED INTERESTED PARTIES may send the COMMERCIAL ADVISOR requests for clarification or further information on the examined documents. The feedback, responses and any additions to the documentation will be incorporated in the DATA ROOM in a special "Q&A" section, after eliminating references to the requesting party, and made available to all the other ACCREDITED INTERESTED PARTIES.

7. BINDING BID SUBMISSION METHOD

- 7.1 The BINDING BID must be submitted as contemplated in the present RULES.
- 7.2 The BINDING BID must be received in a sealed envelope indicating the LOT number, sent by registered mail, courier or hand delivered at the DELEGATED

NOTARY's address in Rome, by the date and time indicated in the NOTICE.

No other forms or methods of bid submission are allowed.

7.3 The final time limit for submitting BINDING BIDS indicated in the NOTICE is to be considered peremptory.

In this regard, the receipt date and time will prevail, as per the records of the DELEGATED NOTARY, and participants shall run the risk of any delivery delay in the postal service.

7.4 In no case will submissions received after the aforementioned deadline be admitted for consideration, even if sent before the deadline, in which regard these envelopes will not be opened and deemed to not have been delivered for the purposes of the BIDDING PROCEDURE.

7.5 The envelope containing the Binding Bid must have the wording “

*BINDING BID OF PURCHASE RELATED TO LOT No. _____ –
ATAC SPA CREDITOR ARRANGEMENT No. 89/2017”.*

8. CONTENT OF THE BINDING BID

8.1 The BINDING BID may also be made by a foreign natural or legal person, yet must nevertheless be drawn up in Italian to be admitted and signed with the bidder's handwritten signature or, for legal persons, the legal representative thereof or anyone with powers to represent the bidder.

8.2 The BINDING BID may be drawn up as per the attached model (Annex 1) but must indicate the following under penalty of inadmissibility:

- complete general information, tax code indication and contact particulars, certified or regular e-mail of the bidder;
- for bids submitted by a legal person, the name or company name, registration number in the Companies Register, registered business address, tax code and/or VAT number with the attachment of a substantiating certificate certified by the chamber of commerce or the foreign equivalent thereof yet no older than three months, which also attests to the powers of the natural person signing the BINDING BID or who issued the notarised special power of attorney or equivalent authorisation (which must also be attached);

- the declaration in terms of a firm, irrevocable and unconditional proposal for the duration of at least 180 days from the expiry of the term for depositing the BINDING BID, of the intention to make the corresponding purchase under the same terms and conditions contemplated in the present RULES;
- the price offered expressed in numbers and letters. If the amount expressed in numbers differs from the amount in letters, the most advantageous indication for the PROCEDURE will be considered valid.

8.3 The BINDING BID must contain a declaration of being aware of and accepting the bid conditions indicated below in art. 10 herein.

9. CONDITIONS OF THE BINDING BID

The BINDING BID is considered formulated under the following conditions.

- 9.1 The purchase contract for the LOT awarded with contextual and full payment of the price, net of the payments made during the security deposit, must be stipulated within the term of 60 days from the
PROVISIONAL AWARD.
- 9.2 Failure to conclude attributable to the successful bidder or failure to pay the price will result in the forfeiture of the purchase right with the consequent loss of the right to match the amount submitted by the successful bidder.
- 9.3 The successful bidder shall bear any costs, charges and expenses, including taxes and notary fees, subsequent or consequent to the award, e.g. charges, including taxes and notary fees for the conclusion of the purchase agreement and the cancellation of detrimental entries and transcriptions pursuant to art. 108, subsection 2 l. Bankruptcy, and the Commission at the rate of 0.95% of the sale price, in addition to legal costs, provided to the COMMERCIAL ADVISOR, which must be paid on the signing date of the deed of sale. This amount will be due by the successful bidder even if it has neither sent the DECLARATION OF INTEREST for access to the DATA ROOM, nor conducted inspections or any other due diligence activities with the help of the COMMERCIAL ADVISOR.

