



Parco Eolico Casalduni House S.r.l.

a limited liability company incorporated under Italian law

*having its registered office in Viale Abruzzo, 410, 66100 Chieti (CH),
Italy*

Share capital of euro 40,000 fully paid-in

*Tax code, VAT number and registration number with the companies' register of Chieti-Pescara under
number 01527100620*

R.E.A. no. 189160

Admission Document

in connection with the application for admission to trading of the financial instruments named

"Euro 49,100,000 Secured Notes due 31 December 2029"

ISIN IT0005432122, issue price: 100%

*(the "**Notes**")*

*The Notes are reserved to Qualified Investors, are issued in dematerialised form (forma dematerializzata) in accordance with article 83-bis and subsequent of the Italian Legislative Decree no. 58 of 24 February 1998 as amended and supplemented from time to time (the **Financial Law**) and the Regulation issued by the Bank of Italy and CONSOB on 13 August 2018, as amended and supplemented from time to time (the **Bol/CONSOB Regulation**) and will be held through and accounted for in book entry form with the central securities depository and management system managed by Monte Titoli S.p.A.*

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

This admission document is dated 23 December 2020.

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1 DEFINITIONS

In this Admission Document and save where the context requires otherwise, the following words and expressions, unless otherwise specified, shall have the meaning attributed to them in the terms and conditions of the Notes attached hereto as Annex 2.

2 PERSONS RESPONSIBLE

- 2.1 The Issuer is the only responsible for the information provided under this Admission Document.
- 2.2 The Issuer states that this Admission Document has been subject to appropriate review as to its completeness, consistency, and understandability. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Admission Document for which the Issuer takes responsibility is in accordance with the facts and does not contain any omission likely to affect the import of such information.
- 2.3 Pursuant to the Subscription Agreement the Notes will be subscribed by the Initial Noteholders. No conflicts of interest exist between the Issuer and the Initial Noteholders.

3 KEY FEATURES

The following is a summary of the main information on the transactions and assets underlying the Notes. It has to be read as an introduction to this Admission Document and is qualified in its entirety by reference to the information presented elsewhere in this Admission Document.

Certain terms used in this section, which are not defined, may be found in other sections of this Admission Document, unless otherwise stated.

3.1 Principal Parties

- (i) (A) Rivage Euro Debt Infrastructure High Return, represented by Rivage Investment SAS as fund manager, with registered office in 5 Rue Drouot, 75009 – Paris (FR), registered with the register of trade and companies of Paris under number 522660877, Italian fiscal code number 97881530154; and (B) Foresight Group S.C.A. SICAV-SIF, *Société d'Investissement à Capital Variable - Fonds d'Investissement Spécialisé*, with registered office in L-2320 Luxembourg, 68-70 Boulevard de la Pétrusse, registration number with the Company Register of Luxembourg with number B220950. Italian fiscal code number 97822570152, represented by its shareholder Foresight Group S.à r.l., *Société à responsabilité limitée*, with registered office in L-2320 Luxembourg, 68-70 Boulevard de la Pétrusse, registration number with the Company Register of Luxembourg with number B220274, in their respective capacities as Initial Noteholders;
- (ii) Banca Finanziaria Internazionale S.p.A., in its capacities as Calculation Agent and Principal Paying Agent;
- (iii) Bondholders S.A., in its capacities as Noteholders' Representative and Security Agent; and
- (iv) the Issuer.

3.2 Description of the Plant

The plant is a wind farm for a total capacity of 34,65 MW, with a related production of 122.431 MWh (the “**Plant**”). It *will* consist of N° 10 (ten) wind turbine generators (“WTGs”), type SG132 3465 kW + 50Hz, with all technical certifications (including Type Certificate) necessary to comply with applicable law.

The Issuer is a limited liability company incorporated under Italian law, belonging to the Toto Group. In particular, the Issuer is wholly controlled by Renexia PECH S.p.A. and has been established with the specific purpose of carrying out the construction and operation of the Plant. Renexia PECH SpA is a joint stock company incorporated under Italian law, entirely owned by Renexia S.p.A., which is the Toto Group's entity dedicated to the development of energy projects.

The Issuer has been authorized to the construction of the Plant pursuant to article 12 paragraph 3 of Italian legislative decree No. 387/2003, by way of single authorization issued by the Campania Region by way of the Executive Decree (*Decreto Dirigenziale*) No. 28, dated 22 March 2016 (the “Single Authorization”), as rectified by way of the Executive Decree (*Decreto Dirigenziale*) No. 10, dated 22 February 2017, published on the Official Gazette No. 17, dated 27 February 2017 and as modified by way of the Executive Decree (*Decreto Dirigenziale*) No. 465, dated 27 November 2019.

The Plant shall be built by Renexia Services S.r.l. (the “**EPC Contractor**”), a limited liability company incorporated under Italian Law, belonging to Toto Group and controlled by Renexia S.p.A., which have already completed similar plants, pursuant to an engineering, procurement and construction agreement entered into with the Issuer (the “**EPC Contract**”).

The construction activities of the Plant will be started by the fourth quarter of 2020 and the full construction process will have a duration of 15 (fifteen) months from the notice to proceed to the suppliers selected by the EPC Contractor. With reference to the main suppliers involved into the realization of the Plant, among other, the EPC Contractor has selected, respectively:

- (i) Siemens Gamesa Renewable Energy Eolica S.L. Unipersonal, incorporated under Spanish law and Siemens Gamesa Renewable Energy Wind S.r.l. an Italian limited liability company, together and on a joint and several basis, for the supply, transportation, installation and testing of WTGs of the Plant. Moreover, Siemens Gamesa Renewable Energy Wind S.r.l. has entered into with the Issuer an agreement concerning some operational and maintenance services in relation to the Plant which shall be provided by the supplier upon the Plant has been completed;
- (ii) Siemens Energy S.r.l., a limited liability company incorporated under Italian law, for the supply of electromechanical works and, in particular, the construction of a MV/HV 30/150 transformation substation for connection of the Plant to the National Transmission Grid; and
- (iii) Nexans GmbH, a company incorporated under German law, or Prismiam S.p.A., a joint stock company incorporated under Italian law, for the supply of land MV cables, fiber optic cables and their needed accessories.

Moreover, upon completion of the Plant, the EPC Contractor and Siemens Gamesa Renewable Energy Eolica S.L. will provide the Issuer with some operational and maintenance services in relation to the Plant.

The Plant has received an incentive tariff, pursuant to article 14 of Ministerial Decree 4 July 2019, following the tender held on the basis of the tender notice of 29 May 2020.

3.3 Contractual Structure

The contractual structure can be summarised through the following main documents:

- (A) Finance Documents:
 - (i) the “Subscription Agreement” detailing the obligations of the Issuer and the Initial Noteholders in relation to the issue and the purchase of the Notes by the Initial Noteholders;
 - (ii) the Terms and Conditions;
 - (iii) the “Arranging Fee Letter” and the “Noteholders’ Representative Fee Letter” detailing the fees payable by the Issuer in the context of the issuance of the Notes;
 - (iv) the “Agency Agreement” and the “Calculation Agency Agreement” detailing the terms and conditions upon which the Paying Agent and the Calculation Agent, amongst other things, is appointed, respectively, as paying agent and calculation agent for the purposes of the Notes;
 - (v) the “Equity Contribution Agreement” to be entered into by and between the Sponsor and the Noteholders to regulate, inter alia, the subordination of the Shareholder Loans and the Capital Increase;
 - (vi) the “EPC Direct Agreement” to be entered into pursuant to the EPC;
 - (vii) the “Long Term PPA Direct Agreement” to be entered into, in form and substance satisfactory to the Noteholders, by and between the Issuer, the relevant Long Term PPA Offtaker and the Noteholders in relation to any Long Term PPA in accordance with the Terms and Conditions;
 - (viii) the “O&M BOP Direct Agreement” to be entered into pursuant to the O&M BOP;
 - (ix) the “O&M Direct Agreement” to be entered into pursuant to the O&M;
 - (x) the “TSA Direct Agreement” to be entered into pursuant to the TSA which shall also include, inter alia, the irrevocable payment instructions from Renexia Services to the TSA

Contractor to pay every amount which become payable to Renexia Services under the TSA directly to the Proceeds Account;

- (xi) the “Pledge over Quotas”, being the pledge over 100% of the quotas of the Issuer in favour of the Noteholders, entered into on or about the Issue Date;
- (xii) the “Mortgage”, being the first ranking mortgage (*ipoteca di primo grado*) established by the Issuer over the lands where the WTGs are to be located in favour of the Noteholders, entered into on or about the Issue Date;
- (xiii) the “Special Privilege” being the special privilege (*privilegio speciale*) granted by the Issuer on the equipment, machineries and any other present and future, unregistered, movable assets of the Plant in favour of the Noteholders, entered into on or about the Issue Date;
- (xiv) the “Pledge over Accounts”, being the pledge over the Accounts (with exclusion of the Distribution Account) in favour of the Noteholders, entered into on or about the Issue Date;
- (xv) the “Assignment of Receivables”, being the assignment by way of security in favour of the Noteholders of receivables arising out of the EPC, the O&M, and the O&M BOP, the MSA, the Insurance Policies and any bond to be issued in favour of the Issuer pursuant to the terms of such Project Document and the TSA, the Cable Supply Agreement and the Substation Agreement; and
- (xvi) the “Insurance Endorsement Clauses”, being the relevant clauses in favour of the Noteholders, including the loss-payee clauses where applicable, to be incorporated in each Insurance Policies (where applicable), as indicated under annex D to the Terms and Conditions.

(B) Project Documents:

- (i) the EPC;
- (ii) the O&M;
- (iii) the TSA;
- (iv) the O&M BOP;
- (v) the MSA;
- (vi) the Cable Supply Agreement;
- (vii) the Substation Agreement;
- (viii) the Interconnection Agreement;
- (ix) the Feed-in Tariff Concession (when executed);
- (x) the Lands Agreements;
- (xi) the Expropriation Decree;
- (xii) any Insurance Policy;
- (xiii) any PPA;
- (xiv) any bond issued in favour of the Issuer or the Sponsor pursuant to the terms of a Project Document to support the obligations of the Issuer or Sponsor’s counterparty under the relevant Project Document;
- (xv) all replacement of any of the foregoing.

3.4 Summary of the Initial Base Case

The Initial Base Case is an audited financial model in excel format agreed between the Issuer and the Initial Noteholders and audited by the Model Auditor providing detailed financial projections (taking into account the Feed-in Tariff projections) relative to the project contained in a CD Rom initialized by the director(s) of the Issuer based on inter alia technical assumptions and the economic assumptions (including, without limitation those relating to interest rates, inflation, rates of taxation and VAT), deposited with, and available at the registered office of, the Noteholders' Representative or any other custodian agreed by the Issuer and the Noteholders.

4 RISK FACTORS

Investing in the Notes involves certain risks. The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may, exclusively or concurrently, occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not be able to anticipate at present. In addition, the order in which the risk factors are presented below is not intended to be indicative either of the relative likelihood that each risk will materialize or of the magnitude of their potential impact on the business, financial condition and results of operations of the Issuer.

Prospective investors should also read the detailed information set out elsewhere in this Admission Document and consider carefully whether an investment in the Notes is suitable for them in the light of the information in this Admission Document and their personal circumstances, based upon their own judgment and upon advice from such financial, legal and tax advisers as they deem necessary.

Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

Words and expressions defined in "Definitions" or elsewhere in this Admission Document have the same meaning in this section. Prospective investors should read the whole of this Admission Document, including the information incorporated by reference in this Admission Document.

The risk factors addressed in the following paragraphs have been grouped in different categories, as follows:

- (a) risk factors related to the Issuer;*
- (b) risk factors related to the wind energy market and regulatory risks; and*
- (c) risk factors related to the Notes.*

4.1 Risk factors related to the Issuer

(a) Issuer risk

By purchasing the Notes, the Noteholders will become financiers of the Issuer and will have the right to receive from the Issuer the payment of capital and interest of the Notes, according to the repayment profile of the Notes described under the Terms and Conditions. Therefore, the Notes are generally subject to the risk that the Issuer may not be in the condition to fulfill its payment obligations under the Notes on the relevant scheduled payment dates.

(b) Source of payments to Noteholders

As at the date hereof, the principal source of funds available to the Issuer for payment of interest and the repayment of principal on the Notes depend on the revenues of the Plant.

Consequently, there is no assurance that, over the life of the Notes or at the redemption date of the Notes (whether on maturity or otherwise), there will be sufficient funds to enable the Issuer to pay interest when due on the Notes and/or to repay the outstanding principal of the Notes in full.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on, *inter alia*,

the timely payment of amounts due under the Project Documents. The performance by such parties of their respective obligations under the relevant Project Documents is dependent inter alia on the solvency of each relevant party.

(c) Risk related to other indebtedness of the Issuer

Pursuant to the Terms and Conditions, the Issuer shall not incur into any Financial Indebtedness other than any Permitted Indebtedness, being (i) the Notes, (ii) any Shareholders Loan Satisfactorily Subordinated, (iii) any Financial Indebtedness (including any guarantee) of the Issuer incurred in for the compliance of mandatory provisions of law or regulation in connection with the Authorizations for the construction and operation of the Plant, (iv) any Financial Indebtedness arising under or in respect of any Permitted Security, (v) Financial Indebtedness deriving from the assignment of the VAT receivables without recouse (*pro soluto*) to a bank or any other financial institution; (vi) Financial Indebtedness deriving from the VAT Loan; and (vii) any Financial Indebtedness not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed Euro 250,000 (or its equivalent) in aggregate at any time.

For further information on the indebtedness of the Issuer, please see the financial statements of the Issuer attached hereto as Annex 1.

(d) Liquidity risk

The Issuer is subject to a liquidity risk consisting in a potential unavailability of financial resources with the result that it may not be able to meet its payment commitments. The liquidity of the Issuer could be damaged, by way of example, by unexpected cash outflows, by the obligation to provide greater guarantees, by the inability to sell its services or by the inability to access the capital markets. This situation could also be due to a general disturbance in the market, to an operational problem of the Issuer, to a not adequate structural balance between third party and equity or a not adequate structural balance between the duration of sources and of uses.

This may materially and adversely affect the Issuer's results of operations and financial condition should the Issuer be obliged to incur extra costs to meet its financial commitments and, at worst, it may threaten the Issuer's future as a going concern and lead to insolvency. The Issuer's approach to liquidity risk is to have a financial structure which ensures an adequate level of liquidity and a balance in terms of duration and composition of its debt in line with its business objectives. However, these measures may not be sufficient to cover such risk. To the extent they do not, this may materially and adversely affects the Issuer's financial condition with a consequent adverse effect on its ability to meet its obligations under the Notes.

Even though the overall amount of such additional Financial Indebtedness of the Issuer is not material if compared with the amount of the indebtedness owed to the Noteholders there still remains a cross-default risk also for such indebtedness under certain circumstances and a general insolvency risk for the Issues in case it is not able to comply with its obligation in relation to such additional Financial Indebtedness.

(e) Risks related to litigation regarding the Issuer

Currently the Issuer is not a party to nor is it aware of any actual or threatened proceedings by any third party, nor is it contemplating commencing any proceedings against any third parties. However, the Issuer may become involved in litigation as part of the ordinary course of its business.

There can be no assurance that it will be successful in defending or pursuing any such actions and, as a consequence, there could be significant negative effects on the financial, economic and equity situation of the Issuer.

(f) Risk of increasingly high levels of corporate income taxes

Any future adverse changes in the income tax rate or other taxes or charges applicable to the Issuer would have an adverse impact on the Issuer's future results of operations and cash flows. This, as well as any other changes to the tax regime generally applicable to Italian companies, may have an adverse effect on the Issuer's ability to pay interest on the Notes and to repay the Notes in full at their maturity.

Nevertheless, due to the above, no material risk (additional to those burdening any taxpayer carrying on business activity in Italy), might be currently envisaged with a reasonable forecast.

(g) Weather risk

Wind reports and historical data analyses have been produced by independent advisors. However, meteorological factors, including a lack of wind, may reduce the amount of energy produced by the Plant. Any wind reports produced by independent experts are subject to uncertainties and the data contained in any such reports might differ from actual wind conditions. In addition, even if long-term historic wind data are used to forecast future wind yields, no assurance can be given that general wind conditions will not change in the future. Variations in wind conditions may occur from day to day and year to year, and if any such variations were to occur over a longer period or to have a substantial effect on the levels of energy produced, no assurance can be given that the Plant would generate sufficient cash flow to enable the Issuer to make payments due under the Notes. In such circumstances, the Issuer's ability to fulfil its payment obligations under the Notes could be adversely affected.

(h) Contracting to third parties

The Issuer has contracted to third parties all activities related to the Plant, including its operation and maintenance activities which have been contracted to Siemens Gamesa Renewable Energy Wind S.r.l. The Issuer therefore indirectly relies on the creditworthiness and expertise of such third party. If such person experiences financial difficulties and/or does not perform its services, this might adversely affect the operation of the Plant with negative effects on the financial, economic and equity situation of the Issuer.

(i) Operations risk

Cost increases or delays could arise from shortages of materials and labour, engineering or structural defects, work stoppages, labour disputes and unforeseen engineering, environmental or geographical problems. Any such delay might have an adverse effect on the Issuer's ability to fulfill its payment obligations under the Notes.

(j) Components risk

The Plant includes a number of components that are subject to, among other things, the risk of mechanical failure, technology decline, reduced power generation and ground risk. Any failure or wear of key parts may affect the energy production of the Plant and therefore the Issuer's ability to fulfill its payment obligations under the Notes.

In practice, the availability and efficiency of the Plant may differ from any assumptions made by the Issue due to, amongst other things, damage to, or wear of, components. Any such unavailability may result in reduced availability and productivity, with a material adverse effect on the Issuer's ability to fulfill its payment obligations under the Notes.

(k) Operating expenditures may exceed expectations

The financial forecasts for the operating costs of the Plant are based partly on the terms of the Project Contracts and certain assumptions. As a result of any cost increase exceeding the estimated amount, the Issuer's ability to fulfill its payment obligations under the Notes, may be adversely affected.

Operating costs include expenses for repair, maintenance and replacement and other technical costs of turbines and other parts. If the replacement of a main component becomes necessary in advance of schedule or with greater frequency than anticipated, or is more expensive, and is not covered by the relevant Project Contracts, the cost of repair or replacement may need to be met by different means. In addition, running expenses, repair and other technical expenses might be higher than expected for other reasons. Again, any such unforeseen higher costs might have an adverse effect on the Issuer's ability to fulfil its payment obligations under the Notes.

(l) Insurance and co-insurance risk

Insurance obtained by the Issuer may not be comprehensive and sufficient in all circumstances and may be subject to certain deductibles or obligations to meet a proportion of the total amount of the liabilities arising from certain insured risks.

Moreover, such insurances may not be available in the future on commercially reasonable terms.

An event could result in severe damage or destruction to one or more sites, reductions in the energy output of the Plant or personal injury or loss of life to personnel. Insurance proceeds may not be adequate to cover lost revenues or to compensate for any injuries or loss of life.

Actual insurance premiums may be materially higher than those projected. In addition, in cases of frequent damage, insurance contracts might be amended or cancelled by the insurance company to the detriment of the Issuer. Further, the insurance may not cover any damage or loss and/or insurance premiums may increase more than had been provided for. In each such case, this could have a material adverse effect on the Issuer's ability to fulfill its payment obligations under the Notes.

(m) Environmental risks

Various laws may require a current or previous owner, occupier or operator of property to investigate and/or clean-up hazardous or toxic substances or releases at or from such property. These owners, occupiers or operators may also be obliged to pay for property damage and for investigation and clean-up costs incurred by others in connection with such substances. Such laws typically impose clean-up responsibility and liability having regard to whether the owner, occupier or operator knew of or caused the presence of the substances. Even if more than one person may have been responsible for the contamination, each person falling under the scope of the relevant environmental laws may be held responsible for all of the clean-up costs incurred.

4.2 Risk factors related to the wind energy market and the regulatory risks

(a) Self-annulment power ("*autotutela*")

The construction and operation of the Plant is a heavily regulated business and such activities can be performed on condition that specific authorisations (the most relevant of which is the so called "single authorisation") are obtained and maintained.

However, under Italian legislation, a public authority is entitled to act in self-defence and annul an administrative act formerly issued/approved when the following cumulative conditions are met: (i) the relevant administrative act is not lawful (*i.e.*, is in breach of any provision of law), and (ii) an actual and current public interest exists to support annulment of the act, which interest must be different from the mere intention to restore a lawful situation.

When deciding whether to act in self-defence, the public authority must consider and assess all interests at play for all parties involved and whether public policy reasons exist for such action.

After the most recent enactment of modifications to the national law on administrative proceeding (*i.e.* Law 241/1990) by Law 124/2015, which entered into force starting from 29 August 2015, an administrative act deemed illegitimate by the competent authority can be annulled in self-defence

only within a period of 18 months from the issuance of the act itself.

The only exception, is regulated in par 2 *bis* of Article 21 *nonies* of the abovementioned national law (introduced by Article 6 of Law 124/2015), according to which administrative acts which have been obtained as a consequence of false representations of the factual situation or on the basis of false declarations (provided that the untruthfulness is ascertained following a criminal judicial proceeding) can be annulled also following the expiry of the above-mentioned 18-months deadline.

(b) Non-payment of the feed-in tariff

Electricity generation plants from renewable energy sources heavily depend on national laws supporting the sector.

The current regulatory framework enables GSE always to have sufficient financial resources to meet its payment obligations in relation to the feed-in tariffs and the dedicated off-take through funds ultimately received from the end-users' electricity bills. However, no assurance can be given that, following any change of law, GSE will continue to be able to fulfil its payment obligations fully and in due time in relation to the feed-in tariff and the dedicated off-take.

(c) Inflation risk

The feed-in tariff is not indexed to inflation over time, while certain operating costs to be borne by the Issuer might exceed estimates if the inflation rate were to increase significantly. Consequently, a significant increase in the inflation rate may affect the ability of the Issuer to repay the Notes.

(d) Sale of electricity

The Issuer receives revenues from the sale of electricity pursuant to terms of a contract for difference ("CFD"). The price obtained from the sale of electricity is subject to the general demand for energy and the Issuer might face potential declines in revenues from the Plant as a result of curtailed electricity demand affecting the price received.

Therefore, changes in market demand and supply may cause prices to fluctuate and there is no assurance that the prices expected from time to time will be obtained. If prices are lower than expected, this may have a material impact on the Issuer's ability to fulfil its payment obligations under the Notes.

(e) Capacity payment

Law no. 147 of 27 December 2013 has given powers to the Ministry for Economic Development to issue a regulation (on the basis of a proposal from the ARERA) to determine terms, conditions and amounts of certain measures aimed at compensating the loss of production suffered by fossil-fuel generation plants (the so called "capacity payment"), deriving from the increasing amount of electricity produced by plants fed by renewables. The above mentioned provision of law specifies that capacity payments will have to be set within the limits of the amounts strictly necessary for ensuring safety of the grid, and "*without increasing electricity bills of end customers, within the framework of the electricity market, taking into account the evolution of the same and in coordination with the measures provided for by Legislative Decree no. 379 of 19 December 2003*". By Ministerial Decree 30 June 2014, the Ministry of Economic Development approved Terna S.p.A.'s (Terna) proposal for the regulation of the remuneration of the availability of electrical capacity which is implemented through a "Capacity Market" organised by Terna – which is in the process of being implemented in accordance with the specifications contained in the Ministerial Decree 30 June 2014. Based on the available documentation, whether this new mechanism will have an impact on the Plant's financial performance is unclear as such Decree did not expressly specify the source of the funds to remunerate the capacity availability.

(f) Imbalance costs (*oneri di sbilanciamento*)

- (i) On 5 July 2012 ARERA issued Resolution No. 281/2012/R/EFR according to which, starting from 1 January 2013, non-programmable renewables plants that sell electricity in the market and that are operated under a dispatching agreement (such as wind plants) are subject to the same payment obligations applicable to power plants fed by traditional sources or by programmable renewable sources in relation to possible fluctuations in supply causing instability to the electricity grid (the imbalance costs). The resolution was challenged by several operators and annulled by the Administrative Court of Milan (TAR).
- (ii) However, the annulment did not result in a complete elimination of the burden for renewable energy producers to pay imbalance costs, but simply required that a fairer mechanism to calculate those costs be identified for these particular types of plants and reinstated the mechanism previously in force to calculate imbalance costs. As a result, renewable energy producers (such as the Issuer) were still required to pay imbalance costs pursuant to ARERA Resolution no. 111/06 (*i.e.* the mechanism that applied before Resolution no. 281/2012/R/EFR was introduced) but it was uncertain if the old mechanism continued to apply. Furthermore, in relation to the period from January 2013 until October 2013, unbalancing costs were not paid by renewable energy operators (or have been paid back by the GSE to the producers) as a consequence of the above-mentioned annulment. By Resolution n. 2936 of 9 June 2014, the State Council (*Consiglio di Stato*) upheld ARERA's appeal and confirmed the annulment of Resolution no. 281/2012/R/EFR and Resolution no. 493/2012/R/EFR.
- (iii) As a consequence of the aforementioned definitive annulment a complete re-organization of the imbalance costs regime had to be implemented, as also required by article 23-*bis* paragraph 3 of law decree 91/2014, which - in the meantime - ordered the ARERA to implement some changes to Resolution no. 111/06 in order to remove the "macro-areas of Sicily and Sardinia".
- (iv) By Resolution dated 29 October 2014 no. 525/2014/R/eel, ARERA:
 - (A) modified some articles of Resolution no. 111/06 in order to comply with article 23.3-*bis* of law decree no. 91/2014 – applicable from 1 November 2014;
 - (B) introduced the express obligation for all electricity production and consumption units to define their injection programs (*programmi di immissione*) using the best estimates available in accordance with the principles of diligence, prudence and professional ability and skill.
- (v) By Resolution dated 28 July 2016 no. 444/2016/R/eel, ARERA set out new rules to avoid the risk of opportunistic or anomalous behavior from operators on the dispatching market. This type of conduct aims to obtain undue profits from the voluntary balancing between forecasts and the actual exchange of energy on the wholesale markets, thus transferring improper costs onto the bills of final consumers. The changes introduced (which were implemented as part of the Resolution no. 393/2015 and consulted with documents 163/2015 and 316/2015 from June 2016) immediately concern all wholesalers, traders and vendors, small and large producers in different ways and from January 2017 also small producers that use renewable sources. In particular, to prevent anomalous behaviours, the mechanism for price recognition in case of balancing¹ has been modified (prices recognised for the energy used for maintaining system equilibrium), preventing individual operators from taking undue advantage from voluntary balancing actions, contrary to the principles of diligence, skill, prudence and foresight required by regulations. In fact, regulations already counteracted the phenomenon of voluntary balancing, *i.e.* with different energy withdrawal programmes in relation to the most diligent forecasts. Now the prices recognised in case of balancing are changed, making sure that the

¹ Balancing is the difference between the actual withdrawal schedule presented and the reasonable forecasts made previously, thus creating a difference between the forecasts themselves and actual supply/withdrawal from the network. These differences should be kept to a minimum according the diligence, skill, prudence and foresight towards the system, in as much as balancing significantly affects the security of the system. Conduct does not comply with these principles when balancing is expanding voluntarily to profit from the individual operator.

existing ban on voluntary balancing is combined with a financial disincentive. Therefore, those with anomalous behaviours, over a predefined 'band' of predicted-actual tolerance, will not only be prevented from gaining economic advantages, but rather will be penalised. The introduction of further monthly checks on the final balance by the network operator (Terna) is also provided in order to monitor the proper operation of the market. All the measures put in place contribute to correct the various anomalies on the wholesale market, which could have found structural completion on the supply side if the capacity market segment was already active. ARERA's actions will continue with the comprehensive reform of the governance of balancing (as already outlined in the consultation document 368/2013/R/eel), for which adjustment of the European regulatory framework on *Balancing guidelines* is awaited, which is currently being developed, and the consequent fully operational design of the dispatching service market.

(vi) By Resolution dated 8th June 2017 no. 419/2017/R/EEL, ARERAG adopted the following measures, pending the adoption of the nodal pricing imbalances regime, reviewing the evaluation of imbalances, providing for:

(A) from 01 July 2017, the introduction of the Non-Arbitrage Pricing for Macro-Zones (so-called CNONARB) aimed at furthering the incentive to arbitrate price differences between zones within the same macro-zone;

(B) from 1 September 2017:

- the introduction of the new calculation method for total zonal imbalances, which recognizes the proposal by Terna, based on binding programs of production and consumption units and on the physical flows exchanged between macro-zones and abroad;
- the review of the Single-Pricing mechanism to determine the imbalance price for units not connected to the Distribution Services Market, in line with European regulation regarding imbalances. This is without prejudice to the possibility, provided for by the current regulation, for holders of production units powered by non-programmable renewable sources to choose between the following regimes: "Basic", which evaluates imbalances at day ahead market price (DAM) within thresholds differentiated by source and on application of an equalisation fee; "Alternative", which measures all imbalances with the Single-Pricing mechanism.

The measures also stated that Terna shall publish, on its own website and as per the schedule set out in the measure: (a) the total zonal imbalance based on the new calculation method; (b) the relative imbalance prices with reference to each relevant period; (c) the dates of the effective exchanges between market zones.

(g) Risks relating to compliance with regulations and change in law risk

The conduct of the Issuer's business is subject to a wide variety of laws and regulations administered by national, regional and supranational government bodies. Those laws and regulations (including, without limitation, the laws relating to the incentives to the Issuer to produce energy from renewable resources) may change, possibly on short notice, as a result of political, economic or social events. Changes in laws, regulations or governmental policy and the related interpretations may alter the environment in which the Issuer carry on its business and, accordingly, may have an adverse impact on their financial results or increase their costs or liabilities. In addition, the Issuer may incur capital and other expenditure to comply with various laws and regulations, especially relating to protection of the environment, health and safety and energy efficiency, all of which could adversely affect their financial performance. The Issuer could also face liabilities, fines or penalties or the suspension of production for failing to comply with laws and regulations, including health and safety or environmental regulations that may affect the ability of the Issuer to pay interest on the Notes and to repay the Notes in full at their maturity.

(h) Power of inspection of the GSE and risk of revocation of the incentives for non-compliance

The Plant can be subject to an inspection of the GSE, as a result of the Ministerial Decree 31 January 2014 (the so called “*Decreto Controlli*”). Indeed, an inspection and/or survey can be conducted by the GSE at any time, through a site visit and/or request of documentation. The inspection is not subject to any limitation in term of number and/or type of documents requested. In case a non-compliance is found, the GSE may start an administrative procedure and issue an order of suspension or revocation of the incentives. This order can be challenged before the competent administrative Tribunal within the statutory terms.

Under penalty of disqualification from incentives, wind farms enrolled in the GSE ranking lists shall entry in operation within 31 months from the publication by the GSE of the relevant ranking list, as established by article 15 of the Ministerial Decree of 4 July 2019. In particular, wind farms enrolled in the GSE ranking list published on 24 September 2020 shall enter into operation by no later than 15 May 2023, unless the GSE extends such term due to the emergency situations.

4.3 Risk factors related to the Notes

(a) Risks related to the quotation, the liquidity of the markets and the possible volatility of the price of the Notes

The Issuer has applied for admission of the Notes to trading on ExtraMOT PRO³. ExtraMOT PRO³ is the segment for the growth of small and medium-sized enterprises in the ExtraMOT market, devoted mainly to the issue of bonds and debt securities by companies not listed on regulated markets or by small and medium-sized enterprises or having an issue value of less than Euro 50 million euro and reserved exclusively to Qualified Investors. Therefore, investors other than Qualified Investors do not have access to ExtraMOT PRO³ with a consequent limitation of the possibility to sell the Notes. Therefore, the Qualified Investors should evaluate, in their financial strategies, the risk that the duration of their investment could have the same duration as the Notes.

(b) Risks related to an event beyond the control of the Issuer

Events such as the publication of the annual financial statements of the Issuer, market announcements or the change in the general conditions of the market could influence the market value of the Notes. Moreover, fluctuations in the market and general economic and political conditions could adversely affect the value of the Notes.

(c) Risks associated to the interest rates of the Notes

The investment in the Notes has the typical risks of an investment in fix/floating rate notes as fluctuation of the interest rates on the financial markets influences the prices and the performance of the Notes.

More in general, changes in market interest rates may adversely affect the market value of the Notes. As a consequence, if the Notes are sold before their final maturity date, the initial investment in the Notes could be higher than the market price of the Notes

(d) Risks associated with the absence of a rating of the Issuer and the Notes

The risk associated with the absence of ratings of the Issuer and the Notes consists of the risk relating to the lack of a synthetic indicator on the Issuer's ability to fulfil its obligations and on the riskiness of the Notes. The Issuer has not requested any rating assessment for itself and for the Notes subject to the offer, so that there is no immediate availability of a synthetic indicator representing the Issuer's solvency and the riskiness of the Notes. However, it should be considered that the absence of ratings of the Issuer and the Notes is not in itself indicative of the Issuer's solvency and, consequently, of the riskiness of the Notes themselves.

(e) Risks related to the security granted by the Issuer

At the Issue Date, not all the Security Documents will be duly perfected since the relevant perfection formalities will be completed, due to technical reasons, within a certain number of business days after the Issue Date. Furthermore, when the Security Documents will be perfected, the six month hardening period of the security interest created under the Security Documents will not have elapsed. Accordingly, if the security provider is declared insolvent prior to the end of the hardening period, the security interest created under the Security Documents may be clawed back and declared ineffective.

The security interest under the Security Documents in favour of the holders of the Notes will be created, under the third paragraph of article 2414 *bis* of the Italian Civil Code, in favour of the Security Agent, which will be entitled to exercise, in the name and on behalf of the Initial Noteholders (and any subsequent Noteholder, subject to the entering into of an accession deed), all the rights relating to such security interests and in favour of the Noteholders.

However, the enforceability of Italian law security interests granted in favour of a representative (*rappresentante*) of the holders of the Notes pursuant to the third paragraph of article 2414 *bis* of the Italian Civil Code has not been tested in the Italian courts and, therefore, the risk of unenforceability by the holders of the Notes of the security documents posed by Italian law cannot be eliminated or mitigated.

The security under the Security Documents may be subject to exceptions, defects, encumbrances, liens and other imperfections permitted under the Finance Documents, whether on or after the date of the Notes are issued. The existence of such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of such security, as well as the ability of the Security Agent to enforce or foreclose on such security. Furthermore, the first-priority ranking of security interest can be affected by a variety of factors, including the timely satisfaction of the perfection requirements, statutory liens or recharacterisation under local laws.

The security under the Security Documents may be subject to practical problems generally associated with the enforcement of security interest. The Security Agent may also need to obtain the consent of a third party to enforce a security interest. The Security Agent may not be able to obtain any such consent. In addition, the consent of any third parties may not be given when required to facilitate a foreclosure on such assets. Accordingly, the Security Agent may not have the ability to foreclose upon those assets, and the value of such security may significantly decrease. As a result, in these circumstances, the amount recoverable by the Noteholders could be materially reduced or eliminated.

Under Italian law, a security interest in certain tangible and intangible assets can only be properly perfected, and thus retain its priority, if certain actions are undertaken by the secured party and/or the grantor of the security interest. The security interests in the Security Documents may not be perfected with respect to the claims of the Notes if the Issuer fails or is unable to take the actions required to perfect the security interest. Such failure may result in the invalidity of the relevant security interest in the Security Documents or adversely affect the priority of such security interest in favour of third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same security.

According to certain scholars, special privileges pursuant to article 46 of the Italian Consolidated Banking Act might not be validly granted over assets owned by third parties.

(f) Risks related to variations of the tax system

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

(g) The tax regime applicable to the Notes is subject to admission to trading and/or Noteholders qualification

The Notes are expected to be admitted to trading on ExtraMOT PRO³ and, as such, the Issuer will be entitled to pay the interest, premiums and similar proceeds on Notes due to certain Noteholders without application of any withholding tax as per Legislative Decree no. 239 of 1 April 1996.

No assurance can be given that the Notes will be admitted to trading or that, once admitted to trading, the admission to trading will be maintained or that such admission will satisfy the requirement under Legislative Decree no. 239 of 1 April 1996 in order for the Notes to be eligible to benefit from the provisions of such legislation relating to the exemption from the requirement to apply withholding tax. However, as provided by Law Decree no. 91 dated 24 June 2014 (so called "Decreto Competitività", converted into Law no. 116 dated 11 August 2014), the mentioned favorable tax treatment, applicable under Legislative Decree No. 239 of 1 April 1996, has been extended also to non-listed bonds issued by Italian non-listed companies when held only by "Qualified Investors" (as defined under article 100 of Finance Law). If the Notes are not admitted to trading or that requirement under Legislative Decree no. 239 of 1 April 1996 is not satisfied, and the Noteholders should not qualify as Qualified Investors, payments of interest, premium and other income with respect to the Notes would be subject to a withholding tax currently at a rate of 26 *per cent.*, and this would eventually result in Noteholders receiving less interest than expected and could significantly affect their return on the Notes.

(h) Risks related to the amendment of the terms and conditions of the Notes without the consent of all Noteholders

The Terms and Conditions and the Italian Civil Code include rules whereby the determination by Noteholders' meeting of certain matters is subject to the achievement of specific majorities. Such determinations, if correctly implemented, are binding on all the Noteholders whether present at such meeting and whether voting and whether approving the resolution.

(i) Enforcement of the Security Documents and other Noteholders' rights

The validity and enforceability of the Finance Documents (and in particular of the Security Documents) and other Noteholders' rights is subject to legal qualifications and assumptions typical for similar transactions and the enforcement of rights is subject to procedural rules which may have an impact on the timing and manner of enforcement. Such procedures in Italy may take several years before a final order is obtained.

(j) Limited liquidity of secondary market

Although an application has been made for the Notes to be admitted to trading on ExtraMOT PRO³, there is not, at present, an active and liquid secondary market for the Notes. There can be no assurance that a secondary market for any of the Notes may develop for the Notes or, if a secondary market does develop, that it will provide the holders of the Notes with liquidity of investments or that any such liquidity will continue for the life of such Notes. Consequently, any purchaser of Notes must be prepared to hold such Notes until the Maturity Date. In addition, prospective Noteholders should be aware of the prevailing and widely-reported global credit market conditions (which continue at the date hereof).

Consequently, whilst these market conditions persist, an investor in the Notes may not be able to sell or acquire credit protection on its Notes readily and market values of the Notes are likely to fluctuate. Any of these fluctuations may be significant and could result in significant losses to an investor. In addition, there exist other significant risks to investors. These risks include: (i) increased illiquidity and price volatility of the Notes as there is currently only limited secondary trading in securities of this kind; and (ii) a reduction in enforcement recoveries. These additional risks may affect the returns on the Notes to investors.

In addition, there are other significant risks to investors. These risks include: (i) increased illiquidity and price volatility of the Notes as there is currently only limited secondary trading in securities of this kind; and (ii) a reduction in enforcement recoveries. These additional risks may affect the returns on the Notes to investors.

In addition to the above, each Initial Noteholder in its capacity as subscriber under the Subscription Agreement (the "**Subscriber**") has undertaken and agreed pursuant to the Subscription Agreement that:

(a) it will not sell or transfer any of the Notes other than to Qualified Investors and provided that any prospective purchaser, which for the avoidance of doubt shall be a Qualified Investor, (the "**Prospective Purchaser**") irrevocably undertakes and agrees to be bound by the undertakings set out thereunder; and

(b) subject to the restriction set out in paragraph (a) above and Article 1381 of the Civil Code, if at any time the relevant Subscriber decides to transfer the Notes, it will procure that the Prospective Purchaser signs and delivers to the Issuer a letter, substantially in the form of annex D (Form of Restrictions on Transfer Letter) to the Subscription Agreement, making each of the representations contained in clause 5 (Representations of the Subscribers) of the Subscription Agreement and agreeing, amongst other things, to be bound by each of the undertakings included thereunder.

(k) Suitability

Prospective investors in the Notes should make their own independent decision as to whether to invest in the Notes and whether an investment in the Notes is appropriate or proper for them, based upon their own judgment, and should consult with their legal, business and tax advisers to determine the consequences of an investment in the Notes and to reach their own evaluation of their investment.

Investment in the Notes is only suitable for investors who, in addition of being Qualified Investors:

- (i) have the required knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation;
- (iii) are capable of bearing the economic risk of an investment in the Notes; and
- (iv) recognize that it may not be possible to dispose of the Notes for a substantial period of time.

Prospective investors in the Notes should not rely on or construe any communication (written or oral) of the Issuer or from any other person as investment advice, it being understood that information and explanations related to the Issuer or the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes.

