



**TERMS AND CONDITIONS OF THE BOND LOAN “CMC 2022-2026”  
(to be issued following the homologation of CMC’s composition with creditors) ART.**

**1 – AMOUNT AND SUBSCRIPTION**

- 1.1 The bond loan called "CMC 2022-2026" (the “**Loan**”, or “**BL**”), of aggregate nominal amount up to a maximum of **Euro 170,000,000** (the “**Maximum Aggregate Nominal Amount**”), is issued, in two or more tranches, by Cooperativa Muratori& Cementisti - C.M.C. di Ravenna Società Cooperativa, in short “**CMC**” (the “**Company**” or the “**Issuer**”) by virtue of resolution of the Board of Directors of 11/12/2020 pursuant to art. 80 letter q) of the By-laws, and is constituted by up to maximum **no. 170,000,000** ordinary registered bonds, non-convertible, of nominal value of Euro 1,00 each (the “**Bonds**” and each one the “**Bond**”).
- 1.2 These Terms and Conditions have been approved by the Board of Directors of 25/11/2019, for the purpose of requesting the meeting’s authorization to the issuance pursuant to art.61 letter r) of the By-laws, intervened with meeting resolution of 12/12/2019 as per the below; [*possibly: amended with resolution of the Board of Directors of ...*] and entered into force with marginal changes (not impacting on the rights of the Bondholders) with the mentioned resolution of the Board of Directors to issue the Bond Loan, following the homologation, by the Court of Ravenna, of the composition with creditors with direct business continuity proposed by CMC (the “**Composition**”).
- 1.3 The Bonds are issued at par at the nominal value of Euro 1,00 per each Bond, and are solely destined, through Conversion, for the Holders of participatory financial instruments (“**PFI**s”), issued by CMC with resolution of the extraordinary shareholders’ meeting of 16/05/2019 by deed of Notary public Perris Rep. no. 4067 /2051 – subject to the homologation, by the Court of Ravenna, of the Composition, and in execution thereof – up to the maximum nominal amount of Euro 500,000,000.00, and governed by the “**Terms and Conditions of the PFI**s”, as amended by the shareholders meeting of 12/12/2019 by deed of Notary public Perris Rep. No. 4609/2371, which further: (i) authorized the Board of Directors to issue - in two or more tranches (also by virtue of separate resolutions) - the Bonds up to the maximum nominal amount of Euro 250,000,000 within four years of the resolution date (subject to the prior meeting’s approval of financial statements, even extraordinary, pursuant to att.2412 c.c.), and (ii) provided for the conversion right of the PFI into Bonds according to the ratio of No.2 PFI per each Bond, governing such Conversion right in art.10 of the Terms and Conditions of the PFI.
- 1.4 The original Holders of the Bonds – without prejudice to their subsequent free circulation - will therefore exclusively be the Holders di PFI who have exercised the Conversion right pursuant to art.10 of the Terms and Conditions of the PFI. The PFI governed by the Terms and Conditions of the PFI, pursuant to art.1.2 thereof, will be actually issued – by the Board of Directors since delegated thereto by the shareholders’ meeting (see art.1.1 Terms and Conditions of the PFI) - in two or more tranches, the first of which (“**First Issuance**”) was resolved by the Board of Directors dated 28/09/2020 for a maximum nominal amount of Euro 340,000,000.00 (“**PFI-2020**”), and the second (“**Second Issuance**”) in the period between

the 12th and 18th month after the homologation ("PFIs- 2021"), being the closing of the Composition provided for within two years of the homologation.

