

JUDICIAL RECEIVERSHIPS OF APPROVED COMPOSITION PROCEEDINGS OF PRAMAC S.P.A. IN LIQUIDATION AND LIFTER S.R.L. IN LIQUIDATION

*[The original version of this document is in Italian and is available on the web site of the procedure
www.procedure.it/pramaclifterconcordatiomologati*

Please consider that the English translation has the sole purpose of facilitating understanding.

Only the Italian document has legal validity]

REGULATION

For the proposal and evaluation of Acquisition Offers

GRANTED

1. That PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION, respectively, on 27 July 2012 and on 3 August 2012, filed with the Clerk of the Court of Siena – Bankruptcy Section, two separate applications for admission to the Approved Composition Proceedings pursuant to Articles 160 et seq of the Italian Bankruptcy Law.
2. That in those applications PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION, declared: *a)* the former, to have signed on 27 June 2012 with PR Industrial S.r.l. a rental contract for a Business Unit relating to its Power Division and Constitution of Usufruct over some of its foreign Shareholdings; *b)* the second, to have signed on 27 June 2012 with PR Industrial S.r.l. a Rental Contract for its entire Company; *c)* both to have signed, on 11 July 2012, with PR Industrial S.r.l. separate preliminary sale contracts, in which the latter undertook to purchase, respectively, the Business Unit granted to it on rental and the Shareholdings granted to it by way of usufruct by PRAMAC S.P.A. IN LIQUIDATION as well as the Company granted to it on rental by LIFTER S.R.L. IN LIQUIDATION, for a total price of € 16,333,087.00 (made up of € 4,493,989 for the PRAMAC S.P.A. IN LIQUIDATION Business Unit, € 10,527,000.00 for the PRAMAC S.P.A. IN LIQUIDATION Shareholdings and € 1,312,098.00 for the LIFTER S.R.L. IN LIQUIDATION Company).
3. That the Irrevocable Offer made by PR Industrial S.r.l. in the preliminary Sake Contracts referred to in point 2, letter *c)* above, were conditioned, inter alia, upon the approval of the Approved Composition Proceedings of both the aforementioned Companies by 30 September 2013 and the completion – within 90 days of the Approval Order becoming final – of a sale procedure for the award of the Business Unit and the Shareholdings of PRAMAC S.P.A. IN LIQUIDATION as well as the Company of LIFTER S.R.L. IN LIQUIDATION, with PR Industrial S.r.l. irrevocably undertaking to participate in that sale procedure, offering payment terms not inferior to those agreed in the aforementioned preliminary sale Contracts.
4. That, therefore, PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION used the aforementioned Irrevocable Offer made by PR Industrial S.r.l. for the basis of their respective Approved Composition Proceedings submitted in the context of the applications pursuant to Art. 160 of the Italian Bankruptcy Law, specifying,

