EXECUTION VERSION

Dated 25 November 2013

AZIMUT HOLDING S.p.A.

and

BNP PARIBAS TRUST CORPORATION UK LIMITED

TRUST DEED

constituting

€250,000,000 2.125 per cent. Subordinated Convertible Bonds due 2020

Linklaters
Ref: KJT/ND/OF
Linklaters LLP
Dear Sirs

As discussed, we set out below the terms of the proposed Trust Deed as follows:

This Trust Deed is made on 25 November 2013 between:

1. **AZIMUT HOLDING S.p.A.**, a company incorporated with limited liability in the Republic of Italy (the “Issuer”);

2. **BNP PARIBAS TRUST CORPORATION UK LIMITED** whose principal place of business is at 55 Moorgate, London EC2R 6PA, United Kingdom (the “Trustee”, which expression shall, where the context so admits, include all persons for the time being the trustee or trustees of this Trust Deed).

Whereas:

(A) The Issuer, incorporated with limited liability in the Republic of Italy, has by a resolution of its Board of Directors passed on 11 November 2013 authorised the issue of €250,000,000 in aggregate principal amount of 2.125 per cent. Subordinated Convertible Bonds due 2020 to be constituted by this Trust Deed.

(B) Each Bond shall, subject as set out in the Conditions, entitle the holder to convert such Bond into new and/or existing ordinary shares currently of no par value (“Ordinary Shares”) of the Issuer as determined by the Issuer. The Issuer shall have the right to convert all but not some only of the Bonds into Ordinary Shares at any time on or after the First Issuer Conversion Date (as defined in the Conditions), subject as provided in the Conditions.

(C) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.

Now this Deed witnesses and it is hereby agreed and declared as follows:

1 Interpretation

1.1 Definitions

The following expressions shall have the following meanings:

“Agents” means, in relation to the Bonds, the Principal Paying, Transfer and Conversion Agent and the Registrar and, in relation to any Further Bonds, means any agent appointed in relation to them;

“Appointee” means any attorney, manager, custodian, agent, delegate, nominee, co-trustee or other person appointed by the Trustee under Clause 12 (notice of which appointment will, if practicable, be given by the Trustee to the Issuer within a reasonable time after the appointment);

“Authorised Person” means any person who (i) is a director of the Issuer or (ii) has been notified by the Issuer in writing to the Trustee from time to time as been duly authorised to
sign documents, act on behalf of the Issuer and give Instructions to the Trustee under the terms of this Trust Deed;

“Bondholder” and “holder” means a person in whose name a Bond is registered in the Register (as defined in Condition 4(a));

“Bonds” means the Original Bonds and/or as the context may require any Further Bonds, except that in Schedules 1 and 2 “Bonds” means the Original Bonds;

“Clearstream, Luxembourg” means Clearstream Banking, société anonyme;

“Closing Date” means 25 November 2013;

“Conditions” means, in relation to the Original Bonds, the terms and conditions set out in Schedule 4 and, with respect to any Further Bonds, the terms and conditions set out in a schedule to the supplemental trust deed constituting such Further Bonds as any of the same may from time to time be modified in accordance with the provisions thereof and/or of this Trust Deed, and references in this Trust Deed to a particular numbered Condition shall, in relation to the Original Bonds, be construed accordingly and shall, in relation to any Further Bonds, be construed as a reference to the provision (if any) in the Conditions thereof which corresponds to the particular Condition of the Further Bonds;

“Conversion Date” has the meaning provided in Condition 6(h);

“Definitive Bonds” means those Bonds for the time being represented by definitive certificates in the form or substantially in the form set out in Schedule 1;

“Directors” means the directors of the Issuer;

“Euroclear” means Euroclear Bank SA/NV;

“Event of Default” means any of the events described in Condition 10 (or, in respect of any Further Bonds, the relevant Condition);

“Extraordinary Resolution” has the meaning set out in paragraph 19 of Schedule 3;

“Further Bonds” means any further bonds, notes or debentures issued in accordance with the provisions of Clause 5 and the Conditions and constituted by a deed supplemental to this Trust Deed;

“Global Bond” means the registered global bond representing Original Bonds in the form or substantially in the form set out in Schedule 2 and/or as the context may require any global bond or note representing Further Bonds or any of them (and “Global Bonds” shall be construed accordingly);

“Instructions” means any written notices, directions or instructions received by the Trustee in accordance with Clause 19 from an Authorised Person or from a person reasonably believed by the Trustee to be an Authorised Person (which, in the case of Instructions received from the Issuer, will be confirmed by the Trustee by telephone callback);

“Losses” means any loss, damage, cost, fee, charge, claim, demand, expense, judgment, action, proceedings or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses (in the case of costs and expenses, properly incurred);
“Original Bonds” means the 2.125 per cent. Subordinated Convertible Bonds due 2020 constituted by this Trust Deed and for the time being outstanding (being on the date hereof €250,000,000 in principal amount) or, as the context may require, a specific number of them and includes any replacement Bonds issued pursuant to Condition 13 and (except for the purposes ofClauses 3.1 and 3.2) the Global Bond;

“Original Bondholders” means the holders for the time being of Original Bonds;

“outstanding” means, in relation to the Bonds, all the Bonds issued other than (i) those which have been redeemed in accordance with the Conditions, (ii) those in respect of which Conversion Rights have been exercised and the Issuer’s obligations have been duly performed, (iii) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued on such Bonds to the date for such redemption and any interest payable under Condition 5 after such date) have been duly paid to the relevant Bondholder or on its behalf or to the Trustee or to the Principal Paying, Transfer and Conversion Agent as provided in Clause 2 and remain available for payment against presentation and surrender of Bonds, (iv) those which have become void or those in respect of which claims have become prescribed under Condition 12, (v) those mutilated or defaced Bonds which have been surrendered in exchange for replacement Bonds pursuant to Condition 13, (vi) (for the purpose only of determining how many Bonds are outstanding and without prejudice to their status for any other purpose) those Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Bonds have been issued pursuant to Condition 13, (vii) those which have been purchased and cancelled as provided in Condition 7, (viii) the Global Bond to the extent that it shall have been exchanged for definitive registered Bonds pursuant to its provisions; provided that for the purposes of (a) ascertaining the right to attend and vote at any meeting of the Bondholders, (b) the determination of how many Bonds are outstanding for the purposes of Conditions 10, 11, 14 and 15 and Schedule 3 and (c) the exercise of any discretion, power or authority which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Bondholders, those Bonds (if any) which are beneficially held by, or are held on behalf of, the Issuer or any Subsidiary of the Issuer and not yet cancelled shall be deemed not to remain outstanding;

“Paying, Transfer and Conversion Agency Agreement” means the Paying, Transfer and Conversion Agency Agreement dated 25 November 2013, as amended from time to time, between the Issuer, the Trustee, the Principal Paying, Transfer and Conversion Agent and the Registrar whereby the initial Principal Paying, Transfer and Conversion Agent and the Registrar were appointed in relation to the Original Bonds together with any agreement for the time being in force amending or modifying with the approval in writing of the Trustee the aforesaid agreement;

“Potential Event of Default” means an event or circumstance which could, with the giving of notice, lapse of time, issue of a certificate and/or the fulfilment of any other requirement provided for in Condition 10, become an Event of Default;

“Principal Paying, Transfer and Conversion Agent” means, in relation to the Bonds, BNP Paribas Securities Services, Luxembourg Branch at its specified office, in its capacity as Principal Paying, Transfer and Conversion Agent (in respect of the Original Bonds) and in each case any Successor Principal Paying, Transfer and Conversion Agent;
“Registrar” means, in relation to the Bonds, BNP Paribas Securities Services, Luxembourg Branch at its specified office or any Successor Registrar appointed under the Paying, Transfer and Conversion Agency Agreement;

“Securities Act” means the U.S. Securities Act of 1933, as amended;

“specified office” means, in relation to any Agent, either the office identified with its name in the Paying, Transfer and Conversion Agency Agreement or any other office approved by the Trustee and notified to the Bondholders pursuant to Clause 10.10 and Condition 16;

“Stock Exchange” means internationally recognised, regularly operating, regulated or non-regulated, stock exchange as is determined by the Issuer on which the Bonds are listed from time to time;

“Successor” means, in relation to the Agents, such other or further person as may from time to time (i) be appointed as an Agent by the Issuer, (ii) be appointed as an Agent by the Principal Paying, Transfer and Conversion Agent or Registrar pursuant to Clause 18.3.1 of the Paying, Transfer and Conversion Agency Agreement, or (iii) as may become an Agent through a merger or consolidation; and in the case of (i) and (ii) above, with the written approval of, and on terms approved in writing by, the Trustee and notice of the appointment of such successor Agent is given to Bondholders pursuant to Clause 10.10 and Condition 16, and in the case of (iii) above, notice of such successor Agent is given to the Issuer and the Trustee pursuant to Clause 18.5 of the Paying, Transfer and Conversion Agency Agreement and Condition 16;

“this Trust Deed” means this Trust Deed, the Schedules hereto (as from time to time altered in accordance with this Trust Deed) and any other document executed in accordance with this Trust Deed (as from time to time so altered) and expressed to be supplemental to this Trust Deed; and

“trust corporation” means a trust corporation (as defined in the Law of Property Act 1925) or a corporation entitled to act as a trustee pursuant to applicable foreign legislation relating to trustees.