After the homologation of the Composition with decree of the Court of Ravenna on 29 May 2020, and the First Issuance of the PFIs-2020 on 28 September 2020, the Board of Directors of 11 December 2020 resolved the issuance of this Bond Loan, to service the Conversion of the PFIs, for an aggregate nominal amount up to a maximum of Euro 170,000,000.00 in two or more tranches, and issued the first one ("**First Tranche**") up to the maximum nominal amount of Euro 170,000,000.00, equal to half the amount of the issued PFIs- 2020, in consideration of the Conversion ratio of No.2 PFIs / No.1 Bond, and accordingly for an amount suitable for the possible Conversion also of all PFIs-2020. After the Second Issuance of PFIs-2021 in the mentioned period (12/18 months after the homologation), the Board of Directors will issue the "**Second Tranche**" of the BL for the maximum nominal amount equal to half the PFIs-2021 actually issued with the Second Issuance, and accordingly for a suitable amount for the possible Conversion also of all PFIs-2021. The Maximum Aggregate Nominal Amount of the BL, although of a nominal amount equal to that of the (only) First Tranche, seems suitable to include both the First Tranche and the Second Tranche of Bonds, because - being a "severable" BL - each Tranche will be signed on the basis of the Conversion requests received within the respective deadlines, to the extent (possibly partial) achieved as a result of the Conversions; the Board of Directors will increase the Maximum Aggregate Nominal Amount of the BL, in the event that the requests for Conversion of the PFIs exceed the number of Bonds issued.

- 1.5 The Bonds may be subscribed for solely by way of Conversion of PFIs, by the Holder, by means of written request to the Company. The request for Conversion, even by way of reservation, is in any case irrevocable by the Holder.

The initial terms to exercise the Conversion right of the PFIs, also on a reservation basis (prior to the First Issuance of the PFIs-2020), are set by art.10.4 of the Terms and Conditions of the PFIs as commencing from the Composition homologation decree date and by May 31, 2021, as extended by the Board of Directors dated 11/12/2020 ("**First Conversion Period**"). A "**Second Conversion Period**", for the Conversion of PFIs-2021, is set by the same art.10.4 in the period between the 12<sup>th</sup> and the 18<sup>th</sup> month after the homologation. Any further Conversion Periods may be provided for with specific resolution of the Board of Directors, delegated thereto by the extraordinary shareholders' meeting of 12/12/2019.

The PFIs Conversion request entails the subscription (or irrevocable subscription request, where not issued yet) of the Bonds according to the mentioned ratio of No.2 PFIs per each Bond, so that each PFI Holder, as a result of the Conversion, will be the holder of a number of Bonds (of nominal value of Euro 1 each) equal to half the number of PFIs (of nominal value of Euro 1 each) he/she was the Holder of. In any case, following the Board of Directors' resolution to issue the "Bond Loan 2022-2026", and the issuance of the First Tranche of Bonds, the First Tranche Bonds will be deemed already subscribed for to an extent equal to the Conversion requests already received from the Holders on a reservation basis, and will be then subscribed for the additional amount equal to the subsequent Conversion requests, until the expiration of the First Conversion Period; the same will occur for the Second Tranche, until the expiration of the Second Conversion Period (and for further tranches, if any). Based on art.10.8 of the Terms and Conditions of the PFIs, the ownership of PFIs entails a mandate to CMC's Board of Directors to proceed with the Automatic Conversion of the PFIs for which no Conversion was requested by the Holder, upon occurrence of the pre-conditions provided for by this art.10.8, and therefor to perform all acts necessary or even just appropriate to replace PFIs with Bonds in the mentioned Conversion Ratio (2 PFIs/1 Bond), with consequent annotations and registrations.

In case of failed subscription of the entire Bond Loan by means of Conversion of PFIs (upon

request of the Holder, or Automatic pursuant to art.10.8 of the Terms and Conditions of the PFIs), the Bonds non subscribed for will not be issued and/or will be cancelled, since they cannot be offered in subscription to third parties other than the PFI Holders, nor with modalities other than the Conversion of PFIs, and the Bond Loan will therefore be deemed issued for an amount equal to the Bonds subscribed for as a result of Conversions of PFIs (upon request of the Holder, or Automatic), being deemed the subscription of the BL in any case effected, since "severable", to the extent (possibly partial) achieved as a result of the Conversions. The Overall Nominal Amount of the BL, as resulting from the subscription by means of conversion of the Bonds tranches, will be therefore automatically equal to one half of the amount of PFIs subject to Conversion (upon request, or Automatic). The First Tranche of the Bond Loan was therefore issued for a total nominal amount up to a maximum of Euro 170,000,000.00, equal to half the amount of the 2020 PFIs issued with the First Issue, in consideration of the Conversion ratio no. 2 PFIs / n.1 Bond, and therefore for an amount suitable for the possible Conversion also of all the 2020 PFIs, but it will be deemed automatically subscribed for an amount equal to half the amount of the 2020 PFIs subject to Conversion.