- however, that, subject to the right of pre-emption of PR Industrial S.r.l., they would be free to hold Sale Procedures to gain the best price for their assets.
5. That, by Orders dated 31 May 2013, filed on 21 June 2013, the Court of Siena approved the Approved Composition Proceedings proposed by PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION, appointing as Judicial Liquidator for both Procedures Dr Franco Michelotti.
 6. That in the aforementioned Orders, the Court of Siena ordered, inter alia: *a)* that the sales and other acts of liquidation of the companies admitted to the Approved Composition Proceedings are completed in accordance with Competitive Sale Procedure, appropriately publicised so as to ensure the maximum participation of all potential entities interested in the purchase, with a view to maximising the satisfaction of the creditors; *b)* that in order to allow for the correct, transparent and effective performance of the Competitive Sale Procedure, PR Industrial S.r.l. is obliged to provide all information requested by the Judicial Liquidator, supplying all forms of assistance and/or collaboration deemed by the latter to be necessary and opportune; *c)* that the Competitive Sale Procedure is regulated by an appropriate Regulation and in accordance with terms and conditions which ensure the effective Irrevocable Offer by PR Industrial S.r.l. and guarantee the exercise of the right of pre-emption itself; *d)* that the subject and conditions of the sale must provide for raised offers to be comparable with the binding offer made by PR Industrial S.r.l. as a whole, but not necessarily overlapping, so as to ensure, in any case, an effective comparative evaluation.
 7. That the irrevocable Offer made by PR Industrial S.r.l. amounting to a total of €16,333,087.00 – made up of €4,493,989 for the PRAMAC S.P.A. IN LIQUIDATION Business Unit, €10,527,000.00 for the PRAMAC S.P.A. IN LIQUIDATION Investments and €1,312,098.00 for the LIFTER S.R.L. IN LIQUIDATION Company – constitutes the auction basis for the conduct of a Competitive Process dealing with the sale of the Business Unit and the Investments respectively granted on rental and by way of usufruct by PRAMAC S.P.A. IN LIQUIDATION to PR Industrial S.r.l., as well as the LIFTER S.R.L. IN LIQUIDATION Company granted on rental to PR Industrial S.r.l. and that, in that regard, the Judicial Liquidator has preventively acquired the favourable opinion of the Committee of Creditors of both the aforementioned companies.
 8. That the Judicial Liquidator, having identified the financial and commercial link existing between the PRAMAC S.P.A. IN LIQUIDATION Business Unit and the Shareholdings and the LIFTER S.R.L. IN LIQUIDATION Company, having considered the indications contained in the Approval Orders of the Court of Siena of 21 June 2013 and having acquired the favourable opinion of the Committee of Creditors of the JUDICIAL RECEIVERSHIPS OF APPROVED COMPOSITION PROCEEDINGS OF PRAMAC S.P.A. IN LIQUIDATION (herein also just “PRAMAC”) and LIFTER S.R.L. IN LIQUIDATION (herein also just “LIFTER”), deems it opportune to hold a single **Competitive Sale Procedure** regulated by this **Regulation**,

ALL THAT GRANTED

1. SUBJECT AND DEFINITIONS

1.1. The Competitive Sale Procedure is called for the sale of the Assets and Shareholdings of PRAMAC and the Assets of LIFTER as exactly identified in the Sale Rules (Attachment 1) and in the respective Attachments forming an integral part of this Regulation, without prejudice to the right of the JUDICIAL RECEIVERSHIPS OF APPROVED COMPOSITION PROCEEDINGS OF PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION to implement, in the event of the absence of Bidders in the Competitive Sale Procedure, the preliminary sale Contracts entered into with PR Industrial S.r.l. referred to in the Preambles, subject to the resolution term of 31 December 2013 provided by the latter.

1.2 The Competitive Process is regulated by this Regulation, of which the Preambles above form an integral part, the Sale Rules (Attachment 1) and all attached documents referred to in the Regulation itself and in the Sale Rules.

1.3 In addition to the terms and expressions defined in this Regulation and in its Attachments, the terms and expressions listed below, independently from the use of upper or lower case letters, the singular or the plural or the character, have the following meaning indicated for each of them:

- a) **Business Unit:** the Business Unit of Pramac S.p.A. in Liquidation subject of the sale procedure and as referred to in paragraph 1.2 of the Sale Rules;
- b) **Shareholdings:** the Shareholdings of Pramac S.p.A. in Liquidation subject of the sale procedure and as referred to in paragraph 1.3 of the Sale Rules;
- c) **Company:** The Company of LIFTER S.r.l. in Liquidation as referred to in paragraph 1.4 of the Sale Rules;
- d) **Assets:** the Business Unit, the Shareholdings of Pramac S.p.A. in Liquidation and the Company of LIFTER S.r.l. in Liquidation, even considered individually;
- e) **Rental Contract of Business Unit and Usufruct:** Rental Contract of Business Unit and Usufruct of Shareholdings of PRAMAC dated 27 June 2012, Attachment a) to the Sale Rules;
- f) **Rental Contract of Business Unit:** Rental Contract between PR Industrial S.r.l. and LIFTER Company dated 27 June 2012, Attachment b) to the Sale Rules;
- g) **Preliminary sale contract/s:** Contract between PR Industrial S.r.l. and Pramac S.p.A. in Liquidation and Lifter S.r.l. in liquidation dated 11 July 2012, Attachments c) and d) to the Sale Rules;
- h) **Irrevocable Acquisition Offer:** Irrevocable Acquisition Offer made by PR Industrial S.r.l. as cited in the preambles;
- i) **Approval Orders:** Approval Orders of the Court of Siena of 21 June 2013;