1.2 Construction of Certain References

References to:

1.2.1 costs, charges, remuneration or expenses shall include any amount in respect of value added tax, turnover tax or similar tax charged in respect thereof;

1.2.2 “€” or “euro” shall be to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended;

1.2.3 any action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England and Wales, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate thereto and any other similar, analogous or corresponding event under the insolvency laws of any applicable jurisdiction;

1.2.4 words denoting the singular number only shall include the plural number also and vice versa;
1.2.5 words denoting one gender only shall include the other gender;
1.2.6 words denoting persons only shall include firms and corporations and vice versa;
1.2.7 any provision of any statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment; and
1.2.8 a bank, financial institution or an investment bank may include Merrill Lynch International and/or UBS Limited.

1.3 Conditions
Words and expressions defined in the Conditions and not defined in the main body of this Trust Deed shall when used in this Trust Deed have the same meanings as are given to them in the Conditions.

1.4 Headings
Headings shall be ignored in construing this Trust Deed.

1.5 Schedules, Clauses, etc.
References in this Trust Deed to Schedules, Clauses, sub-clauses, paragraphs and sub-paragraphs shall be construed as references to the Schedules, Clauses, sub-clauses, paragraphs and sub-paragraphs of this Trust Deed, respectively. The Schedules are part of this Trust Deed and shall have effect accordingly.

1.6 Enforceability
If at any time any provision of this Trust Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Trust Deed nor the legality, invalidity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

2 Amount of the Original Bonds and Covenant to Pay

2.1 Amount of the Original Bonds
The aggregate principal amount of the Original Bonds is limited to an amount not exceeding €250,000,000.

2.2 Covenant to Pay
The Issuer will, on any date on which the Original Bonds or any of them become due to be redeemed in accordance with this Trust Deed or the Conditions, unconditionally pay to or to the order of the Trustee in euro in London in same day funds the principal amount of the Original Bonds becoming due on that date (together with any other amounts payable, in accordance with the Conditions) and will (subject to the Conditions) until such payment (both before and after judgment) unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid interest on the aggregate principal amount of the Original
Bonds outstanding as set out in Condition 5 provided that (i) subject to the provisions of Clause 2.4, every payment of any sum due in respect of the Original Bonds made to or to the account of the Principal Paying, Transfer and Conversion Agent as provided in the Paying, Transfer and Conversion Agency Agreement shall, to such extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Original Bondholders and (ii) a payment made after the due date will be deemed to have been made when the full amount has been received by the Principal Paying, Transfer and Conversion Agent or the Trustee and the notice to that effect has been given to the Original Bondholders (if required under Clause 10.8), except to the extent that there is failure in its subsequent payment to the relevant Original Bondholders; and (iii) in the event that (following, if so required, due presentation of an Original Bond) upon redemption, payment of the principal amount is improperly withheld or refused, such Original Bond will continue to bear interest as aforesaid as provided in Condition 5(b). The Trustee will hold the benefit of this covenant on trust for the Original Bondholders.

2.3 **Discharge**

Subject to Clause 2.4, any payment to be made in respect of the Original Bonds by the Issuer or the Trustee may be made as provided in the Conditions and any payment so made will (subject to Clause 2.4) to such extent be a good discharge to the Issuer or the Trustee, as the case may be.

2.4 **Payment after Default**

2.4.1 At any time after a Potential Event of Default or an Event of Default has occurred, the Trustee may:

(i) by notice in writing to the Issuer and the Agents, require the Agents, until notified by the Trustee to the contrary, so far as permitted by any applicable law:

(a) to act thereafter as Agents of the Trustee under this Trust Deed and the Bonds on the terms of the Paying, Transfer and Conversion Agency Agreement (with consequential amendments as necessary and except that the Trustee’s liability for the indemnification, remuneration and all other out-of-pocket expenses of the Agents will be limited to the amounts for the time being held by the Trustee in respect of the Bonds on the terms of this Trust Deed) and thereafter to hold all Bonds and all moneys, documents and records held by them in respect of Bonds and/or Ordinary Shares to the order of the Trustee; or

(b) to deliver all Bonds, all moneys, documents and records held by them in respect of the Bonds and, if the Trustee so directs in such notice or subsequently so directs, the relevant Ordinary Shares, to the Trustee or as the Trustee directs provided that such notice shall be deemed not to apply to any documents or records which the relevant Agent is obliged not to release by any law or regulation; and

(ii) by notice in writing to the Issuer require it to make all subsequent payments in respect of the Bonds to or to the order of the Trustee and not to the Principal Paying, Transfer and Conversion Agent. With effect from the issue
of any such notice to the Issuer and until such time as the notice is withdrawn, proviso (i) to Clause 2.2 shall not apply.

3 Form of the Original Bonds; Issue of the Original Bonds

3.1 The Global Bond
On issue of the Original Bonds, the Global Bond will be issued representing the aggregate principal amount of the Original Bonds and the Issuer shall procure that the appropriate entries be made in the Register by the Registrar to reflect the issue of such Original Bonds. The Global Bond will be issued in the name of a common depositary for Euroclear and Clearstream, Luxembourg or its nominee. The issue of the Global Bond in names other than those of the common depositary or its nominee is restricted as provided in the Global Bond. The Original Bonds represented by the Global Bond shall be subject to its terms in all respects and entitled to the same benefits under this Trust Deed as individual Original Bonds.

3.2 Definitive Bonds
Definitive Bonds shall be issued in limited circumstances as provided for in the Global Bond. If issued, Definitive Bonds will be in registered form in authorised denominations, and will be delivered upon exchange of the Global Bond as provided therein. Such Definitive Bonds may be printed or typed and need not be security printed unless otherwise required by applicable stock exchange requirements.

3.3 Form
Definitive Bonds and the Global Bond will be in, or substantially in, the respective forms set out in Schedules 1 and 2. Definitive Bonds will be endorsed with the Conditions.

3.4 Signature
The Global Bond will be signed manually or in facsimile by one or more authorised Directors or officers of the Issuer duly authorised for the purpose or manually by any duly authorised attorney of the Issuer and in any case will be authenticated manually by or on behalf of the Registrar. Definitive Bonds (if issued) will be signed manually or in facsimile by one or more authorised Directors of the Issuer and in any case will be authenticated manually by or on behalf of the Registrar. The Issuer may use the facsimile signature of any person who at the date of this Trust Deed is an authorised Director of the Issuer even if at the time of issue of any Original Bond (including the Global Bond) he no longer holds such office or is so authorised. Original Bonds (including the Global Bond) so executed and authenticated will be binding and valid obligations of the Issuer.

4 Stamp Duties and Taxes

4.1 Taxes etc.
The Issuer will pay any stamp, issue, registration, documentary or other similar taxes and duties, including interest and penalties, payable in the Republic of Italy, the United
Kingdom, Belgium or Luxembourg in respect of the creation, issue and offering of the Bonds, and the execution or delivery of this Trust Deed. The Issuer will also indemnify the Trustee and the Bondholders from and against all stamp, issue, registration, documentary or other taxes paid by any of them in any jurisdiction in relation to which the liability to pay arises directly as a result of any action taken, in accordance with the Conditions and this Trust Deed, by or on behalf of the Trustee or, as the case may be, (where entitled under Condition 10 to do so) the Bondholders to enforce the obligations of the Issuer under this Trust Deed, the Paying, Transfer and Conversion Agency Agreement or the Bonds.

4.2 Change of Taxing Jurisdiction

If the Issuer becomes subject generally to the taxing jurisdiction of a territory or a taxing authority of or in that territory with power to tax other than or in addition to Italy then the Issuer will (unless the Trustee otherwise agrees) give the Trustee an undertaking satisfactory to the Trustee in terms corresponding to the terms of Condition 9 with the substitution for, or (as the case may require) the addition to, the references in that Condition to Italy of references to that other or additional territory or authority to whose taxing jurisdiction the Issuer has become so subject. In such event this Trust Deed and the Bonds will be read accordingly.

5 Status and Subordination of the Bonds

5.1 Status

The Bonds, on the Closing Date, constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will at all times rank pari passu without any preference among themselves. The Bonds constitute obligazioni pursuant to Articles 2410 et seq. of the Italian Civil Code. The rights and claims of the Bondholders are subordinated as described in Clause 5.2 below and Condition 2(b).