For this reason, the total nominal amount of the First Tranche coincides with the Maximum Aggregate Nominal Amount of the BL, which - on the basis of the actual requests for Conversion of the 2020 PFIs - may also be sufficient for the issue of the Second Tranche, to service of the Conversion of 2021 PFIs.

- 1.6 Following their issuance in more tranches, all Bonds – constituting the Bond Loan - will entitle the related Holders to the same rights, and all Holders will rank *pari passu* in the exercise of the rights granted thereto, as described in the following articles of these Terms and Conditions. Holders, identified by name, will be entitled to request to and obtain from CMC's Directors, proving their identity, the physical delivery of the Bond Certificates issued in their name, contextually delivering the PFI Certificates where withdrawn.
- 1.7 In consideration of the provisions of art.1.5, the subscription of the Bonds being possible exclusively through Conversion of the Holder's PFIs (such, pursuant to art.2.2 of the Terms and Conditions of the PFIs, as a result of the homologation of CMC's Composition), any public offer for subscription/sale of financial products, invitation to offer, promotional activity relating to the Bonds, both in Italy and abroad (in particular, in the United States or in Canada, Australia and Japan) is excluded.
- 1.8 The bonds are not convertible into Company shares and are not intended for listing.
- 1.9 The Bond Loan is not reserved for Institutional Investors, it being offered in subscription through Conversion to all PFI Holders, among which various creditors of the Composition (Banks, Insurance companies...) qualify in any case as such, pursuant to Annex 3 of the Intermediaries Regulation adopted by Consob with resolution No. 20307 of 15.2.2018, as subsequently amended and supplemented.

## **ART. 2 – BOND CERTIFICATES AND BOND REGISTER**

- 2.1 The Bonds are represented by paper certificates issued by the Company's Board of Directors, signed by a director thereof (hereafter, the "**Certificates**" and individually a "**Certificate**"), and in the name of the Holder; as a result of the Conversion ratio of PFIs into Bonds and of the exercise of the Conversion, each Holder holds Bonds for a nominal value equal to 10% of the claim originally owned in CMC's Composition, satisfied with the *datio in solutum* of PFIs (and accordingly not as a result of direct conversion of said Composition claim into Bonds, but instead as a consequence of the Conversion of PFIs).
- 2.2 Each Certificate is registered and sets out all elements requested by art.2414 c.c., as well as:
  - a) the name of "Bonds CMC 2022-2026";

- b) the identification elements of the Holder (surname and first name, tax code and domicile of the Holder who is an individual; or company name, registered office, tax code of the Holder which is a legal person or entity);
  - c) indication of the Bonds transfers;
  - d) indication of the "Claim being challenged" in case of Conversion of PFIs containing said indication, for the purpose of art.6.5 below.
- 2.3 The Company, possibly also upon request of the Holder, is entitled to proceed with the grouping together or fractioning of the Certificates representing the Bonds; upon issuance, the Company will issue one single Certificate per each Holder.
- 2.4 The Company establishes and updates, at the care of the Directors, the register of Holders (hereafter, the "**Register**") with indication of:
- a) the number of Bonds issued and outstanding, as well as the related Certificate;
  - b) the identification elements of the Holder, as well as of the possible election of special domicile and possible granting of power of attorney to third parties (either notarial or authenticated by notary, or equivalent for foreign countries) to exercise the Holder's rights;
  - c) the domicile/registered office, PEC address, or in lack thereof, ordinary email, of the Holder for the communications thereto provided for by the Terms and Conditions;
  - d) the details of the bank cash account in the name of the Holder, on which the payments provided for by these Terms and Conditions shall be executed by means of wire transfer, without prejudice to the Holders' right to vary the mentioned details with communication via PEC or registered letter with receipt notice (or equivalent for foreign countries), excluding the use of ordinary e-mail in the communication to the Company; in case of failed communication of the above details, CMC will execute payments on the cash account in the name of the Common Representative exclusively dedicated thereto, with releasing effect;
  - e) the appointment of the Common Representative, with its identification elements and PEC address of the latter, for the communications provided for by the Terms and Conditions;
  - f) Bonds transfers in accordance with subsequent art.9 of the Terms and Conditions.