- j) **Competitive Sale Procedure:** sale procedure of Business Unit and the Shareholdings of Pramac S.p.A. in liquidation and Lifter srl in liquidation as referred to in this Regulation and its Attachments;
- k) **Request for Expression of Interest:** the request as referred to in paragraph 2.1 a);
- l) **Participant:** interested parties who intend to participate to the Competitive Sale Procedure;
- m) **Offers:** interested parties who submit Irrevocable Offer to purchase the Business Unit and the Shareholdings of Pramac S.p.A. in liquidation and Lifter srl in liquidation;
- n) **Irrevocable Offer:** offer submitted as referred in to paragraph 4;
- o) **Raised Irrevocable Offer:** irrevocable offer submitted during any further phases as referred to in paragraphs 5.3, 5.4, 5.5, 5.6, 5.7;
- p) **Provisional award:** award as referred to in paragraph 5.1 or in any case other than Final award;
- q) **Final award:** award as referred to in paragraph 5.8, except for the exercise of the right of pre-emption by PR Industrial S.r.l.;
- r) **Sale contract:** contract as referred to in paragraph 7;
- s) **Bidder:** final successful bidder or PR Industrial s.r.l. in the case set out in paragraph 6.

2. PRE-SELECTION

2.1 Entities intending to participate in the Competitive Sale Procedure (hereafter also just "Participants" or each of them a "Participant") must send in advance by e-mail to pramaclifterconcordati@vdrmail.multipartner.com commencing from the date of publication of the *Call for Expression of Interest* the following documentation:

- a) Application to Participate in the Competitive Sale Procedure prepared in accordance with the Request form indicated in the Attachment 2) of this Regulation;
- b) commitment to pay a sum of €5,000.00 as a lump sum non-refundable contribution for costs incurred by PRAMAC and LIFTER in preparing the *Data Room* regarding the Competitive Sale Procedure;
- c) copy of this Regulation and the Sale Rules (Attachment 1) signed for acceptance on every page;
- d) copy of the deed of incorporation of the participant or similar documentation required by the rules of the state in which it is established as well as an updated company search;
- e) copy of the latest approved financial statements or the latest consolidated financial statements;
- f) an affidavit letter issued by a major EU, Swiss, US or Japanese bank, signed by the relevant bodies and certifying that the entity interested in participating in the

Competitive Sale Procedure has the economic-financial capacity to cover its payment obligations for fees and acceptance of the commitments that are to be indicated in the Offer and in any case no less than € 30,000,000.00;

g) copy of a valid identity document of the signatory.

2.2 The documentation referred to in paragraph 2.1. letters a), b), c), d), e), f) must then be received, within five days of sending the e-mail, in original, in a sealed envelope citing on the exterior the wording "*Application for Participation in the Competitive Process called by the Judicial Receiverships of the Approved Composition Proceedings of Pramac S.p.A. in Liquidation and Lifter S.r.l. in Liquidation*", at the offices of the Judicial Liquidator Dr Franco Michelotti, in Montecatini via Garibaldi no. 29 - 51016.

2.3. The documentation referred to in paragraphs 2.1. and 2.2. must be received by 6 December 2013, notwithstanding that the Due Diligence activities, by way of accessing the *Virtual Data Room*, must take place within the terms set out in subsequent paragraph 3.3. PRAMAC and LIFTER and the bodies of the respective Approved Composition Proceedings in any case reserve the right to accept applications for participation received after that deadline.