5.2 Subordination

In the event of the winding-up, insolvency, dissolution, liquidation or bankruptcy of the Issuer the payment obligations of the Issuer under the Bonds and this Trust Deed will rank in right of payment after unsubordinated unsecured creditors of the Issuer but at least pari passu with all other subordinated obligations of the Issuer. For the avoidance of doubt, nothing in this Clause 5.2 or in any other provision of this Trust Deed shall affect or prejudice the payment of any Losses incurred by the Trustee in its personal capacity or the remuneration of the Trustee or the rights and remedies of the Trustee in respect thereof and in such capacity the Trustee shall rank as an unsubordinated creditor of the Issuer.

5.3 Set-off

By acceptance of the Bonds, each Bondholder and the Trustee, on behalf of each Bondholder, will be deemed to have unconditionally and irrevocably waived any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Bond.
6 Further Issues

6.1 Liberty to Create

The Issuer may from time to time without the consent of the Bondholders create and issue Further Bonds having the same terms and conditions in all respects as the Original Bonds (or in all respects except for the amount and due date for the first payment of interest thereon and the first date on which Conversion Rights may be exercised) and so that such Further Bonds shall be consolidated and form a single series with the Original Bonds or any Further Bonds.

6.2 Means of Constitution

Any Further Bonds created and issued pursuant to the provisions of Clause 6.1 above forming a single series with the Original Bonds or Further Bonds of any series constituted by this Trust Deed or any deed supplemental to this Trust Deed, and any other Bonds of any series created and issued pursuant to the provisions of Clause 6.1 above may, with the consent of the Trustee, be constituted by a deed supplemental to this Trust Deed. The Issuer shall prior to the issue of any Further Bonds to be so constituted execute and deliver to the Trustee a deed supplemental to this Trust Deed (if applicable duly stamped) and containing covenants by the Issuer in the form mutatis mutandis of Clause 2 of this Trust Deed in relation to the principal amount and interest in respect of such Further Bonds and such other provisions (corresponding to any of the provisions contained in this Trust Deed) as the Trustee shall require.

6.3 Noting of Supplemental Deeds

A memorandum of every such supplemental deed shall be endorsed by the Trustee on this Trust Deed and by the Issuer on the duplicate(s) of this Trust Deed.

6.4 Notice of Further Issues

Whenever it is proposed to create and issue any Further Bonds, the Issuer shall give to the Trustee not less than seven days' notice in writing of its intention to do so, stating the amount of Further Bonds proposed to be created or issued.

6.5 Separate Series

Any Further Bonds not forming a single series with the Original Bonds or Further Bonds of any series shall form a separate series and accordingly, unless for any purpose the Trustee in its absolute discretion shall otherwise determine, the provisions of Clause 6.2, Clauses 4, 8, 10 to 20 (inclusive), Clause 21 and Clause 22 and Schedule 3 shall apply mutatis mutandis separately and independently to the Bonds of each series and in such Clauses and Schedule the expressions “Bonds” and “Bondholders” shall be construed accordingly.
7 Application of Moneys Received by the Trustee

7.1 Declaration of Trust
All moneys received by the Trustee in respect of the Bonds or amounts payable under this Trust Deed will, regardless of any appropriation of all or part of them by the Issuer, be held by the Trustee (subject to the provisions of Clause 7.2) upon trust to apply them:

7.1.1 first, in payment of all costs, charges, expenses and liabilities properly incurred by the Trustee and/or any Appointee (including remuneration payable to the Trustee and/or any Appointee) in carrying out its or their functions under this Trust Deed;

7.1.2 secondly, in payment of any amounts owing in respect of the Bonds pari passu and rateably; and

7.1.3 thirdly, in payment of the balance (if any) to the Issuer for itself.

Without prejudice to this Clause 7.1, if the Trustee holds any moneys which represent principal or interest or other sums in respect of Bonds which have become void or in respect of which claims have become prescribed under Condition 12, the Trustee will hold such moneys upon the trusts set out in this Clause 7.1.

7.2 Accumulation
If the amount of the moneys at any time available for payment in respect of the Bonds under Clause 7.1 is less than 10 per cent. of the principal amount of the Bonds then outstanding, the Trustee may, at its absolute discretion, invest such moneys. The Trustee may retain such investments and accumulate the resulting income until the investments and the accumulations, together with any other funds for the time being under the control of the Trustee and available for such payment, amount to at least 10 per cent. of the principal amount of the Bonds then outstanding and then such investments, accumulations and funds (after deduction of, or provision for, any applicable taxes) will be applied as specified in Clause 7.1.

7.3 Investment
Any moneys held by the Trustee may be invested in the name or under the control of the Trustee in any investments or other assets in any part of the world whether or not they produce income, provided they are for the time being authorised by English law for the investment by trustees of trust moneys or placed on deposit in the name or under the control of the Trustee at such bank or other financial institution and in such currency as the Trustee may, in its absolute discretion, think fit. If that bank or institution is the Trustee or a subsidiary, holding or associated company of the Trustee it need only account for an amount of interest equal to the standard rate of interest payable by it on such a deposit to an independent customer. The Trustee may at any time vary or transpose any such investments for or into other such investments or convert any moneys so deposited into any other currency, and will not be responsible for any loss occasioned thereby, whether by depreciation in value, fluctuation in exchange rates or otherwise.
8 Covenant to Comply with Provisions

The Issuer hereby covenants with the Trustee that it will comply with and perform and observe all the provisions of this Trust Deed which are expressed to be binding on it. The Conditions shall be binding on the Issuer and the Bondholders. The Trustee shall be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions as if the same were set out and contained in this Trust Deed which shall be read and construed as one document with the Bonds. The provisions contained in Schedule 3 shall have effect in the same manner as if set forth herein.

9 Conversion

9.1 Conversion Right

The holder of each Bond will have the right (the “Conversion Right”) to convert each €100,000 in principal amount thereof into new and/or existing Ordinary Shares (credited as fully paid) as determined by the Issuer, at any time (subject to any applicable fiscal or other laws or regulations and as provided in the Conditions) during which Conversion Rights may be exercised pursuant to Condition 6.

9.2 Undertaking in respect of Conversion Rights

The Issuer hereby undertakes to procure the delivery of Ordinary Shares upon conversion of the Bonds as required by the Conditions.

9.3 Adjustment to the Conversion Price

The Issuer hereby undertakes to and covenants with the Trustee that, so long as any of the Bonds remains outstanding, it will whenever the Conversion Price falls to be adjusted pursuant to the Conditions:

9.3.1 as soon as practicable deliver to the Trustee a certificate signed by two Directors of the Issuer (which the Trustee shall be entitled to accept and rely on without liability and without further enquiry as sufficient evidence of the correctness of the matters therein referred to) setting forth brief particulars of the event giving rise to the adjustment, the adjusted Conversion Price, the date on which the adjustment takes effect and such other particulars and information as the Trustee may require; and

9.3.2 within 14 days thereafter give notice to the Bondholders in accordance with Condition 16 of the adjustment to the Conversion Price.

9.4 Notice of Adjustment to the Conversion Price

Simultaneously with the announcement of any event which will require the Conversion Price to be adjusted pursuant to the Conditions the Issuer will give notice thereof to the Bondholders in accordance with Condition 16 advising them of the date on which the relevant adjustment of the Conversion Price is likely to become effective.

10 Covenants

So long as any Bond is outstanding, the Issuer will:
10.1 **Books of Account**

keep and procure that each of its Subsidiaries keeps, proper books of account and, at any time after the occurrence of an Event of Default or a Potential Event of Default or if the Trustee has reasonable grounds for believing that any such event has occurred, so far as permitted by applicable law, allow, and procure that each of its Subsidiaries will allow, the Trustee and anyone appointed by it to whom the Issuer and/or the relevant Subsidiary has no reasonable objection, access to the books of account of the Issuer and/or the relevant Subsidiary at all times during normal business hours for the purpose of the performance and discharge of its functions hereunder;

10.2 **Notice of Events of Default; Relevant Event; Proposed Redemption; Issuer Conversion Right**

notify the Trustee in writing immediately upon becoming aware of the occurrence of any Event of Default or Potential Event of Default or Relevant Event or breach of any undertaking under Condition 11 or of any proposed redemption pursuant to Condition 7(b) or 7(c) or any proposed exercise of the Issuer Conversion Right pursuant to Condition 6(l);

10.3 **Information**

so far as permitted by applicable law, give to the Trustee such opinions, certificates, evidence and information as it reasonably requires and in such form as it reasonably requires (including, without limitation, the procurement by the Issuer of any certificate called for by the Trustee pursuant to Clause 12.4) and which is necessary for the performance and discharge of its functions hereunder;