No communication (written or oral) received from the Issuer or from any other person shall be deemed to be an assurance or guarantee as to the expected results of an investment in the Notes.

(l) The Notes may be redeemed prior to their maturity at the option of the Issuer

Starting from the Interest Payment Date falling on 31 December 2022 (included) and on any subsequent Interest Payment Date, the Issuer has the option to redeem the outstanding Notes in whole but not in part in accordance with the Terms and Conditions. The amount due to the Noteholders upon exercise of that option is their principal amount together with accrued interest and the applicable penalties in accordance with the Terms and Conditions.

If the Issuer calls and redeems the Notes in the circumstances mentioned above, the Noteholders may not be able to reinvest the redemption proceeds in comparable securities offering a yield as high as that of the Notes.

(m) Insolvency laws applicable to the Issuer

The Issuer is incorporated in the Republic of Italy. The Issuer will be subject to Italian insolvency laws. The Italian insolvency laws may not be as favourable to Noteholders' interests as creditors as the laws of other jurisdictions with which the Noteholders may be familiar.

For instance, if the Issuer becomes subject to certain bankruptcy proceedings, payments made by the Issuer in favour of the Noteholders or on their behalf prior to the commencement of the relevant proceeding may be liable to claw-back by the relevant trustee. In particular, in a bankruptcy proceeding (*fallimento*), Italian law provides for a standard claw-back period of up to one year (6 (six) months in some circumstances), although in certain circumstances such term can be up to 2 (two) years. In this regard, article 65 of the Bankruptcy Law may be interpreted as to provide for a claw back period for two years applicable to any payment by the Issuer pursuant to an early redemption at the option of the Issuer if the stated maturity of the Notes falls on or after the date of declaration of bankruptcy of the Issuer.

(n) Change of law

The structure of the transaction described hereunder and, *inter alia*, the issue of the Notes is based on Italian law and tax and administrative practice in effect at the date hereof and have due regard to the expected tax treatment of the Notes under such law and practice. No assurance can be given as to any possible change to Italian law or tax or administrative practice after the date of this Admission Document or that such change will not adversely impact the structure of the transaction and the treatment of the Notes.

(o) Base Case

The results of the Base Case are not projections or forecasts. A financial model simply illustrates hypothetical results that are mathematically derived from specified assumptions. In addition, the Base Case does not model individual financial performance of the Plant. Actual revenues, operating, maintenance and capital costs, interest rates and taxes might differ significantly from those assumed for the purposes of any run of the Base Case. Accordingly, actual performance and cash flows for any future period might differ significantly from those shown by the results of the Base Case. The inclusion of summary information derived from the Base Case herein should not be regarded as a representation by the Issuer or any other person that the results contained in the Base Case will be achieved. Prospective investors in the Notes are cautioned not to place undue reliance on the Base Case or summary information derived therefrom and should make their own independent assessment of the future results of operations, cash flows and financial condition of the Issuer.

(p) Forward-looking statements

This Admission Document contains certain forward-looking statements. The reader is cautioned that no forward-looking statement is a guarantee of future performance. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Words such as "may", "will", "seek", "continue", "aim", "anticipate", "target", "projected", "expect", "estimate", "intend", "plan", "goal", "believe", "achieve" or similar expressions are intended to identify forward-looking statements and subjective assessments. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements.

The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Admission Document and are based on assumptions that may prove to be inaccurate. No-one undertakes any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Admission Document.

(q) Legal investments considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or

review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing, and (iii) other restrictions apply to the purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

(r) Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (Investor's Currency) other than euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes, and (iii) the Investor's Currency-equivalent market value of the Notes.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

5 INFORMATION ABOUT THE ISSUER

5.1 Legal and commercial name of the Issuer

Parco Eolico Casalduni House S.r.l.

5.2 The place of registration of the issuer and its registration number

The Issuer has its registered office in Viale Abruzzo, 410, 66100 Chieti (CH), Italy, registered with the companies' register of Chieti-Pescara under number 01527100620, VAT number and fiscal code number 01527100620, REA number 189160.

5.3 The date of incorporation

The Issuer was incorporated on 18 October 2011.

5.4 Term

The duration of the Issuer is until 31 December 2050.

5.5 Domicile and legal form of the Issuer, legislation under which the Issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office).

The Issuer is a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy, with its registered office in Viale Abruzzo, 410, 66100 Chieti (CH), Italy, e-mail PEC: parcoeolicocasaldunihouse@pec.totoholding.it.

5.6 Description of the Issuer

Pursuant to its current by-laws, the corporate purpose of the Issuer includes the designing, construction and management of a wind farm in the municipalities of Casalduni (BN), Pontelandolfo (BN) and related areas.

The Issuer was set up on 18 October 2011 by World Wind Energy S.r.l. (and other minority shareholders) through the contribution of 100 per cent. of the going concern comprising a project for the construction, operation and management of an on-shore wind farm, composed of 10 wind towers, to be built in the municipalities of Casalduni (BN) and Pontelandolfo (BN) for an aggregate capacity of 34,65 MW, with a related production of 124,913 MWh (the “**Plant**”) and the relevant connection infrastructures (the Plant and the relevant connection infrastructures jointly the “**Project**”). The Plant shall be connected to the national electricity grid through line, a substation MT/AT 30/150kV to be built in Pontelandolfo (BN) and a short 150kV power line up to the RTN, in particular up to the existing Pontelandolfo 150kV substation owned by Terna.

By means two different quota purchase agreements of 17 March 2015 and 17 November 2016, the Issuer has been acquired by Renexia SpA, the entity of Toto Group dedicated to development of energy projects in the renewable energy sector.

In the context of the Project, Renexia Services S.r.l. will act as EPC contractor and Siemens Gamesa Renewable Energy Eolica S.L. Unipersonal, jointly with Siemens Gamesa Renewable Energy Wind S.r.l., as sub-contractors of Renexia Services S.r.l., will be the turbine suppliers.

The rights, permits, approvals and the *nulla-osta* for the construction and operation of the Plant are held by the Issuer and the start of the construction of the Plant is scheduled for the first quarter of 2021, with a full construction process estimated in twelve months.

The Project has been authorized pursuant to article 12 paragraph 3 of Italian legislative decree No. 387/2003, by way of single authorization issued by the Campania Region by way of the Executive Decree (*Decreto*

Dirigenziale) No. 28, dated 22 March 2016 (the “**Single Authorization**”), as rectified by way of the Executive Decree (*Decreto Dirigenziale*) No. 10, dated 22 February 2017, published on the Official Gazette No. 17, dated 27 February 2017 and as modified by way of the Executive Decree (*Decreto Dirigenziale*) No. 465, dated 27 November 2019.

Pursuant to Single Authorisation, according to the Executive Decree (*Decreto Dirigenziale*) No. 516, dated 26 October 2011, the SPV will be required to commence construction works within 1 year from the completion of the compulsory procedures finalized to the expropriation of the areas interested by the realization of the Plant. However, the works on the Project are not commenced.

In addition, please note that, according to the Single Authorization, construction works shall be completed within 36 months from the date of commencement construction works. The term for completion of construction works is not elapsed yet.

5.7 Administration, Management and Supervisory Bodies

Sole director

Paolo Toto, Italian citizen, born on 15 January 1965 in Chieti (Italy), was appointed on 9 December 2020 as sole director of the Issuer for a period expiring at the shareholder's meeting which will approve the Issuer's financial statements as at 31 December 2021.

Board of Statutory Auditors

As at the date of this Document, no Board of Statutory Auditors is appointed. However, on 29 June 2020, the Issuer has appointed Price Waterhouse Copers to carry out the statutory audit of the financial statements for 3 years.

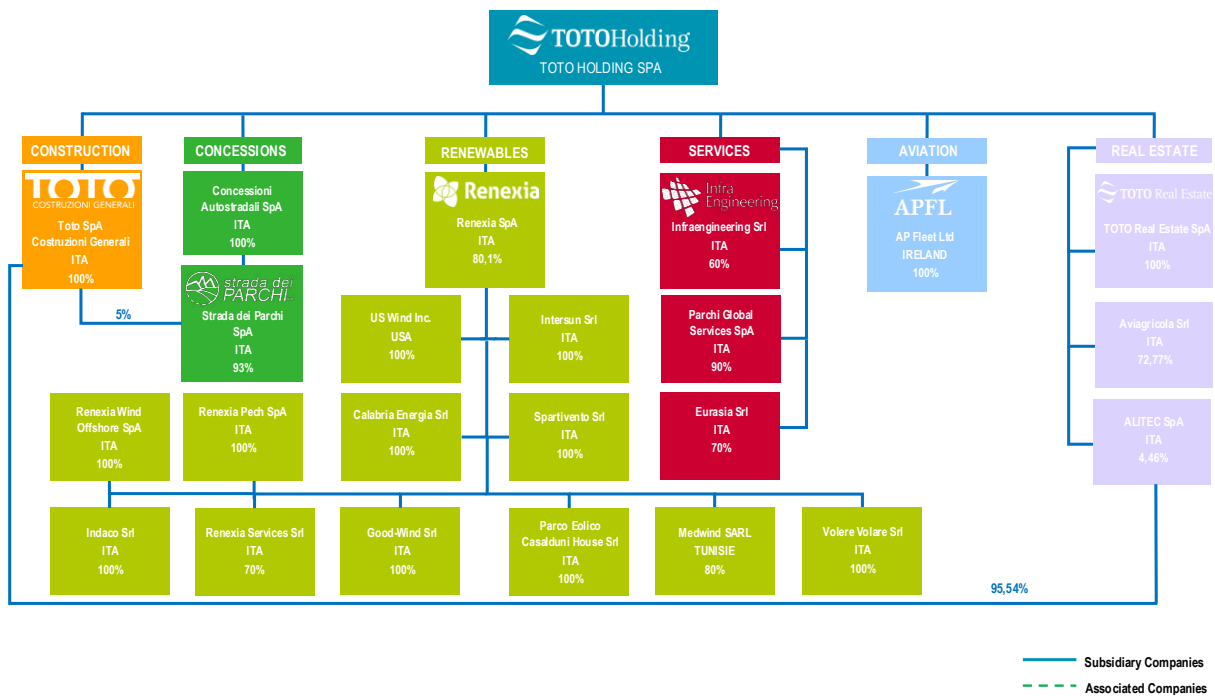
5.8 Major shareholder

The entire share capital of the Issuer is held by Renexia PECH S.p.A., a joint stock company (*società per azioni*) incorporated under Italian law, having its registered office in Viale Abruzzo, 410, 66100 Chieti (CH), Italy, registered with the companies' register of Chieti-Pescara under number 02665540692, VAT number and fiscal code number 02665540692.

The entire share capital of the sole shareholder of the Issuer is held by Renexia S.p.A., a company incorporated under Italian law as a joint stock company (*società per azioni*), having its registered office at Chieti (CH) - 66100, Viale Abruzzo, 410, registered with the companies' register of Chieti-Pescara under number 02192110696, VAT number and fiscal code 02192110696.

The Issuer is subject to the direction and coordination of Toto Holding S.p.A.

Toto Holding S.p.A., a company incorporated under Italian law as a joint stock company (*società per azioni*), having its registered office at Chieti (CH) - 066100, Viale Abruzzo, 410, registered with the companies' register of Chieti e Pescara under number 00134410695, VAT number and fiscal code 00134410695, is the parent company of a mid-size Italian group that, starting from the construction of public works (roads, viaducts, tunnels railway systems, and others) has diversified its activities into motorway concession, civil aviation and renewable energy. The current structure is the result of a reorganisation process started in 2009 and ended in 2012 and a further reorganisation carried out in 2015. The current structure of the group focuses on the following core businesses: renewables, motorways concessions, construction and services.



5.9 Issuer's financial statements

The unaudited financial statements (balance sheets and profit and loss account) of the Issuer as of 31 December 2019 and 30 June 2020 are attached to this Admission Document as annex 1 hereto.

Amounts in Euro /000	31 December 2019	30 June 2020
Value of production (<i>Valore della produzione</i>)	2.073	237
Ebitda	(575)	213
Ebit	(576)	213
Pre-tax results	(1.059)	(133)
Net working capital (<i>CCN - capitale circolante netto</i>)	531	366
Net financial debt position (<i>PFN – posizione finanziaria netta</i>)	(12.208)	(12.594)

Amounts in Euro /000	31 December 2019	30 June 2020
Net assets (PN – patrimonio netto)	572	460
Total assets (Totale Attivo)	14.760	15.232

Since 30 June 2020, there has been no significant change in the financial position of the Issuer.

5.10 Any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.

The Issuer believes that there are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency (other than disclosed in this Admission Document).

6 USE OF THE PROCEEDS

The net proceeds of the issue of the Notes will be used by the Issuer to finance, respectively, (a) the Development Costs; (b) the Land Costs; and (c) any other liabilities under any Project Document up to the Issue Date as confirmed by the Technical Advisor; and to pay (d) fees and costs of the Issuer's professional advisers engaged in relation to the Project up to the Issue Date; (e) insurance premia in respect of the Plant up to the Issue Date; (f) legal, accounting and other professional fees incurred by the Issuer in connection with the negotiations and entry into of the Finance Documents, Project Documents and documents referred to therein up to the Issue Date; (g) taxes payable by the Issuer prior to the Issue Date; (h) *Imposta Sostitutiva* in respect of the Notes; and (i) any other costs and expenditure which the Noteholders agree may be Uses of Funds including any amounts that may advance in excess of the Notes amount so as to refinancing part of the Base Equity, all the above items shall be considered on a cash basis, but excluding: (j) VAT payable in respect of items above; (k) Operating Costs; and (l) Project Costs.

In the opinion of the Issuer, the working capital is sufficient for its current needs.

7 ADMISSION TO TRADING AND DEALING ARRANGEMENTS

7.1 Application for admission to trading

Application has been made to the Italian Stock Exchange for admission of the Notes to trading on ExtraMOT PRO³. The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on ExtraMOT PRO³, 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 224.3 of the guidelines contained in the Rules of ExtraMOT PRO³.

7.2 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 in Italy or elsewhere, nor does the Issuer intend to submit, for the time being, an application for admission to listing of the Notes on any other regulated market or multilateral trading facilities other than ExtraMOT PRO³.

7.3 Intermediaries in secondary market transactions

No entities have made a commitment to act as intermediaries on a secondary market.

7.4 Trading method

The trading of the Notes on ExtraMOT PRO³ is restricted to Qualified Investors only.

ANNEX 1

Financial statements

PARCO EOLICO CASALDUNI HOUSE S.R.L.

Sede in VIALE ABRUZZO 410 - 66100 CHIETI (CH)
 Capitale sociale Euro 40.000,00 I.V.
 Società con Socio Unico
 Società soggetta ad attività di direzione e coordinamento di TOTO Holding SpA

Bilancio al 31/12/2019

Stato patrimoniale attivo	31/12/2019	31/12/2018
A) Crediti verso soci per versamenti ancora dovuti (di cui già richiamati)		
B) Immobilizzazioni		
I. Immateriali	0	1.084
II. Materiali	12.246.078	754.124
III. Finanziarie		
Totale Immobilizzazioni	12.246.078	755.208
C) Attivo circolante		
I. Rimanenze	0	7.711.360
II. Crediti		
- entro 12 mesi	2.380.197	274.100
- oltre 12 mesi		
Imposte anticipate	<u>43.710</u>	<u>4.678</u>
	2.423.907	278.775
III. Attività finanziarie che non costituiscono Immobilizzazioni		
IV. Disponibilità liquide	87.189	1.217
Totale attivo circolante	2.511.096	7.991.352
D) Ratei e risconti	2.394	1.773
Totale attivo	14.759.568	8.748.333

Stato patrimoniale passivo	31/12/2019	31/12/2018
A) Patrimonio netto		
I. Capitale	40.000	40.000
IV. Riserva legale		
VI. Altre riserve	1.583.149	233.149
	1.583.149	233.149
VIII. Utili (perdite) portati a nuovo	(125.813)	(27.378)
IX. Utile d'esercizio		
IX. Perdita d'esercizio	(925.167)	(98.435)
Totale patrimonio netto	572.169	147.336
B) Fondi per rischi e oneri		
C) Trattamento fine rapporto di lavoro subordinato		
D) Debiti		
- entro 12 mesi	14.187.399	8.600.997
- oltre 12 mesi		
	14.187.399	8.600.997
E) Ratei e risconti	0	0
Totale passivo	14.759.568	8.748.333

Conto economico	31/12/2019	31/12/2018
A) Valore della produzione		
1) Ricavi delle vendite e delle prestazioni	9.503.091	
2) Variazione delle rimanenze di prodotti in lavorazione, semilavorati e finiti		
3) Variazioni dei lavori in corso su ordinazione	(7.711.360)	3.459.189
4) Incrementi di immobilizzazioni per lavori interni	281.272	
5) Altri ricavi e proventi:		
- vari		
- contributi in conto esercizio		
- contributi in conto capitale (quote esercizio)		
	0	0
Totale valore della produzione	2.073.003	3.459.189
B) Costi della produzione		
6) Per materie prime, sussidiarie, di consumo e di merci	646	9.248
7) Per servizi	2.640.801	3.370.390
8) Per godimento di beni di terzi	4.400	8.938
9) Per il personale		
a) Salari e stipendi		
b) Oneri sociali		
c) Trattamento di fine rapporto		
d) Trattamento di quiescenza e simili		
e) Altri costi		
10) Ammortamenti e svalutazioni		
a) Ammortamento delle immobilizzazioni	1.083	1.083

immateriali			
b) Ammortamento delle immobilizzazioni materiali			
c) Altre svalutazioni delle immobilizzazioni			
d) Svalutazioni dei crediti compresi nell'attivo circolante e delle disponibilità liquide			
		1.083	1.083
11) Variazioni delle rimanenze di materie prime, sussidiarie, di consumo e merci			
12) Accantonamento per rischi			
13) Altri accantonamenti			
14) Oneri diversi di gestione		2.169	41.662
Totale costi della produzione		2.649.099	3.431.321
Differenza tra valore e costi di produzione (A-B)		(576.096)	27.868
C) Proventi e oneri finanziari			
15) Proventi da partecipazioni:			
- da imprese controllate			
- da imprese collegate			
- altri			
16) Altri proventi finanziari:			
a) da crediti iscritti nelle immobilizzazioni			
- da imprese controllate			
- da imprese collegate			
- da controllanti			
- altri			
b) da titoli iscritti nelle immobilizzazioni			
c) da titoli iscritti nell'attivo circolante			
d) proventi diversi dai precedenti:			
- da imprese controllate			
- da imprese collegate			
- da controllanti			
- altri	0		1
		0	1
		0	1
17) Interessi e altri oneri finanziari:			
- da imprese controllate			
- da controllanti	(281.272)		(30.684)
- da imprese sottoposte al controllo delle controllanti	(200.562)		(76.814)
- altri	(856)		(709)
		(482.690)	(108.207)
17-bis) utili e perdite su cambi			
Totale proventi e oneri finanziari		(482.690)	(108.206)

D) Rettifiche di valore di attività finanziarie

18) Rivalutazioni:

- a) di partecipazioni
- b) di immobilizzazioni finanziarie
- c) di titoli iscritti nell'attivo circolante

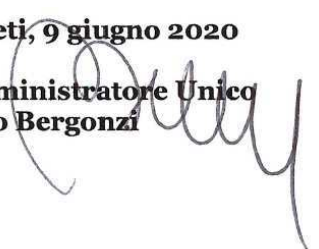
19) Svalutazioni:

- a) di partecipazioni
- b) di immobilizzazioni finanziarie

c) di titoli iscritti nell'attivo circolante

Totale rettifiche di valore di attività finanziarie

Risultato prima delle imposte (A-B±C±D)	(1.058.786)	(80.338)
22) Imposte sul reddito dell'esercizio, correnti, differite e anticipate		
a) Imposte correnti		18.097
b) Imposte differite (anticipate)	(39.036)	
c) (Proventi) da consolidato fiscale	(94.791)	
d) Imposte esercizi precedenti	208	
	(133.619)	18.097
23) Utile (Perdita) dell'esercizio	(925.167)	(98.435)

Chieti, 9 giugno 2020**Amministratore Unico
Lino Bergonzi**


Rendiconto Finanziario*Flusso della gestione reddituale determinato con il metodo indiretto*

Rendiconto Finanziario	31/12/20109	31/12/2018
A. Flussi finanziari derivanti dalla gestione reddituale (metodo indiretto)		
Utile (perdita) dell'esercizio	(925.167)	(98.435)
Imposte sul reddito	(133.619)	18.097
Interessi passivi/(interessi attivi)	482.690	108.206
(Dividendi)		
(Plusvalenze)/minusvalenze derivanti dalla cessione di attività		
1. Utile (perdita) dell'esercizio prima d'imposte sul reddito, interessi, dividendi e plus/minusvalenze da cessione	(576.096)	27.868
<i>Rettifiche per elementi non monetari che non hanno avuto contropartita nel capitale circolante netto</i>		
Accantonamenti ai fondi		
Ammortamenti delle immobilizzazioni	1.083	1.083
Svalutazioni per perdite durevoli di valore		
Altre rettifiche per elementi non monetari	0	0
2. Flusso finanziario prima delle variazioni del ccn	(575.013)	28.951
<i>Variazioni del capitale circolante netto</i>		
Decremento/(incremento) delle rimanenze	7.711.360	(3.458.177)
Decremento/(incremento) dei crediti vs clienti	0	0
Incremento/(decremento) dei debiti verso fornitori	(458.125)	81.302
Decremento/(incremento) ratei e risconti attivi	(621)	(1.562)
Incremento/(decremento) ratei e risconti passivi	0	0
Altre variazioni del capitale circolante netto	(6.438.715)	3.481.536
3. Flusso finanziario dopo le variazioni del ccn	238.886	132.050
<i>Altre rettifiche</i>		
4. Flusso finanziario dopo le altre rettifiche	238.886	132.050
Flusso finanziario della gestione reddituale (A)	238.886	132.050
B. Flussi finanziari derivanti dall'attività d'investimento		
<i>Immobilizzazioni materiali</i>		
(Investimenti)	(11.491.954)	(136.800)
Prezzo di realizzo disinvestimenti		
<i>Immobilizzazioni immateriali</i>		
(Investimenti)	0	0
Flusso finanziario dell'attività di investimento (B)	(11.491.954)	(136.800)
C. Flussi finanziari derivanti dall'attività di finanziamento		
<i>Mezzi di terzi</i>		
Incremento (decremento) debiti a breve verso banche	0	(3)
<i>Accensione finanziamenti</i>		
Rimborso finanziamenti		
<i>Mezzi propri</i>		
Aumento di capitale a pagamento / Rinunce al credito del socio		0
<i>Erogazioni finanziamenti soci</i>	11.339.039	
Cessione (acquisto) di azioni proprie		
<i>Dividendi pagati</i>		
Flusso finanziario dell'attività di finanziamento (C)	11.339.039	(3)
<i>Incremento (decremento) delle disponibilità liquide (A ± B ± C)</i>	<i>85.971</i>	<i>(4.753)</i>
Disponibilità liquide all'inizio dell'esercizio	1.217	5.970
Disponibilità liquide alla fine dell'esercizio	87.188	1.217

Chieti, 9 giugno 2020
Amministratore Unico
Lino Bergonzi


(pagina lasciata in bianco appositamente)

PARCO EOLICO CASALDUNI HOUSE S.R.L.

Sede In Viale Abruzzo 410 - 66100 CHIETI (CH)

Capitale sociale Euro 40.000,00 i.v.

Società con Socio Unico

Società soggetta ad attività di direzione e coordinamento di TOTO Holding SpA

[Nota integrativa al bilancio chiuso il 31/12/2019](#)

Premessa

Signori Soci,

il presente Bilancio, sottoposto al Vostro esame e alla Vostra approvazione, evidenzia una perdita d'esercizio pari ad euro 925.167 imputabile essenzialmente alla commessa relativa alla costruzione dell'elettrodotto 150kV a seguito del mancato riconoscimento, da parte di Terna – Rete Elettrica Nazionale S.p.A. (cliente della Società), di costi sostenuti dalla Società per la costruzione dell'elettrodotto stesso.

Principali eventi della Società nel corso dei precedenti esercizi

La Parco Eolico Casalduni House S.r.l. (di seguito anche la "**Società**" o "**PECH**") è stata acquistata dal Gruppo Toto attraverso la sub-holding del settore rinnovabili (Renexia S.p.A.) in data 17 Novembre 2016. La Società svolge la propria attività nel settore delle fonti rinnovabili attraverso lo studio, la progettazione, la realizzazione, la gestione, la manutenzione di impianti elettrici da fonti rinnovabili.

La Società è attiva nello sviluppo di un impianto eolico per una potenza complessiva di 36 MW (il "**Parco Eolico**") garantita, nel progetto iniziale, da n. 12 aerogeneratori da 3MW da costruirsi nel Comune di Casalduni (BN).

L'iter autorizzativo si è concluso con l'ottenimento dell'Autorizzazione Unica ratificata con Decreto Dirigenziale del 22/03/2016 n.28, successivamente rettificato con Decreto Dirigenziale n.10 del 22/02/2017.

In virtù di tale autorizzazione per la costruzione e l'esercizio del parco eolico nel comune di Casalduni e delle opere connesse, in data 18 maggio 2017 è stata appaltata alla società Renexia Services S.r.l. la realizzazione dell'elettrodotto 150 kV della lunghezza complessiva di circa 22 km. L'elettrodotto garantirà la connessione elettrica in alta tensione del futuro Parco Eolico presso la sottostazione di Pontelandolfo (BN).

In data 8 agosto 2017 è stato firmato con la società Terna – Rete Elettrica Nazionale S.p.A. (di seguito anche "**Terna**") il contratto di connessione alla rete di trasmissione nazionale dell'impianto di produzione da fonte rinnovabile (eolico) da 36 MW della società Parco Eolico Casalduni House S.r.l. sito nel comune di Casalduni (BN), che regola le modalità di esecuzione dei lavori e di pagamento dei corrispettivi previsti per la cessione a

Terna dell'elettrodotto 150kV di cui al paragrafo precedente.

Attività svolte e fatti di rilievo verificatisi nel corso dell'esercizio

La Società nel corso del mese di marzo 2019, ha ricevuto la convocazione per la conferenza dei servizi per l'ottenimento della variante per l'autorizzazione del parco eolico di Casalduni (BN) portando il progetto da n°12 aerogeneratori da 3 MW per una potenza complessiva di 36 MW, a n°10 aerogeneratori da 3,465 MW per complessivi 34,65 MW, aumentando però la produzione di MWh immessi in rete.

Per quanto riguarda l'elettrodotto 150 kV, nel mese di novembre 2019, PECH, dopo aver terminato i lavori di costruzione, ha ceduto lo stesso a Terna che ha provveduto al pagamento dei corrispettivi dovuti.

Nell'ambito dello sviluppo del parco eolico di cui PECH è titolare di Autorizzazione Unica, invece, il Gruppo ha realizzato una struttura societaria gradita a nuovi investitori interessati al progetto PECH, attraverso:

- (i) la costituzione di una nuova società (la Renexia Pech S.p.A.);
- (ii) l'operazione di conferimento della partecipazione nella Società, detenuta fino a giugno 2019 da Renexia S.p.A., alla stessa Renexia Pech S.p.A.,

Per quanto descritto, il socio unico, a partire da giugno 2019, non risulta più Renexia S.p.A. bensì Renexia PECH S.p.A.. Tale riorganizzazione ha permesso il reperimento di risorse finanziarie esterne al Gruppo che hanno permesso alla Società di ricevere ulteriori finanziamenti da parte del socio; a fine esercizio il saldo complessivo dei finanziamenti ricevuti dalla controllante ammonta a euro 12,3 milioni (inclusi interessi). Tali finanziamenti sono stati garantiti affinché la Società abbia le risorse necessarie per la realizzazione del parco eolico nell'ambito di un finanziamento in "*project*". Infatti, la costruzione e la realizzazione del parco eolico prevede l'utilizzo di un finanziamento strutturato in forma di prestito obbligazionario con le caratteristiche di un tipico "*project financing*" senza ricorso sull'azionista per un ammontare di circa trentotto milioni di euro della durata di dieci anni.

Fatti di rilievo avvenuti dopo la chiusura dell'esercizio

Come anticipato nel precedente paragrafo "Attività svolte e fatti di rilievo verificatisi nel corso dell'esercizio", la costruzione e la realizzazione del parco eolico prevede l'utilizzo di un finanziamento strutturato in forma di prestito obbligazionario per un ammontare di circa trentotto milioni di euro della durata di dieci anni. La Società e la parte finanziatrice hanno già sostanzialmente concordato tutti i termini del contratto anche quelli relativi ai tassi ed alle garanzie che sono quelle classiche di un *project financing* come questo.

Il *closing* del finanziamento era inizialmente prevista per il mese di marzo 2020, ma anche a seguito dell'espansione della pandemia sono state rallentate e rinviate. Una volta sottoscritto il contratto di finanziamento inizieranno le attività di costruzione e realizzazione del parco eolico.

Effetti da Covid-19 per la Società

Per quanto riguarda l'esplosione della pandemia da Covid-19 che ha colpito l'economia a livello mondiale ad inizio 2020, si informa che la Società non ha risentito particolarmente da un punto di vista economico e gestionale di tali effetti: ultimata la realizzazione dell'elettrodotto 150kV ceduto a Terna nel corso del 2019, la società non ha commesse in essere che avrebbero potuto generare ricavi nel breve periodo. La Società concentrerà i propri sforzi sulla realizzazione del parco eolico e la struttura del progetto in termini organizzativi e finanziari risulta ormai sostanzialmente chiusa; si tratta di effettuare il *closing* del finanziamento e iniziare i lavori di costruzione. Come anticipato nel paragrafo precedente, la chiusura generale imposta dal Governo Italiano ha causato, per la Società, ritardi nelle trattative per la sottoscrizione del finanziamento.

Evoluzione prevedibile della gestione

Nell'attuale scenario economico e finanziario nazionale, non è facile fare previsioni sulle tempistiche entro le quali la situazione potrà tornare ai livelli di "normalità" pre-pandemici. Seguendo le informazioni oggi disponibili, basate sulle previsioni elaborate dagli enti istituzionali e dai principali esperti internazionali, si possono prefigurare degli scenari evolutivi di conclusione dell'emergenza, caratterizzati da differenti tempistiche ed impatti socioeconomici. Secondo uno studio della società di consulenza direzionale McKinsey & Company¹ si possono individuare tre possibili scenari alternativi: (1) Quick recovery; (2) Global slowdown; (3) Global pandemic and recession. Lo scenario della ripresa veloce (Quick Recovery) sembra ormai essere superato, mentre dai risultati delle iniziative attuate dai governi nazionali ci sono buone possibilità che non si arrivi ad una pandemia globale (Global pandemic and recession). Quindi tra gli scenari prospettati, quello del c.d. "Global slowdown" sembra essere il più plausibile. Significa che per tutto il secondo trimestre continueranno le restrizioni e che la ripresa, più o meno lenta a seconda del settore, potrebbe esserci nel secondo semestre.

Sebbene, come detto, la Società non ha subito particolari conseguenze connesse alla diffusione pandemica da Covid-19, l'Amministratore Unico continua a monitorare l'evoluzione della situazione valutando di volta in volta, unitamente al management di Gruppo, le azioni di efficientamento da intraprendere. Tuttavia, si rende necessario rimarcare che con la sottoscrizione del finanziamento il progetto di costruzione del parco eolico troverà la propria naturale conclusione generando, una volta connesso l'impianto, i proventi necessari per la remunerazione dell'iniziativa.

¹ COVID-19: Impact on Travel & Hospitality, McKinsey & Company, March 2020.

Eventuale appartenenza a un Gruppo

La vostra Società appartiene al Gruppo Toto che esercita la direzione e coordinamento tramite la Società Toto Holding SpA.

Nel seguente prospetto vengono forniti i dati essenziali dell'ultimo bilancio approvato della suddetta Società che esercita la direzione e coordinamento e che redige il bilancio consolidato.

Descrizione	2018	2017
STATO PATRIMONIALE		
ATTIVO		
A) Crediti v/soci per versamenti ancora dovuti		
B) Immobilizzazioni	373.998.350	363.665.260
C) Attivo circolante	23.795.902	31.240.586
D) Ratei e risconti	162.735	766.057
Totale Attivo	397.956.987	395.671.903
PASSIVO:		
A) Patrimonio Netto:	285.566.383	297.078.559
Capitale sociale	100.000.000	100.000.000
Riserve	262.445.954	262.157.816
Utile (perdite) portate a nuovo	(65.367.396)	(70.834.444)
Utile (perdite) dell'esercizio	(11.512.175)	5.755.187
B) Fondi per rischi e oneri	7.012.849	678.404
C) Trattamento di fine rapporto di lav. Sub.	391.806	363.576
D) Debiti	104.674.065	97.549.347
E) Ratei e risconti	311.884	2.017
Totale passivo	397.956.987	395.671.903
CONTO ECONOMICO		
A) Valore della produzione	4.876.893	4.488.350
B) Costi della produzione	16.421.511	8.902.846
C) Proventi e oneri finanziari	10.282.732	11.159.058
D) Rettifiche di valore di att. Finanziarie	(10.408.236)	(326.156)
Imposte sul reddito dell'esercizio	(157.947)	663.219
Utile (perdita) dell'esercizio	(11.512.175)	5.755.187

Nome e sede legale dell'impresa che redige il bilancio consolidato

Con riferimento alle informazioni richieste dall'articolo 2427, punto 22-quinquies e sexies Codice Civile, si precisa che la società Toto Holding S.p.A. con sede legale in Viale Abruzzo n. 410, in Chieti, provvede a redigere il Bilancio Consolidato del Gruppo di cui la Società fa parte e che lo stesso risulta essere disponibile presso la sede della stessa Toto Holding S.p.A. nei termini e nei modi previsti dalla normativa vigente in tema di deposito dei bilanci societari.

Adozione maggiori termini

Si informa che, in seguito all'esplosione della pandemia da Covid-19 e nel rispetto di quanto previsto dal c.d. Decreto Legge "Cura Italia" (n.18 del 17 marzo 2020) convertito in Legge n. 26 del 24 aprile 2020 (G.U n. 110 del 29 aprile 2020), l'Amministratore Unico ha usufruito del maggior termine per la convocazione dell'assemblea di approvazione del bilancio di esercizio chiuso al 31 dicembre 2019. Infatti il comma 1 dell'articolo 106 del suddetto DL, rubricato "Norme in materia di svolgimento delle assemblee di società", prevede, tra le altre, che l'approvazione del bilancio potrà essere convocata entro 180

giorni dalla chiusura dell'esercizio, in deroga a quanto previsto dall'art. 2364, comma 2 o alle disposizioni statutarie (art. 17 del vigente statuto sociale). L'Amministratore Unico ha usufruito di tale maggior termine per meglio comprendere e di conseguenza agire e rappresentare gli interventi necessari per fronteggiare questo particolare momento di crisi legato all'espansione pandemica da Covid-19.

Criteri di formazione

Il Bilancio dell'esercizio chiuso al 31 dicembre 2019 è stato redatto secondo le norme del Codice Civile in materia di Bilancio d'esercizio così come riformate dal Decreto Legislativo n. 139/15 in attuazione della Direttiva Europea 2013/34.

Il presente bilancio è stato redatto in forma abbreviata in quanto sussistono i requisiti di cui all'art. 2435 bis, 1° comma del Codice civile, non è stata pertanto redatta la Relazione sulla gestione.

Si precisa in questa sede che ai sensi dell'art. 2428 punti 3) e 4) del Codice Civile non esistono azioni proprie, né azioni o quote di società controllanti possedute dalla società anche per tramite di società fiduciaria o per interposta persona e che né azioni proprie né azioni o quote di società controllanti sono state acquistate e / o alienate dalla Società nel corso dell'esercizio, anche per tramite di società fiduciaria o per interposta persona.

Il Bilancio risulta costituito dai seguenti documenti:

- Stato Patrimoniale;
- Conto Economico;
- Rendiconto Finanziario;
- Nota Integrativa.

La presente Nota Integrativa ha la funzione di fornire l'illustrazione, l'analisi e, in taluni casi, un'integrazione dei dati di Bilancio e contiene le informazioni richieste dall'art. 2427 Codice Civile nel rispetto delle modifiche normative introdotte dal Dlgs 139/15 e nel rispetto di quanto previsto dai principi contabili emessi dall'Organismo Italiano di Contabilità.

Il Rendiconto Finanziario è stato redatto utilizzando il metodo indiretto.

I prospetti di Stato Patrimoniale, Conto Economico e del Rendiconto Finanziario sono presentati in unità di Euro mentre i commenti della Nota illustrativa sono presentati in migliaia di Euro salva diversa indicazione. L'Euro rappresenta, infatti, la valuta funzionale della Società e quella di presentazione del bilancio di esercizio.

Criteri di valutazione

(Rif. art. 2427, primo comma, n. 1, C.c.)

I criteri di valutazione utilizzati nella formazione del bilancio chiuso al 31 dicembre 2019 non si discostano dai medesimi utilizzati per la formazione del bilancio del precedente esercizio.

La valutazione delle voci è stata fatta secondo prudenza e nella prospettiva della continuazione dell'attività.

La rilevazione e la presentazione delle voci è stata effettuata tenendo conto della sostanza dell'operazione o del contratto.

Nella redazione del Bilancio di esercizio sono stati indicati esclusivamente gli utili realizzati alla data di chiusura dell'esercizio. Inoltre si è tenuto conto dei proventi e degli oneri di competenza dell'esercizio indipendente dalla data di incasso o del pagamento e dei rischi e delle perdite di competenza dell'esercizio anche se conosciuti dopo la chiusura di questo.

Gli elementi eterogenei ricompresi nelle singole voci sono stati valutati separatamente.

In applicazione del principio di rilevanza non sono stati rispettati gli obblighi in tema di rilevazione, valutazione, presentazione e informativa quando la loro osservanza aveva effetti irrilevanti al fine di dare una rappresentazione veritiera e corretta.

I criteri di valutazione non possono essere modificati da un esercizio all'altro. Per ogni voce dello stato patrimoniale e del conto economico deve essere indicato l'importo della voce corrispondente dell'esercizio precedente. Se le voci non sono comparabili, quelle relative all'esercizio precedente devono essere adattate; la non comparabilità e l'adattamento o l'impossibilità di questo devono essere segnalati e commentati nella nota integrativa.

Ove le informazioni richieste da specifiche disposizioni di legge non siano sufficienti a dare una rappresentazione veritiera e corretta, sono state fornite tutte le informazioni complementari necessarie allo scopo.

Deroghe

(Rif. art. 2423, quarto comma, C.c. e art. 2423bis, numero 6, primo comma, C.c.)

Non si sono verificati casi eccezionali che abbiano reso necessario il ricorso a deroghe di cui all'art. 2423 comma 5 del Codice Civile.

In particolare, i criteri di valutazione adottati nella formazione del bilancio sono stati i seguenti.

Immobilizzazioni

Immateriali

Sono iscritte al costo storico di acquisizione ed esposte al netto degli ammortamenti effettuati nel corso degli esercizi e imputati direttamente alle singole voci.

I diritti di brevetto industriale (software) sono ammortizzati in 3 anni.

Qualora, indipendentemente dall'ammortamento già contabilizzato, risulti una perdita durevole di valore, l'immobilizzazione viene corrispondentemente svalutata. Se in esercizi successivi vengono meno i presupposti della svalutazione viene ripristinato il valore originario rettificato dei soli ammortamenti.

Materiali

La Società presenta alla data di riferimento del documento, esclusivamente immobilizzazioni in corso.

Sono iscritte al costo di acquisto.

Nel valore di iscrizione in bilancio si è tenuto conto degli oneri accessori, portando a riduzione del costo gli sconti commerciali e gli sconti cassa di ammontare rilevante.

Qualora, indipendentemente dall'ammortamento già contabilizzato, risulti una perdita durevole di valore, l'immobilizzazione viene corrispondentemente svalutata. Se in esercizi successivi vengono meno i presupposti della svalutazione viene ripristinato il valore originario rettificato dei soli ammortamenti.

Crediti

I crediti sono rilevati in bilancio secondo il criterio del costo ammortizzato, tenendo conto del fattore temporale. In particolare il valore di iscrizione iniziale è rappresentato dal valore nominale del credito, al netto di tutti i premi, sconti e abbuoni, ed inclusivo degli eventuali costi direttamente attribuibili alla transazione che ha generato il credito. I costi di transazione, le eventuali commissioni attive e passive e ogni differenza tra valore iniziale e valore nominale a scadenza sono inclusi nel calcolo del costo ammortizzato utilizzando il criterio dell'interesse effettivo.