- 9.4 The PROCEDURE may be suspended or not complete the BIDDING PROCEDURE at any time during the course of the procedure and until the completion of the sale pursuant to art. 107 l. Bankruptcy, in which regard neither bidders nor the successful bidder may lodge any claims seeking compensation, refund or reimbursement, including the proposal of specific execution actions pursuant to art. 2932 of the Italian Civil Code, save for the sole obligation to return the deposits paid. In this regard, bidders and the successful bidder must bear the expense, risk, liability and burden associated with the exercise of this right within the PROCEDURE.
- 9.5 The bidder is not bankrupt or undergoing compulsory administrative liquidation, creditor arrangement or facing a proceeding for the opening of such bankruptcy or insolvency procedures on the submission date, and is not subject to any type of procedure governed by Italian or foreign law, which denotes a state of insolvency or crisis, sale of the activity or compulsory management.
- 9.6 Unless expressly indicated otherwise, the bidder participates on its own behalf and the award cannot be made for a person to be appointed.
- 9.7 No conditions or reservations may be made in derogation of the provisions of the present RULES under penalty of exclusion from the sale procedure.
- 9.8 The Property identified and described for individual Lots are sold "as is", with the exclusion of any legal guarantee, if not that of the deed of ownership, and with express and unconditional waiver of any subsequent exception, application and claim against the Procedure, including the request for price reduction or termination of the contract.
- 9.9 The signing of the BINDING BID implies specific acceptance and knowledge of the building, urbanisation and administrative situation of the Lot for which the BID was made.
- 9.10 In the purchase contract, the buyer will acknowledge to relinquish any claim for defects as per art. 2922 of the Italian Civil Code. Consequently, the existence of any defects, lack of quality or discrepancy for any reason not considered, even if hidden and in any case not highlighted in the documents made available by the PROCEDURE, or charges of any kind, including, for example, urban planning charges or expenses arising from a potential need to adapt systems to legislation

in force for any reason not considered, even if hidden, and in any case not highlighted in the appraisals, will not give rise to any compensation, indemnity or reduction in the basic auction or award price . Should such conditions arise, the buyer may make use of the provisions of articles 40 of Italian Law 47/1985 and 46 of Presidential Decree 380/2001 at its own risk, liability and expense.

10. DEPOSIT

- 10.1 The BINDING BID must also have one or multiple non-transferable cashiers checks attached in the name of "*ATAC SpA Creditor Agreement No. 89/2017*" for a total amount of 10% on the price as a
DEPOSIT.
- 10.2 Should the award be made at a price higher than BINDING BID, the DEPOSIT must be integrated, within 3 business days, up to 10% on the gavel price.
- 10.3 Should the award be forfeited because the DEPOSIT is not integrated as per the previous paragraph, a new award may be made to the second highest bidder. In the latter case, the new awarded bidder must integrate the DEPOSIT as 10% on the gavel price within three business days following notification of the award.

11. OPENING OF THE ENVELOPES

- 11.1 For each Lot as identified above, the envelopes containing the BINDING BIDS will be opened at the office of the
DELEGATED NOTARY on the date indicated in the NOTICE OF SALE published in accordance with the present RULES.
- 11.2 The BINDING BID will be considered invalid if it is lower than the BASE PRICE established for the attempts at sale relating to the reference LOT (MINIMUM BID).
- 11.3 In case of multiple valid bids after opening the envelopes, the TENDER will proceed between the bidders with the minimum raise indicated in the notice of sale. The award to the highest bidder will be made even when it is not present, so long as those present do not submit higher bids.

In the absence of raised bids when a minute has elapsed from the TENDER opening or the last valid raised bid, the DELEGATED NOTARY will award

the reference LOT to the highest bidder, indicating the highest bid amount as the gavel price.

Should there be no raised bids for a situation of multiple valid bids indicating the same price, the first bidder to submit will be the awarded bidder. In this regard, date and time of receipt of the BINDING BID as recorded by the DELEGATED NOTARY will prevail.

The unsuccessful participants will also be returned the check attached to the BINDING BID.

11.4 The DELEGATED NOTARY will draw up a specific report on aspects including yet not restricted to: compliance with envelope delivery terms, execution of the opening operations and compliance herewith, received purchase offers, conduct of the tender indicating the incremental bids and whether or not the asset was awarded.

11.5 The report drawn up by the DELEGATED NOTARY is void of any contractual value. Contractual effects, including the carry-over effects, will only occur upon conclusion of the purchase contract.

12. PAYMENT OF THE BALANCE OF THE PRICE BY THE PROVISIONAL SUCCESSFUL BIDDER

12.1 The successful tenderer must pay the balance of the gavel price by the signing date of the deed of sale by
non-transferable cashier's checks made out to "ATAC SPA CREDITOR ARRANGEMENT No. 89/2017" or bank transfer with credit on the current account made payable to the PROCEDURE.

12.1.1 Failure to complete the sale attributable to the successful bidder or failure to pay the price will result in the forfeiture of the successful bidder with the consequent loss of the deposit.