3. VERIFICATION OF APPLICATIONS FOR PARTICIPATION

3.1 PRAMAC and LIFTER will invite to the *Virtual Data Room* all entities who have sent the documentation in compliance with the requirements set out in paragraph no. 2.1. above, by sending them the "*Invitation Letter*" to the e-mail address specified in the Request for Expression of Interest Form together with a copy of the *Virtual Data Room* Rules (Attachment 3), the Confidentiality Agreement (Attachment 3.1) and the list of Due Diligence documents made available therein.

3.2 Participants may access the *Virtual Data Room* after signing the *Virtual Data Room* Rules (Attachment 3) in all its parts as well as the Confidentiality Agreement (App. 3.1) and paying the amount of €5,000.00 as referred to in paragraph 2, letter. b) to the bank account in the name of Pramac S.p.A. in Liquidation at Banca Cariparma Credit Agricole, Florence Branch, IBAN IT12S0623002800000030841986.

3.3 Participants thus admitted will be entitled to read - from 18 November 2013 to 12 December 2013 - the Due Diligence documents which may be consulted in the *Virtual Data Room* within the reserved area of the dedicated website, by entering the username and password indicated for that purpose. PRAMAC and LIFTER reserve the right to prevent access to the *Virtual Data Room* where the documentation sent in original in accordance with paragraph 2.2 is found not to be compliant with that sent in advance by e-mail in accordance with paragraph 2.1.

3.4 All information provided by PRAMAC, LIFTER and PR Industrial s.r.l. contained in the *Virtual Data Room* must be autonomously verified by the Participants. PRAMAC and LIFTER, together with their employees, consultants or officers in any capacity do not accept any liability or provide any guarantee regarding the completeness of the information and the

documentation provided, which must be verified by the Participants at their exclusive care, expense and liability.

3.5 Within 10 (ten) days of accessing the *Virtual Data Room*, and in any case by 12 December 2013, all Participants will be sent a draft contract for sale of the Assets and Shareholdings subject to the Competitive Process as well as an appropriate form for making the Offer and for issuing the necessary bank guarantee (so-called *bid bond*), all in accordance with the contents of the Sale Rules (Attachment 1).

3.6 From the time of accessing the *Virtual Data Room* and until 5 December 2013 each Participant may provide, to the Bodies identified for that purpose in the *Virtual Data Room* Rules, any requests for clarification or information on documents examined within the *Virtual Data Room*.

4. SUBMISSION OF IRREVOCABLE OFFERS

4.1 By 18 December 2013, at 12pm, the Participants (hereafter also known as "Bidders" and individually each of them a "Bidder") must provide their Irrevocable Offer, in accordance with the methods identified below.

4.2 The Irrevocable Bid must be prepared in accordance with the form sent in line with paragraph 3.5 above, duly compiled and signed with full legible signature of the Bidder or its legal representative, and concerning the PRAMAC Business Unit and Shareholdings and the LIFTER Company - as defined in the Sale Rules Attachment 1 to this Regulation - "seen and approved" in the state of fact and law in which they are currently found, with express waiver of invoking in future against the JUDICIAL RECEIVERSHIPS OF THE APPROVED COMPOSITION PROCEEDINGS OF PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION any objection and/or claim and/or demand and/or dispute and/or any reduction of price and guarantees offered: (i) in relation to the identity, legal status, quality and/or consistency and/or existence of those assets, also with regard to the inventory data; or (ii) deriving from and/or connected with and/or related to the enforcement and implementation methods and/or those to be completed by PRAMAC and LIFTER, which are therefore as of now accepted by the Participants.