Il criterio del costo ammortizzato e l'attualizzazione non sono applicati ai crediti se gli effetti sono irrilevanti, ai sensi dell'art.2423 comma 4 del codice civile. Si presume che gli effetti siano irrilevanti se i crediti sono a breve termine (ossia con scadenza inferiore ai 12 mesi) o se i costi di transazione, le commissioni e ogni altra differenza tra valore iniziale e valore a scadenza sono di scarso rilievo. In tal caso la rilevazione iniziale dei crediti è effettuata al valore nominale al netto dei premi, degli sconti, degli abbuoni previsti contrattualmente o comunque concessi e i costi di transazione iniziali sono rilevati tra i risconti attivi nella classe D dell'attivo dello Stato Patrimoniale.

E' costituito, se necessario, un apposito fondo svalutazione a fronte di possibili rischi di insolvenza, la cui congruità rispetto alle posizioni di dubbia esigibilità è verificata periodicamente ed, in ogni caso, al termine di ogni esercizio, tenendo in considerazione sia le situazioni di inesigibilità già manifestatesi o ritenute probabili, sia le condizioni economiche generali e di settore.

Disponibilità liquide

Le giacenze di cassa sono iscritte al valore nominale, mentre i depositi bancari e postali sono iscritti al presumibile valore di realizzo che, nella fattispecie, coincidono con il valore nominale.

Debiti

I debiti sono rilevati in bilancio secondo il criterio del costo ammortizzato, tenendo conto del fattore temporale. In particolare, il valore di iscrizione iniziale è rappresentato dal valore nominale del debito, al netto dei costi di transazione e di tutti i premi, sconti e abbuoni direttamente derivanti dalla transazione che ha generato il debito. I costi di transazione, le eventuali commissioni attive e passive e ogni differenza tra valore iniziale e valore nominale a scadenza sono inclusi nel calcolo del costo ammortizzato utilizzando il criterio dell'interesse effettivo.

Il criterio del costo ammortizzato e l'attualizzazione non sono applicati ai debiti se gli effetti sono irrilevanti, ai sensi dell'art.2423 comma 4 del codice civile. Si presume che gli effetti siano irrilevanti se i debiti sono a breve termine (ossia con scadenza inferiore ai 12 mesi) o se i costi di transazione, le commissioni e ogni altra differenza tra valore iniziale e valore a scadenza sono di scarso rilievo rispetto al valore nominale. In tal caso la rilevazione iniziale dei debiti è effettuata al valore nominale al netto dei premi, degli sconti, degli abbuoni previsti contrattualmente o comunque concessi e i costi di transazione iniziali sono rilevati tra i risconti attivi nella classe D dell'attivo dello Stato Patrimoniale.

Ratei e risconti

Sono stati determinati secondo il criterio dell'effettiva competenza temporale dell'esercizio.

Per i ratei e risconti di durata pluriennale sono state verificate le condizioni che ne avevano determinato l'iscrizione originaria, adottando, ove necessario, le opportune variazioni.

Riconoscimento ricavi e costi

I ricavi di natura finanziaria e quelli derivanti da prestazioni di servizi vengono riconosciuti in base alla competenza temporale.

I ricavi e i proventi, i costi e gli oneri relativi ad operazioni in valuta sono determinati al cambio corrente alla data nella quale la relativa operazione è compiuta.

I costi per l'acquisto di materiali vengono rilevati al momento del trasferimento della proprietà, che generalmente si identifica con la consegna o la spedizione.

I costi di natura finanziaria e quelli derivanti da prestazioni di servizi vengono riconosciuti in base alla competenza temporale.

Imposte sul reddito

Le imposte sono accantonate secondo il principio di competenza; rappresentano pertanto:

- gli accantonamenti per imposte liquidate o da liquidare nell'esercizio, determinate secondo le aliquote e le norme vigenti;
- l'ammontare delle imposte differite o pagate anticipatamente in relazione a differenze temporanee sorte o annullate nell'esercizio;
- le rettifiche ai saldi delle imposte differite per tenere conto delle variazioni delle aliquote.

Le imposte anticipate sono rilevate in quanto sussiste la ragionevole certezza dell'esistenza negli esercizi in cui si riverseranno le differenze temporanee deducibili a fronte delle quali sono state iscritte di un reddito imponibile non inferiore all'ammontare delle differenze che si andranno ad annullare.

Le imposte anticipate e differite sono calcolate sulla base dell'aliquota fiscale in vigore nell'esercizio nel quale le differenze temporanee si riverseranno, prevista dalla normativa fiscale vigente alla data di riferimento del bilancio.

A decorrere dal presente esercizio la società ha esercitato, in qualità di società consolidata, l'opzione per il regime fiscale del Consolidato fiscale nazionale - che consente di determinare l'Ires su una base imponibile corrispondente alla somma algebrica degli imponibili positivi e negativi delle singole società partecipanti -, congiuntamente alla società TOTO HOLDING SPA quest'ultima in qualità di società consolidante. I rapporti economici, oltre che le responsabilità e gli obblighi reciproci, fra la società consolidante e le società consolidate sono definiti nel Regolamento di consolidato per le società del Gruppo sottoscritto in data 31 ottobre 2019.

Dati sull'occupazione

La società non ha dipendenti.

Attività

B) Immobilizzazioni

I. Immobilizzazioni immateriali

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
0	1.084	(1.084)

Descrizione	saldo al 31/12/2018	Incremento esercizio	Decremento esercizio	saldo al 31/12/2019
Diritti brevetto ind.le e dir. Utilizz.ne opere dell'ingegno	1.084	0	(1.084)	0
Totale	1.084	0	(1.084)	0

Diritti di brevetto industriale e diritti di utilizzazione delle opere dell'ingegno

Descrizione	saldo al 31/12/2018	Incrementi	Svalutazioni	Amm.to	saldo al 31/12/2019
Software	1.084	0		(1.084)	0
Totale	1.084	0	0	(1.084)	0

La voce includeva i costi di acquisto dei software contabili (SAP) utilizzati dalla Società. L'ammortamento si è concluso nel corso dell'esercizio.

II. Immobilizzazioni materiali

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
12.246.078	754.124	11.491.954

Descrizione	saldo al 31/12/2018	Incremento esercizio	Decremento esercizio	saldo al 31/12/2019
Immobilizzazioni in corso e acconti	754.124	11.511.902	(19.948)	12.246.078
Totale	754.124	11.511.902	(19.948)	12.246.078

Immobilizzazioni in corso e acconti

Descrizione	Importo
saldo al 31/12/2018	754.124
Acquisizione dell'esercizio	11.511.902
Decrementi	(19.948)
saldo al 31/12/2019	12.246.078

Gli incrementi dell'esercizio (euro 11.512 migliaia) rappresentano gli investimenti 2019 nel parco eolico di cui la Società è titolare di Autorizzazione Unica. L'incremento include il pagamento dell'anticipo (per euro 10.954 migliaia) sul contratto di EPC sottoscritto con la Renexia Services S.r.l.. Si informa che, nel corso dell'esercizio, sono stati capitalizzati oneri finanziari per 281 euro migliaia maturati sul finanziamento in essere direttamente imputabile alla realizzazione del parco eolico.

C) Attivo circolante**I. Rimanenze**

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
0	7.711.360	(7.711.360)

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni esercizio
Lavori in corso su ordinazione	0	7.711.360	(7.711.360)
Totale	0	7.711.360	(7.711.360)

I lavori in corso su ordinazione sono nulli in quanto nel corso dell'esercizio la commessa relativa alla costruzione dell'elettrodotto 150 kV della lunghezza complessiva di circa 22 km si è conclusa. Il relativo contratto era stato sottoscritto con Terna S.p.A. che ne è divenuta proprietaria.

II. Crediti

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
2.423.907	278.775	2.145.132

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
Crediti verso controllante	94.791	0	94.791
Crediti tributari	2.284.688	272.499	2.012.189
Crediti per imposte anticipate	43.710	4.675	39.035
Crediti vs altri	718	1.601	(883)
Totale	2.423.907	278.775	2.145.132

Descrizione	Entro 12 mesi	Tra 12 mesi e 5 anni	Oltre 5 anni	Totale
Crediti verso controllante	94.791			94.791
Crediti tributari	2.284.688			2.284.688
Crediti per imposte anticipate	43.710			43.710
Crediti vs altri	129	589		718
Totale	2.423.318	589	0	2.423.907

La voce crediti verso controllante (euro 95 migliaia) accoglie il credito verso la Toto Holding S.p.A. per il beneficio trasferito alla controllante derivante dalla perdita fiscale rilevata al 31 dicembre 2019 utilizzata dalla controllante per abbattere gli imponibili fiscali risultanti dal consolidato fiscale nell'ambito del contratto di Consolidato Fiscale Nazionale.

I crediti tributari (euro 2.285 migliaia) fanno riferimento principalmente al credito IVA maturato alla data di riferimento del bilancio.

I crediti per imposte anticipate (euro 44 migliaia) vengono di seguito dettagliati:

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
Imposte anticipate su perdite	43.710	0	43.710
Imposte anticipate su interessi non dedotti	0	4.675	(4.675)
Totale	43.710	4.675	39.035

La voce comprende il credito per le imposte anticipate calcolate sulle perdite fiscali maturate calcolate sulla base delle aliquote fiscali in vigore nei periodi di imposta in cui si riverseranno. L'iscrizione delle imposte anticipate si fonda sul presupposto che, sulla base delle previsioni di risultati economici positivi futuri sussista la ragionevole certezza del recupero delle imposte anticipate con i futuri

imponibili fiscali generabili dalla gestione nei limiti temporali previsti dalla normativa vigente.

Si evidenzia, nel prospetto seguente, l'analisi delle differenze temporanee di imponibile che hanno comportato la rilevazione delle imposte anticipate e le altre informazioni richieste dall'art. 2427 n. 14 del Codice Civile.

Descrizione	Saldo al 31/12/2019			Saldo al 31/12/2018		
Impatto IRES	Importo delle differenze temporanee	Credito per Imposta Anticipata	Imposta Anticipata	Importo delle differenze temporanee	Credito per Imposta Anticipata	Imposta Anticipata
Perdite fiscali non utilizzate dalla consolidante	182.127	43.710	43.710	0	0	0
Imposte anticipate su interessi non dedotti				19.478	4.675	0
Totale	182.127	43.710	43.710	19.478	4.675	0

Di seguito, invece, si rappresenta la movimentazione dell'esercizio della voce relativa ai crediti per imposte anticipate:

Descrizione	Crediti per Imposte anticipate
saldo al 31/12/2018	4.675
Utilizzi dell'esercizio	(1.841)
Riallineamento esercizi precedenti	(2.834)
Accantonamento su perdite fiscali	43.710
saldo al 31/12/2019	43.710

I crediti verso altri (euro 1 migliaia) includono i depositi cauzionali versati ai vari Enti per poter procedere con le richieste di cui lo sviluppo dei progetti necessita.

IV. Disponibilità liquide

saldo al 31/12/2019	saldo al 31/12/2018	Variazione esercizio
87.189	1.217	85.972

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni esercizio
Depositi bancari e postali	86.218	825	85.393
Denaro e altri valori in cassa	971	392	579
Totale	87.189	1.217	85.972

Il saldo rappresenta le disponibilità liquide e l'esistenza di numerario e di valori alla data di chiusura dell'esercizio.

D) Ratei e risconti

saldo al 31/12/2019	saldo al 31/12/2018	Variazione esercizio
2.394	1.773	621

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni esercizio
Risconti attivi	2.394	1.773	621
Totale	2.394	1.773	621

Misurano proventi e oneri la cui competenza è anticipata o posticipata rispetto alla manifestazione numeraria e/o documentale; essi prescindono dalla data di pagamento o riscossione dei relativi proventi e oneri, comuni a due o più periodi e ripartibili in ragione del tempo. L'importo dei risconti iscritti al 31 dicembre 2019 è riferito principalmente a costi per affitti e locazioni.

Passività

A) Patrimonio netto

(Rif. art. 2427, primo comma, nn. 4, 7 e 7-bis, C.c.)

saldo al 31/12/2019	saldo al 31/12/2018	Variazione esercizio
572.169	147.336	424.833

Nella tabella che segue si dettagliano i movimenti nel patrimonio netto.

Descrizione	Capitale sociale	Versamenti in conto futuro aumento di capitale	Versamenti in c.to capitale	Uti e perdite portati a nuovo	Risultato d'esercizio	Totale
All'inizio dell'esercizio precedente	40.000	233.149	0	(21.124)	(6.254)	245.771
Destinazione del risultato dell'esercizio				(6.254)	6.254	0
Versamenti in c.to futuro aumento CS						0
Risultato dell'esercizio corrente					(98.435)	(98.435)
Chiusura eserc. precedente	40.000	233.149	0	(27.378)	(98.435)	147.336
Destinazione del risultato dell'esercizio			0	(98.435)	98.435	0
Versamenti in c.to capitale			1.350.000			1.350.000
Arrotondamenti						0
Risultato dell'esercizio corrente					(925.167)	(925.167)
Chiusura esercizio corrente	40.000	233.149	1.350.000	(125.813)	(925.167)	572.169

La composizione del patrimonio netto si movimenta per effetto della perdita di esercizio (euro 925 migliaia) e per le rinunce a parte del credito finanziario effettuate dal socio (per complessivi euro 1.350 migliaia) che sono state destinate a riserva in conto capitale con lo scopo di sostenere patrimonialmente la Società.

Il capitale sociale è così composto (articolo 2427, primo comma, nn. 17 e 18, C.c.).

Azioni/Quote	Numero	Valore nominale in Euro
Quote	1	40.000
Totale	1	

Le poste del patrimonio netto sono così distinte secondo l'origine, la possibilità di utilizzazione, la distribuibilità e l'avvenuta utilizzazione nei tre esercizi precedenti.

Natura / Descrizione	Importo	Possibilità utilizzo (*)	Quota disponibile	Utilizzazioni eff. nei 3 es. prec. per altre ragioni
Capitale	40.000			
Versamenti in conto fut. aum. capitale	233.149	A, B, C	233.149	
Versamenti in conto capitale	1.350.000	A, B, C	1.350.000	
Totale	273.149		1.583.149	
Quota non distribuibile			1.050.980	
Residua quota distribuibile			532.169	

(*) A: per aumento di capitale; B: per copertura perdite; C: per distribuzione ai soci

D) Debiti

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
14.187.399	8.600.997	5.586.402

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
Debiti verso soci per finanziamenti	12.294.855	1.152.908	11.141.947
Debiti verso banche	0	0	0
Debiti verso fornitori	130.109	588.234	(458.125)
Debiti verso controllanti	177.753	425.606	(247.853)
Debiti verso impr.sottoposte controllo controllanti	1.584.500	6.418.127	(4.833.627)
Debiti tributari	182	16.122	(15.940)
Totale	14.187.399	8.600.997	5.586.402

I debiti sono valutati al loro valore nominale e la scadenza degli stessi è così suddivisa:

Descrizione	Entro 12 mesi	Tra 12 mesi e 5 anni	Oltre 5 anni	Totale
Debiti verso soci per finanziamenti	12.294.855			12.294.855
Debiti verso fornitori	130.109			130.109
Debiti verso controllanti	177.753			177.753
Debiti verso impr.sottoposte controllo controllanti	1.584.500			1.584.500
Debiti tributari	182			182
	14.187.399	0	0	14.187.399

LA voce debiti verso soci per finanziamenti (euro 12.295 migliaia) fa riferimento ai finanziamenti erogati dal socio regolati sulla base del contratto di conto corrente intersocietario che prevede la maturazione di interessi pari all'Euribor più un margine determinato a condizioni di mercato. Nel corso dell'esercizio il socio ha rinunciato a parte del credito finanziario (per euro 1.350 migliaia) con lo scopo di rafforzare la Società da un punto di vista patrimoniale.

La voce dei debiti verso fornitori (euro 130 migliaia) accoglie i debiti per beni e servizi acquistati nel corso dell'esercizio, per il normale svolgimento dell'attività.

I debiti verso controllanti fanno riferimento (euro 178 migliaia) a partite commerciali così suddivise:

- per euro 11 migliaia nei confronti della controllante Toto Holding S.p.A.;
- per euro 167 migliaia nei confronti della controllante Renexia S.p.A.

I debiti verso imprese sottoposte al controllo delle controllanti (euro 1.584 migliaia) sono riconducibili:

- per euro 1.532 migliaia alle partite finanziarie regolate sulla base del contratto di conto corrente intersocietario sottoscritto con Renexia Services S.r.l.. Tale contratto prevede la maturazione di interessi pari all'Euribor più un margine determinato a condizioni di mercato;
- per euro 52 migliaia alle partite debitorie commerciali nei confronti della

consociata Infraengineering S.r.l..

La totalità dell'esposizione debitoria al 31 dicembre 2019 si presenta nei confronti di soggetti residenti e operanti nel territorio italiano.

Debiti per Area Geografica	Debiti verso soci per finanziamenti	V / fornitori	V / Controllanti	V / impr.sottoposte controllo controllanti	V / Erario	V / Altri	Totale
Italia	12.294.855	130.109	177.753	1.584.500	182	0	14.187.399
Totale	12.294.855	130.109	177.753	1.584.500	182	0	14.187.399

E) Ratei e risconti

Non sussistono, al 31 dicembre 2019, ratei e risconti passivi.

Conto economico

A) Valore della produzione

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
2.073.003	3.459.189	(1.386.186)

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
Ricavi vendite e prestazioni	9.503.091	0	9.503.091
Lavori in corso su ordinazione	(7.711.360)	3.459.189	(11.170.549)
Incrementi di immobilizzazioni per lavori interni	281.272	0	281.272
Totale	2.073.003	3.459.189	(1.386.186)

Il valore della produzione (euro 2.073 migliaia) è costituito da:

- ricavi per la cessione dell'elettrodotto avvenuta nel corso dell'esercizio a favore di Terna per euro 9.503 migliaia;
- variazione delle rimanenze (negativa per 7.711 migliaia) fa riferimento sempre alla commessa dell'elettrodotto da 150 kV che in questo modo esercizio si è chiusa con la fatturazione di cui al punto precedente;
- capitalizzazione degli oneri finanziari sulle immobilizzazioni materiali in corso costituiti dagli interessi passivi registrati nei confronti della controllante e relativi al finanziamento erogato per la costruzione del parco eolico (euro 281 migliaia).

B) Costi della produzione

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
2.649.099	3.431.321	(782.222)

Descrizione	saldo al 31/12/2018	saldo al 31/12/2017	Variazioni
Materie prime, suss.,...	646	9.248	(8.602)
Servizi	2.640.801	3.370.390	(729.589)
Godimento beni di terzi	4.400	8.938	(4.538)
Ammortamenti e Svalutazioni	1.083	1.083	0
Altri accantonamenti	0	0	0
Oneri diversi di gestione	2.169	41.662	(39.493)
Totale	2.649.099	3.431.321	(782.222)

I principali costi fanno riferimento ai costi per servizi (euro 2.641 migliaia) riferibili essenzialmente alla commessa relativa alla costruzione dell'elettrodotto di cui illustrato più volte nel corso del documento ed imputabili principalmente alla consociata Renexia Services S.r.l. alla quale è stato affidato l'appalto per la costruzione dello stesso.

C) Proventi e oneri finanziari

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
(482.690)	(108.207)	(374.483)

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
(Interessi e oneri finanziari da controllanti)	(281.272)	(30.684)	(250.588)
(Interessi e oneri finanziari da società sottoposte al controllo della controllante)	(200.562)	(76.814)	(123.748)
(Altri interessi e oneri finanziari)	(856)	(709)	(147)
Totale	(482.690)	(108.207)	(374.483)

I principali oneri finanziari sono costituiti:

- dagli interessi passivi registrati nel corso dell'esercizio nei confronti della controllante Renexia Pech S.p.A. sulla base del contratto di conto corrente intersocietario che prevede la maturazione di interessi secondo l'Euribor più un margine determinato a condizioni di mercato (euro 281 migliaia);
- dagli interessi passivi registrati nel corso dell'esercizio nei confronti della consociata Renexia Services S.r.l. sulla base del contratto di conto corrente intersocietario che prevede la maturazione di interessi secondo l'Euribor più un margine determinato a condizioni di mercato (euro 200 migliaia).

Imposte sul reddito dell'esercizio

saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
(133.619)	18.097	(151.716)

Di seguito si dettagliano meglio le voci descritte:

Descrizione	saldo al 31/12/2019	saldo al 31/12/2018	Variazioni
Imposte Correnti:	0	18.097	(18.097)
IRES	0	15.168	(15.168)
IRAP	0	2.929	(2.929)
Imposte differite (anticipate)	(39.036)	0	(39.036)
IRES	(39.036)	0	(39.036)
IRAP	0	0	0
Imposte esercizi precedenti	208	0	208
Oneri (Proventi) da consolidato fiscale	(94.791)	0	(94.791)
Totale	(133.619)	18.097	(151.716)

La Società presenta ai fini IRES una base imponibile negativa, pertanto, avendo aderito al consolidato fiscale di Gruppo trasferisce il proprio imponibile fiscale negativo alla consolidante Toto Holding S.p.A. registrando di conseguenza un provento da consolidato fiscale. Tuttavia l'imponibile fiscale complessivo di Gruppo, essendo negativo nell'esercizio 2019, non ha permesso il pieno assorbimento delle perdite fiscali registrate dalle proprie consolidate, tanto meno dalla Società. Per quanto detto, la consolidante, dopo aver verificato la recuperabilità delle perdite eccedenti gli imponibili fiscali negli esercizi successivi, in base a quanto disposto dai principi contabili nazionali, ha informato le consolidate, e quindi la Società, circa la possibilità di iscriversi le imposte anticipate sulle perdite fiscali non utilizzate nell'esercizio. La Società, valutando la possibilità di recupero delle perdite non utilizzate nell'esercizio, ha provveduto all'iscrizione di imposte anticipate per euro 43 migliaia. Nel corso dell'esercizio la Società ha rilasciato imposte anticipate dei precedenti esercizi per euro 4 migliaia determinando un saldo finale pari ad euro 39 migliaia (come da tabella precedente).

Con riferimento all'imposta IRAP si segnala che la base imponibile alla data di riferimento risulta essere negativa.

Nel seguito si espone la riconciliazione tra l'onere fiscale risultante dal bilancio e l'onere fiscale teorico (IRES):

Riconciliazione tra onere fiscale da prospetto contabile e onere fiscale teorico (IRES)

Descrizione	saldo al 31/12/2019	Imposte
Risultato prima delle imposte	(1.058.786)	
Onere fiscale teorico (%)	24,0%	(254.109)
<i>Differenze temporanee deducibili in esercizi successivi:</i>		
Ammortamenti e svalutazioni		
<i>Differenze che non si riverteranno negli esercizi successivi:</i>		
Interessi passivi	481.833	
Altre Variazioni in aumento	295	
Altre Variazioni in diminuzione	(433)	
utilizzo perdite fiscali pregresse	0	
Imponibile fiscale effettivo	(577.091)	
	24,00%	(138.502)
Perdite fiscali utilizzate dal Gruppo	(394.963)	
Provento da Consolidato Fiscale	24,00%	(94.791)
Perdite non utilizzate dal Gruppo	(182.128)	
Imposte anticipate su perdita 2019	24,00%	(43.711)

Altre informazioni

Impegni, garanzie prestate e passività potenziali non risultanti dallo Stato Patrimoniale

Ai sensi e per gli effetti dell'articolo 2427, comma 9 del Codice Civile, si informa che la Società non ha rilasciato garanzie.

Per ciò che concerne gli impegni, si informa che la Società ha sottoscritto un contratto di appalto con la consociata Renexia Services S.r.l. per la costruzione del parco eolico che prevede un corrispettivo complessivo di circa 42 milioni.

Elementi di ricavo o di costo di entità o incidenza eccezionale

Ai sensi dell'art. 2427, punto 13 Codice Civile, si segnala che non sono stati registrati elementi di ricavo e di costo di entità o incidenza eccezionale.

Informazioni riguardanti i contributi pubblici ricevuti

Ai sensi dell'art. 1, commi da 125 a 129, L. 124/2017 (poi riformulata dall'art. 35 D.L. 34/2019) si informa che nel corso dell'esercizio la Società non ha ricevuto contributi pubblici.

Compensi amministratori e sindaci

Vengono di seguito riportate le informazioni concernenti i compensi corrisposti agli amministratori ai sensi dell'articolo 2427, punto 16 del Codice Civile.

Qualifica	Compenso
Amministratore Unico	€ 0

Informazioni relative alle operazioni realizzate con parti correlate

(Rif. art. 2427, primo comma, n. 22-bis, C.c.)

Si precisa che le operazioni con parti correlate sono avvenute a normali condizioni di mercato.

Rapporti con società del gruppo

Società	Debiti finanziari	Debiti commerciali
Società controllanti		
Toto Holding S.p.A.		11.075
Renexia S.p.A.		166.677
Renexia Pech S.p.A.	12.294.855	
Società consociate		
Infraengineering S.r.l.		52.021
Renexia Services S.r.l.	1.532.479	
Totale	13.827.334	229.773

Società	Costi	Oneri finanziari
Società controllanti		
Toto Holding S.p.A.		
Renexia S.p.A.	154.200	24.325
Società consociate		
Infraengineering S.r.l.	98.760	
Renexia Services S.r.l.	2.374.480	200.562
Totale	2.627.440	224.887

I rapporti con le società del Gruppo TOTO che includono operazioni di natura finanziaria e commerciale sono regolati a normali condizioni di mercato e non comprendono operazioni atipiche e/o inusuali.

Informazioni relative al *fair value* degli strumenti finanziari derivati

(Rif. art. 2427-bis, primo comma, n. 1, C.c.)

La società non ha strumenti finanziari derivati.

Informazioni sugli strumenti finanziari emessi dalla società

(Rif. art. 2427, primo comma, n. 18 e n. 19, C.c.)

La società non ha emesso strumenti finanziari.

Informazioni relative agli accordi non risultanti dallo stato patrimoniale

(Rif. art. 2427, primo comma, n. 22-ter, C.c.)

La società non ha in essere accordi non risultanti dallo Stato Patrimoniale.

Proposte di destinazione degli utili o di copertura delle perdite.

Si propone all'Assemblea di rinviare la perdita di euro 925.167 all'esercizio successivo.

Si informa che, per il deposito del presente documento, secondo quanto previsto dalla normativa vigente, verrà effettuato un "doppio deposito", procedendo alla stesura della medesima nota integrativa tramite l'utilizzo della cosiddetta "tassonomia XBRL", rendendola così disponibile al trattamento digitale (adempimento richiesto dal Registro delle Imprese gestito dalle Camere di Commercio in esecuzione dell'art. 5, comma 4, del D.P.C.M. n. 304 del 10 dicembre 2008). Il doppio deposito si rende necessario poiché la nota integrativa redatta tramite l'utilizzo della "tassonomia XBRL" non è sufficiente a rappresentare la situazione aziendale, nel rispetto dei principi di chiarezza, correttezza e veridicità di cui all'art. 2423 del codice civile.

Il presente bilancio, composto da Stato patrimoniale, Conto economico e Nota integrativa, rappresenta in modo veritiero e corretto la situazione patrimoniale e finanziaria nonché il

risultato economico dell'esercizio e corrisponde alle risultanze delle scritture contabili.

Vi ringrazio per la fiducia accordatami e Vi invito ad approvare il bilancio così come presentato.

Chieti, 9 giugno 2020

Amministratore Unico

Lino Bergonzi

A handwritten signature in dark ink, appearing to read 'Lino Bergonzi', written over the printed name.



**RELAZIONE DELLA SOCIETA' DI REVISIONE
INDIPENDENTE**

PARCO EOLICO CASALDUNI HOUSE SRL

BILANCIO D'ESERCIZIO AL 31 DICEMBRE 2019

Relazione della società di revisione indipendente

All'Amministratore Unico della Parco Eolico Casalduni House Srl

Giudizio

Abbiamo svolto la revisione contabile del bilancio d'esercizio della Società Parco Eolico Casalduni House Srl (la Società), costituito dallo stato patrimoniale al 31 dicembre 2019, dal conto economico, dal rendiconto finanziario per l'esercizio chiuso a tale data e dalla nota integrativa.

A nostro giudizio, il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2019, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione.

Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio* della presente relazione. Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Altri aspetti

La presente relazione non è emessa ai sensi di legge, stante il fatto che la Parco Eolico Casalduni House Srl, nell'esercizio chiuso al 31 dicembre 2019, non era obbligata alla revisione contabile ex articolo 2477 del Codice Civile.

Limitazione alla distribuzione ed all'utilizzo

La presente relazione è destinata e indirizzata esclusivamente all'Amministratore Unico della Parco Eolico Casalduni House Srl. Pertanto, la relazione non può essere messa a disposizione di, esibita, consegnata o anche solo menzionata a terzi, diversi dai componenti dell'organo amministrativo della Vostra Società. Inoltre, essa non può essere depositata presso il competente Registro delle Imprese in quanto trattasi di documento non soggetto a pubblicità e non può essere allegata e riprodotta, in tutto

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

o in parte, né citata in qualsiasi documento relativo alla Vostra società, senza il nostro preventivo consenso scritto.

Responsabilità degli amministratori per il bilancio d'esercizio

Gli amministratori sono responsabili per la redazione del bilancio d'esercizio che fornisca una rappresentazione veritiera e corretta in conformità alle norme italiane che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio d'esercizio, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio d'esercizio a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio d'esercizio nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base del bilancio d'esercizio.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio d'esercizio, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;
- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di definire procedure di revisione appropriate nelle circostanze e non

- per esprimere un giudizio sull'efficacia del controllo interno della Società;
- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli amministratori, inclusa la relativa informativa;
- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento;
- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio d'esercizio nel suo complesso, inclusa l'informativa, e se il bilancio d'esercizio rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.

Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dagli ISA Italia, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

Pescara, 18 Dicembre 2020

PricewaterhouseCoopers SpA



Stefano Amicone
(Revisore legale)

ANNEX 2

Terms and Conditions of the Notes

TERMS AND CONDITIONS OF THE NOTES

ISSUED BY

PARCO EOLICO CASALDUNI HOUSE S.R.L.

(a company limited by shares incorporated under the laws of the Republic of Italy)

“Euro 49,100,000 Secured Notes due 31 December 2029 (the “Notes”)

Issue Price on the Issue Date 100.00% (one hundred per cent.)

ISIN CODE

IT0005432122

Parco Eolico Casalduni House S.r.l.

Registered office: Viale Abruzzo, 410 – Chieti (Italy)

VAT no.: 01527100620

Share capital: Euro 40,000.00

The following is the text of the terms and conditions (the **“Terms and Conditions”**) of the Notes issued by Parco Eolico Casalduni House S.r.l. (the **“Issuer”**) on 23 December 2020 (the **“Issue Date”**), pursuant to articles 2483 ff. of the Italian civil code (the **“Italian Civil Code”**).

In these Terms and Conditions:

1. DEFINITIONS

“Accounts” means, jointly, the following bank accounts opened by the Issuer with the Depositary Bank:

- (i) the Cash Trap Lockup Account;
- (ii) the Debt Service Reserve Account;
- (iii) the Distribution Account;
- (iv) the Drawdown Account;
- (v) the Maintenance Reserve Account;
- (vi) the Proceeds Account; and
- (vii) any other account opened in accordance with the Terms and Conditions.

“Additional Amount” has the meaning ascribed to it in Clause 7.3 (*General Covenants*), para. (x).

“ADSCR” means, in respect of any Calculation Date, both:

- 1) the historic Annual Debt Service Coverage Ratio, being the ratio of A:B where:
 - A. is Cash Available for Debt in respect of the 12 month period ended on the relevant Calculation Date (and, for the sole purposes of the first calculation of the ADSCR, the 12 month period ended on the First Calculation Date); and
 - B. is Debt Service on the 12-month period preceding the relevant Calculation Date (and, for the sole purposes of the first calculation of the ADSCR, the 12 month period ended on the First Calculation Date);

and

2) the forward Annual Debt Service Coverage Ratio, being the ratio of A:B where:

- A. is Cash Available for Debt in respect of the 12 month period beginning on the relevant Calculation Date determined on the basis of the Base Case; and
- B. is the Debt Service on the 12-month period starting on the relevant Calculation Date.

“ADSCR Trigger” means that the ADSCR is lower than 1.30:1 on any Calculation Date.

“Anti-Corruption Laws” means any anti-corruption laws and regulations applicable to the Issuer, the Sponsor, the Shareholders, Renexia S.p.A. and Toto Holding or any directors, officers and employees of the Sponsor, the Shareholders, Renexia Spa or Toto Holding, including laws and measures implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption.

“Anti-Money Laundering Laws” means Italian legislative decree No. 231, of 21st November 2007, as subsequently amended and supplemented, and any anti-money laundering laws and regulations applicable to the Issuer.

“Arrangers” means, jointly, Foresight Group S.à.r.l., Rivage Euro Debt Infrastructure High Return and StormHarbour Securities LLP.

“Arranging Fee” has the meaning ascribed thereto in the Arranging Fee Letter.

“Arranging Fee Letter” means the fee letter entered into between the Issuer and the Arrangers on or about the Issue Date.

“Assets” means of all inventory, work in progress, accruals, trade and other receivables, the tangible and intangible assets and/or shares and financial instruments held by the Issuer.

“Assignment of Receivables” means the assignment by way of security in favour of the Noteholders of receivables arising out of the EPC, the O&M, and the O&M BOP, the MSA and any bond to be issued in favour of the Issuer pursuant to the terms of such Project Documents within the Issue Date (with exception of the “Advance Payment Bond” and the “Performance Bond” as respectively defined under the EPC and the “Parent Company Guarantee” as defined under the O&M).

“Auction Procedure” means the auction procedure (identified with the following code: AS_A_2020_3), which was launched by the GSE on 29 May 2020 pursuant to the New Fer Decree.

“Authorization” means any authorisation, approval, consent, resolution, licence, exemption, filing, notarization or registration or permit to be granted by, applied for to, or filed with any public (including governmental and regulatory) or private entity or body to the extent required for the construction, completion, testing, commissioning, operation, ownership or maintenance of the Plant.

“Availability Period” means the period starting from the Issue Date and ending on the earlier of (i) the date falling 15 Business Days after COD and (ii) the Long Stop Date.

“Banca Finanziaria Internazionale S.p.A.” means a bank incorporated under the laws of Italy as a *“società per azioni”*, with a sole shareholder, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 71,817,500.00 fully paid up, tax code and enrolment in the Companies Register of Treviso-Belluno number 04040580963, VAT Group “Gruppo IVA FININT S.P.A.” - VAT number 04977190265, registered in the Register of the Banks under number 5580 pursuant to article 13 of the Consolidated Banking Act and in the

Register of the Banking groups as Parent Company of the Banca Finanziaria Internazionale Banking Group, member of the “Fondo Interbancario di Tutela dei Depositi” and of the “Fondo Nazionale di Garanzia”.

“**Base Case**” means the Initial Base Case or the relevant Updated Base Case, as the case may be.

“**Base Equity**” means the Eligible Equity injected into the Issuer.

“**Bond Life Cover Ratio**” or “**BLCR**” means, in respect of any Calculation Date, the ratio of “A” to “B” where:

- (a) “A” is the aggregate of (1) the net present value (calculated at the weighted average cost of debt of the Issuer under the Notes and discounted on the same manner as in the Base Case) of Cash Available for Debt beginning on the relevant Calculation Date and ending on the Final Maturity Date, and (2) the positive balance(s) (if any) of the DSRA on the relevant Calculation Date; and
- (b) “B” is Principal Amount Outstanding of the Notes on the relevant Calculation Date.

“**BLCR Trigger**” means that the BLCR is lower than 1.30:1 on any Calculation Date.

“**Business Day**” means a day (other than Saturday or Sunday or a public holiday in Italy, France or in the United Kingdom) on which banks are generally open for business in Rome, Milan, Paris and London if, on that day, a payment in or a purchase of Euro is to be made, is at the same time a TARGET Day.

“**Cable Supply Agreement**” means the agreement for the supply of the cables needed for the construction of the Plant to be entered into by and between Renexia Services and the Cable Supply Contractor.

“**Cable Supply Contractor**” means Nexans Deutschland GmbH or Prysmian S.p.A.

“**Calculation Agency Agreement**” means the agreement to be entered into between the Issuer and the Calculation Agent for the services to be rendered by this latter under the Notes.

“**Calculation Agent**” means Banca Finanziaria Internazionale S.p.A.

“**Calculation Amount**” has the meaning ascribed to it in Clause 2.1 (*Denomination and Price*).

“**Calculation Date**” means each 30 June and 31 December, starting and including the First Calculation Date.

“**Capital Increase**” any cash subscription for shares (*aumento di capitale*) of, or any other form of equity contribution (*versamento in conto capitale*) to, the Issuer by any Shareholder (directly or indirectly).

“**Cash Available for Debt**” means, in respect of the 12-month period ended on the relevant Calculation Date for the historic ADSCR and in respect of the 12-month period beginning on the relevant Calculation Date for the forward ADSCR, A minus B, where:

- (i) A is the aggregate Project Revenues received by the Issuer for the purposes of calculating the historic ADSCR and expected to be received by the Issuer (as projected by the Initial Base Case or, subsequently, the Updated Base Case) for the purposes of calculating the forward ADSCR (without double counting and disregarding any VAT reimbursement or compensation) during the relevant period; and
- (ii) B is the aggregate of all amounts paid by the Issuer for the purposes of calculating the historic ADSCR and payable by the Issuer (as projected by the Initial Base Case or,

subsequently, the Updated Base Case) for the purposes of calculating the forward ADSCR during the relevant period in respect of Operating Costs expected to be paid by the Issuer (without double counting).

“Cash Trap Lockup Account” means the bank account opened in the name of the Issuer with the Depository Bank, having IBAN no. IT54 S030 6915 5041 0000 0006 174.

“Change in Law” means a change in the interpretation, administration or application of, any law or regulation in relation to the Feed-in Tariff occurring after the Issue Date having the effect to reduce, limit or partially revoke, also in perspective, the Feed-in Tariff.

“Change of Control” means:

- (i) for the period starting from the Issue Date and ending on the date falling two years after COD (included), TOTO Holding ceases to hold, directly or indirectly, at least 51% of the share capital of the Issuer; and
- (ii) for the period starting from the date falling two years after COD (excluded) and thereafter, TOTO Holding ceases to hold, directly or indirectly, at least 51% of the share capital of the Issuer unless the new entity (directly or indirectly) controlling the Issuer is a Permitted Transferee.

“COD” means the date on which the Plant enters into operation and starts producing electricity following connection to the distribution system as confirmed in writing to the Noteholders’ Representative by the Technical Advisor.

“Completion Date” means, with respect to the Plant, the date on which all the following conditions have been fulfilled:

- (i) *"Wind Farm Take Over Certificate"* (as defined under the EPC) has been issued and executed in accordance with the terms and conditions of the EPC as confirmed to the Noteholders by the Technical Advisor;
- (ii) all construction work related to the Project (other than any snagging type items (i) with a value not exceeding EUR 500,000 (as determined by the Technical Advisor), or (ii) approved by the Technical Advisor) have been duly completed in accordance with the terms of the relevant Project Documents;
- (iii) all Project Costs have been duly paid (excluding in relation to any snagging type items (i) with a value not exceeding EUR 500,000 (as determined by the Technical Advisor), or (ii) approved by the Technical Advisor);
- (iv) no Relevant Event has occurred that is continuing;
- (v) no claim or dispute which has or is reasonably likely to have a monetary impact exceeding EUR 250,000 remains outstanding under the Project Documents;
- (vi) an amount equal to at least the DSRA Balance Target is standing to the credit of the Debt Service Reserve Account; and
- (vii) the COD is occurred.

“Compliance Certificate” means a certificate substantially in the form set out in Annex G:

- (i) not to be audited by an auditing firm acceptable to the Noteholders when delivered with reference to the Calculation Date falling on each 30 June; and
- (ii) to be audited by an auditing firm acceptable to the Noteholders when delivered with reference to the Calculation Date falling on each 31 December.

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

"Construction Budget" means the initial construction budget in form consistent with the Base Case and approved by the Noteholders.

"Debt Service" means, with respect to any Calculation Date, the aggregate of (i) the amounts of Principal Amount Outstanding of the Notes to be redeemed; (ii) the Interest Amounts; and (iii) all fees and costs accrued or payable under the Finance Documents.

"Debt Service Reserve Account" or "DSRA" means the bank account opened in the name of the Issuer with the Depositary Bank, having IBAN no. IT31 T030 6915 5041 0000 0006 175.

"Default Interest" has the meaning ascribed to it in Clause 5.1 (*Interest*).