### **ART. 3 - ENTITLEMENT**

- 3.1 The Loan is issued and its entitlement will commence on 1 January 2022 (the "**Entitlement Date**").

### **ART. 4 - TERM**

- 4.1 The Loan has a 5 year term starting from the Entitlement Date and accordingly until 31 December 2026 (the "**Maturity Date**"), without prejudice to the provisions of art. 7 ("**Early Redemption**").

### **ART. 5 - INTERESTS**

- 5.1 The Bonds accrue interests, at the annual fixed nominal rate of **2,00%** from the Entitlement Date (included) and until the Maturity Date (excluded), but interests will not be distributed with periodic frequency, instead they will be paid in one single solution on the Maturity Date (save for the case of Early Redemption, in whole or in part, pursuant to article 7 below), in addition to the Bonds redemption value, on a single capitalization basis.
- 5.2 The Bonds will cease accruing interests on the earliest of:

(i) the Maturity Date; and

(ii) in case of Early Redemption in full pursuant to article 7 below, the relevant Early Redemption date; in case of Early Redemption in part, the redeemed Bonds will cease accruing interests on the relevant Early Redemption date.

- 5.3 Interests will be calculated based on the actual number of days of the relevant interest period over the number of days included in the calendar year (365, or in case of leap year, 366) – according to the Act/ Act unadjusted convention, as meant in the market practice.

## **ART. 6 - REDEMPTION**

- 6.1 Without prejudice to the provisions of art. 7, the Bonds will be redeemed bullet at par and, accordingly, at 100% of the Nominal Value, on the Loan Maturity Date, and they will cease accruing interests as from said date.
- 6.2 On the Maturity Date, 100% of the Nominal Value (without prejudice for the provisions of art.7), and Interests calculated as provided for by art.5. will accordingly be redeemed to the Bonds, on a bullet basis.
- 6.3 Where the redemption day falls on a day which is not a Business Day, the payment will be executed on the first following Business Day without granting any further interest. "Business Day" shall mean any day in which banks operating in Milan and Turin are open for ordinary business and the TARGET 2 – i.e. the system allowing in real time central banks adhering to the EU to execute payments of significant amount in single currency - or any successor system thereto, is operating for the settlement of payments in Euro.
- 6.4 For the purpose of any payment, the amount will be rounded to the Euro cent (0,005 Euro being rounded to the higher Euro cent).
- 6.5 Until final determination with judgement not subject to appeal, or until settlement, of the dispute (the "**Determination**"), the payments the Challenged Creditors would be entitled to will be executed in favour thereof, by means of wire transfer on the specific cash account pledged in favour of the Issuer, so to assure to the latter the possible repayment of the amounts proving undue following the Determination. Said regime will be applicable, for Partially Challenged Creditors, in relation to the Claim being challenged only, while for the non-challenged amount payments will take place by means of wire transfer on a pledge free cash account.
- 6.6 The Issuer will refrain from resolving distributions of Dividends, Reserves or reversals in favour of its cooperative or retired shareholders, until the BL has been Redeemed, while the Terms and Conditions of the PFIs provides for the distribution of Dividends and Reserves in favour of the Holders of the PFIs, to the extent provided for in art.7.1.1 below.

## **ART. 7 – EARLY REDEMPTION**

### **7.1 – MANDATORY EARLY REDEMPTIONS**

- 7.1.1 In case of partial Conversion of PFIs, and accordingly coexistence of PFIs and Bonds, on account of Mandatory Early Redemption, the Issuer shall distribute pro quota among Bondholders the portion pertaining thereto of the Distributable Liquidity defined in art.10.10 sub (ii) of the Terms and Conditions of the PFIs, according to the Formula set out therein and hereafter included:

$$L - BC - HC - BLI = DL$$

where: "L" means the monetary liquidity at the end of the reference year; "BC" (Branch Cash) means the monetary liquidity standing in the cash accounts opened with CMC's Branches and specifically destined to finance the operations of orders and, as a consequence,

not available for other purposes; "HC" (Head Office Cash) means the plafond of monetary liquidity, equal to Euro 25,000,000.00 withheld in order to guarantee CMC's operations; "BLI" (Bond Loan Interests) means the interests to be paid on the Bonds "CMC 2022 - 2026" on the Maturity Date and on the Bonds Early Redemption dates.