4.3 The Irrevocable Offer must set out the separate prices for the purchase of the PRAMAC Business Unit and the Shareholdings and for the purchase of the LIFTER Company - as defined in the Sale Rules Attachment 1 to this Regulation - in total exceeding the amount of € 16,333,087.00 already irrevocably offered by PR Industrial S.r.l. and individually exceeding the price irrevocably offered by PR Industrial S.r.l. for each of them, amounting to € 4,493,989 for the PRAMAC Business Unit, € 10,527,000.00 for the PRAMAC Shareholdings and € 1,312,098.00 for the LIFTER Company. The Irrevocable Offer must provide for the amount in excess of the base value of € 16,333,087.00 to be proportionally divided between the PRAMAC Business Unit, the PRAMAC Shareholdings and the LIFTER Company: 27.51% for the PRAMAC Business Unit, 64.46% for the PRAMAC Shareholdings and 8.03% for the LIFTER Company.

4.4 The Irrevocable Offer must be effective for at least 90 (ninety) days commencing from 18 December 2013 and must be placed in a closed and sealed envelope containing, on its exterior, only the wording “*Offerta Irrevocabile per la Procedura Competitiva indetta dalle Liquidazioni giudiziali dei Concordati Preventivi di Pramac S.p.A. in Liquidazione e Lifter S.r.l. in Liquidazione*” and sent to the offices of the Notary Alessandra Romeo, Via Montanini 132, Siena.

4.5. The envelope referred to in paragraph 4.4 above must also contain:

- a) the draft Sale Contract of the Assets and Shareholdings subject to the Competitive Sale Procedure referred to in paragraph 3.5 above, signed for acceptance on every page with acceptance of the irrevocable obligation to proceed with the payment of the bid price in accordance with the methods and timescales set out in this Regulation;
- b) the original of the autonomous 'at first demand' bank guarantee, without reserves or exceptions, to guarantee fulfilment of the bidder's irrevocable obligation to sign the subsequent sale contract and to become the buyer of the Assets subject to the Competitive Sale Procedure, issued by a major EU, Swiss, US or Japanese bank in favour of the sellers PRAMAC and LIFTER, amounting to 100% of the price of the Irrevocable Offer itself, if equal to or less than € 25,000,000, or in the sum of € 25,000,000 if in excess of that amount; the aforementioned bank guarantee must be issued in accordance with the draft that will be provided to the Participants in line with paragraph 3.5 above;
- c) the commitment to maintain the employment levels of PRAMAC and LIFTER in Italy for a period of no less than five years, subject to the entitlement to restructure the workforce of employees, also in light of the business conditions of the relevant market;
- d) the commitment to obtain any clearances from the relevant Authorities, including Antitrust bodies, where this is necessary in accordance with applicable regulations, in order to be able to complete the sale of the PRAMAC Business Unit and Shareholdings and the LIFTER Company – as defined in the Sale Rules Attachment 1 to this Regulation.
- e) the commitment to take over all contracts relating to the PRAMAC Business Unit and the LIFTER Company, as identified in more detail in the Sale Rules Attachment 1.

4.6 Only offers made in Euros (€) and in numbers will be considered; offers that are linked to a formula or to the bid value expressed by another Participant will not be considered. Conditioned bids will not be permitted.

5. AWARD AND RAISED OFFERS

5.1 Following receipt of the envelopes referred to in paragraph no. 4, on 18 December 2013, in the presence of the Notary Alessandra Romeo and at the Offices of the latter in Siena, Via Montanini 132, the same will be opened and the correctness and completeness of the Irrevocable Offers and the documentation sent will be examined, thereby proceeding with

the provisional award. The provisional award price will be the highest. The provisional award will occur even where only one valid Irrevocable Offers is received. Where equal Offers are received from two or more Bidders, and subject to the provision of Art. 2 of the Sale Rules Attachment 1, the Provisional Award will be identified by drawing lots.

5.2 The provisional award will be communicated - also to the e-mail address provided at the time of submitting the Irrevocable Offers - on the same date to all Bidders, as well as being published on the website www.pramac.com.