"Default Early Redemption Date" means the date indicated under the Default Early Redemption Request to be sent by the Noteholder's Representative to the Issuer under Clause 9 (*Relevant Event*) upon which the Notes shall become immediately due and payable with respect to the then Principal Amount Outstanding, *plus* interest accrued and unpaid thereon.

"Default Early Redemption Request" has the meaning ascribed to it in Clause 9.2 (*Relevant Event*).

"Depositary Bank" means Intesa Sanpaolo S.p.A., with registered office at piazza San Carlo, 156 - 10121 Torino (Italy) VAT no. 11991500015 (IT11991500015).

"Development Costs" means all costs which the Sponsor and its affiliates have incurred on the Issuer's behalf in developing the Plant (including, among others, internal costs such as salaries etc.) prior to the Issue Date as confirmed by the Technical Advisor.

"Direct Agreements" means, jointly, the EPC Direct Agreement, O&M Direct Agreement, the O&M BOP Direct Agreement and the TSA Direct Agreement.

"Distribution" means a transfer from the Proceeds Account to the Distribution Account to be made in accordance with this Terms and Conditions and for the purpose of:

- (i) any payment of dividends or other distribution (whether in cash or in kind) and any bonus issue or any return of capital (including capital reserves) including any payment in respect, or on the redemption, of any share capital whether at a premium or otherwise including any repayment of any amount paid as *versamenti in conto futuro aumento capitale*; and
- (ii) any payment, including by way of set-off of interest, principal or any other amount in respect of Shareholders Loans, including any purchase by the Issuer of any Shareholders Loans.

"Distribution Account" means the bank account opened in the name of the Issuer with the Depositary Bank, having IBAN no. IT82 V030 6915 5041 0000 0006 177.

"Distribution Conditions" means the following conditions to be met to proceed with a Distribution:

- (i) the First Repayment Date has occurred and the relevant Principal Amount Outstanding of the Notes has been timely paid;

- (ii) Completion Date has been achieved;
- (iii) the First Calculation Date has occurred;
- (iv) the proposed Distribution will occur within 20 Business Days from the date all the Distribution Conditions have been satisfied to the satisfaction of the Noteholders' Representative;
- (v) the Updated Base Case, the Technical Advisor Operating Monitoring Report, the Technical Advisor Construction Monitoring Report and the Compliance Certificate relating to the immediately preceding Calculation Date have been approved by the Noteholders' Representative;
- (vi) the Debt Service due and payable on the relevant Interest Payment Date has been duly paid by the Issuer;
- (vii) no ADSCR Trigger or BLCR Trigger has occurred and is continuing;
- (viii) the positive balance of the DSRA is equal to or greater than the DSRA Balance Target;
- (ix) the positive balance of the MRA is equal to or greater than and the MRA Balance Target;
- (x) the Issuer has made all the payments in compliance with Clause 4.2 (*Payments from the Proceeds Account*) of Annex (C) (*Accounts Management*) of this Terms and Conditions;
- (xi) the amount standing to the credit of the Proceeds Account is sufficient to cover the Operating Costs falling due for payment in the following three months as confirmed by the Technical Advisor;
- (xii) no Permitted Equity Cure has been made in the 12 months preceding the Distribution;
- (xiii) the Issuer is compliant with Clause 6.2.1 (*Cash Trap*) of this Terms and Conditions;
- (xiv) the Feed-In Tariff Concession has been executed;
- (xv) no Potential Relevant Event or Relevant Event has occurred and is continuing or would result from the making of such Distribution.

"Drawdown Account" means the bank account opened in the name of the Issuer with the Depository Bank, having IBAN no. IT03 Q030 6915 5041 0000 0006 172.

"DSRA Balance Target" means, on the first Utilisation Date and on any following Calculation Date, an amount equal to 50% (fifty per cent.) of the Debt Service due on the two Interest Payment Dates immediately following the relevant Calculation Date.

"Early Redemption Date" means, as the case may be, an Optional Early Redemption Date and a Default Early Redemption Date.

"Economic Assumptions" means the economic assumptions (including, without limitation those relating to interest rates, inflation, rates of taxation and VAT) incorporated in the Base Case.

"Eligible Equity" means, from time to time, the aggregate of the amount of:

- (i) the Issuer's paid up quota capital and any equity reserve such as, without limitation, those relating to *versamenti a fondo perduto* o *versamenti in conto futuro aumento di capitale*, taking into account the relevant operating income and loss; and
- (ii) the principal amount of all outstanding Shareholder Loans which are Satisfactorily Subordinated.

“Environmental Claim” means any written claim by any person in connection with a breach, or alleged breach, of any Environmental Law.

“Environmental Law” means all directly applicable EU and/or Italian (whether national or local) laws, regulations, decrees, instructions, standards set out by any environmental authority concerning the protection of the environment, including, but not limited to:

- (iii) the conditions of the air, soil, subsoil, groundwater and superficial water;
- (iv) generation, transportation, storage, treatment, management or disposal of any solid or liquid waste (either urban or special) and of any Hazardous Substances;
- (v) the conditions of the workplace;
- (vi) harm to or the protection of human health; or
- (vii) clean-up or remediation of any environmental contamination,

to any extent applicable to the Issuer and/or the Plant and/or the sites where the Plant is located.

“EPC” means the *“Engineering, Procurement and Construction Agreement”* entered into by and between the Issuer and the EPC Contractor on 22 December 2020.

“EPC Contractor” means Renexia Services.

“EPC Direct Agreement” means the direct agreement to be entered into pursuant to the EPC.

“Equity Subordination Agreement” means the agreement to be entered into by and between the Sponsor and the Noteholders to regulate, *inter alia*, the subordination of the Shareholder Loans and the Capital Increase.

“Excess Cash” means, on any relevant Calculation Date, all amounts deposited with the Proceeds Account on that Calculation Date in excess of the amount necessary to make all the payments from item (i) to (xii) (included) under Clause 4.2 (*Payments from the Proceeds Account*) of Annex (C) (*Accounts Management*) plus the Operating Costs falling due for payment in the three-month period commencing on the day immediately following the relevant Calculation Date, as projected in the most recently delivered Operating Budget.

“Expropriation Decree” means the expropriation decree No. 88 issued on 3 March 2020 by the Campania Region in favour of the Issuer in relation to the Site.

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

“ExtraMOT PRO³” means the segment of the ExtraMOT for the growth of small and medium-sized enterprises in the ExtraMOT market, devoted mainly to the issue of bonds and debt securities by companies not listed on regulated markets or by small and medium-sized enterprises or having an issue value of less than Euro 50 million euro and reserved exclusively to Qualified Investors.

“ExtraMOT PRO³ Regulation” means the ExtraMOT PRO³ regulation issued by the Italian Stock Exchange in force from 16 September 2019, as subsequently amended and supplemented.

“EU Insolvency Regulation” means the European Regulation 2015/848.

“Feed-in Tariff” means the feed-in tariff granted for the production and delivery of power to the Italian power grid through plants using renewable, in accordance with the New FER Decree and awarded to the Issuer under the Auction Procedure equal to 66.843 €/MWh.

“Feed-in Tariff Concession” means the concession agreement to be executed between the Issuer and the GSE, pursuant to the terms and conditions set forth under the New FER Decree, for the payment of the Feed-in Tariff in relation to the Plant.

“Final Maturity Date” has the meaning ascribed to it in Clause 4 (*Issue Date and Final Maturity Date*).

“Finance Documents” means this Terms and Conditions, the Subscription Agreement, the Equity Subordination Agreement, the Security Package, the Arranging Fee Letter, the Noteholders’ Representative Fee Letter, the Noteholders’ Representative Appointment Agreement, the Calculation Agency Agreement, the Payment Agency Agreement, the Direct Agreements and any other document entered into by the Issuer in the context of the Notes.

“Finance Parties” means the Noteholders, the Noteholders' Representative, the Arrangers and the Calculation Agent.

“Financial Indebtedness” means any indebtedness, although not yet due or payable for or in respect of (without double counting):

- (i) any amount arising from any kind of loan, or borrow of moneys borrowed;
- (ii) any amount raised by acceptance under any acceptance credit facility (*credito di firma*);
- (iii) any amount raised pursuant to any note purchase facility or the issuance of bonds, notes, convertible bonds debentures, loan stock or any other financial instrument provided by the applicable law;
- (iv) any amount related to any liability with respect to any lease other than operating leases of vehicles, plant, equipment or computers which are in effect as at the Issue Date, or hire purchase contract, which would, in accordance to Italian GAAP, be treated as a finance or capital lease;
- (v) any amount arising from any receivable sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a loan;
- (vii) any derivative transaction entered into for the purpose of the protection against or benefit from fluctuation of any rate or price (and, when calculating the value of any derivative transaction, only the market value shall be taken into account);
- (viii) any counter-indemnity obligation in respect of a corporate guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a company (other than the Issuer), which liability would fall under one of the other paragraphs of this definition; and
- (ix) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above.

“First Calculation Date” means the date falling on the earlier of 30 June or 31 December after 12 months following the COD.

“First Interest Payment Date” means the Interest Payment Date falling on 30 June 2021.

“First Interest Period” has the meaning ascribed to it in the definition *“Interest Period”*.

“First Repayment Date” has the meaning ascribed to it under Clause 6.1 (*Redemption*).

“Force Majeure Event” means an event of force majeure as defined in or contemplated by any Project Contract.

“Funding Shortfall” means, on any date, that the amounts standing to the credit of the Proceeds Account and the Drawdown Account are less than the aggregate of the remaining unpaid Project Costs pursuant to the applicable Construction Budget.

“Funds Flow Statement” means a funds flow statement in form and substance satisfactory to the Noteholders.

“Gearing Ratio” means, at any time, the ratio of:

- (a) the aggregate Principal Amount Outstanding; and
- (b) the sum of the aggregate Principal Amount Outstanding and of the Base Equity.

“Good Industry Practice” means the exercise of that degree of skill, diligence, prudence, foresight and operating practice which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking as the construction and operation of the Plant require under the same or similar circumstances in Italy.

“GSE” means Gestore dei Servizi Energetici – GSE S.p.A.

“Imposta Sostitutiva” means the tax provided by Article 15 and following of the Italian Presidential Decree (DPR) No. 601 of 29 September 1973, as amended from time to time.

“Initial Base Case” means the Excel audited financial model agreed between the Issuer and the Initial Noteholders and audited by the Model Auditor providing detailed financial projections (taking into account the Feed-in Tariff projections) relative to the project contained in a CD Rom initialized by the director(s) of the Issuer based on *inter alia* Technical Assumptions and Economic Assumptions, deposited with, and available at the registered office of, the Noteholders’ Representative or any other custodian agreed by the Issuer and the Noteholders.

“Initial Noteholders” means Foresight Group S.C.A. SICAV-SIF (*Société d’Investissement à Capital Variable - Fonds d’Investissement Spécialisé* with registered office at Luxembourg L-2320, 68-70 Boulevard de la Pétrusse registered with number B220950) and Rivage Euro Debt Infrastructure High Return with registered office at 5 Rue Drouot, 75009 – Paris (France).

“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, under the Italian Bankruptcy Law and including but not limited to the following procedures: *fallimento*, *concordato preventivo*, *liquidazione coatta amministrativa*, and *amministrazione straordinaria delle grandi imprese in stato di insolvenza*.

“Insurance Advisor” means AON as insurance advisor of the Noteholders.

“Insurance Endorsement Clauses” means the relevant clauses in favour of the Noteholders, including the loss-payee clauses where applicable, to be incorporated in each Insurance Policies (where applicable), as indicated under Annex D.

“Insurance Policies” means any or all of the contracts of insurance which the Issuer is required from time to time to procure and maintain pursuant to Annex D.

“Insurance Proceeds” means any amount payable to the Issuer by the relevant insurance company under the Insurance Policies.

“Intellectual Property” means:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, know-how and other intellectual property rights and interests, whether registered or unregistered; and
- (b) any licenses and rights to use the property identified in paragraph (a) above.

“Interconnection” has the meaning ascribed to this term under the EPC.

“Interconnection Agreement” means the interconnection agreement to be entered into between the Issuer and Terna, relating to the connection of the Plant to the national power grid (*Rete di Trasmissione Nazionale*).

“Interconnection Date Deadline” means the guaranteed date to achieve the Interconnection, being 10 February 2022.

“Interest Amount” means the amount payable as interest on the Notes, calculated by the Calculation Agent (or, upon failure by this latter to calculate, by the Noteholders), by applying the Interest Rate on an ACT/ACT ICMA to the then Principal Amount Outstanding of the Notes.

“Interest Payment Date” has the meaning ascribed to it in Clause 5.1 (*Interest*).

“Interest Period” means each period from (and including) each Interest Payment Date to (but excluding) the immediately following Interest Payment Date, provided that the first Interest Period will begin (and include) the Issue Date and end on (but exclude) the First Interest Payment Date (the **“First Interest Period”**).

“Interest Rate” means, *per annum*, on an ACT/ACT ICMA:

- (a) the product of 75% (seventy-five per cent.) of the Principal Amount Outstanding of each Note multiplied by a fixed rate at 4.95%; plus
- (b) the product of 25% (twenty-five per cent.) of the Principal Amount Outstanding of each Note multiplied by the aggregate of (i) the Reference Rate and the (ii) the Margin.

“Interest Rate Fixing Date” means, with respect to each Interest Period, the second Business Day preceding an Interest Payment Date upon which the relevant Interest Period starts.

“Issue Date” has the meaning ascribed to it in Clause 4 (*Issue Date and Final Maturity Date*).

“Issue Price” has the meaning ascribed to it in Clause 2.1 (*Denomination and Price*).

“Issuer” means Parco Eolico Casalduni House S.r.l., a limited company (*società responsabilità limitata, con socio unico*) incorporated under the laws of the Republic of Italy, with registered office in Viale Abruzzo, 410, 66100 Chieti (CH), Italy, tax code, VAT number and registration number with the Company Register of Chieti-Pescara No. 01527100620, share equal to Euro 40,000, REA No. 189160.

“Issuer Website” means www.totoholding.it.

“Italian Bankruptcy Law” means the Italian Royal Decree no. 267, dated March 16, 1942, as subsequently amended and supplemented and, starting from the date on which Royal Decree No. 267 of 16 March 1942 will become ineffective, the code of corporate crisis and insolvency set out in Legislative Decree 12 January 2019 No. 14, implementing law No. 155 of 19 October 2017 (*“Codice della Crisi di Impresa e dell’Insolvenza”*) as subsequently amended and supplemented.

“Italian Consolidated Financial Act” means the Italian Legislative Decree no. 58, dated February 24, 1998, as subsequently amended and supplemented.

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

“Land Costs” means all costs (including deposits) incurred by the Issuer in acquiring land or interests in for the construction and operation of the Plant prior to the Issue Date as confirmed by the Technical Advisor.

“Lands Agreements” means, jointly, all the agreements executed by and between the Issuer and the relevant landowners of the lands where the Plant will be built to grant the Issuer title over such lands for the purposes of build and operate the Plant.

“Legal Advisor” means Studio Legale Bird & Bird as legal advisor of the Noteholders.

“Legislative Decree 231” means Italian Legislative Decree No. 231/2001, as amended and/or integrated from time to time.

“Liens” means any guarantee, mortgage, pledge, charge or lien or privilege on assets (including any form of destination and segregation of assets).

“Liquidated Damages” means any sum payable to or received by the Issuer in the nature of damages or compensation under, in relation to or in connection with (i) the EPC, the TSA, the O&M, the O&M BOP, the MSA, the Cable Supply Agreement, the Substation Agreement and the PPA excluding any Insurance Proceeds, or (ii) the partial or total nationalization, expropriation or compulsory purchase of any interest in the Plant or (iii) refusal, revocation, suspension or modification of any Authorization.

“Long Stop Date” means 31 July 2022.

“Long Term PPA” means each power purchase agreement for the sale of the electricity produced by the Plant the Issuer may enter into in accordance with the Terms and Conditions having a tenor longer than 12 months.

“Long Term PPA Direct Agreement” means the direct agreement to be entered into, in form and substance satisfactory to the Noteholders, by and between the Issuer, the relevant Long Term PPA Offtaker and the Noteholders in relation to any Long Term PPA in accordance with this Terms and Conditions.

“Majority Noteholders” means a Noteholder or Noteholders holding Notes representing more than 75% of the Principal Amount Outstanding.

“Major Project Documents” means, jointly:

- (i) the EPC;
- (ii) the O&M;
- (iii) the TSA;
- (iv) the O&M BOP;
- (v) the Feed-in Tariff Concession (when executed in accordance with this Terms and Conditions);
- (vi) each PPA;

- (vii) the Cable Supply Agreement;
- (viii) the Substation Agreement;
- (ix) the Interconnection Agreement; and
- (x) any bond issued in favour of the Issuer or Renexia Services pursuant to the terms of a Major Project Document to support the obligations of the Issuer or Renexia Services's counterparty under the relevant Major Project Document;
- (xi) all replacements of any of the foregoing.

"Major Project Parties" means, jointly:

- (i) the EPC Contractor;
- (ii) the O&M Contractor;
- (iii) the TSA Contractor;
- (iv) the O&M BOP Contractor;
- (v) the GSE;
- (vi) each PPA Offtaker;
- (vii) the Cable Supply Contractor;
- (viii) the Substation Contractor;
- (ix) Terna under the Interconnection Agreement; and
- (x) any guarantor providing any guarantee under the relevant Major Project Document in favour of the Issuer or Renexia Services (which is not a bank or an insurance company as long as such entities have, at any time, a minimum rating equal or higher than BBB (as rated by S&P, Fitch or Moodys')) or successor of the foregoing.

"Maintenance Reserve Account" or **"MRA"** means the bank account opened in the name of the Issuer with the Depositary Bank, having IBAN no. IT08 U030 6915 5041 0000 0006 176.

"Management Service Agreement" or **"MSA"** means the agreement entered into between the Issuer and the MSA Contractor for the management and supervision of the engineering, procurement, design, construction, commissioning, testing, completion, maintenance and operation of the Plant on or about the Issue Date.

"Margin" means 4,75% (475 bps) *per annum*.

"Material Adverse Effect" means, with respect to an event that has already occurred, an effect which results (in the Noteholders' reasonable opinion, acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) in a material adverse change in: (i) the business, performance, financial conditions, operations of the Issuer; (ii) the operation of the Plant; (iii) the ability of the Issuer to perform any of its payment obligations under the Finance Documents; and (iv) the validity, effectiveness, ranking or enforceability of any Finance Documents.

“Maximum Gearing Ratio” means a Gearing Ratio not greater than 90:10.

“Minimum Denomination” has the meaning ascribed to it in Clause 2.1 (*Denomination and Price*).

“Model Auditor” means PricewaterhouseCoopers.

“Modified Following Business Day Convention - Unadjusted” means, for the First Interest Payment Date and any Interest Payment Date that falls on a day that is not a Business Day, that any payment due on the First Interest Payment Date or such Interest Payment Date will be postponed to the next day that is a Business Day; provided that, if such day would fall in the next succeeding calendar month, the date of payment with respect to such Interest Payment Date will be advanced to the Business Day immediately preceding such Interest Payment Date.

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

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

“Mortgage” means the first ranking mortgage (*ipoteca di primo grado*) established by the Issuer over the lands where the WTGs are to be located in favour of the Noteholders, entered into on or about the Issue Date.

“MRA Balance Target” means the amount indicated, from time to time, under each Operating Report as confirmed by the Technical Advisor to be credited to the MRA.

“MSA Contractor” means Renexia S.p.A.

“New FER Decree” means the Ministry of Economic Development Decree dated 4 July 2019 (as from time to time amended and/or integrated and/or implemented by way of GSE technical rules or otherwise).

“Nominal Amount” has the meaning ascribed to it in Clause 2.1 (*Denomination and Price*).

“Noteholders” means the beneficial owner(s) of the Notes at any time.

“Noteholders’ Representative” has the meaning ascribed to it in Clause 13 (*Meetings of the Noteholders*).

“Noteholders’ Representative Appointment Agreement” means the appointment agreement entered into between the Initial Noteholders, Issuer and the first Noteholders’ Representative on or about the Issue Date.

“Noteholders’ Representative Fee Letter” means the fee letter entered into between the Issuer and the first Noteholders’ Representative on or about the Issue Date.

“Notes” means the Euro 49,100,000 secured notes due December 31, 2029, issued by the Issuer.

“O&M” means the *"Full maintenance services agreement"* entered into between the Issuer (as client) and the O&M Contractor on 8 June 2020.

“O&M BOP” means the *"Wind farm turnkey operation and maintenance contract"* entered into between the Issuer and the O&M BOP Contractor on 22 December 2020.

“O&M BOP Contractor” means Renexia Services.

“O&M BOP Direct Agreement” means the direct agreement to be entered into pursuant to the O&M BOP.

“O&M Contractor” means Siemens Gamesa Renewable Energy Wind S.r.l.

“O&M Direct Agreement” means the direct agreement to be entered into pursuant to the O&M.

“Operating Budget” means the semi-annual budget detailing the Operation Costs in form consistent with the Base Case and approved by the Noteholders.

“Operating Costs” means:

- (i) all costs and expenses expected to be incurred by the Issuer in connection with the operation, management, maintenance, asset management and repair of the Plant as set out in, and within the limit of, the Operating Budget including:
 - (a) operating and maintenance costs and expenses detailed in the Operating Budget;
 - (b) amounts payable under the Project Documents (of an operating nature) detailed in the Operating Budget (including any amounts due and payable to the GSE under the Feed-in Tariff Concession and any cost due by the Issuer to the GSE pursuant to article 7.7 of the New Fer Decree and article 3.2.6, point 2, of the *Regolamento Operativo per l'accesso agli incentivi del DM 4 luglio 2019* dated 27 September 2019);
 - (c) *premia* payable in respect of Insurance Policies following the Completion Date detailed in the Operating Budget;
 - (d) Land Costs from the Issue Date detailed in the Operating Budget;
 - (e) costs and expenses due under any Authorization from the Issue Date detailed in the Operating Budget;
 - (f) administrative, legal, notarial, management, accounting and employee costs detailed in the Operating Budget;
 - (g) any capital expenditure detailed in the Operating Budget;
 - (h) Taxes (excluding VAT);
 - (i) VAT payable in respect of any items listed in letters (a) to (d) (included), (f) and (g) above and letter (j) below or payable to the competent Italia tax authority (except for the purposes of calculating the Target Ratios Conditions); and
- (ii) all other costs and expenses agreed by the Noteholders' Representative, but excluding the following:
 - (a) any costs, interest and fees due by the Issuer under the Finance Documents;
 - (b) any principal amount due by the Issuer under the Finance Documents;
 - (c) amounts incurred or paid in respect of Shareholders Loans;
 - (d) any amounts paid as Distributions;
 - (e) depreciation, other non-cash charges, reserves, amortization of intangible and similar book-keeping entries; and
 - (f) all reinstatement or repair of work that is paid for by physical damage insurance proceeds.

“Optional Early Redemption Date” has the meaning ascribed to it in Clause 6.4 (*Option Early Redemption*).

“Operating Report” has the meaning ascribed to it in Annex A (*Updated Base Case and Reports*).

“Permitted Equity Cure Amount” means the aggregate amount:

- (a) subscribed for by the Sponsor for quotas in the Issuer; or
- (b) lent to the Issuer by the Sponsor by way of a Shareholder Loan which are Satisfactorily Subordinated,

in order to cure the Relevant Event under Clause 9.1(gg) (*ADSCR and BLCR*) and Clause 9.1(jj) (*Funding Shortfall*).

“Permitted Transferee” means:

- (i) any person, or a wholly owned (direct or indirect) subsidiary of that person, which complies at the time of the transfer with the following conditions (in form and substance satisfactory to the Noteholders):
 - (a) for the 3 preceding years it has owned and operated wind power plants with an installed capacity of at least 150MW of which 50MW located in Italy or is an international investor which, for the preceding 18 months has owned and operated wind power plants located in Europe with an installed capacity of at least 250MW; and
 - (b) its primary place of business is not in a jurisdiction being on the OECD tax-haven blacklist or the list of non-cooperative countries and territories of Financial Action Task Force money laundering (or any successor list replacing any of the aforementioned lists);
 - (c) it is, at the time of the transfer, not involved, or publicly threatened by a public body or authority to be involved, in any litigation for its fraud, misrepresentation to public bodies or authorities, or criminal offences under Italian laws or the laws of the country of its incorporation;
 - (d) it is not a Restricted Party;
 - (e) it is, at the time of the transfer, not involved in any pending litigation with any of the Finance Parties and it has not threatened in writing to start a litigation with any of the Finance Parties;
 - (f) it complies with any applicable know your customer requirements and it satisfies all the know your customer requirements of the Noteholders;
- (ii) any other entity or person approved by the Noteholders’ Representative (acting reasonably).

“Paying Agent” means Banca Finanziaria Internazionale S.p.A..

“Payment Agency Agreement” means the agreement to be entered into between the Issuer and the Paying Agent for the services to be rendered by this latter under the Notes.

“Payment of Subscription Price Date” means the date upon which the Subscription Price is paid to the Issuer.

“Permitted Indebtedness” means the (i) Notes, (ii) any Shareholders Loan Satisfactorily Subordinated, (iii) any Financial Indebtedness (including any guarantee) of the Issuer incurred in for the compliance of mandatory provisions of law or regulation in connection with the

Authorizations for the construction and operation of the Plant, (iv) any Financial Indebtedness arising under or in respect of any Permitted Security, (iv) Financial Indebtedness deriving from the assignment of the VAT receivables *pro soluto* to a bank or any other financial institution; (v) Financial Indebtedness deriving from the VAT Loan; and (vi) any Financial Indebtedness not permitted by the preceding paragraphs and the outstanding principal amount of which does not exceed Euro 250,000 (or its equivalent) in aggregate at any time.

“Permitted Investments” means:

- (a) securities issued or fully guaranteed or fully insured by the Republic of Italy if rated not less than BBB- by S&P, Baa3 by Moody's and equivalent by Fitch;
- (b) securities issued or fully guaranteed or fully insured by other states or countries, if rated not less than A- by S&P or A3 by Moody's or equivalent by Fitch or any agency of any of them having an equivalent credit rating;
- (c) commercial paper or other debt securities issued by an issuer rated at least A- by S&P or A3 by Moody's;
- (d) certificates of deposit or time deposits of any commercial bank (which has outstanding debt securities rated as referred to in paragraph (b) above); and
- (e) any other short term, creditworthy and liquid investments previously agreed in writing by the Noteholders' Representative,

provided that these investments:

- (i) have a maturity that does not exceed the earlier of 6 months and the end of the then current Interest Period, from the date of acquisition;
- (ii) are not subject to any security (other than the Permitted Security);
- (iii) are denominated and payable in Euro;
- (iv) the proceeds of which are capable of being remitted to the Issuer in Italy.

“Permitted Security” means:

- (a) any security under the Security Package;
- (b) any lien arising by operation of law (including guarantees to be provided for the purposes of obtaining VAT reimbursement);
- (c) the guarantee No. 20/18186425, dated 29 June 2020 issued by BPER Banca S.p.A. in the interest of the Issuer and in favour of the GSE for the purpose of participating to the Auction Procedure ("*cauzione provvisoria*") until the date in which is discharged;
- (d) the guarantee issued in the interest of the Issuer and in favour of the GSE for the purpose of securing the execution of the works for building the Plant ("*cauzione definitiva*") until the date in which is discharged;
- (e) any assignment of VAT receivables made in favour of the VAT Loan provider of the VAT loan exclusively to secure the Issuer's obligations under the VAT Loan;
- (f) any other security established by the Issuer with the prior written consent of the Noteholders' Representative.

“Plant” means the wind farm to be located in the Municipality of Casalduni (Campania Region having an authorized and installed capacity equal to 34.65MW composed of No. 10 WTGs and the relevant connection facilities.

“Pledge over Accounts” means the pledge over the Accounts (with exclusion of the Distribution Account) in favour of the Noteholders, entered into on or about the Issue Date.

“Pledge over Quotas” means the pledge over 100% of the quotas of the Issuer in favour of the Noteholders, entered into on or about the Issue Date.

“Potential Relevant Event” means any event or circumstance which could become a Relevant Event in the reasonable opinion of the Noteholders.

“PPA” means any Short Term PPA or Long Term PPA.

“PPA Offtaker” means any offtaker under any PPA.

“Principal Amount Outstanding” means, at any relevant date, the total Calculation Amount for all the Notes *minus* the aggregate of all repayments of principal made on the relevant Note.

“Proceeds Account” means the bank account opened in the name of the Issuer with the Depositary Bank, having IBAN no. IT77 R030 6915 5041 0000 0006 173.

“Progress Report” has the meaning ascribed to it in Annex A (*Updated Base Case and Reports*);

“Project” means the financing of the construction of the Plant through the issuance of the Notes.

“Project Costs” means all costs, expenses and fees properly incurred or to be incurred by the Issuer under the EPC Contract together with any other costs, expenses and fees as set out in the Base Case, properly incurred by the Issuer as certified by the Technical Advisor as construction costs in relation to the Plant, and any amount payable by the Issuer under the Finance Documents until and including the Completion Date.

“Project Documents” means each of the following documents:

- (a) the EPC;
- (b) the O&M;
- (c) the TSA;
- (d) the O&M BOP;
- (e) the MSA;
- (f) the Cable Supply Agreement;
- (g) the Substation Agreement;
- (h) the Interconnection Agreement;
- (i) the Feed-in Tariff Concession (when executed);
- (j) the Lands Agreements;
- (k) the Expropriation Decree;
- (l) any Insurance Policy;
- (m) any PPA;

- (n) any bond issued in favour of the Issuer or the Sponsor pursuant to the terms of a Project Document to support the obligations of the Issuer or Sponsor's counterparty under the relevant Project Document;
- (o) all replacements of any of the foregoing.

"Project Revenues" means, in relation to any period, all amounts to be paid to or received by the Issuer (excluding, for the avoidance of doubt, any amounts made available under the Finance Documents):

- (a) under any Project Document (including the Feed-in Tariff and any bond issued in favour of the Issuer pursuant to the terms of a Project Document to support the obligations of the Issuer's counterparty under the relevant Project Document but excluding any payment received under the Interconnection Agreement);
- (b) as interest on the Accounts;
- (c) as Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties);
- (d) as Liquidated Damages (excluding any performance liquidated damages and delay liquidated damages provided under the Project Documents);
- (e) as Tax refunds (other than VAT refunds);
- (f) revenues deriving from a Permitted Investment; and
- (g) being a revenue from the Plant, not falling in any of the above,

all the above items shall be considered on a cash basis.

"Qualified Investors" means the subjects listed in annex II, part I and II of the directive 2014/65/UE ("**Mifid II**") and which are compliant with the qualification of "*investitori professionali soggetti a vigilanza prudenziale*" provided under Article 2483 of the Italian Civil Code. These subjects are "qualified investors" (*investitori qualificati*) as described in article 100 of the Italian Consolidated Financial Act which, considering the reference to article 34-ter of Consob Regulation No. 11971 dated 14 May 1999 and article 35 of Consob Regulation No. 20307 dated 15 February 2018, are equivalent to "*professional clients*" (*clienti professionali*) under the provisions of Mifid II.

"Reference Banks" means IntesaSanpaolo S.p.A., Unicredit S.p.A, and Banca Nazionale del Lavoro S.p.A.

"Reference Rate" means, as calculated by the Calculation Agent (or, upon failure by this latter to calculate, by the Noteholders), (A) with respect to each Interest Period other than the First Interest Period, (a) the interbank offered rate for six month deposits in Euro, as obtained by the Euribor Panel Steering Committee, which appears at or about 11:00 (Brussels Time) of the Interest Rate Fixing Date on Reuters page EURIBOR01, (ACT/360) or (b) if no rate is available at such time on page EURIBOR01 for the purposes of paragraph (a) above, the rate, offered for six-month Euro deposits, corresponding to the arithmetic mean (rounded up to the next sixteenth of a per cent.) of the rates offered by at least two of the Reference Banks of major banks in the Euro-zone inter-bank market at 11:00 (Brussels Time) of the Interest Rate Fixing Date; or (B) with respect to the First Interest Period, the linear interpolation between the two

interbank offered rates for deposits in Euro having the closest standard durations by rounding up and down with respect to the duration of the relevant Interest Period, obtained (a) by the Euribor Panel Steering Committee which appears at or about 11.00 a.m. Brussels time of the relevant Interest Rate Fixing Date on Reuters or (b) if no rate is available at such time on Reuters, the rate corresponding to the arithmetic mean (rounded up to the next sixteenth of a per cent.) of the rates offered by at least two of the Reference Banks at 11:00 (Brussels Time) of the relevant Interest Rate Fixing Date; provided that, if have of the above interbank rates shall be substituted by any other rate, such substituting rate will apply. In case the EURIBOR calculated pursuant to this definition would be less than 0 (zero), it will be considered as being equal to 0 (zero).

“Reference Rate Replacement Event” means, in relation to the Reference Rate:

- (a) the methodology, formula or other means of determining that Reference Rate has in the reasonable opinion of the Noteholders materially changed;
- (b) the administrator of that Reference Rate publicly announces that it has ceased or will cease, to provide that Reference Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Reference Rate;
- (c) the supervisor of the administrator of that Reference Rate publicly announces that such Reference Rate has been or will be permanently or indefinitely discontinued;
- (d) the administrator of that Reference Rate or its supervisor announces that that Reference Rate may no longer be used; or
- (e) in the reasonable opinion of the Noteholders that Reference Rate is otherwise no longer appropriate for the purposes of calculating interest under this Terms and Conditions.

“Relevant Event” has the meaning ascribed to it in Clause 9.1 (*Relevant Events*).

“Relevant Market” means any other market proposed by the Issuer to the Noteholders’ Representative and approved in writing by the Noteholders’ Representative (acting upon instruction of the Noteholders) for the trading of the Notes where the Issuer may ask to have the Notes.

“Relevant Nominating Body” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them.

“Remediation Plan” means any remediation plan prepared by the Issuer and submitted to the Noteholders’ Representative providing in details measures and actions that the Issuer intends to take in order to effectively mitigate or remedy any Relevant Event, Potential Relevant Event or event having a Material Adverse Effect in accordance with this Terms and Conditions and taking into account the requirements brought up by the Noteholders’ Representative, on behalf of the Noteholders. Any Remediation Plan will be subject to the Noteholders’ Representative’s approval, which should not be unreasonably denied or delayed. The Issuer shall take any action reasonably required to (i) reflect in any Remediation Plan any reasonable Noteholders’ Representative’s suggestion and (ii) implement any Remediation Plan in accordance with its terms once it has been approved by the Noteholders’ Representative.

“Renexia Services” means Renexia Services S.r.l., with registered office at Chieti, Viale Abruzzo 410 (Italy), VAT no. 02533210692.

“Replacement Benchmark” means a benchmark rate which is:

- (a) formally designated, nominated or recommended as the replacement for a Reference Rate by:
 - (i) the administrator of that Reference Rate (provided that the market or economic reality that such benchmark rate measures is the same as that measured by that Reference Rate); or
 - (ii) any Relevant Nominating Body,and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Benchmark" will be the replacement under paragraph (ii) above;
- (b) in the reasonable opinion of the Noteholders, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Reference Rate; or
- (c) in the reasonable opinion of the Noteholders, an appropriate successor to a Reference Rate.

“Restricted Party” means a person that is:

- (a) listed on any Sanctions List or targeted by Sanctions (whether designated by name or by reason of being included in a class of person); or
- (b) located in or incorporated under the laws of any Sanctioned Country or any other country or territory that is the target of comprehensive, country- or territory-wide Sanctions; or
- (c) directly or indirectly owned or controlled by, or acting on behalf, at the direction or for the benefit of, a person referred to in (a) and/or (to the extent relevant under Sanctions) (b) above.

“Sanctioned Person” means any person who: (i) is a designated target of Sanctions or is otherwise a subject of Sanctions (including without limitation as a result of being (a) owned or controlled directly or indirectly by any person which is a designated target of Sanctions, or (b) organised under the laws of, or a citizen or resident of, any country that is subject to general or country-wide Sanctions (including without limitation Crimea, Cuba, Iran, North Korea, Sudan, South Sudan and Syria) (each a **“Sanctioned Country”**), or (c) acting or purporting to act on behalf of any of the persons listed under letters (a) and (b) above) not allowing to carry on business activities with entities organised in that country, or (ii) will, directly or indirectly, lend, invest, contribute or otherwise make available the proceeds of the Notes to or for the benefit of any target of Sanction.

“Sanctions” means any economic, financial or trade sanctions or restrictive measures enacted, administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC"), the United Nations Security Council ("UNSC"), the European Union ("EU"), or any present or future Member State thereof, Her Majesty's Treasury ("HMT"), Japan or the

Republic of Italy, including sanctions imposed against certain states, organizations and individuals under the European Union's Common Foreign and Security Policy.

“Sanctions Authority” means:

- (a) the Security Council of the United Nations;
- (b) the United States of America;
- (c) the European Union or any present or future member state thereof and/or France; and
- (d) the United Kingdom,

the respective government and official institutions or agencies of any of the above, including OFAC, the United States Department of State, and Her Majesty's Treasury or any other relevant sanctions authority.

“Sanctions List” means:

- (a) the lists of Sanctions designations and/or targets maintained by any Sanctions Authority; and/or
- (b) any other Sanctions designation or target listed and/or adopted by a Sanctions Authority,

in all cases, from time to time.

“Satisfactorily Subordinated” means that the relevant Shareholders Loan is subordinated in compliance with the terms and conditions under the Equity Subordination Agreement.

“Security Package” means each of the following security granted to the Noteholders to secure, *inter alia*, the payments of the Issuer under the Notes:

- (i) the Pledge over Quotas;
- (ii) the Mortgage;
- (iii) the Special Privilege;
- (iv) the Pledge over Accounts;
- (v) the Toto Guarantee (until it will be expired in compliance with the terms and conditions provided therein);
- (vi) the Assignment of Receivables; and
- (vii) the Insurance Endorsement Clauses.

“Security Period” means the period from the Issue Date to the date on which (notwithstanding any partial repayment of any amounts payable under the Finance Documents):

- (a) the Notes have been repaid or prepaid fully and unconditionally in accordance with the Terms and Conditions and any other amounts payable by the Issuer under the Finance Documents have been fully and unconditionally paid or discharged;

and

- (b) all the payments under paragraph (a) above are no longer subject to insolvency claw back (*revocatoria fallimentare*) or ineffectiveness (*inefficacia*) due to the expiry of the period provided by the articles 65 or 67 of the Bankruptcy Law (or starting from the date on

which Royal Decree No. 267 of 16 March 1942 will become ineffective, Articles 164 or 166 of the the code of corporate crisis and insolvency set out in Legislative Decree 12 January 2019 No. 14, implementing law No. 155 of 19 October 2017 ("*Codice della Crisi di Impresa e dell'Insolvenza*") during which such insolvency claw back action may be exercised or such ineffectiveness may be declared under Italian law,

or, alternatively to this paragraph (b),

(c) all the following conditions are satisfied:

- (i) at the time when the conditions under paragraph (a) above are satisfied, no Relevant Event has occurred and is continuing; and
- (ii) the Issuer has provided to the Noteholders' Representative, in relation to itself or any other person which has made the above payments (a **Relevant Person**), the following documents in form and substance reasonably satisfactory to the Noteholders dated (with the exception of the documents under letter (A) below) not earlier than 15 (fifteen) Business Days prior to the date of full repayment by any Relevant Person of any outstanding amount due under the Finance Documents:
 - (A) a copy of the last approved balance sheet of the Relevant Person - certified without either reserves or qualifications (other than any possible recommendation expressed in the auditor's opinion for further information as per article 14, paragraph 2, letter d) of Legislative Decree 27 January no. 39 ("*eventuali richiami di informativa che il revisore sottopone all'attenzione dei destinatari del bilancio, senza che essi costituiscano rilievi*") - and in relation to any insolvency of the Relevant Person unless the Relevant Person is a newly-established entity or an entity in respect of which the financial statements for the first financial year has not been approved yet;
 - (B) a "*certificato di vigenza*" in respect of the Relevant Person, evidencing that no Insolvency Proceeding has been initiated against it;
 - (C) a declaration from the chairman of the board of directors (*presidente del consiglio di amministrazione*) or the sole director of the Relevant Person stating that the Relevant Person is not insolvent at the time such declaration is given and it will not become insolvent as a result of repayment of the obligations under the Finance Documents or other circumstances known to him at the time such declaration is given;
 - (D) a certificate issued by:
 - (1) the court within the jurisdiction of which the Relevant Person has its registered office; and
 - (2) the court within the jurisdiction of which the movable and immovable assets (*beni mobili ed immobili*) of the Relevant Person are located, or, in relation to the moveable assets of the Relevant Person, by the Companies' Register at which the Relevant Person is registered,

certifying that no seizure proceeding against the Relevant Person and any of the movable and/or immovable assets (*procedura esecutiva mobiliare* and/or *immobiliare*) of the Relevant Person is pending or, in relation to the immovable assets, a certificate issued by a Notary Public certifying that no seizure proceeding against the immovable assets of the Relevant Person is pending provided that it is available at the relevant time, or, if not available an equivalent certificate issued by the relevant Companies' Register;

- (E) a "*visura protesti*" evidencing that the Relevant Person is not subject to legal proceedings for non-payment (*protesti*),

provided that, if the Relevant Person is a company not incorporated in Italy, the above documents shall be replaced by equivalent documents available in the jurisdiction of incorporation of such Relevant Person.