10.4 **Financial Statements etc.**

send to the Trustee, as soon as reasonably practicable after the issue or publication thereof, (and in the case of annual financial statements in any event within 180 days of the end of each financial year) three copies in English of its consolidated financial statements and such reports or other notices, statements or circulars issued to the shareholders or creditors (as a class) (or any class of them) of the Issuer;

10.5 **Certificate of Directors**

send to the Trustee, within 14 days after its annual audited consolidated balance sheet and profit and loss account being approved by and published in accordance with Clause 10.4 above, and also within 14 days after any request by the Trustee a certificate of the Issuer in the form or substantially in the form set out in Schedule 5 signed by any two of its Directors on behalf of the Issuer to the effect that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer as at a date (the “Certification Date”) being not more than five days before the date of the certificate, no Event of Default or Potential Event of Default or Relevant Event or other breach of this Trust Deed by the Issuer has occurred since the date of this Trust Deed and the Issuer has complied with all of its obligations under this Trust Deed or (if later) the Certification Date of the last such certificate (if any) or, if such an event has occurred, giving details of it;
10.6 Notices to Bondholders
send or procure to be sent to the Trustee for approval at least 5 days in advance of any publication, a copy of the draft form of each notice to the Bondholders to be published in accordance with Condition 16, and upon publication two copies of each notice so published (such approval, unless so expressed, not to constitute approval for the purposes of Section 21 of the Financial Services and Markets Act 2000 of the United Kingdom of any such notice which is an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000);

10.7 Further Acts
so far as permitted by applicable law, do all such further things as may be necessary in the opinion of the Trustee to give effect to this Trust Deed;

10.8 Notice of Late Payment
promptly upon request by the Trustee give notice to the Bondholders of any unconditional payment to the Principal Paying, Transfer and Conversion Agent or the Trustee of any sum due in respect of the Bonds made after the due date for such payment;

10.9 Listing
at all times use all reasonable endeavours to obtain and maintain the listing and trading of the Bonds on a Stock Exchange prior to the first Interest Payment Date. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listing or admission to trading is unduly onerous, the Issuer shall instead use all reasonable endeavours to obtain and maintain a listing of the Bonds and/or admission to trading of the Bonds on such other stock exchange or competent listing authority as is commonly used for the quotation or listing of equity-linked debt securities as it decides and which is approved in writing by the Trustee;

10.10 Change in Agents
give not less than 14 days’ prior notice to the Bondholders of any future appointment or any resignation or removal of any Agent or of any change by any Agent of its specified office and not make any such appointment or removal without the written approval of the Trustee;

10.11 Bonds held by the Issuer etc.
send to the Trustee as soon as practicable after being so requested in writing by the Trustee a certificate of the Issuer signed by any two of its Directors on behalf of the Issuer setting out the total number of Bonds which, at the date of such certificate, were held by or on behalf of the Issuer or any Subsidiary of the Issuer and which had not been cancelled; and

10.12 Register
deliver or procure the delivery to the Trustee of an up-to-date copy of the Register in respect of the Bonds, certified as being a true, accurate and complete copy, at such times as the Trustee may reasonably require.
11 Remuneration and Indemnification of the Trustee

11.1 Normal Remuneration
So long as any Bond is outstanding, the Issuer will pay to the Trustee by way of remuneration for its services as trustee such sum as may be agreed between them in a letter on or about the date hereof. Such remuneration will accrue from day to day from the date of this Trust Deed until all Conversion Rights in respect of the Bonds have been exercised, or the Bonds have become due for redemption, and all monies payable thereon have been paid to the Trustee or the Principal Paying, Transfer and Conversion Agent. Such remuneration shall be payable on such dates as may be agreed between the Issuer and the Trustee. If any payment to a Bondholder of the moneys due in respect of any Bond is improperly withheld or refused, such remuneration will continue to accrue as from the date of such withholding or refusal until payment to such Bondholder is duly made.

11.2 Extra Remuneration
At any time after the occurrence of an Event of Default or a Potential Event of Default, the Issuer hereby agrees that the Trustee shall be entitled to be paid additional remuneration calculated at its normal hourly rates in force from time to time for the performance of its services as Trustee. In any other case, if the Trustee finds it expedient or necessary in the interests of Bondholders, or is requested by the Issuer, to undertake duties which the Trustee (after consultation with the Issuer, if practicable) considers to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under this Trust Deed, the Issuer will pay such additional remuneration as may be agreed between them (and which may be calculated by reference to the Trustee's normal hourly rates in force from time to time) or, failing agreement as to any of the matters in this Clause (or as to such sums referred to in Clause 11.1), as determined by an independent financial institution or person in London (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer or, failing such approval, nominated by the President for the time being of The Law Society of England and Wales, the expenses involved in such selection and approval and the fee of such financial institution or person being borne by the Issuer. The determination of such financial institution or person will, in the absence of manifest error, be conclusive and binding on the Issuer, the Trustee and the Bondholders.

11.3 Expenses
The Issuer will also on demand by the Trustee pay or discharge all costs, charges, liabilities and expenses properly incurred by the Trustee in relation to the preparation and execution of this Trust Deed and the carrying out of its functions under this Trust Deed including, but not limited to, legal and travelling expenses and any capital, stamp, registration, documentary or other similar taxes or duties paid by the Trustee in connection with any legal proceedings brought or contemplated by the Trustee against the Issuer for enforcing any obligation under this Trust Deed, the Paying, Transfer and Conversion Agency Agreement, or the Bonds.
11.4 Payment of Expenses

All such costs, charges, liabilities and expenses properly incurred and payments made by the Trustee referred to in Clause 11.3 will be payable or reimbursable by the Issuer on demand by the Trustee and:

11.4.1 in the case of payments made by the Trustee prior to such demand will carry interest from the date on which the demand is made at a rate equivalent to the Trustee’s cost of funding on the date on which such payments were made by the Trustee; and

11.4.2 in all other cases will carry interest at such rate from 30 days after the date on which the demand is made or (where the demand specifies that payment is to be made on an earlier date) from such earlier date.

11.5 Indemnity

11.5.1 Without prejudice to the right of indemnity by law given to trustees, the Issuer shall on demand indemnify the Trustee and every Appointee and keep it indemnified and/or secured and/or prefunded against all Losses to which it may be or become subject or which may be properly incurred by it in the preparation and execution or purported execution of any of its trusts, powers, authorities and discretions under this Trust Deed or its functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Trust Deed or any such appointment (including all Losses incurred in disputing or defending any of the foregoing). The indemnities provided in this Trust Deed shall remain in full force and effect and survive the termination of the Trust Deed. Notwithstanding any provision of this Trust Deed to the contrary, neither the Trustee nor any Appointee shall in any event be liable for indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), whether or not foreseeable, even if the Trustee or such Appointee has been advised of the likelihood of such loss or damage, provided however, that this Clause 11.5.1 shall be deemed not to apply for any liability which would otherwise attach to the Trustee in respect of any gross negligence, wilful default or fraud of which it may be guilty.

11.5.2 The Contract (Rights of Third Parties) Act 1999 shall apply to this Clause 11.5.

11.6 Provisions Continuing

The provisions of Clauses 11.3, 11.4 and 11.5 shall survive the satisfaction and discharge of the terms of this Trust Deed and will continue in full force and effect in relation to the Trustee even if it may have ceased to be Trustee.

12 Provisions Supplemental to The Trustee Act 1925 and the Trustee Act 2000

By way of supplement to the Trustee Act 1925 and the Trustee Act 2000 it is expressly declared as follows:

12.1 Advice

The Trustee may rely and act on the opinion or advice of, or information obtained from, any expert or a certificate or report or confirmation of any accountants, financial advisers,
investment bankers, lawyers or experts in each case whether or not addressed to the Trustee and whether or not their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise, and the Trustee will not be responsible to anyone for any loss occasioned by so relying and acting whether such advice is obtained or addressed to the Issuer, the Trustee or any other person. Any such opinion, advice, confirmation, certificate, report or information may be sent or obtained by letter, email, telex or facsimile transmission and the Trustee will not be liable to anyone for relying or acting in good faith on any opinion, advice, confirmation, certificate, report or information purporting to be conveyed by such means even if it contains some error or is not authentic. The Trustee shall be obliged to accept and be entitled to rely without liability on any such opinion, advice, information, report, confirmation or certificate where the Issuer procures delivery of the same pursuant to its obligation to do so under a condition hereof and such report, confirmation or certificate shall be conclusive and binding on the Issuer, the Trustee and the Bondholders in the absence of manifest error.

12.2 Trustee to Assume Due Performance
The Trustee need not notify anyone of the execution of this Trust Deed or do anything to ascertain whether any Event of Default or Potential Event of Default or Relevant Event has occurred and will not be responsible to Bondholders or any other person for any loss arising from any failure by it to do so and, until it has actual knowledge or express notice to the contrary, the Trustee may assume that no such event has occurred and that the Issuer is performing all its obligations under this Trust Deed and the Bonds.