Distributable Liquidity will be allocated:

a) to PFIs (on account of "Distributions of Reserves"), proportionally with the total number of PFIs (converted and non-converted), minus Dividends:  $(DL \times \text{non-converted PFIs} / \text{Total PFIs}) - D$ , where "D" means Dividends whose Distribution has been resolved to the extent under art.10 (i) of the Terms and Conditions of the PFIs, i.e. to an extent not exceeding the Distributable Liquidity multiplied by the ratio of non-converted PFIs versus total PFIs (converted and non-converted), according to the following formula:  $D \leq DL \times (\text{non-converted PFIs} / \text{Total PFIs})$ ;

b) to the Bonds (on account of "Mandatory Early Redemptions"), according to the proportion between total number of converted PFIs (= Bonds number x 2) and total number of PFIs (converted and non-converted):  $DL \times \text{converted PFIs} / \text{Total PFIs}$ .

For instance, Table 1 at the bottom of these Terms and Conditions sets out three hypotheses of Distributions of Reserves and Mandatory Early Redemptions.

7.1.2 In case of total Conversion of PFIs, and accordingly of Early Termination of the PFIs, on account of Mandatory Early Redemption, the Issuer shall distribute the Distributable Liquidity proportionally among the sole Bondholders according to the formula  $L - BC - HC - BLI$  as per art.7.1.1.

7.1.3 The amounts to be paid to Bondholders on account of Mandatory Early Redemption of principal, will be increased by the interests accrued as at the Early Redemption Date on the redeemed amount, which as from said date will cease accruing interests, without any rights possibly being claimed in relation to not yet accrued interests.

7.1.4 The Issuer will proceed with any Mandatory Early Redemptions in favour of Bondholders within 60 days of the approval of the annual financial statements, starting from the financial statements relating to the year closed on 31/12/2021, first financial statements following the Entitlement Date, without prejudice to the verification of the previous satisfaction, by the Company, of the Composition's preferential and privileged credits pursuant to art.8.

## 7.2 – VOLUNTARY EARLY REDEMPTIONS

7.2.1 The Issuer will be entitled to proceed at its discretion with the total or partial early redemption of the Loan (The "**Early Redemption Option**").

7.2.2 To this end, the Issuer will send the Common Representative, within the thirtieth Business Day preceding the date on which it will proceed with the redemption (the "**Early Redemption Date**"), a notice whereby it will inform of its intention to exercise the Early Redemption Option, the nominal value portion in relation to which the Early Redemption Option is being exercised (i.e. the full nominal value, in case of total redemption, or a portion thereof, in case of partial redemption) and the consequent redemption price.

7.2.3 The redemption price will be equal to the nominal value or portion thereof being redeemed, increased by the interests accrued on the Bonds redeemed on the Early Redemption Date, and decreased – in case of total redemption – by an amount equal to the Mandatory Early Redemptions. The early redemption will be at par, without penalties or indemnities to be borne by the Issuer.

7.2.4 In case the Issuer proceeds with a partial redemption, said redemption will be made to each Bondholder, by means of partial redemption of the nominal value of each Bond. Following the Early Redemption Date, the Issuer will inform the Common Representative of the new nominal value of the Bonds; the amount will be rounded to the Euro cent (0.005 Euro being

rounded to the higher Euro cent). No amendment will be instead applied to the Bonds' interest rate or to any other provisions of these Terms and Conditions. The Bonds, for the portion of redeemed nominal value, will cease to accrue interests as from the Early Redemption Date and no right may be claimed in relation to not yet accrued interests.

#### **ART. 8 -STATUS OF THE BONDS**

- 8.1 The Bonds, for principal and interests, are subordinated to preferential and privileged Composition claims. The occurred extinction of preferential and privileged Composition claims will be communicated to the Common Representative.
- 8.2 The Bonds are not subordinated to the other unsecured debts actual and future of the Issuer.