5.3 Within 10 (ten) days of the communication of the provisional award, in the case of receiving a single Irrevocable Offers under the terms and conditions set out in this Regulation and the respective Sale Rules (Attachment 1), the Bidder will be permitted to submit a further Raised Irrevocable Offer, at least €1,000,000 more than the provisional award price, to be sent in a sealed envelope to the Notary Alessandra Romeo, Via Montanini 132, Siena, with the wording "*Rilancio - Procedura Competitiva indetta dalle Liquidazioni giudiziali dei Concordati Preventivi di Pramac S.p.A. in Liquidazione e Lifter S.r.l. in Liquidazione*". The Raised Irrevocable Offer must also include - under penalty of inadmissibility - a corresponding deed of adjustment of the guarantee referred to in paragraph 4.5 letter *b*) where the presuppositions are in place. Upon receipt of that Raised Irrevocable Offer, the terms set out in paragraph no. 6 below will commence for the exercise by PR Industrial S.r.l. of its right of pre-emption.

5.4 Within 10 (ten) days of the communication of the provisional award, in the case of receiving two or more Irrevocable Offer, in accordance with the terms and conditions set out in this Regulation and the respective Sale Rules (Attachment 1), each Bidder will be permitted to submit a further Raised Irrevocable Offer, at least €1,000,000 more than the provisional award price, to be sent in a sealed envelope to the Notary Alessandra Romeo, Via Montanini 132, Siena, with the wording "*Rilancio - Procedura Competitiva indetta dalle Liquidazioni giudiziali dei Concordati Preventivi di Pramac S.p.A. in Liquidazione e Lifter S.r.l. in Liquidazione*".

5.5 The envelopes containing the Raised Irrevocable Offers will be opened within three days of the deadline for submitting the same with provisional award of the Raised Irrevocable Offer containing the highest price. In the case of receiving two or more raised Offers, those who have made the raised Offers will be entitled, within 7 days of opening the envelopes containing those raised Offers, to submit a further Raised Irrevocable Offer, at least € 1,000,000 more than the provisional award price referred to in this paragraph.

5.6 Each Raised Irrevocable Offer submitted in accordance with paragraphs 5.4 and 5.5. must also include - under penalty of inadmissibility - a corresponding deed of adjustment of the guarantee referred to in paragraph 4.5 letter *b*) where the presuppositions are in place. All raised Offers must provide for the amount in excess of the value previously offered to be split proportionally between the PRAMAC Business Unit, the PRAMAC Shareholdings and the LIFTER Company on the basis of the percentages indicated in paragraph 4.3 of this Regulation.

5.7 PRAMAC and LIFTER reserve the right to implement, if necessary, any further phases of Raised Irrevocable Offers, to be completed on the same day, even informally, before the Notary Alessandra Romeo of Siena or another Notary appointed for that purpose and communicated in good time to the Bidders.

5.8 PRAMAC and LIFTER – subject to authorisation from the Committee of Creditors – undertake to resolve upon the final award of the Competitive Sale Procedure, indicating the name of the Final Successful Bidder, within 18 days from the final opening of the envelopes containing the Irrevocable Offers referred to in paragraphs 5.3, 5.4 and 5.5. above, or at the end of the informal raised Offers process referred to in paragraph 5.7, communicating the same on that date and also by e-mail to all Bidders as well as by publication on the website www.pramac.com.

6. PRE-EMPTION OF PR INDUSTRIAL S.R.L.

6.1 From the date set out in paragraph 5.8, above, PR Industrial S.r.l. will be granted 10 days in which to exercise its right of pre-emption. Where PR Industrial S.r.l. intends to exercise its right of pre-emption, it must make an Irrevocable Offer in that amount, having deducted the fees for rental and usufruct already paid up until the date of completing the sale in accordance with subsequent paragraph 7, under the same conditions as those of the final successful bidder and at the same time provide an adjustment to the Irrevocable Offer of the guarantee referred to in paragraph 4.5 letter *b*).