12.3 Resolutions of Bondholders
The Trustee will not be responsible for having acted in good faith upon a resolution purporting to have been passed at a meeting of Bondholders in respect of which minutes have been made and signed even though it may later be found that there was a defect in the constitution of such meeting or the passing of such resolution or that such resolution was not valid or binding upon the Bondholders.

12.4 Certificate Signed by Directors
The Trustee may call for and may accept as sufficient evidence of any fact or matter or of the expediency of any act a certificate (whether or not such certificate is addressed to the Trustee) of the Issuer signed by any two Directors of the Issuer to any fact or matter upon which the Trustee may, in the exercise of any of its functions, require to be satisfied or to have information to the effect that, in the opinion of the person or persons so certifying, any particular act is expedient and the Trustee need not call for further evidence and will not be responsible for any loss that may be occasioned by acting on any such certificate.

12.5 Deposit of Documents
The Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all sums due in respect thereof. The Trustee is not obliged to appoint a custodian of securities payable to bearer.
12.6 Custodians/Nominees

In relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its custodian or nominee (being an Appointee hereunder) on any terms.

12.7 Discretion of Trustee

Save as expressly provided in this Trust Deed, the Trustee will have absolute and uncontrolled discretion as to the exercise of its functions hereby vested in the Trustee and will not be responsible for the exercise or non-exercise thereof nor for any loss, liability, cost, claim, action, demand, expenses or inconvenience which may result from their exercise or non-exercise, but, whenever the Trustee is (under the provisions of this Trust Deed or the Bonds) bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or secured and/or prefunded to its satisfaction.

12.8 Agents

Whenever it considers it expedient in the interests of the Bondholders, the Trustee may, in the conduct of its trust business, instead of acting personally, employ and pay an agent (being an Appointee hereunder) selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money).

12.9 Consent

Any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit.

12.10 Delegation

Whenever it considers it expedient in the interests of the Bondholders, the Trustee may delegate to any person (being an Appointee hereunder) and on any terms (including power to sub-delegate) all or any of its functions.

12.11 Forged Bonds

The Trustee will not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry in the Register or any Bond purporting to be such and later found to be forged or not authentic.

12.12 Confidentiality

Unless ordered to do so by a court of competent jurisdiction, the Trustee shall not be required to disclose to any Bondholder or any third party any confidential financial or other information made available to the Trustee by the Issuer and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information.
12.13 Determinations Conclusive

As between itself and the Bondholders, the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed. Every such determination, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, will be conclusive in the absence of manifest error and shall bind the Trustee and the Bondholders.

12.14 Determination of Events of Default or Potential Events of Default

The Trustee may determine whether or not an Event of Default or Potential Event of Default is in its opinion capable of remedy. Any such determination will be conclusive and binding on the Issuer and the Bondholders.

12.15 Currency Conversion

Where it is necessary or desirable for any purpose in connection with the terms of this Trust Deed or the Conditions to convert any sum from one currency to another, it will (unless otherwise provided herein or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may be specified by the Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified will be binding on the Issuer and the Bondholders.

12.16 Payment for and Delivery of Bonds

The Trustee will not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds, the exchange of the interests between the Bonds represented by Global Bonds or the delivery of Definitive Bonds to the persons entitled to them.

12.17 Bonds held by the Issuer etc.

In the absence of knowledge or express notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate of the Issuer under Clause 10.11) that no Bonds are for the time being held by or on behalf of the Issuer or any Subsidiary of the Issuer.

12.18 Interests of Bondholders

In connection with the exercise of its powers, trusts, authorities or discretions (including, but not limited to, those in relation to any proposed modification, waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of this Trust Deed or any proposed substitution in accordance with Clause 16.2 or any determination made pursuant to Clause 16.2), the Trustee shall have regard to the interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders and in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequences of such exercise for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim from the Issuer or the
Trustee, any indemnification or payment of any tax arising in consequence of any such exercise upon individual Bondholders.

12.19 No Responsibility for Ordinary Share Value

The Trustee shall not at any time be under any duty or responsibility to any Bondholder to determine whether any facts exist or whether any event or circumstance has happened or exists or may happen or exist which requires or may require any adjustment of the Conversion Price or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed, or in this Trust Deed provided to be employed, in making the same and will not be responsible or liable to the Bondholders or any other person for any loss arising from any failure by it to do so. The Trustee shall not at any time be under any duty or responsibility in respect of the validity or value (or the kind or amount) of Ordinary Shares or of any other securities, property or cash, which may at any time be made available or delivered upon the conversion of any Bond; and it makes no representation with respect thereto. The Trustee shall not be responsible for any failure of the Issuer to make available or deliver any Ordinary Shares, share certificates or other securities or property or make any payment upon the exercise of the Conversion Right in respect of any Bond or of the Issuer to comply with any of the covenants contained in this Trust Deed.

12.20 Enforcement of Rights

As referred to in Condition 10, the Trustee need not take any such steps, action or proceedings unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least one quarter in principal amount of the Bonds then outstanding and (ii) it shall have been indemnified and/or secured or prefunded to its satisfaction.

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction or, to the extent applicable, of England. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or England or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or in England or if it is determined by any court or other competent authority in that jurisdiction or in England that it does not have such power.

12.21 Breach of Undertakings

The Trustee assumes no responsibility for ascertaining whether or not (i) a breach of any of the undertakings in Condition 11 shall have occurred or (ii) any such breach shall have been rectified or (iii) any adjustment falls to be made to the Conversion Price as a result thereof and shall have no liability to any person for not so doing. Unless and until the Trustee has actual knowledge of any of the above events it shall be entitled to assume that no such event has occurred. The Trustee shall not be liable for any loss arising from any determination or calculation made pursuant to the Conditions or from any failure or delay in making any such determination or calculation.
12.22 Responsibility for Agents etc.
If the Trustee exercises reasonable care in selecting any Appointee, it will not have any obligation to supervise or monitor the functions of the Appointee and is entitled, in the absence of actual knowledge, to assume the Appointee is properly performing and complying with its obligations. The Trustee will not be responsible for any loss, liability, cost, fee, claim, action, demand or expense incurred by reason of the Appointee’s misconduct or default or misconduct or default of any substitute appointed by the Appointee.

12.23 Incurrence of Financial Liability
Nothing contained in this Trust Deed shall require the Trustee to do anything which (a) may be illegal or contrary to applicable law or regulation or (b) may cause it to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any power, rights, authority or discretion hereunder if it has grounds for believing the repayment or prepayment of the funds or adequate indemnity and/or security and/or prefunding against such risk or liability is not reasonably assured to it.

12.24 Independent Adviser
The Trustee has no responsibility for the accuracy, completeness, timeliness or otherwise of any determination made by an Independent Adviser pursuant to the Conditions.

12.25 Reliance on Certification of Clearing System
The Trustee may call for and shall be at liberty to accept and place full reliance on as sufficient evidence thereof and shall not be liable to the Issuer or any Bondholder by reason only of either having accepted as valid or not having rejected any certificate or other document issued by any clearing system as to the nominal amount of the Bonds beneficially owned by any person or any other matter (and any such certificate or other document so accepted by the Trustee shall, in the absence of manifest error, be conclusive and binding for all purposes) and any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system in accordance with its usual procedures and in which the holder of a particular nominal amount of the Bonds is clearly identified together with the amount of such holding.

12.26 Legal Opinions
The Trustee shall not be responsible to any person for failing to request, require or receive any legal opinion relating to any Bonds or for checking or commenting upon the content of any such legal opinion and shall not be responsible for any loss, damage, costs, charge, claim, demand, expense, judgement, action, proceeding or other liability whatsoever incurred thereby. The Trustee shall be entitled to call for and rely upon, and the Issuer shall be obliged to procure the delivery of, legal opinions, addressed to the Trustee dated the date of such delivery and in a form and content acceptable to the Trustee.

12.27 Trustee not Responsible
The Trustee shall not be responsible for the correctness of the recitals or any representation or warranty given by any person (other than the Trustee) in this Trust Deed,
nor shall the Trustee be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of this Trust Deed or any other document relating thereto, any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed or any other document relating thereto. In addition the Trustee shall not be responsible for the effect of the exercise of any of its powers, duties and discretions hereunder.

12.28 Right to Deduct or Withhold
Notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.

12.29 Responsibility for Statements etc.
The Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, or any other agreement or document relating to the transactions contemplated in this Trust Deed or under such other agreement or document.

12.30 Not bound to act
The Trustee shall not be bound to take any step, proceeding or action in connection with the Bonds, this Trust Deed or any obligations arising hereunder, including without prejudice to the generality of the foregoing, forming any opinion or employing any financial adviser, where it is not satisfied that it will be indemnified and/or secured and/or prefunded to its satisfaction in connection with such step, proceeding or action and may demand prior to taking any such step, proceeding or action that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify and/or secure and/or prefund it and on such demand being made by it, the Issuer shall be obliged to make payment of all such sums in full.