The PROCEDURE may, at its sole discretion, launch a new auction, or award the property to the second highest bidder.

In any case, if the consideration combined with the confiscated DEPOSIT are lower than the previous award, the defaulting successful bidder will be required to pay the difference.

13. SALES AGREEMENT AND CANCELLATION OF DETRIMENTAL FORMALITIES

- 13.1 The purchase and sale agreement will be concluded within a term of **60 days** from the PROVISIONAL AWARD at the DELEGATED NOTARY.
- 13.2 The Delegated Judge, at the request of the Judicial Liquidators, will decree the cancellation of records relating to pre-emption rights, transcriptions of foreclosures and conservative seizures, and any other constraint affecting the Property included in the reference LOT, pursuant to art. 108 of Italian Federal Law.
- 13.3 The successful bidder shall bear all expenses, including taxes and notary fees, for concluding the sales agreement and executing cancellation of detrimental entries and transcriptions.

14. ADDITIONAL EXPENSES BORNE BY THE BIDDERS

Each bidder is responsible for conducting a preventive and accurate inspection and appropriate examination, analysis and assessment under each Property profile included in the referred LOT, and any further documentation published on the portals or made available to the interested parties in any form or that they may acquire even outside the DATA

ROOM, notwithstanding the PROCEDURE'S exemption from any liability relating to the correctness, accuracy and completeness thereof, as already indicated above in art. 6.2 hereof.

15. POWER TO SUSPEND THE BIDDING PROCEDURE AND INCREMENTAL BIDS

- 15.1 The PROCEDURE, at any time and until the sale is finalized, may suspend or render the sale procedure incomplete, in which regard the bidders may lodge no claims seeking compensation, refund or reimbursement, including the proposal of specific execution actions according to art. 2932 of the Italian Civil Code, save for the sole obligation to return the deposits paid. In this regard, bidders and the

successful bidder must bear the expense, risk, liability and burden associated with the exercise of this right.

- 15.2 In particular, pursuant to art. 107, paragraph 4 l. Bankruptcy, if an irrevocable purchase offer is received within ten days of the PROVISIONAL AWARD, formulated according to articles 8 and 9 above insofar as they are compatible, for a price increased by at least 10% of the PROVISIONAL AWARD price, accompanied by a DEPOSIT of 10% on the price offered on the increase, to be paid as referred to in art. 10.1 above, the Liquidators will be able to suspend the sale after consultation with the Committee of Creditors and Judicial Commissioners. In such a case, when the aforementioned deadline has expired, the Liquidators will convene the increasing bidder, the provisional successful bidder and all bidders who participated in the previous TENDER, by notification via certified e-mail sent to the addresses indicated in the respective BINDING BIDS, to hold a NEW TENDER at the DELEGATED NOTARY. The NEW TENDER will take place with a base price corresponding to the incremental bid or the highest bid in the case of multiple bids, according to the procedures provided for in articles 11.3, 11.4 and 11.5 herein, insofar as they are compatible.
- 15.3 In the event of incremental bids, the valid term of the irrevocable purchase offer shall be construed as 180 days from the submission date.

16. GENERAL PROVISIONS

- 16.1 The BIDDING PROCEDURE for the LOTS described above is governed by the present RULES, which may be subject to additions or modifications until the closure of the DATA ROOM. Any additions or changes to the RULES will be included in the DATA ROOM and will be communicated to the ACCREDITED INTERESTED PARTIES by certified e-mail or, in the absence thereof, to the address indicated in the ACCREDITATION REQUEST.
- 16.2 This BIDDING PROCEDURE constitutes no invitation to tender, offer to the public pursuant to art. 1336 of the Italian Civil Code, or mobilisation of public savings pursuant to art. 94 et seq of Italian Legislative Decree 58/1998 (Consolidated Finance Act).

16.3 The data indicated by the interested parties will be processed in accordance with the provisions of Italian Legislative Decree No. 196 of 30 June 2003 (ITALIAN PERSONAL DATA PROTECTION CODE); pursuant to articles 7 and 13 herein. Personal data will be processed for purposes and with strictly necessary or instrumental methods for assessing the suitability of parties to participate in the sales procedure and the correct conduct thereof. The data controllers will be the bodies of the bankruptcy procedure.

17. APPLICABLE LEGISLATION AND JURISDICTION

17.1 The entire BIDDING PROCEDURE and any related act are governed by Italian law.

17.2 The Court of Rome will have exclusive jurisdiction over any dispute relating to the present RULES, their interpretation, execution, validity or effectiveness, and arising from the sale of the assets.