6.2 Where no Irrevocable Offer is submitted within the timescales and in the methods set out in paragraphs 4 and 5 above, or no Irrevocable Offer submitted is considered valid or admissible in accordance with this Competitive Sale Procedure, PRAMAC and LIFTER will proceed to complete the sale contract in favour of PR Industrial S.r.l., at the price already irrevocably offered by the latter, having deducted the fees for rental and usufruct already paid up until the date of completing the sale in accordance with subsequent paragraph 7, insofar as it is compatible, and in line with all procedures specified in this Regulation and in the Sale Rules (Attachment 1), notwithstanding that the guarantee set out in subsequent paragraph 7.4 may be provided by PR Industrial S.r.l. even in the form of a corporate guarantee, without reserves and at first demand.

7. COMPLETION OF THE SALE

7.1 Should the period referred to in paragraph 6 for the exercise of the pre-emption by PR Industrial S.r.l. elapse without the same having exercised that pre-emption or where PR Industrial S.r.l. has not proceeded, within that period, to adjust the necessary guarantees, the Sale Contract will be entered into with the Final Successful Bidder for the Assets and Shareholdings of PRAMAC and the Assets of LIFTER as specified in more detail in the Sale Rules Attachment 1 to this Regulation, at the offices of the Notary Alessandra Romeo, Via Montanini 132, Siena, with prior written notice of the day and time of the signature sent

within the five previous days. The Sale Contract must be completed within 90 days commencing from 18 December 2013.

7.2 The Purchaser, thereby meaning the Final Successful Bidder or PR Industrial s.r.l., in the case set out in paragraph 6.2 above, must pay the price relating to the Assets and the Shareholdings of PRAMAC and the Assets of LIFTER, as specified in more detail in the Sale Rules Attachment 1 to this Regulation, by bank transfer of immediately available funds with value date on the date upon which the corresponding amount is due, to the bank accounts that PRAMAC and LIFTER will communicate to the Purchaser in any case within 5 days prior to the payment date.

The price must be paid - subject to improved terms contained in the Irrevocable Offer that proved to be successful - in three separate tranches split as follows:

- a) the first, amounting to a third of the total bid price divided on the basis of the individual prices bid for each sold asset, at the date of signing the Sale Contract;
- b) the second, amounting to a third of the total bid price divided on the basis of the individual prices bid for each sold asset, by and not beyond six months from the date of signing the Sale Contract;
- c) the third, amounting to a third of the total bid price divided on the basis of the individual prices bid for each sold asset, by and not beyond twelve months from the date of signing the Sale Contract.

7.3 At the time of signing the Sale Contract by notary deed, the Purchaser must provide an autonomous 'at first demand' bank guarantee, without exceptions or reserves, in accordance with the draft that will be provided in line with paragraph 3.5 of this Regulation, to guarantee the payment of the award price, issued by a major EU, Swiss, US or Japanese bank in favour of the Sellers PRAMAC and LIFTER, amounting to 100% of the price of that Offer, as well as that referred to in paragraph 4.9 of the Sale Rules Attachment 1 to this Regulation. At the same time, the bank guarantee issued at the time of submitting the offer and on the occasion of the raised bids, as set out in paragraph 4.5 letter b), will be returned.

7.4 At the time of signing the Sale Contract, the Purchaser must also provide a bank guarantee issued by a major EU, Swiss, US or Japanese bank, at first demand and without reserves, in favour of PRAMAC and LIFTER for an amount equal to the total amount of Credits of the same towards the Shareholdings as shown at the date of closure of the *Due Diligence* performed in the *Virtual Data Room* referred to in the Regulation.

7.5 At the time of signing the Sale Contract, the Purchaser must provide the declarations and commitments referred to in paragraph 4.5 and 4.8 of the Sale Rules Attachment 1 to this Regulation.

7.6 All tax costs and charges relating to the sale of the Assets and Shareholdings of PRAMAC and the Assets of LIFTER as specified in more detail in the Sale Rules Attachment 1 to this Regulation will be borne by the Purchaser Party.