13 Trustee liable for negligence
Section 1 of the Trustee Act 2000 shall not apply to any function of the Trustee provided that if the Trustee fails to show the degree of care and diligence required of it as trustee
nothing in this Trust Deed shall relieve or indemnify it from or against any liability which would otherwise attach to it in respect of any gross negligence, willful default or fraud of which it may be guilty in relation to its duties under this Trust Deed.

Where there are any inconsistencies between the Trustee Act 1925, the Trustee Act 2000 and the provisions of this Trust Deed, the provisions of this Trust Deed shall, to the extent allowed by law, prevail and, in the case of any such inconsistency with the Trustee Act 2000, the provisions of this Trust Deed shall constitute a restriction or exclusion for the purposes of that Act.

14 Waiver and Proof of Default

14.1 Waiver
The Trustee may, without the consent of the Bondholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, if in its opinion the interests of the Bondholders will not be materially prejudiced thereby, waive or authorise, on such terms and conditions as seem expedient to it, any breach or proposed breach by the Issuer of any of the provisions of the Conditions, this Trust Deed, any trust deed supplemental to this Trust Deed, the Paying, Transfer and Conversion Agency Agreement, any agreement supplemental to the Paying, Transfer and Conversion Agency Agreement or the Bonds or determine that any Event of Default or Potential Event of Default will not be treated as such provided that the Trustee will not do so in contravention of any express direction given by an Extraordinary Resolution or a request made pursuant to Condition 10 but so that no such direction or request will affect any previous waiver, authorisation or determination. Any such waiver, authorisation or determination may be made on such terms and subject to such conditions as the Trustee may determine, will be binding on the Bondholders and, if the Trustee so requires, will be notified to the Bondholders promptly in accordance with Condition 16.

14.2 Proof of Default
If it is proved that as regards any specified Bond the Issuer has made default in paying any sum due to the relevant Bondholder such proof will (unless the contrary be proved) be sufficient evidence that the same default has been made as regards all other Bonds which are then payable.

15 Trustee not precluded from entering into Contracts
Neither the Trustee nor any director or officer of a corporation acting as a Trustee, whether acting for itself or in any other capacity, will be precluded from becoming the owner of, or acquiring any interest in, or holding, or disposing of, any Bonds or any Ordinary Shares or securities of the Issuer or any of its subsidiary, holding or associated companies with the same rights as it would have had if the Trustee were not the Trustee or from entering into or being interested in any contracts or transactions with the Issuer or any of its subsidiary, holding or associated companies or from acting on, or as depositary or agent for, any committee or body of holders of any securities of the Issuer or any of its subsidiary, holding or associated companies and will not be liable to account for any profit resulting therefrom.
16 Modification and Substitution

16.1 Modification
The Trustee may agree with the Issuer, without the consent of the Bondholders, to (i) any modification of any of the provisions of this Trust Deed, any trust deed supplemental to this Trust Deed, the Paying, Transfer and Conversion Agency Agreement, any agreement supplemental to the Paying, Transfer and Conversion Agency Agreement, the Bonds or the Conditions which in the Trustee’s opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification to this Trust Deed, any trust deed supplemental to this Trust Deed, the Paying, Transfer and Conversion Agency Agreement, any agreement supplemental to the Paying, Transfer and Conversion Agency Agreement, the Bonds or the Conditions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. Such power in sub-paragraph (ii) does not extend to any such modification as is mentioned in the proviso to paragraph 17 of Schedule 3. Any such modification or authorisation shall be subject to such terms and conditions as the Trustee may determine, shall be binding on the Bondholders and, if the Trustee so requires, such modification shall be notified to the Bondholders promptly in accordance with Condition 16.

16.2 Substitution
16.2.1 The Trustee may, without the consent of the Bondholders, agree with the Issuer to the substitution in place of the Issuer (or any previous substitute under this paragraph) as the principal debtor under the Bonds and the Trust Deed of any Subsidiary of the Issuer or (in the case of a Newco Scheme) of Newco (the “Substituted Obligor”), provided that:

(i) the Bonds are unconditionally and irrevocably guaranteed by the Issuer in a form and manner satisfactory to the Trustee;

(ii) the Trustee is satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution;

(iii) a deed is executed or undertaking given by the Substituted Obligor to the Trustee, in form and manner satisfactory to the Trustee, agreeing to be bound by this Trust Deed and the Bonds (with consequential amendments as the Trustee may deem appropriate) as if the Substituted Obligor had been named in this Trust Deed and the Bonds as the principal debtor in place of the Issuer;

(iv) if the Substituted Obligor is subject generally to the taxing jurisdiction of a territory or any authority of or in that territory with power to tax (the “Substituted Territory”) other than the territory to the taxing jurisdiction of which (or to any such authority of or in which) the Issuer is subject generally (the “Issuer’s Territory”), the Substituted Obligor will (unless the Trustee otherwise agrees) give to the Trustee an undertaking satisfactory to the Trustee in terms corresponding to Condition 9 with the substitution for the references in that Condition to the Issuer’s Territory of references to the Substituted Territory whereupon this Trust Deed and the Bonds will be read accordingly;
(v) if any two directors of the Substituted Obligor certify that it will be solvent immediately after such substitution, the Trustee need not have regard to the Substituted Obligor’s financial condition, profits or prospects or compare them with those of the Issuer;

(vi) the Stock Exchange shall have confirmed to the Issuer that, after giving effect to such substitution, the Bonds shall continue to be listed and traded on the Stock Exchange;

(vii) the Bonds continue to be convertible (in whole or in part) into Ordinary Shares or, where the Substituted Obligor is a Newco, ordinary shares in such Newco as provided in the Conditions with such amendments to the Conditions and the Trust Deed as the Trustee shall consider appropriate and provided that such ordinary shares in Newco shall be admitted to trading on the Borsa Italiana;

(viii) the Issuer and the Substituted Obligor comply with such other requirements as the Trustee may direct in the interests of the Bondholders;

(ix) the Trustee may in the event of such substitution agree without the consent of the Bondholders to a change of law governing this Trust Deed and/or the Bonds and/or the Paying, Transfer and Conversion Agency Agreement provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders; and

(x) in the event of a Newco Scheme, Condition 11(h) is satisfied.

16.2.2 Release of Issuer and Substitute Obligor: Any such agreement by the Trustee pursuant to this Clause 16.2 will, if so expressed, operate to release the Issuer (or any such previous Substituted Obligor) from any or all of its obligations under this Trust Deed and the Bonds. Not later than 14 days after the execution of any such documents and after compliance with such requirements, notice of the substitution will be given to the Bondholders.

16.2.3 Completion of Substitution: Upon the execution of such documents and compliance with such requirements, the Substituted Obligor will be deemed to be named in this Trust Deed and the Bonds as the principal debtor in place of the Issuer (or of any previous Substituted Obligor under this Clause 16.2) and this Trust Deed and the Bonds will be deemed to be modified in such manner as shall be necessary to give effect to the substitution and, without prejudice to the generality of the foregoing, any references in this Trust Deed or the Bonds to the Issuer shall be deemed to be references to the Substituted Obligor. Any such substitution shall be binding on the Bondholders and shall be notified promptly to the Bondholders in accordance with Condition 16.

17 Appointment, Retirement and Removal of the Trustee

17.1 Appointment

The Issuer will have the power of appointing new trustees but no person will be so appointed unless previously approved by an Extraordinary Resolution. A trust corporation will at all times be a Trustee and may be the sole Trustee. Any appointment of a new
Trustee will be notified by the Issuer to the Bondholders in accordance with Condition 16 as soon as practicable.

17.2 Retirement and Removal
Any Trustee may retire at any time on giving not less than three months’ prior notice in writing to the Issuer without giving any reason and without being responsible for any costs occasioned by such retirement and the Bondholders may by Extraordinary Resolution remove any Trustee provided that the retirement or removal of any sole trustee or sole trust corporation will not become effective until a trust corporation is appointed as successor Trustee. If a sole trustee or sole trust corporation gives notice of retirement or an Extraordinary Resolution is passed for its removal under this Clause, the Issuer will use all reasonable endeavours to procure that another trust corporation be appointed as Trustee, but if the Issuer has failed to do so within three months of such notice being given or since the date of such Extraordinary Resolution, the Trustee may (at the Issuer’s expense) exercise the power of appointing a successor trustee.

17.3 Co-Trustees
The Trustee may, despite Clause 17.1, by notice in writing to the Issuer appoint anyone to act as an additional Trustee jointly with the Trustee:

17.3.1 if the Trustee considers such appointment to be in the interests of the Bondholders;
17.3.2 for the purpose of conforming with any legal requirement, restriction or condition in any jurisdiction in which any particular act is to be performed; or
17.3.3 for the purpose of obtaining a judgment in any jurisdiction or the enforcement in any jurisdiction against the Issuer of either a judgment already obtained or any of the provisions of this Trust Deed.