#### **ART. 9 – TRANSFERABILITY OF THE BONDS**

- 9.1 The Bonds are freely transferable, for the entire amount subscribed for or a portion thereof. The creation of security interests is furthermore always permitted, on the Bonds.
- 9.2 The term "**to transfer**" and "**transfer**" shall mean any transfer transaction, for consideration (with consideration either fungible or non-fungible) or without consideration, put in place by the Holder in favour of another person, capable of transferring (either directly or indirectly) the ownership of the Bonds.
- 9.3 The Bonds may be transferred by means of certified endorsement of the Certificate or by means of public deed or private document with signature certified by a notary public. For the purpose of the transfer of the Bonds, the Company's Directors, upon request of the new Holder – who shall to this end show the Certificate/s representing the Bonds subject matter of the transfer (as well as, in lack of certified endorsement, the public or certified deed as per the above) – take care without delay of (i) annotating the name of the new Holder on the Certificate/s and in the Register; or (ii) replacing said Certificate/s with a new Certificate in the name of the new Holder and annotating in the Register the transfer of the Bonds to the new Holder, the cancellation of the previous Certificate/s and the issue of the new Certificate.
- 9.4 In lack of the formalities provided for by art.9.3, the transfer of the Bonds is ineffective vis-à-vis the Company, and the original Holder only will be considered entitled to exercise the rights attaching to the Bonds, so that payments in favour thereof will have releasing effects for the Company.
- 9.5 The Company assumes no liability whatsoever in relation to transfers of Bonds, without prejudice to the obligation to acknowledge as new Holder the person annotated in the Register following the transfer.

#### **ART. 10 – STATUTE OF LIMITATION AND FORFEITURE TERMS**

- 10.1 The Bondholders' rights shall be statute barred, as regards interests, after 5 (five) years from the date on which they have become payable and, as regards principal, after 10 (ten) years from the date on which Bonds have become redeemable.

#### **ART. 11 – BONDHOLDERS' MEETING AND COMMON REPRESENTATIVE**

- 11.1 The protection of the Bondholders' common rights is governed by the provisions of art. 2415 et seq. of the Italian Civil Code.
- 11.2 The Bondholders' meeting resolves:

- 1) on the appointment and revocation of the common representative of Bondholders (the “**Common Representative**”), without prejudice to what specified here below;
  - 2) on the amendments to the Loan conditions;
  - 3) on the composition proposal;
  - 4) on the establishment of a fund for the expenses necessary to protect common interests and on the related account statement;
  - 5) on the other topics of common interest for Bondholders.
- 11.3 The Bondholders’ meeting is called by the Board of Directors or by the Common Representative, when they deem it appropriate or when request is made by as many Bondholders as representing one twentieth of issued and non-cancelled Bonds.
- 11.4 The Bondholders’ meeting is governed by the rules provided for by the Italian Civil Code for the extraordinary shareholders’ meeting of joint stock companies. The relative resolutions are registered, by the notary who drafted the minutes, in the Companies’ Register. For the validity of resolutions concerning amendments to the Loan conditions, even in second call the favourable vote of Bondholders representing one half of the issued and non-cancelled Bonds is required. The Bondholders’ meeting is chaired by the Common Representative.
- 11.5 The resolutions adopted by the Bondholders’ meeting can be challenged pursuant to artt. 2377 and 2379 of the Italian Civil Code.
- 11.6 The Common Representative may selected also from among non-Bondholders and even legal persons licensed to carry out investment services, as well as fiduciary companies can be appointed. As regards the revocation, the new appointment of the Common Representative or the renewal thereof upon expiration of the office, the provisions of art. 2417 of the Italian Civil Code shall in any case be applicable.
- 11.7 The Common Representative takes care of executing the resolutions of the Bondholders’ meeting and protecting the common interests thereof in the relations with the Issuer. The Common Representative is entitled to attend the Issuers’ shareholders meetings. In order to protect common interests, the Common Representative is entitled to represent Bondholders in court.

## **ART. 12 – TAX REGIME**

- 12.1 The Bondholder shall be liable for all actual and future taxes and levies to be mandatorily paid by law on the Bonds and/or the related interests, premiums and other income.