8. POWERS OF THE JUDICIAL RECEIVERSHIPS OF THE APPROVED COMPOSITION PROCEEDINGS OF PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION.

8.1 The JUDICIAL RECEIVERSHIPS OF THE APPROVED COMPOSITION PROCEEDINGS OF PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION shall have - in the case of proven existence of circumstances apt to prejudice the success of the Approved Composition Proceedings plans - at any time, prior to the signature of the Sale Contract of the Assets and Shareholdings of PRAMAC and the Assets of LIFTER as specified in more detail in the Sale Rules Attachment 1 to this Regulation, the power, exercisable in accordance with existing regulations, without any liability, not even of a pre-contractual nature, to:

- (i) suspend or revoke the Competitive Sale Procedure;
- (ii) make known to the other Participants in the Procedure the terms and value of the Irrevocable Offer deemed to be the best in order to obtain higher Offers;
- (iii) close the Procedure, regardless of the stage it has reached, without proceeding with the choice of the purchaser, or proceed with the choice of the purchaser by private negotiations and/or by way of a different Procedure.

This is, in any case, without prejudice to the right of pre-emption, as provided by the Rental Contracts signed with PR Industrial S.r.l. referred to in the preamble.

9. COMMUNICATIONS AND DOCUMENTATION REQUIRED TO COMPLETE THE COMPETITIVE SALE PROCEDURE.

9.1 The declarations and certifications required by the rules set out above must be signed by the legal representative of the participating entity and accompanied by a photocopy of the valid identity document of the signatory.

9.2 All communications required to perform the Competitive Sale Procedure, along with all documents to be produced and deposited, by the Participants, must be prepared in Italian. Any documents issued by foreign Authorities or in any case originally formulated in a foreign language must be accompanied by a sworn translation in Italian.

9.3 The sending of each communication remains at the liability of the sender, where, for any reason not excluding accidents, force majeure and acts by third parties, the same does not reach the destination in useful time. For the purpose of participation, reliance will be made upon the date and time of receipt of the communications and not the date and time of sending.

9.4 The JUDICIAL RECEIVERSHIPS OF THE APPROVED COMPOSITION PROCEEDINGS OF PRAMAC S.P.A. IN LIQUIDATION and LIFTER S.R.L. IN LIQUIDATION reserves the right to request clarifications and specifications in relation to the Offers submitted and, if necessary, the regularisation of the same within a mandatory term.

10. COSTS OF PARTICIPANTS IN PROCESS.

10.1 Each Participant will bear the costs incurred for their research and valuations, including any costs due to their lawyers and consultants, as well as any other cost connected to this Procedure and to the purchase.

11. COURT WITH JURISDICTION.

For any dispute that might arise in relation to the Competitive Sale Procedure regulated by this Regulation, the Court of Siena will have exclusive jurisdiction, with the exclusion of any other jurisdiction or court.

12. ATTACHMENTS TO THIS REGULATION

The following documents are attached to this regulation and form an integral part thereof:

Attachment 1 Sale Rules

Attachment 2 Request for Expression of Interest Form

Attachment 3 *Virtual Data Room* Rules

Attachment 3.1 Confidentiality Agreement

Attachment 4 Extract of Call for Expression of Interest

* * *

PR Industrial S.r.l. at the request of PRAMAC and LIFTER:

- signs this document as a sign of having read and accepted the Regulation and its attachments; and
- also declares to accept all amendments to the Rental Contracts and Sale Contracts cited in the preambles that are consequent to the application and acceptance of the Regulation, with the specification that, in the case set out in paragraph 6.2, the guarantee referred to in paragraph 7.4. may be provided by PR Industrial S.r.l. even in the form of a corporate guarantee, without reserves and at first demand. This is without prejudice for PR Industrial S.r.l. to the commitment for employment already signed on 8 January 2013.

Signed

for PR Industrial S.r.l.

Dott. Nicola Pagliai

Dott. Berthold Braun

Signed

the Judicial Liquidator

Dott. Franco Michelotti