Subject to the provisions of this Trust Deed the Trustee may confer on any person so appointed such functions as it thinks fit. The Trustee may by notice in writing to the Issuer and such person remove any person so appointed. At the request of the Trustee, the Issuer will do all things as may be required to perfect such appointment or removal and irrevocably appoints the Trustee to be their attorney in their name and on their behalf to do so.

17.4 Competence of a Majority of Trustees
If there are more than two Trustees appointed hereunder the majority of such Trustees will (provided such majority includes a trust corporation) be competent to carry out all or any of the Trustee’s functions under this Trust Deed.

18 Currency Indemnity

18.1 Currency of Account and Payment: Euro (the “Contractual Currency”) is the sole currency of account and payment for all sums payable by the Issuer under or in connection with this Trust Deed and the Bonds, including damages, other than in relation to payments to the Trustee (i) pursuant to Clause 11.1 for which the Contractual Currency is the currency of payment as specified in such letter referred to in Clause 11.1 and (ii) pursuant
to Clauses 11.2 to 11.6 inclusive for which the Contractual Currency shall be the currency of payment as agreed between the Issuer and the Trustee.

18.2 Extent of discharge: An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise), by the Trustee or any Bondholder in respect of any sum expressed to be due to it from the Issuer will only discharge the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

18.3 Indemnity: If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Trust Deed or the Bonds, the Issuer will indemnify it against any loss sustained by it as a result. In any event, the Issuer will indemnify the recipient against the cost of making any purchase referred to in Clause 18.2.

18.4 Indemnity separate: The indemnities in this Clause 18 and in Clause 11.5 constitute separate and independent obligations from the other obligations in this Trust Deed, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Trustee and/or any Bondholder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed and/or the Bonds or any other judgment or order.

19 Communications

Any communication shall be by letter delivered personally or facsimile transmission in the English language:

in the case of the Issuer, to it at:

Azimut Holding S.p.A.
Via Cusani 4
I-20121 Milan
Italy
Fax no.: +39 02 8898 5825
Attention: Mr. Marco Malcontenti

and in the case of the Trustee, to it at:

BNP Paribas Trust Corporation UK Limited
55 Moorgate
London EC2R 6PA
United Kingdom
Fax no.: +44 207 595 5078
Attention: The Directors
Any such communication will take effect, in the case of delivery, at the time of delivery or, in the case of facsimile transmission, at the time of despatch.

In no event shall the Trustee be liable for any Losses arising to the Trustee receiving or transmitting any data from the Issuer or its Authorised Person via any non-secure method of transmission or communication, such as, but without limitation, by facsimile or email, unless such Losses arise as a result of the failure of communications systems operated by the Trustee.

The Issuer accepts that some methods of communication are not secure and the Trustee shall incur no liability for receiving, and the Issuer shall indemnify the Trustee in respect of, Instructions via any such non-secure method, unless such Losses arise as a result of the failure of communications systems operated by the Trustee. The Trustee is authorised to comply with and rely upon any such notice, Instructions or other communications believed by it to have been sent or given by an Authorised Person. The Issuer shall use all reasonable endeavours to ensure that Instructions transmitted to the Trustee pursuant to this Trust Deed are completed and correct. Any Instructions shall be conclusively deemed to be valid instructions from the Issuer to the Trustee for the purposes of this Trust Deed.

20 Purchase or Redemption by the Issuer of its own Ordinary Shares

The Issuer may exercise such rights as it may from time to time enjoy to purchase or redeem its own shares (including Ordinary Shares) without the consent of the Bondholders.

21 Governing Law and Jurisdiction

21.1 Governing Law

This Trust Deed, and any non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English law, save in respect of Clauses 5.2 and 5.3 and the corresponding provisions of the Conditions which shall be governed by, and shall be construed in accordance with, Italian law.

21.2 Jurisdiction

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Trust Deed and the Bonds and accordingly any legal action or proceedings arising out of or in connection with this Trust Deed or the Bonds ("Proceedings") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is for the benefit of each of the Trustee and the Bondholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).
21.3 **Service of Process**

The Issuer irrevocably appoints Law Debenture Corporate Services Limited at its registered office for the time being at Fifth Floor, 100 Wood Street, London EC2V 7EX, United Kingdom to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in England, the Issuer irrevocably agree to appoint a substitute process agent acceptable to the Trustee and shall immediately notify the Trustee of such appointment. Nothing shall affect the right to serve process in any other manner permitted by law.

22 **Counterparts**

This Trust Deed and any Trust Deed supplemental hereto may be executed and delivered in any number of counterparts, all of which, taken together, shall constitute one and the same deed and any party to this Trust Deed or any Trust Deed supplemental hereto may enter into the same by executing and delivering a counterpart.

23 **Contracts (Rights of Third Parties) Act 1999**

A person who is not a party to this Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Trust Deed except and to the extent (if any) that this Trust Deed expressly provides for such Act to apply to any of its terms. The parties to this Trust Deed shall have the right to amend, vary or rescind any provision of this Trust Deed without the consent of any such third party.
Schedule 1
Form of Definitive Bonds

On the front:
Common Code: 099478403
ISIN: XS0994784030

THE BONDS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNDER THE SECURITIES ACT EXCEPT IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT.

AZIMUT HOLDING S.p.A.

(incorporated under the laws of the Republic of Italy)

€250,000,000 2.125 per cent. Subordinated Convertible Bonds due 2020

The Bonds represented by this certificate form part of a series designated as specified in the title (the “Bonds”) of Azimut Holding S.p.A. (the “Issuer”). The Bonds are constituted by a trust deed dated 25 November 2013 (the “Trust Deed”) between the Issuer and BNP Paribas Trust Corporation UK Limited as Trustee (the “Trustee”). The Bonds are subject to, and have the benefit of, that Trust Deed and the terms and conditions (the “Conditions”) endorsed hereon. Terms defined in the Trust Deed have the same meanings when used herein.

The Issuer hereby certifies that [●] of [●] is, at the date hereof, entered in the register of Bondholders as the holder of Bonds in the principal amount of €[●]. For value received, the Issuer promises to pay the person who appears at the relevant time on the register of Bondholders as holder of the Bonds in respect of which this Bond is issued such principal amount as shall become due and payable from time to time in respect of such principal amount of the Bonds and otherwise to comply with the Conditions.

The Bonds represented by this certificate shall entitle the holder to require the Issuer to convert such Bond into new and/or existing fully paid ordinary shares currently with a par value of €[●] each of the Issuer as determined by the Issuer, credited as fully paid, subject to and in accordance with the Conditions and the Trust Deed.

The statements set forth in the legend above are an integral part of the Bond or Bonds in respect of which this certificate is issued and by acceptance thereof each holder agrees to be subject to and bound by the terms and provisions set forth in such legend.

This definitive registered Bond is evidence of entitlement only. Title to the Bonds passes only on due registration on the register of Bondholders and only the duly registered holder is entitled to payments in respect of this definitive registered Bond.

This definitive registered Bond shall not be valid for any purpose until authenticated by or on behalf of the Registrar.

This definitive registered Bond, and any non-contractual obligations arising out of or in connection with it, shall be governed by, and shall be construed in accordance with, English law.
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under this Bond.

Issued as of [●]

AZIMUT HOLDING S.p.A.

By:

Certificate of Authentication

Certified by or on behalf of the Registrar that the above-named holder is at the date hereof entered in the register of Bondholders as holder of the above-mentioned principal amount of Bonds.

BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH

(as Registrar) (without warranty, recourse or liability)

By:

Authorised Signatory

Dated:

On the back:

[The Terms and Conditions of the Bonds will be inserted]
FORM OF TRANSFER

FOR VALUE RECEIVED the undersigned hereby transfers to

[ ]

[ ]

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

€ [ ] principal amount of the Bond(s) in respect of which this definitive Bond is issued, and all rights under it or them, and irrevocably constitutes and appoints [ ] as attorney to transfer such principal amount on the books kept for registration thereof, with full power of substitution.

Dated [ ] [ ].

Signed [ ] Certifying Signature

Note:

(i) The signature to this transfer must correspond with the name as it appears on the face of this Bond.

(ii) A representative of the registered Bondholder should state the capacity in which he signs e.g. executor.

(iii) The signature of the person effecting a transfer shall conform to any list of duly authorised specimen signatures supplied by the registered Bondholder or be certified by a recognised bank, notary public or in such other manner as the relevant Paying, Transfer and Conversion Agent may require.
THE BONDS REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED UNDER THE SECURITIES ACT EXCEPT IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT.

Common Code: 099478403
ISIN: XS0994784030

AZIMUT HOLDING S.p.A.