## **ART. 13 – COMMUNICATIONS**

- 13.1 All communications between the Company and the Holders will be made:
- a) if to the Company, with registered letter with return receipt (or the equivalent abroad) at the registered office, or the PEC address to the attention of the Chairman of the Board of Directors, excluding the use of ordinary e-mail;
  - b) if to the Holders, with registered letter with return receipt (or the equivalent abroad) or via PEC (or, in lack thereof, via ordinary email), at the addresses specified in the Register, until the appointment of the Common Representative; following said appointment, every communication to the Holders will be made to the Common Representative at the PEC address specified in the Register.

## **ART. 14 – AMENDMENTS**

- 14.1 With no need for the prior consent of Bondholders, the Issuer, by means of resolution of the Board of Directors, may at any time apply to these Terms and Conditions the amendments it



deems necessary, or even just appropriate, in order to repeal material errors, ambiguities or inaccuracies in the text, even by means of supplements, provided that said amendments are not prejudicial to Bondholders' rights.

14.2 Every substantial amendment to these Terms and Conditions will be adopted by the Company's Board of Directors, subject to prior resolution of the Special Bondholders' meeting pursuant to art.11.2.

## ART. 15 – APPLICABLE LAW AND COMPETENT JURISDICTION

15.1 These Terms and Conditions and the Loan are governed by Italian law.

15.2 Every dispute that may arise between the Holders and the Company in relation to the Bonds, concerning, without limitation, the interpretation, performance, termination, validity of these Terms and Conditions, awarding and transfer of the Bonds, will be deferred to arbitration by means of application of art.95 ("Arbitration Clause") of CMC's By-laws.

15.3 Should the Arbitration Clause not be applicable, and without prejudice to any other jurisdiction under mandatory provisions of law, every dispute relating to the Loan or these Terms and Conditions which may arise between the Issuer and the Bondholders shall be deferred to the exclusive competence of the Courts where the Issuer maintains its registered office.

## ART.16 - MISCELLANEA

16.1 The ownership of the Bonds entails full knowledge and acceptance of all conditions pursuant to these Terms and Conditions.

16.2 Everything not expressly provided for herein shall be governed by the provisions of law and the By-laws.

**Table 1 pursuant to art. 7.1.1. Terms and Conditions of the BL**

Description (1)	example A		example B		example C	
Liquidity at the end of the year (L)	100		100		34	
Branch Cash (BC)	-5		-5		-5	
Head Office Cash (HC)	-25		-25		-25	
Bond Loan Interests (BLI) (2)	-1		-20		0	
<b>Distributable Liquidity</b>	<b>69</b>		<b>50</b>		<b>4</b>	
CMC Unsecured debt	2000		2000		2000	
Awarding of PFIs	400		400		400	
Conversion of PFIs into BL	<b>PFIs</b>	<b>BL</b>	<b>PFIs</b>	<b>BL</b>	<b>PFIs</b>	<b>BL</b>
Ratio PFIs / BL (3)	50%	50%	35%	65%	40%	60%
Nominal value financial instrument (4)	200	100	140	130	160	120
DL in proportion	34.5	34.5	17.5	32.5	1.6	2.4
Dividends (D) (5)	-6		-6		-1.6	
<b>Redemption</b>	<b>28.5</b>	<b>34.5</b>	<b>11.5</b>	<b>32.5</b>	<b>0</b>	<b>2.4</b>

Example A: reference year prior to 2026 (hypothesis PFIs 50% and PO 50%)

Example B: maturity year 2026 with payment of interests relating to the BL's residual principal (hypothesis PFIs 35% and BL 65%)

Example C: the maximum Dividend is equal to DL x 40% (hypothesis PFIs 40% and BL 60%)

note (1): the figures used are for mere exemplification

note (2): interests to be paid on the BL and related to the portion of principal subject to Redemption (art. 6) or Early Redemption (art. 7)

note (3): calculated (i) for PFIs as non-converted PFIs / Total PFIs and (ii) for the BL as converted PFIs / Total PFIs

note (4): in light of 20% of unsecured debt for PFIs and the Conversion ratio 1 Bond every 2 PFIs (10%)

note (5): since already recognised to the PFIs by virtue of art 10.10.(i) of the Terms and Conditions of the PFIs