"Shareholder Loan" means any contribution by any Shareholder to the Issuer different from a Capital Increase.

"Shareholders" means the Sponsor as sole shareholder of the Issuer at the Issue Date and, thereafter, any other or additional shareholder of the Issuer without prejudice of the Change of Control provisions.

"Short Term PPA" means each power purchase agreement for the sale of the electricity produced by the Plant the Issuer may enter into in accordance with the Terms and Conditions having a tenor equal or shorter than 12 months.

"Short Term PPA Offtaker" means any offtaker under any Short Term PPA.

"Site" means the land upon which the Plant is located, available to the Issuer in accordance with the Lands Agreements and the Expropriation Decree.

"Special Privilege" means the special privilege (*privilegio speciale*) granted by the Issuer on the equipment, machineries and any other present and future, unregistered, movable assets of the Plant in favour of the Noteholders, entered into on or about the Issue Date.

"Sponsor" means Renexia PECH S.p.A., with registered office at Viale Abruzzo, 410, 66100 Chieti (CH) (Italy), VAT no. 02665540692.

"Subscription Agreement" means the agreement entered into on or before the Issue Date between the Issuer and the Initial Noteholders for the subscription of the Notes.

"Subscription Price" means the net subscription price of Notes received by the Issuer from the Initial Noteholders under the Subscription Agreement.

"Substation Agreement" means the "*Contratto di Appalto per la Realizzazione della Sottostazione di Trasformazione MT/AT 30/150 kV relative al Parco Eolico di Casalduni (BN)*" to be entered into by and between Renexia Services and the Substation Contractor in form and substance satisfactory to the Noteholders.

"Substation Contractor" means Siemens S.p.A.

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

“TARGET Day” means any day on which TARGET2 is open for the settlement of payments in Euros.

“Target Ratios Conditions” means:

- (i) ADSCR equal to or higher than 1.30:1; and
- (ii) BLCR equal to or higher than 1.30:1.

“Tax” means any tax, levy, impost, duty or other charge or withholding of similar nature, including any interest or penalty payable in connection with any failure to pay or any delay in paying any of the same.

“Technical Advisor” means Fichtner GmbH as technical advisor of the Noteholders.

“Technical Advisor Construction Monitoring Report” has the meaning ascribed to it in Annex A (*Updated Base Case and Reports*);

“Technical Advisor Operating Monitoring Report” has the meaning ascribed to it in Annex A (*Updated Base Case and Reports*);

“Technical Assumptions” means the technical assumptions incorporated in the Base Case.

“TOTO Guarantee” means the autonomous first demand guarantee (*garanzia autonoma escutibile a prima richiesta*) to be issued by TOTO Holding in favour of Noteholders to secure all the Issuer’s obligations under the Finance Documents having a maximum guaranteed amount equal to 120% of the amount requested by the Issuer under the first Utilisation Request.

“TOTO Holding” means TOTO Holding S.p.A., joint stock company incorporated under the laws of Italy with registered office at Viale Abruzzo, 410, 66100 Chieti (CH), Italy, VAT no. 00134410695.

“Transaction Costs” means any costs (other than the Arranging Fee) sustained by the Issuer for the arranging, signing and closing of the Notes, including, *inter alia*, upfront fees, taxes, advisory fees, notarial costs, and any other pre-agreed costs.

“Trapped Amounts” has the meaning ascribed to it under Clause 6.2.1 (*Cash Trap*).

“TSA” means the “*Agreement for the sale, transportation, installation, start up and testing of wind turbine generators*” entered into by and between Renexia Services and the TSA Contractor on 8 June 2020 (as subsequently amended on 30 June 2020, 20 July 2020, 15 October 2020, 15 November 2020 and as subsequently amended or integrated from time to time).

“TSA Contractor” means, jointly, Siemens Gamesa Renewable Energy Eolica S.L. Unipersonal (company incorporated under the laws of Spain with registered office at Avda. Ciudad de la Innovacion, 9-11, 31621 Sarriñena (Navarra) (Spain) with registered number B-31907330) and Siemens Gamesa Renewable Energy Wind S.r.l. (company incorporated under the laws of Italy with registered office at Rome, Via Ostiense 131/L, 00154 Roma Italy with registered number 08087711001).

“TSA Direct Agreement” means the direct agreement to be entered into pursuant to the TSA in form and substance satisfactory to the Noteholders and which shall also include, *inter alia*, the irrevocable payment instructions from Renexia Services to the TSA Contractor to pay every amount which become payable to Renexia Services under the TSA directly to the Proceeds Account.

“Updated Base Case” means the Initial Base Case as updated, from time to time, in accordance with Annex A.

“Uses of Funds” means:

- (a) the Development Costs;
- (b) the Land Costs;
- (c) any other liabilities under any Project Document up to the Issue Date as confirmed by the Technical Advisor;
- (d) fees and costs of the Issuer's professional advisers engaged in relation to the Project up to the Issue Date;
- (e) insurance premia in respect of the Plant up to the Issue Date;
- (f) legal, accounting and other professional fees incurred by the Issuer in connection with the negotiations and entry into of the Finance Documents, Project Documents and documents referred to therein up to the Issue Date;
- (g) taxes payable by the Issuer prior to the Issue Date;
- (h) *Imposta Sostitutiva* in respect of the Notes; and
- (i) any other costs and expenditure which the Noteholders' Representative agree may be Uses of Funds including any amounts that may advance in excess of the Notes amount so as to refinancing part of the Base Equity,

all the above items shall be considered on a cash basis, but excluding:

- (j) VAT payable in respect of items above;
- (k) Operating Costs; and
- (l) Project Costs.

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

“Utilisation” means the relevant amount indicated under each Utilisation Request.

“Utilisation Date” means the date indicated under each Utilisation Request as the date on which the Utilisation will be transferred from the Drawdown Account to the Proceeds Account.

“Utilisation Request” means a request to transfer amounts from the Drawdown Account to the Proceeds Account in the form of Annex E.

“VAT Loan” means the loan of EUR 4,213,200.00 granted by the VAT Loan provider to the Issuer under the facility agreement to be entered into to finance the VAT financial needs of the Issuer in relation to the construction of the Plant.

“Wind Advisor” means EOS Consulting.

“Wind Report” means the report concerning the Plant prepared by the Wind Advisor in form and substance satisfactory to the Noteholders delivered to the Noteholders prior to the Issue Date.

“WTGs” means, jointly, the No. 10 wind turbine generators of the Plant.

References to laws and regulations shall include amendments and supplements thereto.

2. NOTES

2.1 Denomination and Price

The total amount of the issued Notes on the Issue Date will be equal to Euro 49,100,000 (forty nine million one hundred thousand/00) (the **“Nominal Amount”**).

The Notes issued on the Issue Date will be issued in a minimum denomination of Euro 100,000 (one hundred thousand/00) (the **“Minimum Denomination”**) and integral multiples of euro 1,000 (one thousand/00) (the **“Calculation Amount”**).

The Notes issued on the Issue Date will be issued for a price equal to 100.00% (one hundred per cent.) of their Calculation Amount (the **“Issue Price”**).

2.2 Form and Title

The Notes are in bearer form and will be held in dematerialised form in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their respective date of issue. Monte Titoli shall act as depository for Euroclear and Clearstream, Luxembourg. The Notes will at all times be held in book-entry form and title to the Notes will be evidenced by book-entries in accordance with the provisions of articles 83-*bis* et seq. of the Italian Consolidated Financial Act and Regulation 13 August 2018 jointly issued by CONSOB and Bank of Italy, both as amended from time to time.

2.3 Status and guarantees

The Notes are direct and unconditional secured obligations solely of the Issuer. In respect of the obligation of the Issuer to repay principal and pay interest on the Notes, the Notes (subject as provided above) will rank as with all other outstanding unsubordinated obligations and *pari passu* and without any preference or priority among themselves except for the obligations of the Issuer which are mandatorily preferred by law applying to companies generally.

The Notes are fully, unconditionally and irrevocably secured by the Security Package.

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.

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 Italian Consolidated Financial Act and article 34-*ter* of the 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 under the applicable laws.

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 under 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 the applicable laws and regulations in force in these countries provide for specific exemptions that allow the transfer of the Notes.

The transfer of the Notes will be made in compliance with all applicable regulations.

4. ISSUE DATE AND FINAL MATURITY DATE

The Notes will be issued for an amount equal to the Nominal Amount on 23 December 2020 (the “**Issue Date**”).

The final maturity date (save for what otherwise provided herein under Clause 9 (*Relevant Events*)) will fall on the Interest Payment Date falling on 31 December 2029 (the “**Final Maturity Date**”).

5. INTEREST AND REFERENCE RATE

5.1 Interest

Interest will accrue on the Principal Amount Outstanding of each Note from the Issue Date (included) up to the earlier of (a) an Early Redemption Date (being such date excluded) and (b) the Final Maturity Date (being such date excluded).

The Principal Amount Outstanding of the Notes shall accrue Interest Amounts, calculated by the Calculation Agent, the product of (a) the Principal Amount Outstanding of each Note and (b) the Interest Rate, calculated by the Calculation Agent, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

Interest Amounts will be due and payable in Euro in arrears (i) on the First Interest Payment Date, and thereafter (ii) semi-annually on June 30 and December 31 of each year, and (iii) on the Final Maturity Date (each an “**Interest Payment Date**”).

If any Interest Payment Date, Optional Early Redemption Date or the Final Maturity Date falls on a day other than a Business Day, payments thereon will be made according to the Modified Following Business day Convention – Unadjusted.

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.

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 1.50% (one point fifty 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).

Notwithstanding any other provision of these Terms and Conditions, should the Interest Rate, the Default Interest and other fees and costs under the Terms and Conditions at any time 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. The Calculation Agent is responsible for checking on the rate of Usury Law limit.

5.2 Reference Rate Replacement

If a Reference Rate Replacement Event has occurred any amendment or waiver which relates to:

- (a) providing for the use of a Replacement Benchmark; and
- (b)
 - (1) aligning any provision of any Finance Document to the use of that Replacement Benchmark;
 - (2) enabling that Replacement Benchmark to be used for the calculation of interest under this Terms and Conditions (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Terms and Conditions);
 - (3) implementing market conventions applicable to that Replacement Benchmark;
 - (4) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
 - (5) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Noteholders' Representative and the Issuer.

6. REDEMPTION, PURCHASE AND CANCELLATION

6.1 Redemption

Unless previously redeemed in full and cancelled and without prejudice to Condition 6.2 below, the Notes will be redeemed, on each Interest Payment Date in No. 18 consecutive semi-annual instalments on each 30 June and 31 December, as per the amortization plan under Annex B, (i) starting from and including the Interest Payment Date which falls on 30 June 2021 (the "**First Repayment Date**") and (ii) ending on and including the Final Maturity Date.

6.2 Mandatory Early Redemption

6.2.1 **Cash Trap:** If on a Calculation Date an ADSCR Trigger and/or a BLCR Trigger occur, the Issuer shall immediately transfer 100% of the Excess Cash, as resulting as such Calculation Date, (the "**Cash Trap Date**") from the Proceeds Account to the Cash Trap Lockup Account (the "**Trapped Amounts**").

Following the Cash Trap Date:

- (i) if, on the immediately following Calculation Date, the Target Ratios Conditions are met the Trapped Amounts shall be released and the Issuer shall transfer to the Proceeds Account 100% of the Trapped Amounts; or, alternatively;
- (ii) if, on the immediately following Calculation Date, the Target Ratios Conditions are not met, the Issuer shall prepay the Principal Amount Outstanding of the

Notes (such prepayment shall be made directly from the Cash Trap Lockup Account) in an amount equal to the lower of:

- (a) 100% of the Trapped Amounts; and
- (b) the amount required to restore, respectively, the forward ADSCR and/or the BLCR equal to or higher than the forward ADSCR Trigger and/or the BLCR Trigger and the remaining Trapped Amounts shall be transferred to the Proceeds Account.

6.2.2 **Change in Law:** If, as a result of a Change in Law on a Calculation Date, the ADSCR and/or the BLCR are lower than the ADSCR Trigger and/or the BLCR Trigger, the Issuer shall immediately prepay the Principal Amount Outstanding of the Notes in an amount equal to the lower of:

- (a) 100% of the Excess Cash as resulting as such Calculation Date; and
- (b) the amount required to restore, respectively, an ADSCR and/or a BLCR equal to or higher than the ADSCR Trigger and/or the BLCR Trigger.

6.2.3 **Availability Period:** Within 3 (three) Business Days following the expiry of the Availability Period, the Issuer shall prepay the Principal Amount Outstanding of the Notes in an amount equal to 100% of the amounts standing to the credit of the Drawdown Account which have not been transferred to the Proceeds Account in accordance with the Terms and Conditions.

6.2.4 **Insurance Proceeds:** The Issuer shall apply any Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties) and Liquidated Damages (other than Liquidated Damages payable in connection with the partial or total nationalization, expropriation or compulsory purchase of any interest in the Plant) (after Tax, if any, is deducted) to the repayment of the Principal Amount Outstanding of the Notes and of interests accrued on the Principal Amount Outstanding of each Note until COD in an amount equal to such Insurance Proceeds or Liquidated Damages, on the Interest Payment Date immediately following the relevant receipt thereof; provided that the Issuer shall not be required to apply to the repayment of the Principal Amount Outstanding of the Notes such Insurance Proceeds if, and to the extent that, the Noteholders are satisfied that the relevant Insurance Proceeds are to be or were applied in the repair or reinstatement of Plant in the manner advised by the Technical Advisor.

6.2.5 **Change of Control:**

- (a) If a Change of Control under paragraph (i) of the definition of "Change of Control" occurs, the Issuer will be obliged to prepay 100% of the Principal Amount Outstanding of the Notes within 5 Business Days from the Change of Control event and pay to the Noteholders an early redemption fee equal to 20% of the Calculation Amount minus the total amount of the interests paid on the Principal Amount Outstanding of each Note.
- (b) If a Change of Control under paragraph (ii) of the definition of "Change of Control" occurs, the Issuer will be obliged, if so requested by the Noteholders, to prepay 100% of the Principal

Amount Outstanding of the Notes within 5 Business Days from the receipt of the Noteholders' request and pay to the Noteholders a penalty as follows:

- (i) should the Change of Control occur in the period starting from the date falling two years after COD (included) (the "**CoC Starting Date**") and the date falling two years after the CoC Starting Date (included) (the "**CoC First Deadline**"), a fee equal to 5% of the Principal Amount Outstanding repaid;
- (ii) should the Change of Control event occur after the CoC First Deadline (excluded) and the date falling one year after the CoC First Deadline (included) (the "**CoC Second Deadline**"), a fee equal to 2% of the Principal Amount Outstanding repaid;
- (iii) should the Change of Control event occur after the CoC Second Deadline (excluded) and the Final Maturity Date (included) without any penalty.

6.2.6 Illegality and increased costs: If the Noteholders' Representative notifies the Issuer that (a) is or becomes contrary to any law or regulation for any of the Noteholders to maintain the Notes; or (b) as a result of any change in (or in the interpretation, administration or application of), or to the generally accepted interpretation or application of, or the introduction of, any law or regulation, any amounts payable in respect of the Notes would be subject to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative sub-division thereof or any authority thereof or therein and no Additional Amount shall be paid by the Issuer to compensate such withholding or deduction, the Issuer shall immediately prepay 100% of the Principal Amount Outstanding of the Notes.

6.2.7 Compulsory nationalization of the Issuer's Assets: The Issuer shall apply any Liquidated Damages paid in connection with partial or total nationalization, expropriation or compulsory purchase of any interest in the Plant to the repayment of 100% of the Principal Amount Outstanding of the Notes and of interests accrued on the Principal Amount Outstanding of each Note in accordance with Clause 9.1(u) below.

6.3 Early redemption application

Any redemption of the Notes under Clause 6.2 (*Mandatory Early Redemption*) will reduce, *pro rata* and *pari passu*, the Principal Amount Outstanding of each Note rounded up or down, as the case may be, to one Euro; accordingly, the Final Maturity Date shall not change in case of any such redemption.

A 3 (three) Business Days prior written notice will be given by the Issuer to the Noteholders to Monte Titoli in accordance with the applicable provisions of law and according to the ExtraMOT PRO³ Regulation.

6.4 Optional Early Redemption

- (a) The Issuer is not entitled to early redeem the Notes until 31 December 2022 (included).

- (b) The Issuer shall have the right to early redeem the Notes in full or in part for a minimum amount of Euro 10,000,000.00 and an integral multiple of Euro 1,000,000.00 or, if less, the whole Principal Amount Outstanding of the Notes starting from the Interest Payment Date falling on 30 June 2023 (included) and on any subsequent Interest Payment Date, by serving a 21 Business Days prior written notice given to the Noteholders' Representative and to Monte Titoli (the "**Optional Early Redemption Date**") in accordance with the applicable provisions of law and according to the ExtraMOT PRO³ Regulation and paying to the Noteholders a prepayment penalty as follows:
- (i) should the prepayment occur in the period starting from the Interest Prepayment Date falling on 30 June 2023 (included) and the date falling on the Interest Payment Date falling on 31 December 2023 (included), an early redemption fee equal to 5% of the Principal Amount Outstanding redeemed;
 - (ii) should the prepayment occur in the period starting from the Interest Prepayment Date falling on 31 December 2023 (excluded) and the Interest Prepayment Date falling on 31 December 2024 (included), an early redemption fee equal to 2% of the Principal Amount Outstanding redeemed; and
 - (iii) should the prepayment occur in the period starting from the Interest Prepayment Date falling on 31 December 2024 (excluded) and the Final Maturity Date, without any penalty.
- (b) The exact amount of each early redemption of the Notes shall also be notified by the Issuer to, and approved in advance by, the Italian Stock Exchange and shall be rounded up or down, as the case may be, to one Euro.

6.5 Optional early redemption application

Any redemption of the Notes under Clause 6.4 (*Optional Early Redemption*) above shall be applied against the Principal Amount Outstanding of each Note on *pro rata* basis.

7. COVENANTS BY THE ISSUER

As long as any Notes remain outstanding and unless a waiver is approved by a resolution of the Noteholders under Clause 13 (*Meeting of the Noteholders*), the Issuer shall comply with all the following undertakings:

7.1 Project Covenants

- (i) The Issuer shall exercise its rights and comply with its obligations under each Project Document to which it is a party in all material respects and in a proper and timely manner and shall take all reasonable steps to enforce its rights under the Project Documents.
- (ii) Except with the prior consent of the Noteholders' Representative, the Issuer shall not and shall not agree to amend or waive or suspend all or any part of a Project Document or assign any of its rights under any Project Document other than pursuant to a Security Document.
- (iii) Except with the prior consent of the Noteholders' Representative, the Issuer shall not enforce any bond issued in favour of the Issuer and procure that the Sponsor does not enforce any of the bond issued in favour of the Sponsor pursuant to the terms of a

Project Document to support the obligations of the Issuer or Sponsor's counterparty under the relevant Project Document.

- (iv) The Issuer shall use its best endeavors to ensure that the Plant is built and operated in accordance with the Project Documents.
- (v) The Issuer shall promptly inform the Noteholders' Representative and the Technical Advisor of any delay incurred or envisaged to occur under any Project Document which will be likely to prevent the achievement of the Completion Date by the Long Stop Date or the deadline provided under the New FER Decree to obtain the Feed-in Tariff or the Interconnection by the Interconnection Date Deadline.
- (vi) The Issuer shall promptly inform the Noteholders' Representative and the Technical Advisor of any failure by any party to the Project Documents to perform, comply with or otherwise breaches any of its obligation under any Project Document, provided that such failure to perform, comply or breach have a Material Adverse Effect.
- (vii) Except with the prior consent of the Noteholders' Representative (such consent not to be unreasonably withheld or denied), the Issuer shall not and shall not agree, or shall procure that Renexia Services not agree, to assign, amend or waive any material provision of the Project Documents to which each of them is a party.
- (viii) Except with the prior consent of the Noteholders' Representative, the Issuer shall not withdraw from or terminate any Project Document unless it provides the Noteholders' Representative a specific Remediation Plan including details of a replacement contract and direct agreement having substantially the same or better terms of the replaced Project Contract or Direct Agreement with the relevant counterparty which is reasonably acceptable to the Noteholders' Representative and such Remediation Plan is approved.
- (ix) The Issuer shall procure that upon expiry, the O&M, the O&M BOP and the relevant Direct Agreement are renewed and/or replaced with another contract at terms which are either substantially the same as or better than the terms of the replaced agreement (in the reasonable opinion of the Noteholders' Representative) or are otherwise reasonably acceptable to the Noteholders' Representative and with a counterparty which is reasonably acceptable to the Noteholders' Representative.
- (x) The Issuer shall exercise its rights under the EPC, the O&M and the O&M BOP in accordance with the provisions under Annex F(*Reserved Discretions*).
- (xi) The Issuer shall ensure that the Completion Date occurs within the Long Stop Date.
- (xii) The Issuer shall ensure that the Interconnection occurs within the Interconnection Date Deadline.
- (xiii) The Issuer shall maintain at all times adequate title to, or freedom to use under any applicable laws, the Site necessary to build and operate the Plant, free from Liens (other than any Permitted Security), restrictions and onerous covenants.
- (xiv) The Issuer shall provide the Noteholders' Representative with the Construction Budget, the Progress Report, the Technical Advisor Construction Monitoring Report, the Operating Budget, the Operating Report, the Technical Advisor Operating Monitoring Report, the Wind Report as provided under Annex A. The Issuer shall promptly publish all such reports on the Issuer Website.
- (xv) The Issuer shall diligently operate and maintain, or procure the operation and maintenance of the Plant, in accordance with all conditions, obligations, requirements

and technical specifications set out in the Project Documents, in accordance with Good Industry Practice and in accordance with any applicable law including all applicable Environmental Law.

- (xvi) The Issuer shall provide the Noteholders' Representative with a copy of all Project Documents executed from time to time following the Issue Date within 5 Business Days from the relevant execution and of all Authorizations issued from time to time within 5 Business Days from the relevant issuance. The Issuer shall promptly make available on the Issuer Website copies of such Project Documents and Authorizations.
- (xvii) The Issuer shall promptly provide the Noteholders' Representative with (and make available on the Issuer Website) copies of any notices of force majeure received by it or Renexia Services under any Major Project Document and promptly inform the Noteholders' Representative of any event which, in its reasonable opinion, may result in a force majeure under any Major Project Document. The Issuer shall not claim any Force Majeure Event under the Project Documents without the prior written consent of the Noteholders' Representative (such consent not to be unreasonably withheld or delayed).
- (xviii) The Issuer shall promptly provide the Noteholders' Representative with (and make available on the Issuer Website) copies of any notices of default or termination received by it or Renexia Services under any Major Project Document.
- (xix) The Issuer shall, promptly upon becoming aware of the same, provide the Noteholders' Representative with details of any event which would interrupt for more than 5 (five) Business Days the construction or operation of the Plant or has, in any case, a Material Adverse Effect. The issuer shall also promptly make available such information on the Issuer Website.
- (xx) The Issuer shall procure that the Technical Advisor and Insurance Advisor are allowed, upon 10 Business Days previous written notice, to access and inspect the Plant, the technical and statistical data and other records in the possession of the Issuer with respect to the construction and operation of the Plant.
- (xxi) The Issuer shall procure that the Technical Advisor is allowed to attend to any test to be performed under the EPC and TSA for the purposes of the achievement of the relevant milestones.
- (xxii) The Issuer shall promptly provide the Technical Advisor with all the information and data needed for the purposes of monitoring the construction and operation of the Plant and the performances of all the obligations provided under the Project Documents and for the purposes of produce all the reports required to be provided to the Noteholders' Representative under this Terms and Conditions.
- (xxiii) The Issuer shall enter into and maintain the Insurance Policies indicated under Annex D at the terms and conditions specified therein.
- (xxiv) The Issuer shall comply with all the material provisions of the Insurance Policies including those related to payment of premia.
- (xxv) The Issuer shall promptly deliver to the Noteholders' Representative certified copy of the Insurance Policies (in force from time to time).
- (xxvi) The Issuer shall promptly inform the Noteholders' Representative of any claim under any Insurance Policy and of any event which may cause or have cause the Insurance Policy to be invalid, ineffective or terminated.

- (xxvii) The Issuer shall promptly obtain and maintain in full force and effect all Intellectual Property rights of every description including, without limitation, licences, copyrights, design registration and know-how necessary for it to obtain and maintain to operate the Plant.
- (xxviii) The Issuer shall promptly obtain, maintain and comply with, renew and do all that is necessary to maintain in full force and effect any Authorization required from time to time under any law or regulation to build and operate the Plant.
- (xxix) The Issuer shall not either in a single transaction or in a series of transactions, whether related or not, sell, transfer, grant or lease or otherwise dispose of all or any part of its assets having an aggregate fair market value higher than Euro 250,000 per year unless it is a disposals of worn, damaged or obsolete assets which are replaced in exchange for other assets comparable or superior as to type, value and quality in accordance with Good Industry Practice as confirmed by the Technical Advisor and such disposal does not have a Material Adverse Effect.
- (xxx) The Issuer shall have the construction, operation and maintenance of the Plant (together with any activities ancillary thereto) as its sole business activity.
- (xxxi) The Issuer shall ensure that all the electricity produced by the Plant is sold at any moment through a PPA.
- (xxxii) In case a PPA is early terminated for whatever reason, the Issuer shall promptly replace such PPA and relevant guarantees with another PPA in accordance with this Terms and Conditions in any case within 15 Business Days from the date upon which the termination of the PPA is effective.
- (xxxiii) The Issuer shall sell all the electricity produced by the Plant through Short Term PPAs or Long Term PPAs which shall be: (a) in form and substance satisfactory for the Noteholders' Representative and always approved in advance by the Noteholders' Representative with the support of the Technical Advisor and the Legal Advisor and (b) concluded with PPA Offtakers approved in advance by the Noteholders' Representative with the support of the Technical Advisor. The Issuer undertakes to execute a first PPA at least 2 months before the envisaged COD.
- (xxxiv) The Issuer shall procure, also for the purpose of article 1381 of the Italian Civil Code, that Renexia Services, as "Buyer" under the TSA, delivers to the TSA Contractor the bank guarantee provided under article 8.1(ii)(B) (*Title to the Equipment*) of the TSA to ensure that the passage of ownership of 100% of the Equipment (as defined under the TSA) occurs in a single solution together upon payment of the Milestone Payment (as defined under the TSA) under article 3.2.2(B)(d) of the TSA when the trigger events provided under article 5.31 of the EPC occur.
- (xxxv) Upon request, the Issuer shall disclose full details to the Noteholders' Representative (with a copy to the Technical Advisor) of all construction related inspections and tests carried out by it or on its behalf in respect of the Project, to the extent not already provided for in the Progress Reports.
- (xxxvi) The Issuer shall not conduct any other business than:
 - (a) owning, operating, maintaining the Plant;
 - (b) owning, operating, maintaining the sub-station and the electrical grid connected to the Plant;

- (c) managing all the Authorisations obtained or to be obtained in relation to the Project;
- (d) selling electrical power and any other related benefits;
- (e) any business directly ancillary to what is set out in paragraphs (i) to (iv) (both inclusive) above; and
- (f) performing its obligations under the Finance Documents and the Project Documents.

(xxxvii) The Issuer shall:

- (a) comply with all Environmental Laws to which it or the Project may be subject;
- (b) obtain, maintain and ensure compliance with all requisite permits, licences, exemptions and other authorisations and the filing of any notifications or reports required under any Environmental Law necessary for the Project or the operation of the business of the Issuer;
- (c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law;
- (d) comply with any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, Environmental Laws, any employment law provisions, any collective bargaining labour contract provisions, any law provision (including any EU law provisions) for the specific field of operation of the Plant, or building laws (*norme edilizie, urbanistiche*).

(xxxviii) The Issuer shall ensure that the Sponsor, the Shareholders, Renexia S.p.A. and Toto Holding and any directors, officers and employees of the Sponsor, the Shareholders, Renexia S.p.A. and Toto Holding comply with any applicable Anti-Corruption Laws and Anti-Money Laundering Laws.

(xxxix) The Issuer shall execute the Cable Supply Agreement in form and substance satisfactory to the Noteholders' Representative (supported by the Technical Advisor) by no later than 28 February 2021.

(xl) The Issuer shall procure that all the bond to be issued in favour of the Issuer pursuant to the terms of a Project Document to support the obligations of the Issuer or Sponsor's counterparty under the relevant Project Document are issued in accordance with the terms and conditions of the relevant Project Document.

7.2 Financial and Security Covenants

- (i) The Issuer shall procure that all existing and future Shareholder Loan are at all times Satisfactorily Subordinated.
- (ii) The Issuer shall provide the Noteholders' Representative with each Updated Base Case and each Compliance Certificate as provided under Annex A.
- (iii) The Issuer shall assign in favour of the Noteholders all the receivables arising out of any new Project Document entered into by it following the Issue Date in the same

form and substance of the Assignment of Receivables within 15 (fifteen) Business Days from its execution.

- (iv) The Issuer shall assign in favor of the Noteholders all the receivables arising out of any PPA entered into by it in the same form and substance of the Assignment of Receivables within 5 (five) Business Days from its execution.
- (v) The Issuer shall execute, and procure the relevant Long Term PPA Offtaker to execute, any Long Term PPA Direct Agreement in relation to any Long Term PPA within 15 (fifteen) Business Days from execution of any Long Term PPA.
- (vi) Should it become possible under the relevant applicable law and the GSE rules for the Issuer to assign the receivables arising out of the payment of the Feed-in Tariff, the Issuer shall promptly assign in favour of the Noteholders such receivables.
- (vii) The Issuer shall not incur into any Financial Indebtedness other than any Permitted Indebtedness.
- (viii) The Issuer shall not create, incur, assume or permit to exist any Lien other than the Permitted Security.
- (ix) The Issuer shall ensure that all the security created or to be created under the Security Package are at all times in full force and effect and enforceable against third parties in accordance with the terms and conditions of the Security Package until the expiry of the Security Period.
- (x) The Issuer shall ensure that its obligations under the Finance Documents rank and will rank at least *pari passu* with all its unsecured obligations other than obligations which are preferred solely by mandatory provisions of law.
- (xi) The Issuer shall not make any acquisition (including acquisition of share capital participations) or investment except for the Permitted Investments.
- (xii) The Issuer shall not open or maintain any bank or deposit account other than the Accounts and ensure that no Account goes into overdraft for more than 5 consecutive calendar days and/or for an amount not exceeding Euro 1,000.
- (xiii) The Issuer shall not grant any loan to any third party and shall not be the creditor in respect of any Financial Indebtedness.
- (xiv) The Issuer shall provide the Noteholders' Representative with audited annual financial statements of the Issuer, the Sponsor, TOTO Holding, and shall use its best effort to provide the Noteholders' Representative with the financial statements of the Major Project Parties (excluding Terna under the Interconnection Agreement, the GSE under the Feed-in Tariff Concession and any Short Term PPA Offtaker) and including any guarantor providing any guarantee under the relevant Major Project Document in favour of the Issuer which is not a bank or an insurance company as soon as they are available and, in any case, within 180 calendar days of the end of the relevant financial year. The Issuer shall promptly make available on the Issuer Website all the audited annual financial statements of the Issuer, the Sponsor and TOTO Holding.
- (xv) The Issuer shall provide the Noteholders' Representative with semi-annual unaudited financial statements of the Issuer, the Sponsor and TOTO Holding, as soon as they are available and, in any case, within 90 calendar days of the end of the relevant financial semester. The Issuer's 2020 semi-annual unaudited financial statement shall be provided to the Noteholders' Representative together with a certificate of the Issuer signed by the sole director confirming that (i) such financial statement has been

prepared in accordance with the applicable accounting principles and give a true, accurate and fair view of the assets, liabilities and financial condition and the result of the operations of the Issuer and (ii) no additional liabilities or contingent liabilities have been incurred in addition to what is reflected in such financial statement. The Issuer shall promptly make available on the Issuer Website all the semi-annual unaudited financial statements of the Issuer (together with the certificate mentioned above for the Issuer's 2020 semi-annual financial statement), the Sponsor and TOTO Holding.

- (xvi) The Issuer shall procure that its financial statements (a) will be prepared in compliance with law, (b) will provide a true, complete and accurate financial position and the results of its financial operations, as on the date on which they were prepared and for all its reporting period and (c) will contain no significant errors or omissions of material facts that would make such documents misleading.
- (xvii) The Issuer shall not change the date of its financial year's end.
- (xviii) The Issuer shall not make or allow any Distribution and, therefore, not transfer any amount to the Distribution Account, unless the Distribution Conditions are met and in accordance with the Terms and Conditions.
- (xix) In partial derogation to paragraph (xviii) above, the Issuer will have the right, on the first Utilisation Date, to transfer to the Distribution Account an amount up to the amount approved in advance in writing by the Noteholders and the Technical Advisor to make a Distribution in accordance with the Funds Flow Statement, provided that (i) the transfer is made from the Proceeds Account in compliance with Clause 4.2 (*Payments from the Proceeds Account*) of Annex (C) (*Accounts Management*) of this Terms and Conditions and (ii) the Distribution and the payment shall not cause any Account to become overdraft.
- (xx) The Issuer shall procure that the initial DSRA Balance Target is credited to the Debt Service Reserve Account within the first Utilisation Date indicated under the first Utilisation Request and that the subsequent DSRA Balance Targets are met at each Interest Payment Date thereafter.
- (xxi) The Issuer shall procure that the initial MRA Balance Target is credited within 3 Business Days from the issuance of the relevant Operating Report on the Maintenance Reserve Account and that the subsequent MRA Balance Targets are met at each Calculation Date.
- (xxii) Exclusively for the purposes of paying the Imposta Sostitutiva due and payable by the Issuer as applicable to the Notes, on the Payment of Subscription Price Date, the Issuer shall apply the proceeds of the Notes in an amount equal to Euro 122,750.00 in or towards payment of the Imposta Sostitutiva applicable to the Notes and shall provide the Subscribers with evidence of such payment immediately thereafter.
- (xxiii) The Issuer undertakes to execute the facility agreement for the granting of the VAT Loan by no later than 28 February 2021.
- (xxiv) The Issuer undertakes to:
 - (a) provide evidence to the Noteholders' Representative, in form and substance satisfactory to the Noteholders' Representative, that all the formalities provided under the Mortgage and the Special Privilege to perfect the security and ensure

that they are enforceable against third parties have been duly performed in form and substance satisfactory to the Noteholders' Representative; and

- (b) provide evidence to the Noteholders' Representative, in form and substance satisfactory to the Noteholders' Representative, that the Substation Agreement has been executed and it is in full force providing evidence that all the conditions precedent to the effectiveness of the Substation Agreement have been duly satisfied in form and substance satisfactory to the Noteholders' Representative; and
- (c) deliver an original or a copy certified by a duly authorised legal representative of the Issuer as true and correct of the declarations, in form and substance satisfactory to the Subscribers, of the Substation Contractor whereby the Substation Contractor confirm that (i) it forecloses the right to call on a "force majeure event" (as defined under the Substation Agreement) in relation to the COVID-19 pandemic (and relevant outbreak, quarantine, restrictions of movement and other emergency response measures and any actions of any government or public, statutory, governmental, local governmental, regulatory or judicial body, entity or authority in connection with COVID-19) and (ii) the COVID-19 situation and relevant consequences do not have any impact on the performance of the obligations assumed under the Substation Agreement;
- (d) assign in favour of the Noteholders all the receivables arising out of the "Parent Company Guarantee" (as defined under the Substation Agreement) in the same form and substance of the Assignment of Receivables; and
- (e) provide the Noteholders' Representative with evidence that all the deeds of acknowledgment executed to confirm the occurrence of all conditions precedent to the effectiveness of the Lands Agreement have been duly registered together with a notarial report (covering a period of twenty years) confirming that such deeds of acknowledgment have been duly registered; and
- (f) deliver to the Noteholders' Representative a copy certified as original by a legal representative of the Issuer of the decree to be adopted by the Campania Region to extend the Environmental Impact Assessment adopted by means of the Regional Council decree n. 196 of 22 November 2014,

all the above (from letter (a) to letter (f) (included) by no later than 31 January 2021.

(xxv) The Issuer undertakes to:

- (a) provide evidence to the Noteholders' Representative, in form and substance satisfactory to the Noteholders' Representative, that the TSA is in full force and effect providing evidence that all the conditions precedent to the effectiveness of the TSA have been duly satisfied in form and substance satisfactory to the

Noteholders' Representative together with a legal opinion issued by the in-house legal counsel of the O&M Contractor and the TSA Contractor on the powers and capacity of the O&M Contractor to execute the O&M and the TSA Contractor to execute the TSA;

- (b) deliver an original or a copy certified by a duly authorised legal representative of the Issuer as true and correct of the declaration of the TSA Contractor to be made according to Clause 19.1.1(iii) of the TSA under which the TSA Contractor confirms that Clause 13.1.2 of the TSA is no longer applicable and that the COVID-19 event (and relevant outbreak, quarantine, restrictions of movement and other emergency response measures and any actions of any government or public, statutory, governmental, local governmental, regulatory or judicial body, entity or authority in connection with COVID-19) do not have any impact on the performance of the TSA Contractor's obligations under the TSA,
- (c) assign in favour of the Noteholders all the receivables arising out of the "Parent Company Guarantee" and the "Advance Payment Bond" (as all defined under the TSA) in the same form and substance of the Assignment of Receivables;
- (d) assign in favour of the Noteholders all the receivables arising out of the "Advance Payment Bond" and the "Performance Bond" (as respectively defined under the EPC) in the same form and substance of the Assignment of Receivables; and
- (e) assign in favour of the Noteholders all the receivables arising out of the "Parent Company Guarantee" (as respectively under the O&M) in the same form and substance of the Assignment of Receivables; and
- (f) delivery of a copy of the O&M Direct Agreement and the TSA Direct Agreement duly executed,

by no later than 15 January 2021.

(xxvi) The Issuer undertakes to:

- (a) deliver to the Noteholders' Representative a copy certified as original by a legal representative of the Issuer of each Insurance Policies to be effective on or before the Issue Date as specified under Annex D (Insurance Policies) of these Terms and Conditions including relevant Endorsements Clauses together with an Insurance Advisor's statement confirming that:
 - 1. the Insurance Policies to be effective on or before the Issue Date as specified under Annex D (*Insurance Policies*) of these Terms and Conditions are in full force and effect;
 - 2. the premia due on or before the Issue Date in relation to the relevant Insurance Policies have been paid or will be paid;

3. the Insurance Policies to be effective on or before the Issue Date as specified under Annex D (*Insurance Policies*) of these Terms and Conditions contain the Insurance Endorsements Clause; and
 - (b) assign in favour of the Noteholders all the receivables arising out of the Insurance Policies in the same form and substance of the Assignment of Receivables,
- by no later than 15 January 2021.

7.3 General Covenants

- (i) The Issuer shall not enter into any agreements or contracts, however named, other than the Project Documents and the Finance Documents except for contracts entered into in the ordinary course of business for an aggregate annual amount payable by the Issuer not higher than Euro 30,000.00 without the prior written consent of the Noteholders' Representative (not to be unreasonably withheld or denied).
- (ii) The Issuer shall promptly notify to the Noteholders' Representative the occurrence of any failure by the Issuer to fulfill its obligations under these Terms and Conditions or any event, including any breaches under the Project Contracts, which cause a Relevant Event or any Potential Relevant Event or a Material Adverse Effect together with the proposed remedies (if any) to put in place to cure such circumstances.
- (iii) The Issuer shall maintain its status of *società a responsabilità limitata*, duly incorporated and validly operating in accordance with the Italian law and having the full legal capacity, Authorizations, licenses and permits necessary to operate and maintain the Plant and carry on its business.
- (iv) The issuer shall not approve or carry out extraordinary transactions of any kind, including without limitation special transactions on its share capital, corporate transformations (*trasformazioni*), merger (*fusioni*) or spin-off (*scissioni*).
- (v) The Issuer shall not amend its by-laws (*atto costitutivo* and *statuto*) in any material respect without the prior written consent of the Noteholders' Representative.
- (vi) Without prejudice to the provisions on the Change of Control under the Terms and Conditions, the Issuer shall, promptly upon becoming aware of them, inform the Noteholders' Representative as to any transfer by TOTO Holding of any direct or indirect participation in the Sponsor and of any change in the Issuer's shareholding structure.
- (vii) The Issuer shall pay all amounts on account of Taxes as and when they fall due or, if any Tax is being contested in good faith and by appropriate means, to ensure an adequate reserve is set aside for payment of that Tax, to maintain all the relevant reserves required under mandatory law provisions.
- (viii) The Issuer shall, promptly on becoming aware of them, and in any case within 15 Business Days, inform the Noteholders' Representative of any *accertamento d'imposta* or *sopravvenienza passiva* affecting the Issuer, for an amount exceeding Euro 100,000.
- (ix) The Issuer shall:
 - (a) comply in all respects with all Tax and social security laws and regulations to which it may be subject;

- (b) file or cause to be filed, within the time and in the manner prescribed by law, all Tax and social security returns and reports which are required to be filed by it and ensure that such returns and reports accurately reflect all its liabilities for Taxes and/or social security contributions for the periods covered thereby;
 - (c) duly and timely pay all Taxes and social security contributions required to be paid by it;
 - (d) use its best efforts to ensure the interest tax deduction for corporate income tax purpose subject to limitations to the interest deduction provided for by Italian tax law;
 - (e) not change its residence for Tax purposes;
 - (f) not qualify as a non-operating company (*società di comodo*) pursuant to article 30 of Law No. 724 of 30 December 1994;
 - (g) not to adhere to any VAT group regime pursuant to Article 73 of D.P.R. 633/1972 and the Ministerial Decree dated December 13, 1979.
- (x) The Issuer shall make all payments due in connection with the Notes without any deduction or withholding on taxes or otherwise, unless is required by law. In such case:
 - (a) the Issuer shall procure that the deduction or withholding shall not exceed the minimum amount required by law; and
 - (b) the amounts due by the Issuer to the Noteholders shall be increased of an additional amount (the “**Additional Amount**”) to allow that the amount to be paid, excluding the relevant deduction or withholding, is equal to the amount that would be due to the Noteholders without any such deduction or withholding;

provided that, no such Additional Amount shall be payable (i) to a non-Italian resident legal entity or non-Italian resident individual, which is resident in a country that does not allow for a satisfactory exchange of information with the Republic of Italy or (ii) in the event the Noteholders have transferred the Notes or made other changes to the shareholding structure which according to the Law in force when such transfer or change has been performed will generate a Tax on the payments received under the Notes; and

provided further that, in the event the Noteholders have the right to benefit in any way from any deduction or withholding on taxes or otherwise, in whole or in part, according to the applicable laws (i) no Additional Amount shall be due in the portion covered by any such deduction or withholding on tax benefits, or (ii) should such Additional Amount have already been paid by the Issuer, it will be paid back by the Noteholders to the Issuer.
- (xi) The Issuer shall, promptly upon becoming aware of the same, provide the Noteholders’ Representative with full details of any litigation, arbitration, administrative, labour or other similar proceedings involving it and/or the Plant and/or the Site which are pending or threatened in writing. The Issuer shall, promptly upon becoming aware of the same, provide the Noteholders’ Representative with full details of any litigation, arbitration, administrative, labour or other similar proceedings involving the Major Project Parties in relation to the construction and /or

operation of the Plant which are pending or threatened in writing having a value equal or higher than Euro 250,000 (or its equivalent).

- (xii) The Issuer shall provide to the Noteholders' Representative all documents, confirmations and evidence required by the Noteholders to satisfy their "know your customer" requirements or similar identification checks in order to meet its obligations from time to time under applicable money laundering, or similar, laws and regulations.
- (xiii) The Issuer shall diligently fulfill all the obligations undertaken by the Issuer towards Monte Titoli and the Italian Stock Exchange, in relation to the centralized management of the Notes.
- (xiv) The Issuer shall not purchase any of the Notes at any time.
- (xv) The Issuer shall not enter into any hedging arrangements on a speculative basis.
- (xvi) The Issuer shall conduct all dealings with its shareholders and/or any related parties at arm's-length terms.
- (xvii) The Issuer shall ensure that the Gearing Ratio does not exceed the Maximum Gearing Ratio on each Utilisation Date and on the Completion Date.
- (xviii) The Issuer shall:
 - (a) provide the Noteholders' Representative, upon request, with any reports that the Issuer has produced in relation to environmental, social and governance matters, as required by any applicable Italian or European regulations; and
 - (b) respond in a diligent manner, and within a reasonable timeframe, to any request from the Noteholders' Representative or a Noteholder (acting reasonably) for information in relation to environmental, social and governance matters relating to the Issuer or the Project.
- (xix) The Issuer shall promptly inform the Noteholders' Representative of any investigation, enquiry or proceeding against the Issuer, the Sponsor, the Shareholders, Renexia S.p.A. or Toto Holding in respect of Sanctions or any of their respective directors, officers and employees.
- (xx) The Issuer shall (and the Issuer shall ensure that none of its directors, officers and employees or the Sponsor or the Shareholders or Renexia S.p.A. or Toto Holding and their respective directors, officers and employees will) take any action, make any omission or use (directly or indirectly) any proceeds of the Notes, in a manner that:
 - (a) is a breach of Sanctions; and/or
 - (b) causes (or will cause) a breach of Sanctions by any Finance Party.
- (xxi) The Issuer shall (and the Issuer shall ensure that none of its directors, officers and employees or the Sponsor or the Shareholders or Renexia S.p.A. or Toto Holding and their respective directors, officers and employees will) take any action or make any omission that results, or is reasonably likely to result, in it or any Finance Party becoming a Restricted Party.

7.4 Incentive Regime

- (a) The Issuer undertakes to:
 - (i) refrain from applying for, or receiving, any form or incentive which may exclude or otherwise adversely affect the Issuer's ability to receive the incentive under the Feed-in Tariff incentive regimes as applicable from time to time;
 - (ii) refrain from any other action or the exercise of any right of option (including any possible extension in the original incentive period in exchange for a reduction in the incentive amount) which may exclude or otherwise adversely affect, reduce or limit its ability to receive the incentive under the Feed-in Tariff incentive regimes as envisaged on the Issue Date.
- (b) The Issuer shall:
 - (i) file with the GSE the documentation required under the New FER Decree and any other applicable regulation for the obtainment of the relevant Feed-in Tariff in accordance with the procedure applicable from time to time and within the relevant deadline applicable; and
 - (ii) duly enter into the Feed-in Tariff Concession in accordance with the procedure applicable from time to time and within the relevant deadline applicable;
 - (iii) provide copy of the Feed-in Tariff Concession duly executed to the Noteholders' Representative within 2 (two) Business Days from the relevant date of execution.
- (c) The Issuer shall comply with all the provisions set forth under the New FER Decree and any other applicable regulation for the purposes of the awarding and the maintaining of the Feed-in Tariff to the Project.
- (d) The Issuer shall submit the request to execute the Feed-in Tariff Concession by and no later than 20 (twenty) calendar days from the COD and in any case within the maximum term provided under the New FER Decree and any relevant applicable law to ensure that the Feed-in Tariff is paid to the Issuer.
- (e) The Issuer shall ensure that the Feed-in Tariff is paid on the Proceeds Account and will indicate to the GSE the Proceeds Account as bank account to where the Feed-in Tariff shall be credited.
- (f) The Issuer shall promptly inform the Noteholders' Representative of any communication received by the GSE in relation to the Plant and/or the Feed-in Tariff and/or the Auction Procedure and of any inspection carried out by the GSE on the Plant.

7.5 Additional Information Covenants

- (a) The Issuer shall promptly communicate the Noteholders' Representative and the Italian Stock Exchange the date upon which, respectively:
 - (i) the COD is achieved and, consequently, the First Calculation Date;
 - (ii) the Completion Date is achieved;
 - (iii) the Interconnection is achieved;

- (iv) the CoC Starting Date, the CoC First Deadline and the CoC Second Deadline shall fall as calculated based on the date upon which the COD has been achieved,

and shall publish any such information on the Issuer Website.

8. REPRESENTATIONS AND WARRANTIES

The Issuer makes the following representations and warranties to the Noteholders with respect to the matters indicated herein. The following representations and warranties are true, correct and accurate and are deemed to be repeated by the Issuer on the date of each Utilisation Request, on each Utilisation Date, on each Interest Repayment Date until the full repayment of the Notes, in each case with reference to the facts and circumstances then existing.

- (i) The Issuer is a *società a responsabilità limitata*, in good standing, duly incorporated and validly existing under the laws of Italy.
- (ii) The Sponsor is a *società a per azioni*, in good standing, duly incorporated and validly existing under the laws of Italy.
- (iii) The Issuer, the Sponsor and Renexia Services have the power and capacity to enter into and perform, and have taken all necessary corporate actions to authorise its entry into and performance of (a) the Finance Documents and the Project Documents to which they are a party, and (b) the transactions contemplated by those documents and any authorisations, consent or approval needed by any authority or third party has been properly obtained.
- (iv) The Issuer and, to the Issuer's knowledge having taken all reasonable care to ensure that such is the case and having ensure to be duly informed about the Sponsor's conditions, the Sponsor are not insolvent, are not subject to any Insolvency Proceedings, crisis (*crisi d'impresa*) or temporary performance difficulty (*difficoltà temporanea ad adempiere*) nor any such proceedings or events are foreseeable or have been threatened in writing, and they have not assigned any of their assets to their creditors.
- (v) The Issuer and, to the Issuer's knowledge having taken all reasonable care to ensure that such is the case and having ensure to be duly informed about the Sponsor's conditions, the Sponsor have not convened nor has their board of directors resolved to convene any shareholders' meeting pursuant to, and for the purposes of, article 2446 or article 2482-bis of the Italian Civil Code or pursuant to and for the purposes of any other foreign applicable law.
- (vi) The Issuer and, to the Issuer's knowledge having taken all reasonable care to ensure that such is the case and having ensure to be duly informed about the Sponsor's conditions, the Sponsor are not under the situation contemplated under article 2447 or article 2482-ter of the Italian Civil Code or under any equivalent situation under any other foreign applicable law.
- (vii) The Issuer does not have any participation in any company.
- (viii) The entry into and performance of the obligations of each of the Issuer, the Sponsor and Renexia Services under each Finance Document and Project Document to which they are a

party is in their commercial interests and to their corporate benefit and the competent corporate bodies have assessed and satisfied themselves as to the existence of such corporate benefit.

- (ix) The entry into by the Issuer and performance by it of the transactions contemplated by the Finance Documents and the Project Documents to which it is a party do not:
 - (1) conflict with any law or regulation or judicial or official order applicable to them;
 - (2) conflict with its respective constitutional documents; or
 - (3) result in any breach of any document which is binding upon any of them or any of their respective assets, where any such breach has a Material Adverse Effect.
- (x) No Relevant Event has occurred and is continuing or will result from the making of any Utilisation. No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (however described) under any other agreement or instrument which is binding on it or to which its assets are subject if such default or termination is reasonably likely to have a Material Adverse Effect.
- (xi) All Authorization necessary from time to time have been obtained or effected, are in full force and effect and (to the extent they have been originally issued to parties other than the Issuer) they have been duly and validly transferred (*volturate*) to the Issuer and the Plant is in compliance with all the Authorizations and Environmental Laws issued from time to time.
- (xii) The construction, operation and maintenance of the Plant (together with any activities ancillary thereto) it is the sole business activity conducted by the Issuer.
- (xiii) The Issuer is the sole legal and beneficial owner of or has license to, does not, in carrying on its business, infringe and has taken all formal or procedural action (including payment of fees) required to maintain all material intellectual property of every description, including but not limited to, licences, copyrights, design registrations and know-how necessary for the building and operation of the Plant, if any.
- (xiv) On the Issue Date, the Sponsor is the legal owner of the entire corporate capital of the Issuer. Following the Issue Date, no Change of Control has occurred and any transfer of participations in the Issuer has been made in compliance with the Terms and Conditions.
- (xv) The Issuer's share capital is free from any Lien with exception of the security interests created under the Security Package. No Lien exists over all or any part of its assets other than Lien permitted under the Finance Documents.
- (xvi) There is no provision in the Issuer's constitutional documents, which may to any extent, adversely affect the validity and/or enforceability of the security interest created under the

Pledge over Quotas, and/or the Noteholders' ability to fully enforce such security interest in accordance with law and the provision of the Pledge over Quotas.

- (xvii) The obligations expressed to be assumed by the Issuer and, to the best of the Issuer's knowledge having taken all reasonable care to ensure that such is the case and having ensure to be duly informed about the Sponsor and Renexia Service's conditions, the Sponsor and Renexia Services in the Finance Documents and the Project Documents to which the Issuer, the Sponsor and Renexia Services are party are legally binding, valid and enforceable obligations.
- (xviii) The Issuer's payment obligations under the Finance Documents rank at least *pari passu* with all its other unsecured payment obligations, except for obligations mandatorily preferred by any applicable law.
- (xix) The Issuer owns or has good title to, or freedom to use under any applicable laws, the Site and any other assets (including Intellectual Property) necessary to implement the Plant in compliance with the Authorizations and in accordance with the Project Documents, free from security interests (other than Permitted Security), restrictions and onerous covenants.
- (xx) The Issuer has correctly and timely filed all tax returns and supporting information required to be filed by it and correctly and timely paid or discharged all Taxes due and payable by it except those which are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided.
- (xxi) The Issuer and Sponsor's financial statements to be delivered to the Noteholders' Representative in accordance with the Terms and Conditions have been prepared in accordance with the applicable accounting principles and give a true and fair view of the assets, liabilities and financial condition and the result of the operations of the Issuer and the Sponsor.
- (xxii) The Issuer does not hold any bank or deposit account other than the Accounts.
- (xxiii) All factual information made available by the Issuer or the Sponsor in favour of the Initial Noteholders during the due diligence phase are true, accurate and complete in all respects as at their date and the Issuer has not omitted to supply any information which, if disclosed, would make the factual information supplied untrue or misleading in any material respect. All the information and documents supplied or to be supplied by the Issuer or the Sponsor in connection with the Finance Documents are true, accurate and complete in all respects as at their date and they have not omitted to supply any information which, if disclosed, would make the factual information supplied untrue or misleading in any material respect.
- (xxiv) The Issuer is in compliance with all Environmental Laws applicable to the Project or the site.
- (xxv) No Environmental Claim has been commenced or, to the best of its knowledge and belief after due and careful inquiry, threatened in writing against it or in relation to the Project. During the due diligence phase it has disclosed full details to the Noteholders' Representative of all necessary material inspections, investigations, studies, audits, tests, reviews and other

analyses in relation to any Environmental Law in respect of the Project and if requested by the Noteholders' Representative (or by a Noteholder) it will provide the Noteholders' Representative with all other inspections, investigations, studies, audits, test reviews and other analyses carried out by it or on its behalf in relation to any Environmental Law in respect of the Project.

- (xxvi) The Issuer has not incurred any Financial Indebtedness except for Permitted Indebtedness.
- (xxvii) No litigation, labour disputes, arbitration or administrative proceedings which, if adversely determined, are reasonably likely to have a Material Adverse Effect, are, to the best of its knowledge, pending or threatened in writing against the Issuer, the Major Project Parties, the Plant, the Site or the Authorizations.
- (xxviii) Each of the Construction Budget, the Progress Report, the Technical Advisor Construction Monitoring Report, the Operating Budget, the Operating Report, the Technical Advisor Operating Monitoring Report, the Initial Base Case, each Updated Base Case, and the Wind Report to be delivered under the Terms and Conditions was, at its date, accurate and prepared in good faith and consistent with the Project Documents and the Finance Documents.
- (xxix) All the Insurances required to be in place under Annex D from time to time in full force and effect.
- (xxx) The Issuer is in compliance with all material laws applicable to it and the Plant.
- (xxxi) The Issuer owns, or will own, all the Equipment (as defined under the EPC) having occurred the relevant passage of titles according to the EPC.
- (xxxii) The Issuer is entitled to receive the Feed-in Tariff in respect of the electricity produced by the operation of the Plant according to New FER Decree and the Auction Procedure.
- (xxxiii) The Issuer It is not aware of any circumstances which are likely to lead to:
 - (a) any Authorisation obtained or effected not remaining in full force and effect;
 - (b) any Authorisation not being obtained, renewed or effected when required; or
 - (c) any Authorisation being subject to a condition or requirement which the Issuer does not reasonably expect to satisfy or comply with.
- (xxxiv) No event which may imply a liability of the Issuer under Legislative Decree 231 has occurred and no litigation relating to the application of the Legislative Decree 231 is pending or threatened in writing towards the Issuer and/or the Project and no final judgments pursuant to the Legislative Decree 231, nor the interdict or seizure steps have been applied against the Issuer and/or the Project.
- (xxxv) None of the Issuer, the Sponsor, the Shareholders, Renexia S.p.A. and Toto Holding and none of their respective directors, officers, affiliates, agents or employees, is (i) in violation of

Sanctions and/or (ii) a person that is, or is owned or controlled by persons that are, Sanctioned Person.

(xxxvi) The Issuer, the Sponsor, the Shareholders, its affiliates, Renexia S.p.A. and Toto Holding, any of their directors or officers, and, to the best knowledge of the Issuer, each employee of the Issuer, the Sponsor, the Shareholders, Renexia S.p.A., Toto Holding, and its affiliates have conducted its business in compliance with applicable laws and regulations including Anti-Money Laundering Laws and Anti-Corruption Laws and applicable laws relating to terrorist financing, corruption or transactions involving the proceeds of illegal activities and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws and none of them have received any communication from a competent authority that it is or may be in violation of, or that it is or may be subject to a formal investigation or inquiry by a competent authority, which is related to, (i) any Anti-Corruption Laws, or (ii) any applicable law relating to Sanctions, or (iii) any applicable or Anti-Money Laundering Laws or anti-terrorist financing law or regulation of any country.

9. RELEVANT EVENTS

9.1 Each of the events listed below in this Clause 9.1 is a “**Relevant Event**”:

(a) Payment Default:

- (A) any failure of the Issuer to pay any principal or Interest Amounts payable on the Notes (including any failure in timely performing any payment due under Clause 6.2 (*Mandatory Early Redemption*), 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 made within (i) five (5) Business Days of the due date or (ii) three (3) Business Days after the date on which the Noteholders Representative has given notice thereof to the Issuer.
- (B) The Issuer does not pay the Imposta Sostitutiva in accordance with Clause 7.2 (*Financial and Security Covenants*) point (xxii) above and Clause 3.2 (*Payments from the Drawdown Account*) of Annex C (*Account Management*).

(b) Insolvency Proceedings of the Issuer: (i) 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 Italian Bankruptcy Law; and/or (iii) the Issuer is subject to any of the situation described in articles 2482*bis* or 2482*ter* of Italian Civil Code (iv) the Issuer is unable, or admits its inability, to pay its debts as they fall due, ceases or threatens in writing to cease to carry on business or substantially the whole of its business

(c) Insolvency Proceedings of the Sponsor or any Major Project Party: until COD or following COD but provided that the event is likely to have a Material Adverse Effect, (i) judicial steps have been taken against the Sponsor or any Major Project Party (with exclusion of the PPA Offtakers) aimed at commencing any Insolvency Proceedings or equivalent procedures under the applicable law; and/or (ii) the Sponsor or any Major Project Party (with exclusion of the PPA Offtakers) are subject to any Insolvency Proceedings or have entered into any of the agreements provided for by article 182

bis or article 67 paragraph 3 (d) of the Italian Bankruptcy Law or equivalent agreements under the applicable law; and/or (iii) the Sponsor or any Major Project Party (with exclusion of the PPA Offtakers) are subject to any of the situation described in articles 2482*bis* or 2482*ter* or 2445 and 2446 of the Italian Civil Code or an equivalent situation under the applicable law (iv) the Sponsor or any Major Project Party (with exclusion of the PPA Offtakers) are unable, or admit their inability, to pay their debts as they fall due, cease or threaten in writing to cease to carry on business or substantially the whole of their business.

Following COD but provided that the event is likely to have a Material Adverse Effect, (i) judicial steps have been taken against each PPA Offtaker or the entity providing guarantee in favor of the Issuer under each PPA aimed at commencing any Insolvency Proceedings or equivalent procedures under the applicable law; and/or (ii) each PPA Offtaker or the entity providing guarantee in favor of the Issuer under each PPA are subject to any Insolvency Proceedings or have entered into any of the agreements provided for by article 182 *bis* or article 67 paragraph 3 (d) of the Italian Bankruptcy Law or equivalent agreements under the applicable law; and/or (iii) each PPA Offtaker or the entity providing guarantee in favor of the Issuer under each PPA are subject to any of the situation described in articles 2482*bis* or 2482*ter* or 2445 and 2446 of the Italian Civil Code or an equivalent situation under the applicable law (iv) each PPA Offtaker or the entity providing guarantee in favor of the Issuer under each PPA are unable, or admit their inability, to pay their debts as they fall due, cease or threaten in writing to cease to carry on business or substantially the whole of their business.

- (d) **Liquidation:** the adoption of a resolution of the competent body of the Issuer whereby it is resolved the winding up, the dissolution or liquidation of the Issuer.
- (e) **Creditors' process:** any expropriation, attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset or assets of the Issuer, the Shareholders or the Sponsor and is not discharged within 30 days, provided that, following the Completion Date, no Relevant Event will occur under this Clause with respect to the Sponsor unless the creditor's process has a Material Adverse Effect.

Until COD, any expropriation, attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset or assets of any Major Project Party and is not discharged within 30 days, provided that no Relevant Event will occur under this Clause in case the relevant Major Project Party is replaced by a different contractor acceptable to the Noteholders within 20 Business Days and in form and substance satisfactory to the Noteholders following the approval of a specific Remediation Plan.

Following COD, any expropriation, attachment, sequestration, distress or execution, or any analogous process in any jurisdiction, affects any asset or assets of any Major Project Party and is not discharged within 30 days, provided that no Relevant Event will occur under this Clause in case the relevant Major Project Party is replaced by a different contractor acceptable to the Noteholders within 30 Business Days and in form and substance satisfactory to the Noteholders following the approval of a specific Remediation Plan.

- (f) **Litigation:** any litigation, arbitration or administrative proceedings (including, but not limited to, judicial seizures, interim measures or other similar proceedings, or orders issued pursuant to Article 2409 of the Italian Civil Code) are current or pending against

the Issuer or the Plant having a value exceeding Euro 50,000 or a Material Adverse Effect, or any litigation, arbitration or administrative proceedings (including, but not limited to, judicial seizures, interim measures or other similar proceedings, or orders issued pursuant to Article 2409 of the Italian Civil Code) are current or pending against the Sponsor or any Major Project Party which are reasonably likely to be adversely determined and, if adversely determined, are reasonably likely to have a Material Adverse Effect.

- (g) **Covenants:** any of the covenants under Clause 7 (*Covenants by the Issuer*) is not complied with by the Issuer and, if capable of being remedied, is not remedied within 10 Business Days after the date on which the Noteholders' Representative has given notice to the Issuer of the event.
- (h) **Cross default of the Issuer:** any Financial Indebtedness of the Issuer is not paid when due or after the expiry of any grace period originally provided for in the document evidencing such indebtedness. Any Financial Indebtedness of the Issuer is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described). Any creditor of the Issuer becomes entitled to declare any Financial Indebtedness of the Issuer due and payable prior to its specified maturity as a result of an event of default (however described).
- (i) **Cross default of the Major Project Parties and Guarantees:** any indebtedness of any Major Project Party (with exception of the GSE and Terna) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described) and/or any creditor of any Major Project Party (with exception of the GSE Terna) becomes entitled to declare any indebtedness of the relevant Major Project Party due and payable prior to its specified maturity as a result of an event of default (however described) unless:
 - (1) Completion Date has been achieved and such event does not have or is reasonably likely not to have a Material Adverse Effect; or
 - (2) with regards to any other Major Project Party (with the exclusion of the GSE and Terna) no later than 20 Business Days until Completion Date or 40 Business Days following Completion Date after the occurrence of such event, such event is remedied in form and substance satisfactory to the Noteholders.

Any guarantee provided by the Issuer, Renexia Service or TOTO Holding under any Project Document to cover their relevant obligations is enforced by the relevant beneficiary under the relevant Project Document.

- (j) **Major Project Documents:** (i) any Major Project Document is amended or becomes invalid, null, void, unenforceable or is suspended or terminated, in full or in any material part thereof or is alleged to be null by any party thereof; (ii) a Major Project Document becomes capable of being terminated by a party thereto by reason of the occurrence of a termination event; (iii) a Major Project Document is repudiated by any party thereto; (iv) any bond issued in favour of the Issuer or the Sponsor pursuant to the terms of a Project Document to support the obligations of the Issuer or Sponsor's counterparty under the relevant Major Project Document ceases to be in full force and effect other than in accordance with the terms and conditions of the relevant Major Project Document.
- (k) **Finance Documents and Security Package:** any Finance Document (except for the Security Package) is amended or becomes invalid, null, void, unenforceable or is suspended or terminated, in full or in any material part thereof, or is alleged to be null

by the Issuer or the Sponsor or Renexia Services unless is replaced with a contract where the terms of the relevant Finance Document are either substantially the same as or better than the terms of the previous Finance Document (in the reasonable opinion of the Noteholders' Representative) or are otherwise acceptable to the Noteholders' Representative within 20 Business Days after the date on which the Noteholder's Representative has given notice of such event to the Issuer.

Any agreement constituting the Security Package or any of the security created thereunder becomes null, void or unenforceable for any reason, other than by waiver (*rinuncia alle garanzie*) by the Noteholders.

(I) Project Documents:

(i) any party to the Project Documents fails to perform, comply with or otherwise breaches any of its obligation under any Project Document, provided that such failure to perform, comply or breach have a Material Adverse Effect, and such failure, if capable of being remedied, is not remedied within:

- (1) 20 Business Days in respect to any Major Project Document and if the event has occurred before COD; or
- (2) 30 Business Days in respect to any Major Project Document and if the event has occurred after COD; or
- (3) 30 Business Days in respect to all the Project Documents which are not Major Project Documents; or
- (4) if longer, such grace period as is granted under the relevant Project Document,

(ii) a Project Document is terminated, becomes unenforceable or is amended in any material respect without the prior written consent of the Noteholders unless is replaced with a contract where the terms of the relevant Project Document and the relevant Direct Agreement are either substantially the same as or better than the terms of the previous Project Document and relevant Direct Agreement (in the reasonable opinion of the Noteholders) or are otherwise acceptable to the Noteholders and with a counterparty which is reasonably acceptable to the Noteholders within 20 Business Days should this event occur before COD or within 40 Business Days for any other case after the date on which the Noteholder's Representative has given notice of such event to the Issuer,

(iii) a Project Document becomes capable of being terminated by a party thereto by reason of the occurrence of a termination event and such termination event is not remedied or cured to the satisfaction of the Noteholders by the end of any applicable grace or notice period contained in the relevant Direct Agreement;

(iv) a Project Document is repudiated by any party thereto, unless that Project Document is replaced by an agreement with a party satisfactory to the Noteholders and which is, in the reasonable opinion of the Noteholder, in a form and substance either substantially the same as the agreement which it is replacing or otherwise in a form and substance satisfactory to the Noteholders within 30 Business Days of the expiry of the term referred above.

Any bond issued in favour of the Issuer or the Sponsor pursuant to the terms of a Project Document to support the obligations of the Issuer or Sponsor's counterparty under the relevant Project Document ceases to be in full force and effect other than in accordance with the terms and conditions of the relevant Project Document.

- (m) **Insurance Policies:** an Insurance Policy is at any time terminated and not restored or replaced by the Issuer on substantially similar terms acceptable to the Noteholders' Representative prior to cessation or the circumstances giving rise to the entitlement by the insurer to avoid, repudiate or suspend or otherwise reduce its liability are remedied within the following 10 Business Days.
- (n) **Long Stop Date:** the Completion Date does not occur within the Long Stop Date or the Noteholders' Representative notifies the Issuer that, based on the technical reports delivered under Annex A and after consultation with the Technical Advisor, the Completion Date will not occur, or is highly unlikely to occur, within the Long Stop Date.
- (o) **Environmental Accident:** any accident occurs to the Plant, having material environmental consequences, to the extent that such environmental consequences are not duly cured by the Issuer within the applicable term provided by law.
- (p) **Material Adverse Effect:** any event occurs which in the Noteholders' Representative reasonable opinion (acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) has a Material Adverse Effect unless the Issuer provides the Noteholders' Representative with a specific Remediation Plan and (i) such event is cured within 20 Business Days after the date on which the Noteholders' Representative has given notice thereof to the Issuer or (ii) if the Issuer notifies the Noteholders' Representative that such event cannot be cured within the said period, such event is cured within any longer cure period to be agreed between the Issuer and the Noteholders' Representative acting upon instruction of the Noteholders and not exceeding 40 Business Days in any case.
- (q) **Force Majeure Events:** the occurrence of Force Majeure Events that persist for a period exceeding 75 consecutive days or 90 non-consecutive calendar days unless the Issuer provides the Noteholders' Representative with a specific Remediation Plan by no later than 30 days from the occurrence of the relevant Force Majeure and such event is cured within 3 (three) months from the date of delivery to the Noteholders' Representative of the relevant Remediation Plan.
- (r) **Suspension and Abandonment:** the Issuer:
 - (i) suspends the operation of all or a material part of the Plant for a continuous period exceeding 30 calendar days, if the event or circumstance giving rise to such suspension does not entitle the Issuer to claims under the Insurance Policies, other than in accordance with the Project Documents as a result of planned maintenance and the Plant is not capable of generating electricity during such period; or
 - (ii) evidences an intention to abandon the Plant, or abandons the Plant for a continuous period of 30 calendar days or more; or
 - (iii) suspends the construction of all or a material part of the Plant for a period exceeding 30 consecutive calendar days or 40 non-consecutive calendar days in any three month period provided that the event or circumstance giving rise to such suspension does not entitle the Issuer to claims under the Insurance Policies.
- (s) **Authorizations:** any Authorization is suspended, revoked or cancelled or otherwise ceases to be in full force and effect or is not renewed or is varied, amended or renewed either in whole or in part without the prior written consent of the Noteholders' Representative and such event is not cured, remedied or mitigated to the satisfaction of the Noteholders' Representative within 20 Business Days.

- (t) **Construction and operation of the Plant:** the Plant is not built and is not operated and managed in accordance with the applicable Project Documents, Authorizations and applicable laws (including, but not limited to, any Environmental Law).
- (u) **Compulsory nationalization of the Issuer's Assets:** nationalization, expropriation or dispossession by a government, public or regulatory body of the Plant unless (i) the Liquidated Damages to be paid to the Issuer in respect of such events are paid on the Proceeds Account within 10 (ten) Business Days from the date upon which the above mentioned events are effective or the Plant is seized due to such events and (ii) such Liquidated Damages are in an amount sufficient to repay the Principal Amount Outstanding of the Notes and the interests accrued on such Notes and (iii) the Issuer apply such Liquidated Damages to repay in full the Principal Amount Outstanding of the Notes and the interests accrued on such Notes within 5 (five) Business Days from the date upon which the Liquidated Damages are credited to the Proceeds Account.
- (v) **Unlawfulness:** it is or will become unlawful for the Issuer or the Sponsor to perform or comply with any of their material obligations under the Finance Documents to which they are a party or any of such material obligations conflicts with the by-laws (*atto costitutivo* and *statuto*) or contractual obligations of the Issuer or the Sponsor and such circumstance, if capable of remedy, is not remedied within 20 Business Days after the date on which the Issuer and/or the Sponsor have become aware of the unlawfulness or Noteholders's Representative has given notice thereof to the Issuer. It is or will become unlawful for the Issuer or Renexia Services to perform or comply with any of their material obligations under the Major Project Documents to which they are a party or any of such material obligations conflicts with the by-laws (*atto costitutivo* and *statuto*) or contractual obligations of the Issuer or Renexia Services and such circumstance, if capable of remedy, is not remedied within 30 Business Days after the date on which the Noteholders's Representative has given notice thereof to the Issuer. It is or will become unlawful for the Issuer or Renexia Services to perform or comply with any of their material obligations under the Project Documents (other than the Major Project Documents) to which it is a party or any of such material obligations conflicts with the by-laws (*atto costitutivo* and *statuto*) or contractual obligations of the Issuer and such circumstance, if capable of remedy, is not remedied within 40 Business Days after the date on which the Noteholders's Representative has given notice thereof to the Issuer.
- (w) **Change of Control:** a Change of Control under paragraphs (i) or (ii) of the definition of "Change of Control" under Clause 1 (*Definitions*) of this Terms and Conditions occurs and the Issuer does not fulfill its prepayment obligation under Clause 6.2.5 (*Change of Control*) above.
- (x) **Information:** any information provided to the Noteholders and/or the Noteholders' Representative by or on behalf of the Issuer is misleading untrue or incorrect in any material respect unless such event is remedied within 10 Business Days by the Issuer in form and substance satisfactory to the Noteholders.
- (y) **Cessation of Business:** (i) the Issuer ceases or threatens in writing to cease to carry on all or a substantial part of its business; (ii) a Major Project Party (excluding Terna under the Interconnection Agreement, the GSE under the Feed-in Tariff Concession) ceases or threatens in writing to cease to carry on all or a substantial part of its business unless such Major Project Party is replaced by an entity acceptable to the Noteholders within: (1) 25 Business Days if the event has occurred before COD or (2) 40 Business Days if the event has occurred after COD.

- (z) **Representations and Warranties:** a representation or warranty contained in a Finance Document made or repeated by the Issuer is incorrect or misleading in any material respect when made or deemed to be repeated where the facts and circumstances giving rise to the misrepresentation have a Material Adverse Effect and unless the facts and circumstances giving rise to the misrepresentation are remedied within 20 Business Days after the Noteholder's Representative gives notice.
- (aa) **Accounts:** the Issuer opens any bank or deposit account other than the Accounts.
- (bb) **Center of interest:** the Issuer fails to have (i) its "*business centre of interest*" in Italy, pursuant to article 3(1) of the EU Insolvency Regulation or (ii) establishes any foreign branch, pursuant to article 2(h) of the EU Insolvency Regulation.
- (cc) **ADSCR and BLCR:** on any Calculation Date, the ADSCR (forward or historic) falls below 1.05:1 and/or the BLCR falls below 1.10:1 unless by no later than 10 Business Days the Issuer receives a Permitted Equity Cure Amount credited to the Proceeds Account to restore the ADSCR (forward and historic) to a value equal or higher than 1.05:1 and/or the BLCR to a value equal or higher than 1.10:1 and provided that:
1. not more than 1 Permitted Equity Cure Amount injection shall be made during each 12-month period starting from the relevant Calculation Date; and
 2. not more than 2 Permitted Equity Cure Amount injections shall be made from the Issue Date to the Final Maturity Date.
- (dd) **Major Project Party MAE:** any event or circumstance occurs at any time which has (in the Noteholders' opinion, acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) a Material Adverse Effect on the ability of a Major Project Party to perform its material obligations under the relevant Major Project Document and such event is not remedied as follows:
- (i) the Issuer shall, within 30 days of the earlier of the Noteholders' Representative giving notice and the Issuer becoming aware of the relevant circumstance or event:
 - (A) consult and discuss with the Noteholders' Representative (on behalf of the Noteholders) in relation to the contractual rights and remedies which the Issuer has in respect of such Major Project Party and/or alternatives to such Major Project Party in such circumstances;
 - (B) propose a Remediation Plan.
- (ee) **Remediation Plan:** (i) the Issuer has received by the Noteholders' Representative's (acting on the instructions of the Noteholders) a notice of rejection of any Remediation Plan proposed by the Issuer or (ii) the Issuer has not correctly and timely implemented the relevant Remediation Plan according to its terms and conditions.
- (ff) **Funding Shortfall:** the Noteholders' Representative determines that a Funding Shortfall has occurred unless by no later than 15 Business Days after date on which the Noteholders' Representative has notified the Issuer on the occurred Funding Shortfall:
1. no other Relevant Event is occurred and is continuing;
 2. no later than 10 Business Days after the date on which the Noteholders' Representative has notified the Issuer on the occurred Funding Shortfall, the

Shareholder confirms to the Noteholders' Representative that it will and have available funding sources to provide a Permitted Equity Cure Amount;

3. no later than 15 Business Days after the date on which the Noteholders' Representative has notified the Issuer on the occurred Funding Shortfall, the Issuer receives a Permitted Equity Cure Amount credited to the Proceeds Account to cure the Funding Shortfall.

The Borrower may benefit of a Permitted Equity Cure Amount under this Clause provided that: (i) the Long Stop Date has not yet occurred; and (ii) not more than 1 (one) Permitted Equity Cure Amount injection is allowed.

(gg) Delisting: the Notes cease to be traded on the ExtraMOT PRO³ or on the other Relevant Market (if applicable).

(hh) Feed-in Tariff: any event of any nature whatsoever occurs (including, but not limited to, the revocation or reduction of the Feed-in Tariff following a GSE inspection), as a consequence of which the Issuer becomes no longer entitled to receive the Feed-in Tariff or the Feed-in Tariff is revoked or the Feed-in Tariff is no longer payable by the GSE.

The awarding to the Issuer of the Feed-in Tariff is challenged by any third party before any competent authority within the 120-day applicable challenging period and such challenge is confirmed by an enforceable judicial decision (*sentenza esecutiva*) (irrespective of the fact that such decision is either final (*passata in giudicato*) or is given on a temporary basis in the context of a judgment at first instance (*sentenza di primo grado provvisoriamente esecutiva*) or otherwise).

(ii) Auction Procedure: filing of any claim before the competent authority against the Feed-in Tariff awarded to the Issuer and/or the Auction Procedure within the 120-day applicable challenging period and such challenge is confirmed by an enforceable judicial decision (*sentenza esecutiva*) (irrespective of the fact that such decision is either final (*passata in giudicato*) or is given on a temporary basis in the context of a judgment at first instance (*sentenza di primo grado provvisoriamente esecutiva*) or otherwise).

(jj) Voluntary Prepayment: The Issuer early redeems in full the Notes before 31 December 2022 (included) in breach of Clause 6.4(a) (*Optional Early Redemption*) above unless, if so accepted and required by the Noteholders in their own absolute discretion, the Issuer accepts to pay, and pays upon the same date of the early redemption of the Notes, an early redemption fee equal to 20% of the Calculation Amount minus the total amount of the interests paid on the Principal Amount Outstanding of each Note.

(kk) Toto Guarantee: The TOTO Guarantee ceases to be in full force and effect unless in accordance with its terms and conditions.

(ll) Further activities: The Issuer does not timely and satisfactorily fulfil all its obligations under Clause 7.2 (*Financial and Security Covenants*) points (xxiv), (xxv) and (xxvi) of these Terms and Conditions.

- 9.2 Upon occurrence of any Relevant Event, each Noteholder shall have the right to convene a Noteholder's meeting to resolve on the early redemption of the Notes. Following a

resolution approved under Clause 13 (*Meeting of the Noteholders*) requesting the early redemption of the Notes, the Noteholders (acting through the Noteholders' Representative if appointed) will request to the Issuer the early redemption of the Notes (the "**Default Early Redemption Request**") through a communication to be sent according to the applicable provisions of law and as requested by the Italian Stock Exchange. On the first Business Day falling after 20 (twenty) calendar days from the date of receipt of the Default Early Redemption Request (the "**Default Early Redemption Date**"), the amounts payable by the Issuer to the Noteholders shall become immediately due and payable with respect to the then Principal Amount Outstanding, *plus* interest accrued and unpaid thereon.

9.3 The Issuer shall promptly notify to the Italian Stock Exchange, Monte Titoli and the Noteholders' Representative of the receipt of the Default Early Redemption Request together with (i) detailed information of the Relevant Event and (ii) the relevant Default Early Redemption Date.

9.4 The Noteholders may approve a resolution in accordance with Clause 13 (*Meeting of the Noteholders*) to waive an existing Relevant Event and its consequences.

10. 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.

11. ADMISSION TO TRADING

The Notes will be admitted to trading on the ExtraMOT PRO³.

12. RESOLUTIONS AND AUTHORIZATIONS RELATING TO THE NOTES AND THE SECURITY PACKAGE

The issuance of the Notes and the granting of the Security Package were approved by the resolution of the shareholder's meeting of the Issuer passed on 17 December 2020 (Rep. n. 50721 – Racc. N. 12478).

Under such resolution, the Issuer has opted for the tax regime of the Imposta Sostitutiva.

13. MEETINGS OF THE NOTEHOLDERS AND APPOINTMENT OF THE NOTEHOLDERS' REPRESENTATIVE

13.1 Noteholders' Meeting

- (a) The Noteholders may convene a meeting in order to protect common interest 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 the presence of a notary public. The Parties hereby agree that all the articles of the Italian Civil Code mentioned under this Clause 13 will be applicable to the Terms and Conditions. Without prejudice to Clause 13.3 below, in accordance with article 2415, paragraph 1 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**") provided that the first Noteholders' Representative will be Bondholders, S.L. (a company incorporated under the laws of Spain with registered office at Valencia (Spain), Avenida de Francia 17-A-1 holding VAT no.ES-B98604986), (ii) any amendment to these Terms and Conditions, agreed or to be agreed with

the Issuer, (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. In addition to the above, it is hereby agreed that all meetings of the Noteholders may be held also remotely.

- (b) Such a meeting may be convened by the board of directors of the Issuer or the Noteholders' Representative or upon request by Noteholders holding at least 66% of the Principal Amount Outstanding at their discretion and, in any event, in accordance with the provisions of article 2415, paragraph 2 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.

13.2 Noteholders' Meetings Quorums

- (a) By way of partial derogation of article 2415, paragraph 3 of the Italian Civil Code:
 - (i) all the Noteholders' meeting resolutions shall be adopted with the approval of at least the Majority Noteholders; and
 - (ii) the Noteholders' meeting resolutions, resolving upon the following matters, shall be approved unanimously by the Noteholders:
 - a) extension of the Availability Period and/or of the date of payment of any amount under the Finance Documents; and/or
 - b) extension of the Long Stop Date; and/or
 - c) amendment in any Margin and Reference Rate or a reduction in the amount of any payment of principal, interest, fee or other amount payable to the Noteholders under the Finance Documents; and/or
 - d) release of any security interests created under the Security Package other than in accordance with the express terms of the Finance Documents; and/or
 - e) amendment to this Clause 13 (*Meetings of the Noteholders and Appointment of the Noteholders' Representative*).
- (b) Without prejudice to the above, the Noteholders may also exercise their rights through resolutions in writing signed by or on behalf of all Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders.
- (c) Any resolution passed at a Noteholders' meeting duly convened and held shall be binding upon all Noteholders whether present or not present at the meeting and whether or not voting.

13.3 Noteholders' Representative

- (a) The Noteholders' Representative, subject to applicable provisions of Italian law, may be appointed and remain appointed pursuant to article 2417 of the Italian Civil Code in order to represent the Noteholders' interest 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 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. The Noteholders' Representative shall remain appointed for a maximum period of three (3) years in accordance with Article 2417 of the Italian Civil Code but may be reappointed again thereafter.

- (b) As long as a Noteholders' Representative is appointed, this latter:
 - (i) shall receive on behalf of the Noteholders from the Issuer any notice, proof, document, report, evidence and communication to be served or provided by the Issuer to the Noteholders under the Terms and Conditions; and
 - (ii) may provide, on behalf and in the name of the Noteholders, consents, opinions and notifications that the Noteholders may provide to the Issuer under the Terms and Conditions.
- (c) All references made to the Noteholders' Representative consents, approvals or opinions or determination under the Terms and Conditions or the other Finance Documents are deemed as consents and opinions expressed by the Noteholders' Representative acting upon instruction of the Noteholders and when related to the Project Documents and/or the Construction Budget also acting after the consultation with the Technical Advisor.
- (d) The Noteholders' Representative shall exercise any right, power, authority or discretion vested in it as Noteholders' Representative in accordance with the instructions given to it by the Noteholders (or, if so instructed by the Noteholders, refrain from exercising any right, power, authority or discretion vested in it as Noteholders' Representative).
- (e) Should the Noteholders' Representative not be appointed, all the information and documents to be provided to the latter under the Terms and Conditions shall be provided to the Noteholders at the address from time to time indicated to the Issuer.
- (f) Notwithstanding the foregoing, the Noteholders' Representative will not be liable to the Issuer or any other party to the Finance Documents for any direct, consequential or indirect loss of any kind whatsoever (including loss of business, goodwill, opportunity or profit), even if advised of the possibility of such loss or damage except in case of gross negligence (*colpa grave*) or wilful misconduct (*dolo*).

13.4 Noteholders' Obligations

It remains understood that:

- (i) the obligations of the Noteholders under the Finance Documents are several;
- (ii) failure by a Noteholder to perform its obligations does not affect the obligations of any other party under the Finance Documents;
- (iii) no Noteholder is responsible for the obligations of any other Noteholder under the Finance Documents;
- (iv) the rights of a Noteholder under the Finance Documents are separate and independent rights;
- (v) a Noteholder may, except as otherwise stated in the Finance Documents, separately enforce those rights;
- (vi) a debt arising under the Finance Documents to a Noteholder is a separate and independent debt.

14. STATUTE OF LIMITATION

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 payments are due.

15. TAXATION

Any tax, levy, impost, duty or other charge of a similar nature, fee, present and future, applicable to the Notes shall be borne by the Noteholders.

16. NOTICES

Any notice regarding the Notes, as long as the Notes are held through Monte Titoli, shall be deemed to have been duly given if given through the systems of Monte Titoli or through any other method which is effective to give notice to all the Noteholders at the same time and in compliance with the disclosure requirements of the ExtraMOT PRO³ Regulation and applicable laws. Any notice regarding the Notes will also be published on the Issuer Website.

Any notice regarding the Notes shall be in English and, if necessary, any document or information which is not originally provided in English shall be translated in English by the Issuer at its own costs and expenses.

17. COST AND EXPENSES

17.1 Initial costs

The Issuer shall bear the amount of all notarial costs (if any), as well as all duly documented legal costs and expenses borne by the Initial Noteholders and the Noteholders' Representative, related to or connected with the negotiation and execution of the Finance Documents provided that they are previously agreed with the Issuer (acting reasonably).

17.2 Subsequent costs

All costs and expenses (including legal fees) incurred by the Noteholders and the Noteholders' Representative in connection with any amendment, waiver or consent request by the Issuer in connection with the use of advisors and third-party experts (including the Technical Advisor, the Insurance Advisor, the Legal Advisor and the Model Auditor) following the Issue Date to the extent they are duly documented, previously agreed with the Issuer (acting reasonably) and reasonable shall be paid by the Issuer.

17.3 Enforcement costs

The Issuer shall pay to the Noteholders the amount of all duly documented costs and expenses (including legal fees) reasonably incurred by them in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

17.4 Notes transfer costs

Any cost relating to, or resulting from, the transfers of the Notes by the Noteholders shall not be borne by the Issuer.

18. AMENDMENTS AND WAIVERS

Any term of the Finance Documents may be amended or waived with the agreement of the Issuer and the Noteholders.

19. GOVERNING LAW AND JURISDICTION

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

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

ANNEX A

Updated Base Case and Reports

1. Updated Base Case

- 1.1 The Issuer shall update the Base Case and provide the Noteholders' Representative with the relevant Updated Base Case as follows:
- (i) until Completion Date is achieved, on a monthly basis within 15 days from the end of each calendar month if Economic Assumptions, Technical Assumptions, Construction Budget or Project Documents amendments have occurred in the previous month and confirmed by Technical Advisor;
 - (ii) following the Completion Date, within 75 (seventy-five) Business Days from each Calculation Date;
 - (iii) promptly following any Change in Law or any change in law on corporate tax, fiscal depreciation, accounting and fiscal principle applied by the Issuer; and
 - (iv) promptly following any Force Majeure Event, any event having a Material Adverse Effect, Potential Relevant Event or any event which causes the Feed-in Tariff to be reduced, limited, revoked (even partially) or suspended also for the future.
- 1.2 Together with each Updated Base Case, the Issuer shall provide the Noteholders' Representative with the Technical Assumptions certified by the Technical Advisor as well as the forecasts of energy to be used for the next Calculation Date and the figures to be used for the Economic Assumptions for the next Calculation Date. Each Updated Base Case provided according to paragraph 1.1, points (iii) and (iv) shall be audited by the Model Auditor.
- 1.3 The Issuer will make such proposals in good faith after careful consideration and enquiry and such proposals will genuinely reflect views which it believes in good faith to be reasonable in the circumstances and will be consistent with the provisions of the Terms and Conditions. All the Issuer's proposal will be submitted together with details and technical grounds with relevant explanations for the benefit of the Technical Advisor and the Noteholders' Representative.
- 1.4 For the purpose of updating the Base Case, the Issuer shall factor in:
- (i) the most recent Construction Budget and any Funding Shortfall;
 - (ii) the new projections of energy production, to be calculated by the Technical Adviser, as requested by the Issuer or, in case of inaction of the Issuer, by the Noteholders' Representative or in case of the release of a new Wind Report;
 - (iii) the effective historical financial performance of the Issuer on the basis of the latest audited or un-audited accounts (if un-audited accounts, then ratios should be confirmed later on with audited accounts).

Only with respect to the Updated Base Cases to be provided in relation to each Calculation Date falling in December, the Issuer shall factor in also (i) any changes in the Economic Assumptions and Technical Assumptions, (ii) the most recent Operating Budget, (iii) any other standard project assumption (e.g. inflation, tax regime, etc.) required by the Noteholders'

Representative, provided that, if a change in a standard assumption is likely to have a Material Adverse Effect on the ADSCR and BLCR, such additional elements to be factored in by the Issuer shall be factored in at the immediately following Calculation Date.

The accounting and tax assumptions shall reflect the accounting and tax principles used for the purpose of preparing the financial statements.

- 1.5 Upon receipt of the Updated Base Case, the Noteholders' Representative may propose changes in order to:

- (i) correct any historical data known to be inaccurate; or
- (ii) correct any manifest error; or
- (iii) incorporate any changes to the Technical Assumptions and Economic Assumption agreed or determined according to the above.

The Noteholders' Representative may propose such a change by giving written notice to the Issuer setting out the proposed change and the reasons why it believes such a change is required.

- 1.6 The Noteholders' Representative can prepare, or have prepared, the Updated Base Case in the event that the Issuer fails to deliver the Updated Base Case according to 1.1 above.

- 1.7 Within 15 (days), until Completion Date, and within 30 (thirty) days, following Completion Date, of receipt of the Updated Base Case, the Noteholders' Representative shall notify the Issuer whether the Updated Base Case has been approved.

- 1.8 If Noteholders' Representative does not approve the Updated Base Case or does not provide its feedback within the term above, then: (i) the Noteholders' Representative shall provide the Issuer with reasonable details of the grounds for such disapproval; (ii) the most recent Base Case or existing Update Base Case then available and approved by the Noteholders' Representative shall continue in effect without any amendment; and (iii) the Issuer shall submit a further revised draft of the Updated Base Case to the Noteholders' Representative.

- 1.9 Within 15 (fifteen) days of receipt of the revised draft of the Updated Base Case, until Completion Date, and within 30 (thirty) days of receipt of the revised draft of the Updated Base Case, following the Completion Date, the Noteholders' Representative may: (i) notify the Issuer that the revised draft of the Updated Base Case has been approved, or (ii) ask the Issuer for amendments to the revised draft of the Updated Base Case. In such a case, the Noteholders' Representative and the Issuer may consult between themselves and with the Technical Advisor. If no agreement is reached within 20 (twenty) Business Days of the Noteholders' Representative request for amendments, then either of the Noteholders' Representative and the Issuer may refer the matter to an expert (the "**Expert**") for resolution. The Expert shall be appointed jointly by the Issuer and the Noteholders' Representative or, if such agreement is not reached within 5 (five) Business Days of the proposal of either party, the Expert shall be the person nominated on the application of the Issuer or the Noteholders' Representative to the president for the time being of (i) the *Ordine dei Dottori Commercialisti di Milano* in the case of any reference in respect of the Updated Base Case or relating to taxation or (ii) to the *Ordine degli Ingegneri di Milano* in the case of any other matter, or if such entity has ceased to exist or in case of failure to nominate the Expert, such other entity or persons as may be reasonably selected by the

Noteholders' Representative. The Expert shall deliver its determination to the Parties in writing, including an explanation of the underlying reasons, within 30 (thirty) days as from the acceptance of the mandate. To this end the Parties agree to promptly supply to the Expert any document, information and data they hold which is necessary for the Expert's determination.

- 1.10 Upon the Expert having reached a determination in relation to a dispute over the revision of the Updated Base Case, the Updated Base Case as revised by the Expert shall become the Updated Base Case.
- 1.11 The costs of any Expert and the costs reasonably incurred in giving effect to any decision of the Expert, shall be entirely borne by the Issuer.

2. Compliance Certificate

The Issuer shall supply to the Noteholders' Representative a Compliance Certificate updated as at the date thereof setting out computations of the ADSCR and BLCR as resulting from the Updated Base Case, at the same time of the delivery to the Noteholders' Representative of each Updated Base Case.

3. Construction Budget

- 3.1 The Issuer shall deliver to the Noteholders' Representative a construction budget (including, *inter alia*, the capital expenditures incurred or to be incurred by the Issuer in connection with the Plant and a detailed construction monitoring report) (the "**Construction Budget**") on a monthly basis within 15 days from the end of each calendar month until achievement of the Completion Date.
- 3.2 In addition, the Noteholders' Representative may issue a notice to the Issuer requiring it to prepare a draft revision to the Construction Budget if a Relevant Event or a change in circumstances has occurred which, in either case, is likely to have caused the Construction Budget to have become incorrect in a material respect. In such a case, the Issuer shall, within 15 Business Days of receipt of the notice, prepare and deliver to the Noteholders' Representative a revised draft of the construction budget as at the last day of the month preceding the date of the notice.
- 3.3 Within 30 (thirty) days of receipt of the Construction Budget, the Noteholders' Representative shall notify the Issuer whether the Construction Budget has been approved.
- 3.4 If Noteholders' Representative does not approve the Construction Budget or does not provide its feedback within the term above, then: (i) the Noteholders' Representative shall provide the Issuer with reasonable details of the grounds for such disapproval; (ii) the most recent Construction Budget then available shall continue in effect without any amendment; and (iii) the Issuer shall submit a further revised draft of the Construction Budget to the Noteholders' Representative.
- 3.5 Within 30 (thirty) days of receipt of the revised draft of the Construction Budget, the Noteholders' Representative may: (i) notify the Issuer that the revised draft Construction Budget has been approved, or (ii) ask the Issuer for amendments to the revised draft of the Construction Budget. In such a case, the Noteholders' Representative and the Issuer may consult between themselves and with the Technical Advisor. If no agreement is reached within 20 (twenty) Business Days of the Noteholders' Representative request for amendments, then either of the Noteholders' Representative and the Issuer may refer the matter to an expert (the

"Expert") for resolution. The Expert shall be appointed jointly by the Issuer and the Noteholders' Representative or, if such agreement is not reached within 5 (five) Business Days of the proposal of either party, the Expert shall be the person nominated on the application of the Issuer or the Noteholders' Representative to the president for the time being of the Ordine degli Ingegneri di Milano or if such entity has ceased to exist or in case of failure to nominate the Expert, such other entity or persons as may be reasonably selected by the Noteholders' Representative. The Expert shall deliver its determination to the Parties in writing, including an explanation of the underlying reasons, within 30 (thirty) days as from the acceptance of the mandate. To this end the Parties agree to promptly supply to the Expert any document, information and data they hold which is necessary for the Expert's determination.

- 3.6 Upon the Expert having reached a determination in relation to a dispute over the revision of the Construction Budget, the Construction Budget as revised by the Expert shall become the Construction Budget.
- 3.7 The costs of any Expert and the costs reasonably incurred in giving effect to any decision of the Expert, shall be entirely borne by the Issuer.

4. Progress Report

The Issuer shall deliver to the Noteholders' Representative and the Technical Advisor, not later than 30 Business Days from the end of each annual quarter a progress report on the construction works of the Plant together with an up-to-date works program (the **"Progress Report"**) until achievement of the Completion Date.

5. Technical Advisor Construction Monitoring Report

- 5.1 The Issuer shall ensure that the Technical Advisor delivers to the Noteholders' Representative a Technical Advisor construction monitoring report within 10 Business Days from the receipt of each Progress Report (**"Technical Advisor Construction Monitoring Report"**).
- 5.2 The Issuer will ensure that each Technical Advisor Construction Monitoring Report contains or encloses the following details: confirmation whether (i) the construction of the Plant is progressing in accordance with the initial Construction Budget, (ii) any adjustments or alterations have been made that may cause cost overruns, delays or curtailment of construction of the Plant, (iii) the Completion Date will occur within the Long Stop Date and the Interconnection will occur within the Interconnection Date Deadline; (iv) a Funding Shortfall has occurred; the works for the construction of the Plant have been carried out in compliance with all the technical specifications provided under the Authorizations (including but not limited to the correct positioning of all the WTGs and the compliance of the layout of the Plant) and (v) any other or additional information that the Noteholders' Representative may reasonably request in relation to the operation of the Plant.
- 5.3 In addition, the Noteholders' Representative may issue a notice to the Issuer requiring it have the Technical Advisor preparing an additional Technical Advisor Construction Monitoring Report if a Relevant Event or a change in circumstances has occurred which, in either case, is likely to have caused the Construction Budget or the Technical Advisor Construction Monitoring Report to have become incorrect in a material respect. In such a case, the Issuer shall, within 15 Business Days of receipt of the notice, procure that the Technical Advisor prepare and deliver to the Noteholders' Representative a new Technical Advisor Construction Monitoring Report.

6. Operating Budget

- 6.1 Not less than 60 (sixty) days and not more than 90 (ninety) days before the last day of each of its financial years, the Issuer shall deliver to the Noteholders' Representative and the Technical Advisor a revised draft of the operating budget (the "**Operating Budget**") for approval by the Noteholders' Representative.
- 6.2 Each revised operating budget shall comprise an Operating Budget (together with a commentary thereon) for the next following 12 (twelve) months setting out costs and revenues for such 12-month period on a monthly basis and setting out the costs and revenues for all subsequent financial years until the Final Maturity Date on a semi-annual basis. The Issuer shall also ensure that each revised Operating Budget is prepared using the same form as used for the initial operating budget and, in any event, consistent with the Base Case and sets out the costs and revenues in reasonable detail together with all related Technical Assumptions and Economic Assumptions
- 6.3 Within 30 (thirty) days of receipt of the Operating Budget, the Noteholders' Representative shall notify the Issuer whether the Operating Budget has been approved.
- 6.4 If Noteholders' Representative does not approve the Operating Budget or does not provide its feedback within the term above, then: (i) the Noteholders' Representative shall provide the Issuer with reasonable details of the grounds for such disapproval; (ii) the most recent Operating Budget then available and approved by the Noteholders' Representative shall continue in effect without any amendment; and (iii) the Issuer shall submit a further revised draft of the Operating Budget to the Noteholders' Representative.
- 6.5 Within 30 (thirty) days of receipt of the revised draft of the Operating Budget, the Noteholders' Representative may: (i) notify the Issuer that the revised draft of the Operating Budget has been approved, or (ii) ask the Issuer for amendments to the revised draft of the Operating Budget. In such a case, the Noteholders' Representative and the Issuer may consult between themselves and with the Technical Advisor. If no agreement is reached within 20 (twenty) Business Days of the Noteholders' Representative request for amendments, then either of the Noteholders' Representative and the Issuer may refer the matter to an expert (the "**Expert**") for resolution. The Expert shall be appointed jointly by the Issuer and the Noteholders' Representative or, if such agreement is not reached within 5 (five) Business Days of the proposal of either party, the Expert shall be the person nominated on the application of the Issuer or the Noteholders' Representative to the president for the time being of the *Ordine degli Ingegneri di Milano* or if such entity has ceased to exist or in case of failure to nominate the Expert, such other entity or persons as may be reasonably selected by the Noteholders' Representative. The Expert shall deliver its determination to the Parties in writing, including an explanation of the underlying reasons, within 30 (thirty) days as from the acceptance of the mandate. To this end the Parties agree to promptly supply to the Expert any document, information and data they hold which is necessary for the Expert's determination.
- 6.6 Upon the Expert having reached a determination in relation to a dispute over the revision of the Operating Budget, the Operating Budget as revised by the Expert shall become the Operating Budget.
- 6.7 The costs of any Expert and the costs reasonably incurred in giving effect to any decision of the Expert, shall be entirely borne by the Issuer.

7. Operating Report

- 7.1 The Issuer shall prepare and deliver to the Noteholders' Representative and the Technical Advisor an operating report for each semi-annual period validated by the Technical Advisor from the Completion Date to the Final Maturity Date within 30 Business Days from each Calculation Date (the "**Operating Report**").
- 7.2 The Issuer will ensure that each Operating Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Interest Payment Date; (ii) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (iii) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (iv) any change, damage to or destruction of any material Plant; (v) copies of any certificates or reports provided to the Issuer under the O&M; (vi) cash balances of each of the Accounts as at the first day and the last day of the relevant semi-annual period; (vii) actual production levels compared to estimated levels under the Operating Budget; (viii) any insurance claim with relevant details on the event that is ground for such claim; (ix) availability levels of the Plant compared to the availability levels guaranteed under the Project Documents; (x) indication of the MRA Balance Target; and (xi) any other or additional information that the Noteholders' Representative may reasonably request the Issuer to provide in relation to the operation of the Plant.

8. Technical Advisor Operating Monitoring Report

- 8.1 The Issuer shall ensure that the Technical Advisor delivers to the Noteholders' Representative a Technical Advisor operating monitoring report ("**Technical Advisor Operating Monitoring Report**") for each semi-annual period.
- 8.2 The Issuer shall ensure that the Technical Advisor Operating Report is delivered by the Technical Advisor within 30 days from receipt of each Operating Report.
- 8.3 The Issuer will ensure that each Technical Advisor Operating Monitoring Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Calculation Date including but not limited to the electricity generated and sold according to the relevant PPA; (ii) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (iii) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (iv) any change, damage to or destruction of any material of the Plant; (v) confirmation that the MRA Balance Target is sufficient to meet the payments to be made in accordance with clause 7.2 (*Payments from the MRA*) under Annex (C) (*Accounts Management*); (vi) actual production compared to the expected production under the Operating Budget; (vii) capex for each of the next following two semi-annual periods and (v) any other or additional information that the Noteholders' Representative may reasonably request in relation to the operation of the Plant.
- 8.4 In addition, the Noteholders' Representative may issue a notice to the Issuer requiring it have the Technical Advisor preparing an additional Technical Advisor Operating Monitoring Report if a Relevant Event or a change in circumstances has occurred which, in either case, is likely to have caused the Operating Budget or the Technical Advisor Operating Monitoring Report to have become incorrect in a material respect. In such a case, the Issuer shall, within 15 Business Days of receipt of the notice, procure that the Technical Advisor prepare and deliver to the Noteholders' Representative a new Technical Advisor Operating Monitoring Report.

9. Wind Report

The Issuer shall provide the Noteholders' Representative with an updated Wind Report:

- (i) if, at any time, it results that the Wind Report includes a manifest error in the assumptions and calculations set out therein;
- (ii) the effective wind energy yield for one of the last previous 12-month period is equal to or less than the P90 production estimates set out in the latest Wind Report; or
- (iii) if any other wind farm is decided to be constructed within 5,000 meters from the nearest boarder of the Plant and also when such wind farm has been commissioned.

10.Environmental and social

- 10.1 No more than ten (10) days after becoming aware of any social, labour, health and safety, security or environmental incident, accident or circumstance, of any Material Adverse Effect on the implementation or operation of the Plant's operations in compliance with the Environmental Law requirements, the Issuer shall notify the Noteholders' Representative of and shall in each case specify the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken to address them and prevent any future similar event; and keep the Noteholders' Representative informed of the on-going implementation of those measures. Without prejudice to the generality of the foregoing paragraph, if the Noteholders' Representative has caused to suspect that there is any material non-compliance with the Environmental Law requirements the Noteholders' Representative may request that the Issuer provide such information as necessary in order to assist the Noteholders' Representative with their enquiry into compliance with the Environmental Law requirements.
- 10.2 The Issuer shall make available to the Noteholders' Representative any additional information in its possession or which it can reasonably obtain and that the Noteholders' Representative may reasonably request from time to time concerning environmental or social matters regarding the Plant.
- 10.3 The Issuer shall use its best efforts to cause the Plant to continue to comply with relevant environmental and social requirements and encourage to work towards continuous improvements in environmental, social and governance matters.

11.Miscellanea

The Issuer will provide the Noteholders' Representative with:

- (i) available details of civil, criminal, labour, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or governmental authority) which takes place, is pending or threatened in writing against or involving the Issuer any of its directors, employees and officers or any directors or officers of the Sponsor, the Shareholders, Renexia Spa or Toto Holding or to the extent it acquires knowledge in writing thereof, any of its counterparty under the Project Documents;
- (ii) without prejudice to the Terms and Conditions, a copy of any notice received or given by the Issuer constituting any step towards, or purporting or threatening default or, the rescission, termination or cancellation of any of the Project Documents, together with details of any action proposed to be taken in relation to the same;


- (iii) details of any claims in relation to any Insurance Policy; and
- (iv) any other reasonable information requested by the Noteholders' Representative with the respect to the Issuer and the Plant, the Site or any other of its Assets or activities.

12.Noteholders

All reporting and undertakings to be provided or performed, as the case may be, to the Noteholders, shall be provided or performed, as the case may be, to the Noteholders' Representative.

ANNEX B

Redemption schedule of the Notes

Note Interest Payment Date	Principal Due (Model)	Principal Due (per Nominal Holding of EUR 1000)	Principal Outstanding (per Nominal Holding of EUR 1000)	Principal Due	Percentage
31-Dec-22	1,58%	16,00	984,00	785.600,00	1,600%
30-Jun-23	1,85%	18,00	966,00	883.800,00	1,800%
31-Dec-23	1,76%	18,00	948,00	883.800,00	1,800%
30-Jun-24	1,67%	17,00	931,00	834.700,00	1,700%
31-Dec-24	2,14%	21,00	910,00	1.031.100,00	2,100%
30-Jun-25	1,77%	18,00	892,00	883.800,00	1,800%
31-Dec-25	2,19%	22,00	870,00	1.080.200,00	2,200%
30-Jun-26	1,84%	18,00	852,00	883.800,00	1,800%
31-Dec-26	2,26%	23,00	829,00	1.129.300,00	2,300%
30-Jun-27	1,90%	19,00	810,00	932.900,00	1,900%
31-Dec-27	2,32%	23,00	787,00	1.129.300,00	2,300%
30-Jun-28	1,99%	20,00	767,00	982.000,00	2,000%
31-Dec-28	2,40%	24,00	743,00	1.178.400,00	2,400%
30-Jun-29	2,07%	21,00	722,00	1.031.100,00	2,100%
31-Dec-29	2,48%	722,00	-	35.450.200,00	72,200%
Check		1.000 	1.000	49.100.000	1,000

ANNEX C
Accounts Management

1. The Issuer shall maintain the Accounts until the Final Maturity Date and shall not withdraw from any Account if it would cause such Account to become overdrawn.
2. Notwithstanding any other provisions of this Annex C, at any time following the occurrence of any Relevant Event:
 - (i) the Issuer shall not request or give instruction in relation to any sums at any such time standing to the credit of any of the Accounts without the prior written consent of the Noteholders' Representative; and
 - (ii) the Issuer authorizes the Depositary Bank upon instructions from the Noteholders' Representative to apply amounts standing to the credit of Account in or towards amounts outstanding under any Finance Document or Project Document, as determined by the Noteholders' Representative, acting upon the instructions of the Noteholders.

3. Drawdown Account

The Issuer shall operate the Drawdown Account as follows:

3.1 Credits to the Drawdown Account

The Issuer shall procure that, on the Payment of Subscription Price Date, 100% of the Subscription Price is credited on the Drawdown Account.

3.2 Payments from the Drawdown Account

- (a) Exclusively for the purposes of paying the Imposta Sostitutiva due and payable by the Issuer as applicable to the Notes, on the Payment of Subscription Price Date, the Issuer shall apply the proceeds of the Notes credited on the Drawdown Account in an amount equal to Euro 122,750.00 in or towards payment of the Imposta Sostitutiva applicable to the Notes and shall provide the Subscribers with evidence of such payment immediately thereafter.
- (b) Save for what provided under the paragraph (a) above, the Issuer shall only make withdrawals, payments or transfers from the Drawdown Account to the Proceeds Account (each, an "**Utilisation**") by giving to the Noteholders Representative a duly completed Utilisation Request.
- (c) Unless the Noteholders' Representative otherwise agree, the latest time for receipt by the Noteholders' Representative of a duly completed Utilisation Request is 11.00 a.m. 2 (two) Business Days before the date proposed under the Utilisation Request for the transfer from the Drawdown Account to the Proceeds Account.
- (d) Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless the proposed Utilisation Date is a Business Day within the Availability Period.
- (e) Following the expiry of the Availability Period, the Issuer shall not be longer entitled to submit an Utilisation Request and Clause 6.2.3 (*Availability Period*) of the Terms and Conditions shall apply.
- (f) The Noteholders' Representative shall not be obliged to allow any transfer from the Drawdown Account to the Proceeds Account following the receipt of an Utilisation Request unless all the following conditions have been satisfied in form an substance satisfactory to the latter:

(i) for the first Utilisation Request:

- 1) evidence that all the formalities provided under the Pledge over Quotas to perfect the security and ensure that they are enforceable against third parties have been duly performed in form and substance satisfactory to the Noteholders' Representative;
- 2) evidence that all the Notes have been admitted to trading on the ExtraMOT PRO³;
- 3) written declaration of the Issuer's legal representative confirming that the Utilisation will be used to fund Project Costs and Uses of Funds and evidence that such Project Costs and Uses of Funds have been already paid with Base Equity for the amount confirmed by the Technical Advisor to the Noteholders and approved by the Noteholders;
- 4) evidence that the Gearing Ratio does not exceed the Maximum Gearing Ratio;
- 5) confirmation from the Technical Advisor to the Noteholders' Representative, in the form attached as Annex H under this Terms and Conditions, that:
 - (A) the Project Costs to be funded through the Utilisation are in line with the most recent Construction Budget;
 - (B) in relation to the EPC, the TSA, the Cable Supply Agreement (if already executed) and the Substation Agreement, the relevant milestone has been fulfilled and is in line with the most recent Construction Budget and validation from the Technical Advisor of all the Project Costs borne or to be borne by the Issuer for which the Utilisation Request has been submitted;
 - (C) as at the Utilisation Date, there is no Funding Shortfall;
 - (D) the Completion Date will occur prior to the Long Stop Date;
 - (E) the Uses of Funds have been properly incurred for the development of the Plant;
 - (F) the amount requested under the Utilization Request is in line with the relevant bills received and planned to be paid at the relevant milestone payment as detailed in EPC payment schedule as Annex F;
- 6) evidence that the Arranging Fee has been paid in accordance with the Fee Letter;
- 7) evidence that the first fee due to the first Noteholders' Representative under the Noteholders' Representative Fee Letter (defined "Initial Fee" under the Noteholders' Representative Fee Letter) has been paid in accordance with the Noteholders' Representative Fee Letter;
- 8) all the reports to be provided to the Noteholders' Representative at the time of the Utilisation Request by the Technical Advisor, the Insurance Advisor and the Wind Advisor under Annex A (*Base Case and Reports*) of this Terms and Conditions have been delivered in form and substance satisfactory to the Noteholders' Representative and no dispute on such reports is still pending before the competent Expert;

- 9) written declaration of the Issuer legal representative confirming that the awarding to the Issuer of the Feed-in Tariff has not been challenged by any third party before any competent authority within the 120-day applicable challenging period;
- 10) written declaration of the Issuer legal representative confirming that no claim before the competent authority against the Feed-in Tariff awarded to the Issuer and/or the Auction Procedure;
- 11) the representations and warranties made by the Issuer under Clause 8 (*Representations and Warranties*) of this Terms and Conditions are true and correct in any respect;
- 12) no Potential Relevant Event or Relevant Event or event having a Material Adverse Effect has occurred and is continuing;

(ii) for each Utilisation Request following the first Utilisation Request:

- 1) written declaration of the Issuer legal representative confirming that evidence that the Utilisation will be used to fund Project Costs;
- 2) confirmation from the Technical Advisor to the Noteholders' Representative, in the form attached as Annex H under this Terms and Conditions, that:
 - (A) the Project Costs to be funded through the Utilisation are in line with the most recent Construction Budget;
 - (B) in relation to the EPC, the TSA, the Cable Supply Agreement and the Substation Agreement, the relevant milestone has been fulfilled and is in line with the most recent Construction Budget and validation from the Technical Advisor of all the Project Costs borne or to be borne by the Issuer for which the Utilisation Request has been submitted;
 - (C) as at the Utilisation Date, there is no Funding Shortfall;
 - (D) the Completion Date will occur prior to the Long Stop Date;
 - (E) the Uses of Funds have been properly incurred for the development of the Plant;
 - (F) the amount requested under the Utilization Request is in line with the relevant bills received and planned to be paid at the relevant milestone payment as detailed in EPC payment schedule as Annex F;
- 3) evidence that the Gearing Ratio does not exceed the Maximum Gearing Ratio;
- 4) all the reports to be provided to the Noteholders' Representative at the time of the Utilisation Request by the Technical Advisor, the Insurance Advisor and the Wind Advisor under Annex A (*Base Case and Reports*) of this Terms and Conditions have been delivered in form and substance satisfactory to the Noteholders' Representative and no dispute on such reports is still pending before the competent Expert;

- 5) evidence in form and substance satisfactory to the Noteholders that the Issuer has duly fulfilled all its obligations under Clause 7.2 (*Financial and Security Covenants*) points (xxiv), (xxv) and (xxvi) of these Terms and Conditions;
- 6) provided the Completion Date has occurred, evidence that an amount equal to at least the Debt Service Reserve Amount is standing to the credit of the Debt Service Reserve Account;
- 7) the representations and warranties made by the Issuer under Clause 8 (*Representations and Warranties*) of the Terms and Conditions are true and correct in any respect;
- 8) no Potential Relevant Event or Relevant Event or event having a Material Adverse Effect has occurred and is continuing.

4. Proceeds Account

The Issuer shall operate the Proceeds Account as follows:

4.1 Credits to the Proceeds Account

The Issuer shall procure that the following amounts are credited to the Proceeds Account:

- (i) the Base Equity;
- (ii) all amounts transferred from the Drawdown Account in accordance with para. 3.2 (*Payments from the Drawdown Account*) of this Annex C;
- (iii) all the Project Revenues (including the Feed-in Tariff);
- (iv) any Insurance Proceeds and any Liquidated Damages due to the Issuer or any payments to be made to Renexia Services under the TSA by the TSA Contractor;
- (v) all amounts to be transferred onto the Proceeds Account pursuant to the Terms and Conditions from the Debt Service Reserve Account and the Maintenance Reserve Account and the Cash Trap Lockup Account;
- (vi) any other amount received by the Issuer from any other source which is not to be credited otherwise according to the Terms and Conditions and is not listed above.

4.2 Payments from the Proceeds Account

The Issuer shall only make withdrawals, payments or transfers from the Proceeds Account as follows, provided that the following order of priority will apply for payments due and payable on the same date:

- (i) to transfer, on the first Utilisation Date, amounts equal to the DSRA Balance Target to the Debt Service Reserve Account and amounts to the Distribution Account to make the Distribution according to, and within the limits set forth under, paragraph (xix) of Clause 7.2 (*Financial and Security Covenants*) of the Terms and Conditions;
- (ii) pay the due and payable Project Costs;
- (iii) pay the due and payable Operating Costs within the limits set under the relevant Operating Budget;
- (iv) pay any Taxes due by the Issuer;

- (v) on each anniversary of the Issue Date, pay, the Annual Noteholders' Representative Fee according the Noteholders' Representative Fee Letter, and on request, all costs, charges, expenses of the Noteholders' Representative;
- (vi) pay all costs, charges, fees and expenses (other than Interest Amounts, Default Interest and Principal Amount Outstanding) due and payable under the Notes or for the enforcement of any rights of the Noteholders under the Finance Documents;
- (vii) credit the Maintenance Reserve Account, to the extent necessary, in accordance with the Terms and Conditions;
- (viii) pay Interest Amounts and Default Interest (if any) due and payable under the Notes;
- (ix) repay the due and payable Principal Amount Outstanding of the Notes;
- (x) credit the Debt Service Reserve Account and the Cash Trap Lockup Account, to the extent necessary, in accordance with the Terms and Conditions;
- (xi) make mandatory prepayments of the Principal Amount Outstanding of the Notes in accordance with Clause 6.2 (*Mandatory Early Redemption*) of the Terms and Conditions;
- (xii) make voluntary prepayments of the Principal Amount Outstanding of the Notes in accordance with Clause 6.4 (*Optional Early Redemption*) of the Terms and Conditions;
- (xiii) provided that the Distribution Conditions are met, make any transfer to the Distribution Account.

5. Cash Trap Lockup Account

The Issuer shall operate the Cash Trap Lockup Account as follows:

5.1 Credits to the Cash Trap Lockup Account

The Issuer shall credit to the Cash Trap Lockup Account 100% of the Excess Cash in accordance with Clause 6.2.1 (*Cash Trap*) of the Terms and Conditions.

5.2 Payments from the Cash Trap Lockup Account

The Issuer shall only make withdrawals, payments or transfers from the Cash Trap Lockup Account in compliance with Clause 6.2.1 (*Cash Trap*) of the Terms and Conditions.

6. Debt Service Reserve Account

The Issuer shall operate the Debt Service Reserve Account as follows:

6.1 Credits to the DSRA

The Issuer shall procure that the following amounts are credited to the Debt Service Reserve Account:

- (i) an amount equal to the initial DSRA Balance Target within the first Utilisation Date indicated under the first Utilisation Request;
- (ii) thereafter, on each Calculation Date transfer amounts from the Proceeds Account to the Debt Service Reserve Account, in accordance with para. 4.2 (*Payments from Proceeds Account*), item (x) of this Annex C, up to the DSRA Balance Target to be compliant with Clause 7.2 (*Financial and Security Covenants*), para. (xx) of the Terms and Conditions.

6.2 Payments from the DSRA

The Issuer shall only make withdrawals, payments or transfers from the Debt Service Reserve Account as follows:

- (i) to the extent that amounts standing to the credit of the Proceeds Account are insufficient to make the relevant payments, the Issuer shall apply the balance standing to the credit of the Debt Service Reserve Account to pay any amount due and payable under the Finance Documents on each Interest Payment Date;
- (ii) on each Calculation Date, to credit the Proceeds Account with the positive difference (if any) between (a) the Debt Service Reserve Account positive balance and (b) the relevant DSRA Balance Target.

7. Maintenance Reserve Account

The Issuer shall operate the Maintenance Reserve Account as follows:

7.1 Credits to the MRA

The Issuer shall procure that the following amounts are credited to the MRA Account:

- (i) the initial MRA Balance Target within 3 Business Days from the issuance of the first Operating Report;
- (ii) thereafter, on each Calculation Date, transfer amounts from the Proceeds Account to the MRA Account up to the MRA Balance Target, in accordance with the para. 4.2 (*Payments from Proceeds Account*), item (vii) of this Annex C to be compliant with Clause 7.2 (*Financial and Security Covenants*), para. (xxi) of the Terms and Conditions.

7.2 Payments from the MRA

The Issuer shall only make withdrawals, payments or transfers from the Maintenance Reserve Account as follows:

- (i) for paying any maintenance expense of the Plant which is not included under the obligations of the O&M Contractor under the O&M or the obligations of the O&M BOP Contractor under the O&M BOP;
- (ii) on each Calculation Date, to credit the Proceeds Account with the positive difference (if any) between (a) the Maintenance Reserve Account positive balance and (b) the relevant MRA Balance Target.

8. Distribution Account

The Issuer shall operate the Distribution Account as follows

8.1 Credits to the Distribution Account

On each Calculation Date on which is verified that the Distribution Conditions are met, the Issuer may proceed with a Distribution through the relevant transfer to the Distribution Account.

8.2 Payments from the Distribution Account

Notwithstanding anything to the contrary under this Terms and Conditions, the Issuer may make payments or transfers from the Distribution Account without restrictions (including the repayment of any Shareholders Loan, as an exception to their subordination to the Notes).

ANNEX D
Insurance Policies
Project Insurances

The Issuer shall maintain in full force and effect the following insurances set out in this Annex D with terms, conditions and with sums insured in the form as set out below.

The Insurances Policies listed in this Annex D (*Insurance Policies*):

- (i) should be taken out and kept in force with (i) first ranking insurance companies rated not lower than “A-” (or equivalent) by Standard & Poor’s , Fitch or Moody’s, and however to the liking of the Noteholders;
- (ii) the sums insured and the risks covered by the policies shall in no case be reduced without the prior written approval of the Noteholders and any modification will be subjected to acceptance of the Technical Advisor and Insurance Advisor;
- (iii) the conditions mentioned shall be understood as maximum limits in respect of deductibles, while minimum limits in relation to guarantees and limits of compensation.
- (iv) The material policies listed under this Annex (Part I and Part II) should be bound with the Loss Payee Clause reported in Exhibit 1.

Part I
Construction Insurance Program

We report below the main terms and conditions of the construction phase policies in order to protect the Project.

A. Transit Marine and Delay in Start-up

To be activated in case of presence of machinery or equipment of high monetary and strategic value, particularly in case of important values shipped on single conveyance during the construction works and that can have a relevant impact on the Project completion in case of loss or destruction.

Policy Holder: Parco Eolico Casalduni House S.r.l. (as Issuer)

Coverage: **Section I – Transit Marine**
Section II – Delay in Start-Up (DSU)

EPC Contractor: Renexia Services S.r.l.

Insured: **Section I – Transit Marine**

- SPV/Issuer (and the parent company)
- Noteholders
- EPC Contractor
- Subcontractors
- Any other party engaged in the project

each for their respective rights and interests.

Section II – Delay in Start-Up (DSU)

- SPV/Issuer
- Noteholders

Geographical limits: The coverage shall be valid from places anywhere in the world to delivery to final erection site and vice-versa

Inception

/Termination: From the time the insured items commence loading at the warehouse or factory anywhere in the world for shipment or transit to, and until the provisional acceptance certificate.

Project Location: Municipality of Casalduni, Benevento Province, Campania Region, Italy

Sums insured:

Section I - Transit Marine

Not less than the sum of the items to be shipped

Section II – Delay in Start-Up (DSU)

Not less than the expected annual revenues

Indemnity period

for Section II: 24 months

Limit of Indemnity: not less than the maximum item value transported

Deductibles

(not more than):

Section I – Transit Marine

EUR 10.000 each and every loss

Section II – Delay in Start-Up (DSU)

15 days in aggregate for the whole construction period

Basis of contract:

Section I – Transit Marine

- Institute Cargo Clause (A) 1.1.82
- Including loading/unloading operations
- Institute War Clauses (Cargo) 1.1.82
- Institute Strikes Clauses (Cargo) 1.1.82
- Institute Cargo Clauses (Air Cargo);
- Institute Strikes Clauses (Air Cargo) 1.1.82
- Institute War Clauses (Air Cargo) 1.1.82
- Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons Exclusion Clause ed. 10.11.2003 ed.
- Institute Classification Clause 1/1/2001 ed.
- Cargo ISM endorsement 1 May 1998 ed.
- Cargo Termination of Transit Clause (Terrorism)
- Institute Cyber Attack Exclusion Clause ed. 10.11.03

- Sanction Limitation and Exclusion Clause Ed.11.08.2010
- 50/50 Clause (CAR/EAR);
- Institute Replacement Clause;
- Institute Classification Clause; doppio
- Consolidation/packers risk at loading;
- Automatic cover for transshipment;
- By barge craft conveyance at terms to be agreed (if needed);
- Containers' worthiness admitted;
- Difference In Conditions where property covered elsewhere;
- Returned shipments covered automatically;
- General average;
- Shipments on/under deck;
- 200 per cent. Accumulation clause;
- Survey warranty in respect of key items
- Seven days' notice of cancellation in respect of war, strikes, riot and civil commotion
- Debris removal clause (limit TBA)
- Including loading/unloading operations doppio
- Packaging accepted Clause
- Primary Insurance

Section II – Delay in Start-Up (DSU)

- Deductible under Section I
- ECB Marine Consequential Loss Insurance (amended)
- Leeway Clause 15%
- Shipping Schedule Clause
- All other terms and conditions as per Transit Marine Coverage
- Primary Insurance

Common Conditions for Sections I and II

- Advance payment on losses
- Broker clause
- Good Faith Clause
- Gross Negligence
- Loss payee clause in favour of the Lenders (as attached)
- Nominated Loss Adjuster

B. Erection/Contractor's All Risks, Third Party Liability, Advanced Loss of Profit

Policy Holder:	Parco Eolico Casalduni House S.r.l. (as Issuer)
Coverage:	<u>Section I - Property Damage</u> <u>Section II - Third Party Liability</u> <u>Section III - Advanced Loss of Profit</u>
Period of cover:	From the commencement of activities on site until the date when the insured interests will pass to the operational insurance program, plus 24 months for the maintenance period.
EPC Contractor:	Renexia Services S.r.l.
Insured:	<u>Section I – Property Damage and</u> <u>Section II – Third Party Liability</u> <ul style="list-style-type: none">- SPV/Issuer (and the parent company)- Noteholders- EPC Contractor- Subcontractors- Engineers, designers, consultants engaged in the Project for their site activities only;- Any other party engaged in the project <p>each for their respective rights and interests</p> <u>Section III – Advanced Loss of Profit</u> <ul style="list-style-type: none">- SPV/Issuer- Noteholders
Scope of works:	The finance, design, supply, delivery, construction, erection, testing, start-up, commissioning, partial operations and maintenance of wind farm located at Project Location and all ancillary and associated works, together with as much of the area proximate to the said place as shall actually be used in connection with the construction phase.
Project Location:	Municipality of Casalduni, Benevento Province, Campania Region, Italy
Sum insured	<u>Section I - Property Damages</u> <p>An amount equal to the full contract price for the study, design and completion of the wind farm and in any case not less than the full reconstruction value</p> <u>Section II - Third Party Liability</u> <p>EUR 5,000,000 any one occurrence and duration</p> <u>Section III - Advanced Loss of Profit (ALOP)</u> <p>Not less than expected annual revenues</p>
Indemnity period for Section III:	12 months

Main Limits

(not less than):

Section I Property Damage, Section III ALOP

100% of the sum insured except for:

- Defective Design, Workmanship and Materials (LEG2): EUR 10,000,000 per occurrence and duration
- SRCC and Vandalism: EUR 20,000,000 per occurrence and duration
- Terrorism and sabotage: EUR 5.000.000 per occurrence and duration
- Inundation, Flood, Natural Events: EUR 1,500,000 per occurrence and EUR 3,000,000 per duration
- Landslide, Subsidence of the Soil: EUR 1,500,000 per occurrence and EUR 5,000,000 per duration
- Earthquake: EUR 2,000,000 per occurrence and EUR 5.000.000 per duration

Section II – Third Party Liability

EUR 5,000,000 per occurrence except for:

- Landslide, Subsidence of the Soil, Vibration: EUR 500,000 per occurrence and EUR 5,000,000 per duration
- Pipelines and Underline Cables: EUR 200,000 per occurrence and EUR 1.000.000 per duration

Main Deductibles

(not more than):

Section I - Property Damages

10% min. EUR 50,000 for any perils, except for:

- Defective Design, Workmanship and Materials (LEG2), Testing and Commissioning: 10% min. EUR 150,000

Section II - Third Party Liability

EUR 10,000 for any losses except for:

- Landslide, Subsidence of the Soil: 10% min. EUR 100,000
- Pipelines and Underline Cables: 10% min. EUR 50,000

Section III – ALOP

45 days for the whole construction period

Conditions:

Erection All Risks and ALOP policy with the following main extensions:

Section I – Property Damage and

Section II – Third Party Liability:

- 50/50 Clause with Marine cover
- 72 hours clause
- Accidental Pollution
- Automatic reinstatement of sums insured
- Cover for Defective Design, Workmanship and Materials (LEG2)
- Cover for extra charges for airfreights and helicopters
- Cover for extra charges for overtime, night work, work on public

holidays and express freights:

- Cross Liability
- Damage research
- Damage resulting from sag or landslide
- Damage to underground pipes and installations
- Damages caused by Authority and/or Insured to limit claims
- Extended Maintenance cover 24 months
- Inland transit
- Lightning
- Off Site storage
- Plans and documents.
- Professional and Loss Adjuster Fees
- Strike, Riot, Civil Commotion, Vandalism
- Suspensions of works - silent risks
- Temporary repair clause
- Terrorism / sabotage
- Primary Insurance

Section III – ALOP

- Additional clauses in Section I and II
- Auditors and professionals and Loss Adjusters fees
- Customers and suppliers extension
- Deductible under Section I
- Denial of access
- Failure of private and public utilities
- Leeway clause 20%
- Contingent Business Interruption Indemnity Period: 120 days
- Primary Insurance

Common Conditions for Sections I, II and III

- Advanced payment of losses
- Broker Clause
- Extension of coverage (pro rata temporis)
- Good Faith Clause
- Gross Negligence
- Loss payee clause on behalf of Noteholders (tbd)

Part II

Operational Insurance Program

We report below the main terms and conditions of the operational phase policies in order to protect the Project.

A. All Risks Property, Machinery Breakdown and Business Interruption

Policy Holder: Parco Eolico Casalduni House S.r.l. (as Issuer)

Indemnity:

Section I – Material Damages

“All Risks” of physical loss of or damage to any part of the Project assets from any cause not excluded including machinery breakdown in respect of appropriate equipment.

	<p><u>Section II – Business Interruption</u></p> <p>This section covers the loss of gross profit and increased cost of working to resume operation of the Project by reason of the total or partial suspension or delay of, or interruption in, the operation of the Project as a result of an insured peril covered under the physical loss or damage insurances referred to Section I) above, including loss, destruction or damage which would be indemnifiable without the application of any deductible.</p>
Scope of works:	The finance, operations and maintenance of a wind farm and all ancillary and associated works, together with as much of the area proximate to the said place as shall actually be used in connection with the construction phase.
Insured:	<p><u>Section I – Material Damages</u></p> <ul style="list-style-type: none"> -Issuer - Noteholders -O&M Contractors -Subcontractors -Any other party engaged in the project <p style="padding-left: 40px;">each for their respective rights and interests.</p> <p><u>Section II – Business Interruption</u></p> <ul style="list-style-type: none"> -Issuer - Noteholders
Period of Insurance:	12 months from the date of takeover to be renewed annually until the Noteholders no longer have an interest in the Project
Sums insured	<p><u>Section I – Material Damages</u></p> <p>An amount equal to the full contract price for the study, design and completion of the wind farm and in any case not less than the full reconstruction value</p> <p><u>Section II – Business Interruption</u></p> <p>Not less than expected annual revenues</p>
Indemnity period for Section II (not less than):	In line with the market standard at the time of the placement risk
Deductibles (not more than):	<p><u>Section I – Material Damages</u></p> <p>In line with the market standard at the time of the placement risk</p> <p><u>Section II – Business Interruption</u></p> <p>In line with the market standard at the time of the placement risk</p>
Suggested Limits (not less than):	<u>Section I + Section II</u>

In line with the market standard at the time of the placement risk

Special
Conditions:

Section I – Material Damages

- Automatic reinstatement of Sum Insured
- Capital additions (10% limit)
- Cover for extra charges for airfreight and helicopters
- Cover of extra charges for overtime, night work, work on public holidays, express freights
- Damages caused by Authorities and/or Insured to limit
- Debris removal
- Documents and Computer Records
- Earthquake,
- Flood, Inundation, Landslide
- Lightning
- Machinery Breakdown
- Material consequential damage
- Mold, fungus, wet and Dry rot and Bacteria exclusion
- Natural perils
- Preservation of property clause
- Property outside the plant
- Repair or Replacement
- Seepage and pollution clean-up costs
- Social Riots Civil Commotion (SRCC)
- Surrounding Properties
- Tenants and neighbours' liability
- Terrorism and Sabotage
- Theft

Section II – Business Interruption

- Coverage provided under Section I
- Coverage in consequence of physical loss or physical damage to the non-owned substation(s)
- Deductibles under Section I
- Denial of Access
- Interruption resulting from material damages covered by contractual obligations of the supplier
- Leeway clause
- Special condition in Section I
- Supplier and Customer extension
- Utilities extension

Common to all Sections:

- Advanced payment of losses
- Good Faith Clause
- Gross Negligence
- Leeway clause
- Loss payee clause on behalf of Noteholders
- Nominated Loss Adjuster
- Primary Insurance

- Main Exclusions:
- Professional and loss adjuster fees
 - Waiver of subrogation right in respect of any Insured for their site activities only
 - Waiver of subrogation right in respect of parent company of the policy holder
 - Wilful Act and wilful negligence clause / Legal Representatives of the Insured
-
- E-risk
 - Liquidated damages
 - Pollution and Contamination
 - Radioactive contamination
 - Unexplained shortages or mysterious disappearance
 - War, civil war, military occupation etc
 - Wear and tear, gradual deterioration, flaws, deformation, distortion, cracks or partial fractures but this shall not exclude subsequent damage resulting from an insuring cause which is not otherwise excluded

B. Third Party Liability, Employer's Liability and Product Liability Insurance

Policy Holder: Issuer

Insured:

- Issuer
- Noteholders
- O&M Contractors
- Subcontractors
- Any other party engaged in the project each for their respective rights and interests.

Indemnity: **Section I - Third Party Liability**

Indemnity in respect of legal liability of the Insured parties in respect of death, injury, disease or physical damage to third parties or their property and in connection with the operational phase of the Project

Section II - Employer's liability (if any)

Indemnity in respect of legal liability of the Insured parties in respect of death, bodily injury and occupational disease suffered by Employees in connection with their employment

Section III – Product Liability

Indemnity in respect of legal liability of the Insured parties in respect of death, injury, disease or physical damage to third parties or their property in connection with the supply of products.

Period of Insurance: 12 months from the date of takeover to be renewed annually until the Noteholders no longer have an interest in the Project

Limit of Indemnity:
(not less than): **Section I - Third Party Liability**

EUR 5.000.000 per occurrence and per duration

Section II - Employers Liability (if any)

EUR 5.000.000 each occurrence with a sub limit of EUR 2.500.000 for each injured person.

Main

Deductibles

(not more than):

In line with the market standard at the time of the placement risk

Main

Extensions:

- Accidental Pollution
- Cross liability
- Good Faith Clause
- Gross Negligence
- Losses arising from fire
- Losses arising from Theft
- Product Liability
- Principal Liability
- Sudden and accidental pollution
- Third Party business interruption
- Waiver of subrogation right in respect of any Insured
- Waiver of subrogation right in respect of parent company of the policy holder

Main

Exclusions:

- Asbestos
- Fines and penalties imposed by regulatory or statutory authorities and courts
- Motor vehicle liability
- Professional and contractual liability
- Pure financial loss
- Seepage, pollution and contamination except for sudden unintended and unexpected occurrence
- Terrorism
- War, invasion

Exhibit 1

Insurance Endorsement Clauses

In order to protect the Noteholders interests on the project, we recommend incorporating the following lenders' clause in all material insurances:

- 1 In this endorsement:

"Company" means [Parco Eolico Casalduni House S.r.l.]

"Noteholders" are the entities who are co-insureds hereunder and are involved in providing credit to the Company in relation to the Project. The phrase includes any assignee, transferee, successor or novated, replacement or additional creditor of or in relation to any of the foregoing.

"Insureds" means each entity or person insured under this policy severally.

"Noteholder's Representative" means [Bondholders S.L.] acting in that capacity for the Noteholders and includes its successors from time to time in that capacity.

"Plant" means the wind farm owned by the Company to be located in the Municipality of Casalduni (Campania Region having an authorized and installed capacity equal to 34.65MW composed of No. 10 WTGs and the relevant connection facilities.

"Project" means the financing of the construction of the Plant.

- 2 The Insurers acknowledge that they have been notified that the Company has assigned by way of first ranking security to the Noteholders all its rights title and interest in this insurance and in the subject matter of this insurance and consent thereto, and confirm that they have not been notified of any other assignment of or security interest in the Company's interest in this insurance.
- 3 The Insurers acknowledge that the Noteholders and (in respect of third party liabilities) their respective officers, directors, employees agents and advisers are each additional co-insureds under this policy. The Insurers waive all rights of contribution against any other insurance effected by the Noteholders or their directors officers or employees or agents or advisers.
- 4 The Insurers hereby waive all rights of subrogation or action howsoever arising which they may have or acquire arising out of any occurrence in respect of which any claim is admitted hereunder against:
 - (i) any of the Noteholders and the Noteholders' Representative or their officers, directors, employees, agents and advisers; and

(ii) the Company and any other insured party until all its financial indebtedness to the Noteholders has been discharged.

- 5 The Insurers acknowledge receipt of consideration for the insurance of the Noteholders hereunder and acknowledge that the Noteholders and the Noteholders' Representative are not liable for payment of any premium payable by any other insured under this insurance. The Insurers shall not be entitled to offset any sums payable to the Noteholders against premium or other monies owing by the Company.
- 6 The insurance provided by this policy is primary insurance. The amount of the insurers' liability shall not be reduced by the existence of other insurance of the same risk. The Insurers waive any claim for average or contribution in respect of any other insurance of the insured risks.
- 7 It is agreed that the inclusion of one or more Insured in this policy shall not affect the rights of any Insured as respects any claim, demand, law suit or judgment made or brought by or for any other Insured or by or for any employee of any Insured. This policy shall protect each Insured in the same manner as though a separate policy has been issued to each, but the inclusion herein of more than one Insured shall not serve to increase the limit of the insurers' liability. The liability of the Insurers under this Policy to any one Insured shall not be conditional upon the due observance and fulfilment by any other insured party of the terms and conditions of this Policy or of any duties imposed upon that insured party relating thereto, and shall not be affected by any failure in such observance or fulfilment by any such other insured party.
- 8 The Insurers acknowledge that (i) they have received adequate information in order to evaluate the risk of insuring the Company in respect of the risks hereby insured, on the assumption that such information is not materially misleading, and (ii) there is no information which has been relied on or is required by Insurers in respect of their decision to co-insure the Noteholders or their directors, officers, employees agents or advisers.
- 9 Notwithstanding any other provisions of this policy, Insurers agree not to avoid this insurance, or any valid claim under it on the grounds that the risk or claim was not adequately disclosed, or that it was misrepresented, unless deliberate or fraudulent non-disclosure or misrepresentation is established in relation thereto. Non-disclosure or misrepresentation by one Insured shall not be attributable to any other insured party who did not actively participate in that non-disclosure or misrepresentation knowing it to be such.

- 10 **Loss Payee Clause - Policies:** By way of loss payment agreement, the Insurers undertake that, until the Noteholders' Representative shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Noteholders' Representative so notifies to the Insurers:

- account No. IBAN [●] (Proceeds Account).

Loss Payee Clause - Policies involving Third Party Liability:

By way of loss payment agreement, the Insurers undertake that, until the Noteholders' Representative shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Noteholders' Representative so notifies to the Insurers:

In the case of all monies due under this policy, payment shall be made to the insured Company's Proceeds Account No IBAN [●] provided that, where payment represents claims monies due to satisfy a liability of the Borrower to a third party and where those monies are to be paid by the Insurers against a release from the third party to the insured Company in respect of the liability satisfied through the payment, the Insurers may make the payment direct to the third party on behalf of the insured Company after giving the Noteholders' Representative 15 (fifteen) days notice in writing of its intention so to do if the Noteholders' Representative has not objected to that payment to that third party within that 15 (fifteen) day period.

- 11 The Insurer shall pay such amount as will reimburse to the Insured the cost to it in lira of its loss or liability.
- 12 The Insurers shall give to the Noteholders' Representative at least 45 (forty-five) days notice in writing:
- (i) before any cancellation can take effect if any Insurer cancels or gives notice of such cancellation of all or any cover under this insurance for any reason;
 - (ii) before avoiding for non payment of any outstanding premium in order to give an opportunity for that premium to be paid within the notice period;
 - (iii) before any reduction in limits or coverage, any increase in deductibles or any termination before the original expiry date is to take effect;

- (iv) of any act or omission or of any event of which the Insurer has knowledge and which the Insurer considers may invalidate or render unenforceable in whole or in part this insurance.
- 13 The Noteholders' Representative is not agent of any party other than the Noteholders for receipt of any notice or any other purpose in relation to this insurance.
- 14 All notices or other communications under or in connection with this policy will be given in writing or by fax. Any such notice will be deemed to be given as follows:
- (i) if in writing, when delivered;
- (ii) if by fax, on the date on which it is transmitted but only if (i) immediately after the transmission, the sender's fax machine records the correct answerback (ii) the transmission date is a normal business day in the country of the recipient at the time of transmission and is recorded as received before 5 p.m. on that date in the recipient's time zone, failing which it shall be deemed to be given on the next normal business day in the recipient's country.

The address and fax number of the Noteholders' Representative for all notices under or in connection with this policy are those notified from time to time by the Noteholders' Representative for this purpose to the Company. The initial address and fax number of the Noteholders' Representative are as follows:

The Noteholders' Representative: [Bondholders S.L.] Avda. Francia 17, A, 1, 46023 – Valencia (Spain) - E-mail: John.perlaza@bondholders.com; sabina.diaz@bondholders.com; trustee@bondholders.com - For the attention of: Mr. Juan Carlos Perlaza

- 15 This policy shall be governed by and interpreted in accordance with Italian Law.
- 16 This endorsement changes the policy. It overrides any conflicting provision in any policy or prior endorsement to which it applies.

Exhibit 2

Broker's Letter of Undertaking

The Insurance Broker that is in charge of placing and handling the insurances is required to sign the "Broker's Letter of Undertaking" as reported below and included under financial documentation.

Dear Sirs,

In this letter:

"Noteholders" are the entities who are co-insureds hereunder and are involved in providing credit to the Company in relation to the Project. The phrase includes any assignee, transferee, successor or novated, replacement or additional creditor of or in relation to any of the foregoing.

"Insurance" means each of those insurances which the Issuer has agreed with the Noteholders to procure and maintain in relation to the said project which are from time to time arranged by ourselves or by other companies within our group of companies.

"Insurance Proceeds" means all monies payable to or on behalf of the Issuer by insurers in respect of the Insurances whether by way of claims, return premiums, ex gratia settlements or otherwise.

"Issuer" means [Parco Eolico Casalduni House S.r.l.]

"Plant" means the wind farm owned by the Issuer to be located in the Municipality of Casalduni (Campania Region having an authorized and installed capacity equal to 34.65MW composed of No. 10 WTGs and the relevant connection facilities.

"Project" means the financing of the construction of the Plant.

Pursuant to instructions received from the Issuer and in consideration of your approving our appointment or continuing appointment on behalf of the Noteholders to arrange maintain and monitor the Insurances covered by this letter, we confirm that:

- (i) the Insurances are in full force and effect as evidenced by the attached policies or, failing those, cover notes, and comply with the Issuer's obligations under the Finance Documents;
- (ii) we are not aware (after making reasonable enquiry) of any information which should have been disclosed to insurers in order to constitute proper disclosure of the risks insured, or that any information disclosed was inaccurate or misleading;
- (iii) we are not aware (after making reasonable enquiry) of any reason why the Issuer or any insurer may be unwilling or unable to honour its obligations in relation to the Insurances, or to avoid the Insurances, in whole or in part.

We hereby undertake in respect of the interests of the Issuer and the Noteholders in the Insurances:

- 17 To notify promptly to all insurers from time to time of the Insurances of the assignment of the Issuer's rights under the Insurances and to the Insurance Proceeds to the Noteholders in such form as you may require and to procure their acknowledgement of receipt of such notices of assignment and by having the notices endorsed on the policies of Insurance, and to provide you with true copies of such notices and endorsements;
- 18 in the case of any Insurance policy, as and when the same is issued or renewed, to ensure that it complies with the requirements that the Issuer and the Noteholders have previously agreed and that it contains terms or endorsements agreed between the Issuer and the Noteholders;
- 19 to notify you:
- (i) promptly when we are informed of any proposed changes in the terms of the Insurances which we reasonably believe would, if effected, result in any material reduction in limits or alteration in coverage (including those resulting from extensions) or increase in deductibles, exclusions or exceptions;
 - (ii) at least 30 (thirty) days prior to the expiry of these Insurances with all reasonable information regarding their renewal arrangements, including premiums and insurers and reinsurers and terms and conditions of renewal cover; and
 - (iii) promptly if any premium due has not been paid within when due, or if any insurer or reinsure gives notice of cancellation non-renewal or avoidance of any Insurance or threatens to do so;
 - (iv) of any act or omission or of any event of which we have actual knowledge and which might reasonably be foreseen as invalidating any Insurance or rendering it void, avoidable or unenforceable in whole or in part;
 - (v) immediately in the event of our becoming aware of any purported assignment of or the creation of any security interest over the Issuer's interest or rights in any of the Insurances;
- 20 to disclose to you any fact, change of circumstance or occurrence which we know to be material to the risks insured against under the Insurance arranged by us promptly when we become aware of such fact, change of circumstance or occurrence, and if so requested by you to disclose the same to affected insurers and reinsurers;
- 21 to hold all Insurance policies received by us to your order, subject to our lien, if any, in respect of monies owing to us in respect of any Insurance;

- 22 to procure payment of any claim collected by us on behalf of the Issuer or the Noteholders in accordance with the Loss Payment clause (if any) within the Insurance;
- 23 to pay promptly to insurers all premium received from the Issuer or for which we are liable in order to ensure that each Insurance is valid and enforceable in accordance with its terms;
- 24 to make available to you on reasonable request our placing and claims files, and provide you with copies of any documents from those files.

We undertake to inform you in writing immediately if we receive or give notice that we are to cease to act as insurance brokers to the Issuer for the purpose of arranging, maintaining and/or monitoring any Insurances previously arranged by us. Paragraphs 1-7 above are subject to our continuing appointment as insurance brokers in relation to the Insurances concerned and the handling of claims in relation to them.

- 25 Our services will comply with the rules of professional propriety and normal diligence of insurance broker industry. In the case of professional errors and/or negligence attributable to our company or to anyone for whose work we are liable, we will be required to compensate the damages caused to you as follows:

- (i) We will be liable, in accordance with the law, without limits on value, for damages caused to you as an immediate and direct consequence of errors and/or negligence attributable to serious fault or criminal intent;
- (ii) in the case of errors and/or negligence attributable to minor fault, we will be liable for the accrued damages (claimed by you, on pain of forfeiture, via registered letter with notice of receipt, no later than one year from the date when you learn of them) which is the direct and immediate consequence – excluding the legal and judicial costs of any disputes – up to a maximum value of Euro 2,000,000.00 an amount which, in this case, is intended as accepted by you as the maximum limit of our civil liability with you, valid for each and, in any case, the totality of the charges which may be invoked against us with regard to all the services supplied to you during the entire period of validity of the assignment, including any extensions and/or renewals thereof. This must be intended as without prejudice to any different legal requirement, so that, where or to the amounts in which the above exclusion and limits, and also any other requirement of this letter of assignment, should be contrary to imperative legal requirements, they will be intended as automatically replaced by the irrevocable legal requirements, without prejudice to the validity of all the other requirements of this assignment

which have not been replaced. This must be intended as without prejudice to any different legal requirement, so that, where or to the amounts in which the above exclusion and limits, and also any other requirement of this letter of assignment, should be contrary to imperative legal requirements, they will be intended as automatically replaced by the irrevocable legal requirements, without prejudice to the validity of all the other requirements of this assignment which have not been replaced.

ANNEX E
Utilisation Request

[On Issuer's letterhead]
To: [•]
as Noteholders Representative
From: [Issuer]
Date: [•]

Dear Sirs,

We make reference to the terms and conditions (the “**Terms and Conditions**”) of the notes issued by Parco Eolico Casalduni House S.r.l. (the “**Issuer**”) on [•] 2020, pursuant to articles 2483 ff. of the Italian civil code.

Unless otherwise noted, in this letter capitalised terms shall have the same meaning as under the Terms and Conditions.

- 26 We wish to transfer from the Drawdown Account to the Proceeds Account an amount equal to EUR [•] on [date] (the “**Utilisation Date**”).
- 27 We confirm you that as of today documents and other evidences listed in Annex C (*Accounts Management*), paragraph 3.2(e) (*Payments from the Drawdown Account*) of the Terms and Conditions and delivered to the Noteholders’ Representative have not been amended, replaced or updated.
- 28 We hereby represent and confirm that:
- (i) all Representations under Clause 8 (*Representations and Warranties*) of the Terms and Conditions are (on the date hereof) and will be (on the proposed Utilisation Date) true and correct;
 - (ii) no Potential Relevant Event or Relevant Event or event having a Material Adverse Effect has occurred and is continuing or would result from the making of the transfer hereby requested.
- 29 We confirm that the Utilisation will be used to fund Project Costs and Uses of Funds as detailed here below:
- [•];
 - [•].

[Authorized Signatory]

ANNEX F
Reserved Discretions

1 Notes

- (a) For the purposes only of this Annex:

"Relevant Date" means, in relation to a Time Critical Reserved Discretion, the date that is one Business Day prior to the date upon which, by reason of elapse of time, that Time Critical Reserved Discretion ceases to be exercisable under the terms of the relevant Project Document; and

"Time Critical Reserved Discretion" means a Reserved Discretion which the relevant Major Project Document states is exercisable only within a specified time period.

- (b) The Issuer shall notify in writing to the Noteholders' Representative the occurrence of any circumstances which may entitle the exercise of a Reserved Discretion, also specifying how it intends to exercise the relevant Reserved Discretion.

However, nothing in this Annex F (*Reserved Discretions*) shall require the Issuer to:

- (i) exercise or refrain from exercising a Reserved Discretion or exercise a Reserved Discretion in a particular way if doing so would cause or constitute a Relevant Event or a Potential Relevant Event;
 - (ii) breach the terms of the relevant Project Document; or
 - (iii) breach any applicable law.
- (c) If, following a Time Critical Reserved Discretion becoming exercisable, the Issuer has promptly notified the Noteholders' Representative stating:
- (i) the relevant Time Critical Reserved Discretion;
 - (ii) then and (if applicable) how the Issuer wishes to exercise the relevant Time Critical Reserved Discretion; and
 - (iii) the Relevant Date,

the Noteholders' Representative shall on or before the Relevant Date inform the Issuer of whether and (if applicable) how the Issuer may exercise the relevant Time Critical Reserved Discretion.

If the Noteholders' Representative fails to inform the Issuer in accordance with this paragraph (c), the Issuer may (on that occasion only) exercise that Time Critical Reserved Discretion in the manner it determines acting in good faith without the consent of the Noteholders' Representative.

2 EPC

Capitalised terms used in this section not otherwise defined in these Terms and Conditions, shall have the same meaning as in the EPC and references to sections, schedules and annexes are unless otherwise stated to sections, schedules and annexes of the EPC.

Article	Reserved Discretion
2.2(e)	The Issuer shall not approve the Final Design, without the prior written consent of the Noteholders' Representative based on the verifications made by the Technical Advisor.
5.15	The Issuer shall promptly inform the Noteholders' Representative of any subcontract entered into with the subcontractors listed under Annex C of the EPC.
5.16	<p>The Issuer shall not approve the appointment of any subcontractors replacing those listed under Annex C of the EPC without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.</p> <p>The Issuer shall not approve the appointment of any subcontractors other than an approved subcontractor listed under Annex C of the EPC for the performance of the activities to be subcontracted to any of them, unless for work of value lower than Euro 350,000.00 per single subcontract agreement and 1,000,000.00 Euro in aggregate without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.</p>
7.2.2(i)	The Issuer shall not approve any Milestone Certificate without the prior verification of the Technical Advisor.
7.2.2(ii)	The Issuer shall inform in advance the Noteholders' Representative in case it intends to not approve a Milestone Certificate.
7.3(c)	The Issuer shall promptly inform the Noteholders' Representative of any breach by the WTGs Manufacturer notified by the Contractor to the Issuer.
7.3	<p>The Issuer shall inform in advance the Noteholders' Representative of its intention to enforce the Subcontractors Bank Guarantees, the Advance Payment Bond, the Performance Bond or the Warranty Bond.</p> <p>The Issuer shall not enforce the Subcontractors Bank Guarantees, the Advance Payment Bond, the Performance Bond or the Warranty Bond without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.</p>

7.4(ii)	The Issuer shall not make any payment to the Approved Subcontractors without the prior written confirmation of the Technical Advisor.
8.1.2 (a)	The Issuer shall promptly inform in advance the Noteholders' Representative of its intention to request/submit a Change Order.
8.1.2 (a)	The Issuer shall not approve any Change Order requested/submitted by the Contractor without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
8.1.2 (b)	The Issuer shall promptly inform in advance the Noteholders' Representative of its intention to request/submit a Change Order.
8.1.2 (b)	The Issuer shall not approve any Change Order requested/submitted by the Contractor without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
8.1.2(c)	The Issuer shall promptly inform the Noteholders' Representative of any Principal Caused Delay.
8.1.2	The Issuer shall promptly inform the Noteholders' Representative of any delay due to adverse weather conditions.
8.2	The Issuer shall promptly inform the Noteholders' Representative of any Delay Event and of any Delay Liquidated Damages becoming due and payable.
9	<p>The Issuer shall promptly inform the Noteholders' Representative of the occurrence of any Force Majeure event.</p> <p>The Issuer shall not claim any Force Majeure event without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed).</p>
10.3.2; 10.3.3; 10.3.4; 10.3.5; 10.3.6; 10.3.7	The Issuer shall not sign or refuse to sign any Take Over Certificate without the prior written confirmation of the Technical Advisor.
11.4	The Issuer shall promptly inform the Noteholders' Representative of any claim made in respect to the breach of a warranties made by the Contractor.
11.7	The Issuer shall promptly inform the Noteholders' Representative of any enforcement of the defect warranties provided by the WTGs Manufacturer.

17.2	In case of termination of the EPC in one of the cases described under last paragraph of Clause 17.2 where the Principal shall have the right to return the WTGs and the Scope of Works to the Contractor and the Contractor shall reimburse the Principal all sums paid by the Principal in relation to the Price and shall bear the relevant dismantling costs, the Issuer shall agree with the Noteholders' Representative on whether return the WTGs and the Scope of Works and ask for reimbursement.
22.1	The Issuer shall not assign the EPC without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
22.2	The Issuer shall not set-off its rights and claims against the Contractor without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
24.4	The Issuer shall not amend the EPC and/or negotiate with the Contractor any amendment to the EPC, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
25	The Issuer shall keep informed the Noteholders' Representative of any dispute or litigation or of any dispute deferred to the Independent Expert.
General	<p>The Issuer shall promptly inform the Noteholders' Representative of any event which may constitute a Potential Relevant Event, a Relevant Event or is likely to have a Material Adverse Effect including any event which may entitle the parties (or only one of them) to terminate the contract or to withdraw from the contract.</p> <p>Moreover, the Issuer shall promptly inform the Noteholders' Representative of any suspension or interruption of the activities to be carried out under the contract.</p>
Parent Company Guarantee	<p>The Issuer shall not accept any replacement of the Parent Company Guarantee provided by Toto Holding under the EPC without the prior written consent of the Noteholders' Representative.</p> <p>The Issuer shall inform in advance the Noteholders' Representative of its intention to enforce Parent Company Guarantee.</p> <p>The Issuer shall not enforce the Parent Company Guarantee without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.</p>

3 O&M

Capitalised terms used in this section not otherwise defined in these Terms and Conditions, shall have

the same meaning as in the O&M and references to sections, schedules and annexes are unless otherwise stated to sections, schedules and annexes of the O&M.

Article	Reserved Discretion
3.15	The Issuer shall inform in advance the Noteholders' Representative of its intention to enforce the Parent Company Guarantee, that shall not be enforced without the prior written consent of the Noteholders' Representative.
5	The Issuer shall not approve the appointment of any subcontractors not listed under Annex 5 of the O&M, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
13	The Issuer shall not assign (or pledge, as applicable) the O&M to an Affiliate, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
17.3	<p>The Issuer shall promptly inform the Noteholders' Representative of the occurrence of any Force Majeure Event.</p> <p>The Issuer shall not claim any Force Majeure event without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed).</p>
18.2	The Issuer shall keep informed the Noteholders' Representative of any dispute or litigation.
22.4	The Issuer shall not amend the O&M and/or negotiate with the Operator any amendment to the O&M, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
22.6	The Issuer shall not waive, defer or reduce any of the requirements to which the Operator is subject under the O&M, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
General	<p>The Issuer shall promptly inform the Noteholders' Representative of any event which may constitute a Potential Relevant Event, a Relevant Event or is likely to have a Material Adverse Effect including any event which may entitle the parties (or only one of them) to terminate the contract or to withdraw from the contract.</p> <p>Moreover, the Issuer shall promptly inform the Noteholders' Representative of any suspension or interruption of the activities to be carried out under the contract.</p>

Capitalised terms used in this section not otherwise defined in these Terms and Conditions, shall have the same meaning as in the O&M BOP and references to sections, schedules and annexes are unless otherwise stated to sections, schedules and annexes of the O&M BOP.

Article	Reserved Discretion
3.1	The Issuer shall not propose a change in the Scope of Work without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
3.2	The Issuer shall not accept a change in the Scope of Work requested by the O&M Contractor without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
3.3	The Issuer shall not negotiate a change in the Scope of Work following a change in the Applicable Law without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
7	The Issuer shall not approve the appointment of any subcontractors for the performance of a portion of the O&M Services having a value higher than Euro 100,000.00 in aggregate, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
10.2(a)	The Issuer shall promptly inform the Noteholders' Representative of its intention or right to request the payment of any Availability Liquidated Damages.
10.2(c)	The Issuer shall inform in advance the Noteholders' Representative of its intention to enforce the Performance Bond that shall not be enforced without the prior written consent of the Noteholders' Representative.
12	<p>The Issuer shall promptly inform the Noteholders' Representative of the occurrence of any Force Majeure Event.</p> <p>The Issuer shall not claim any Force Majeure event without the prior written consent of the Noteholders (such consent not to be unreasonably withheld or delayed).</p>
17.1	The Issuer shall not assign to third parties (excluding the Financing Parties or any person appointed by the latter in accordance with the provisions of the Direct Agreement) the O&M BOP and/or the receivables arising under it, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.

19/21	The Issuer shall keep informed the Noteholders' Representative of any dispute or litigation or of any dispute deferred to the Expert.
22.5(b)	The Issuer shall not amend the O&M BOP, without the prior written consent of the Noteholders' Representative subject to confirmation of the Technical Advisor.
General	<p>The Issuer shall promptly inform the Noteholders' Representative of any event which may constitute a Potential Relevant Event, a Relevant Event or is likely to have a Material Adverse Effect including any event which may entitle the parties (or only one of them) to terminate the contract or to withdraw from the contract.</p> <p>Moreover, the Issuer shall promptly inform the Noteholders' Representative of any suspension or interruption of the activities to be carried out under the contract.</p>

ANNEX G
Compliance Certificate

[On Issuer's letterhead]

To: [●]
as Noteholders Representative
From: [Issuer]
Date: [●]

Dear Sirs,

We make reference to the terms and conditions (the “**Terms and Conditions**”) of the notes issued by Parco Eolico Casalduni House S.r.l. (the “**Issuer**”) on [●] 2020, pursuant to articles 2483 ff. of the Italian civil code.

Unless otherwise noted, in this letter capitalised terms shall have the same meaning as under the Terms and Conditions.

This Compliance Certificate is provided pursuant to Clause 2 (*Compliance Certificate*) of Annex A (*Updated Base Case and Reports*) of the Terms and Conditions.

This Compliance Certificate is a Finance Document.

The undersigned [●], in its quality of duly authorised representative of [Issuer], under its own responsibility, hereby declares and certifies that on [the Calculation Date falling on [●]/on the date hereof]:

- (i) the ADSCR is equal to [●]x;
- (ii) the BLCR is equal to [●]x.

In addition to the above, we hereby confirm that no Potential Relevant Event or Relevant Event or event having a Material Adverse Effect has occurred and is continuing.

[Note: the Compliance Certificate shall be audited by an auditing firm acceptable to the Noteholders when delivered with reference to each Calculation Date falling on 31 December]

Best regards.

[Issuer]

ANNEX H

Technical Advisor Form of Confirmation

To: [●]
as Noteholders Representative

From: [TA]

Date: [●]

Dear Sirs,

We make reference to the terms and conditions (the “**Terms and Conditions**”) of the notes issued by Parco Eolico Casalduni House S.r.l. (the “**Issuer**”) on [●] 2020, pursuant to articles 2483 ff. of the Italian civil code.

Unless otherwise noted, in this letter capitalised terms shall have the same meaning as under the Terms and Conditions.

With this letter, we confirm that:

- (A) the Project Costs to be funded through the Utilisation are in line with the most recent Construction Budget;
- (B) in relation to the EPC, the TSA, the Cable Supply Agreement (if already executed) and the Substation Agreement, the relevant milestone has been fulfilled and is in line with the most recent Construction Budget and validation from the Technical Advisor of all the Project Costs borne or to be borne by the Issuer for which the Utilisation Request has been submitted;
- (C) as at the Utilisation Date, there is no Funding Shortfall;
- (D) the Completion Date will occur prior to the Long Stop Date;
- (E) the Uses of Funds have been properly incurred for the development of the Plant.