(incorporated under the laws of the Republic of Italy with registered office in Via Cusani 4, 20121 Milan, Italy and registered with the Companies’ Register of Milan under number REA1665509)

€250,000,000 2.125 per cent. Subordinated Convertible Bonds due 2020

The Bonds in respect of which this Global Bond is issued form part of the series designated as specified in the title (the “Bonds”) of Azimut Holding S.p.A. (the “Issuer”).

The Issuer hereby certifies that, BNP Paribas Securities Services, Luxembourg Branch acting as common depositary for Euroclear and Clearstream Luxembourg is, at the date hereof, entered in the register of Bondholders as the holder of Bonds in the principal amount of

€250,000,000

(EURO TWO HUNDRED AND FIFTY MILLION)

or such other amount as is shown on the register of Bondholders as being represented by this Global Bond. For value received, the Issuer promises to pay the person whose name is entered on the register of Bondholders as holder of the Bonds in respect of which this Global Bond is issued at the close of business on the Clearing System Business Day immediately prior to the date for payment, such principal amount as shall become due and payable from time to time in respect of such principal amount of the Bonds and otherwise to comply with the Conditions referred to below where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January. The Issuer promises to pay interest semi-annually in arrear in equal instalments on 25 May and 25 November at the rate of 2.125 per cent. per annum.

The Bonds are constituted by a Trust Deed dated 25 November 2013 (the “Trust Deed”) between the Issuer and BNP Paribas Trust Corporation UK Limited as Trustee as trustee (the “Trustee”) and are subject to the Trust Deed and the terms and conditions (the “Conditions”) set out in Schedule 4 to the Trust Deed, as modified by the provisions of this Global Bond. Terms defined in the Trust Deed have the same meaning when used herein.

This Global Bond is evidence of entitlement only.

Title to the Bonds passes only on due registration of Bondholders and only the duly registered holder is entitled to payments on Bonds in respect of which this Global Bond is issued.
Exchange

Owners of beneficial interests in the Bonds in respect of which this Global Bond is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive registered Bonds if Euroclear or Clearstream, Luxembourg (or any other clearing system as shall have been designated by the Issuer and approved by the Trustee on behalf of which the Bonds evidenced by this Global Bond may be held) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so.

In such circumstances, the Issuer will cause sufficient individual definitive registered Bonds to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Bondholders within 60 days following a request therefor by the holder of this Global Bond. A person with an interest in the Bonds represented by this Global Bond must provide the Registrar with (i) a written order containing instructions and other such information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive registered Bonds and (ii) a certificate to the effect that such person is not transferring its interest in this Global Bond.

The Conditions are modified as follows in so far as they apply to the Bonds represented by this Global Bond as issued.

The statements set out in the legend above are an integral part of the Bond or Bonds in respect of which this Global Bond is issued and by acceptance hereof each holder or beneficial owner of the Bonds evidenced by this Global Bond or any owner of an interest in such Bonds agrees to be subject to and bound by the terms of such legend.

Meetings

The holder hereof shall be treated as having one vote in respect of each €100,000 in principal amount of Bonds represented by this Global Bond. The holder hereof or any proxy appointed by it shall be treated as one person for the purposes of quorums for meetings. The Trustee may allow to attend and speak (but not to vote) at any meeting of Bondholders any accountholder (or the representative of any such person) of a clearing system with an interest in the Bonds represented by this Global Bond on confirmation of entitlement and proof of his identity.

Conversion

Subject to the requirements of Euroclear and Clearstream, Luxembourg, the Conversion Right attaching to Bonds represented by this Global Bond may be exercised by the presentation to or to the order of the Principal Paying, Transfer and Conversion Agent of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Bond. The provisions of Condition 6 of the Bonds will otherwise apply.

Redemption at the Option of the Issuer

The options of the Issuer provided for in Condition 7(b) and 7(c) shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in, and containing the information required by, the relevant Condition.

Tax Election Option of the Bondholders

The option of the Bondholders provided for in Condition 7(b) may be exercised by the holder of this Global Bond by giving notice to the Registrar within the time limits relating to the deposit of Bonds in Condition 7(b) and substantially in the form of the Bondholders Tax Election Notice as set
out in Schedule 4 to the Paying, Transfer and Conversion Agency Agreement. Such notice shall be obtainable from the specified office of any Paying, Transfer and Conversion Agent and shall state the number of Bonds in respect of which the option is exercised.

**Trustee’s Powers**

In considering the interests of Bondholders the Trustee may, to the extent it considers it appropriate to do so in the circumstances, (a) have regard to such information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of Bonds and (b) consider such interests on the basis that such accountholders were the holders of the Bonds represented by this Global Bond.

**Enforcement**

For the purposes of enforcement of the provisions of the Trust Deed against the Trustee, the persons named in a certificate of the holder of the Bonds represented by this Global Bond shall be recognised as the beneficiaries of the trusts set out in the Trust Deed to the extent of the principal amount of their interest in the Bonds set out in the certificate of the holder as if they were themselves the holders of Bonds in such principal amounts.

**Purchase and Cancellation**

Cancellation of any Bond following its purchase will be effected by reduction in the principal amount of the Bonds in the Register.

**Notices**

So long as Bonds are represented by this Global Bond and this Global Bond is held on behalf of Euroclear or Clearstream, Luxembourg, notices to the holders of such Bonds may be given by delivery of the relevant notice to the relevant clearing system for communication by it to entitled accountholders in substitution for notification, as required by the Conditions.

This Global Bond shall not be valid for any purpose until authenticated by or on behalf of the Registrar.

This Global Bond, and any non-contractual obligations arising out of or in connection with it, shall be governed by, and shall be construed in accordance with, English law, save in respect of Conditions 2(b) and 2(c) of the Conditions which are governed by, and shall be construed in accordance with, Italian law.

The following information relating to the Issuer is provided pursuant to Article 2414 of the Italian Civil Code:

(i) The corporate purpose of the Issuer, as set forth in the Issuer’s articles of association, can be summarised as follows:

- purchasing and managing stakes in other companies or entities, belonging to the same group as the Issuer, as well as the financing and technical and financial coordination of the activities of such companies or entities, excluding conducting any such activity “vis-à-vis the public”;
- providing to the controlled companies and/or subsidiaries as well as entities outside the Issuer’s group, managerial assistance, including financial planning, company restructuring, market and marketing researches, collection and elaboration of econometric data and information;
- providing insurance representation, agency and sub agency services;
- management and development of the Azimut brand;

The Company may perform all the commercial and real estate activities deemed necessary or useful to achieve its business purposes and may perform the following activities, provided that such activities do not become its principal activity, have not been conducted “vis-à-vis the public” and are functionally related to the achievement of the business purposes:

- the purchase and sale of stakes and interests in companies and entities having a business purpose similar, analogous or related to the Issuer’s; and
- the issuance of guarantees and, in general, collateral or personal guarantees in favour of any third parties.

The following activities shall be explicitly excluded:

- raising funds from the public and credit activities pursuant to Legislative Decree no. 58 of February 24, 1998; and
- securities intermediary activity pursuant to Legislative Decree no. 58 of February 24, 1998.

(ii) The share capital of the Issuer is €143,254,497.00. As of 31 December 2012, the Issuer had reserves of €324,016,856, and profit of €117,125,112 out of which an amount of €95,972,137 has been distributed by way of dividends;

(iii) The issue of the Bonds was duly authorised by a resolution of the board of directors of the Issuer dated 11 November 2013, which resolution has been registered with the competent registry on 19 November 2013.
In Witness whereof the Issuer has caused this Global Bond to be signed on its behalf.

Dated 25 November 2013

AZIMUT HOLDING S.p.A.

By:

Authorised Director

Certificate of Authentication

Certified that the above-named holder is at the date hereof entered in the register of Bondholders as holder of the above-mentioned principal amount of Bonds.

BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH

(as Registrar) (without warranty, recourse or liability)

By:

Authorised Signatory

Dated 25 November 2013
Schedule 3
Provisions for meetings of Bondholders

1 As used in this Schedule, the following expressions shall have the following meanings, unless the context otherwise requires:

1.1 “agent” means a proxy or a representative of a Bondholder; and references to persons representing a proportion of the Bonds are to Bondholders or agents representing in the aggregate at least that proportion of the Bonds for the time being outstanding.

1.2 “Bondholders’ Representative” means a person appointed, inter alia, to represent the interests of Bondholders (rappresentante comune) by an Extraordinary Resolution or by an order of a competent court at the request of one or more Bondholders or the board of directors of the Issuer, as described in Articles 2415 and 2417 of the Italian Civil Code;

2

2.1 A holder of a Bond may by an instrument in writing in the form available from any Agent in English (a “form of proxy”) signed by the holder or, in the case of a corporation, executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation and delivered to the Registrar or any Paying, Transfer and Conversion Agent not later than 48 hours before the time fixed for any meeting, appoint any person as a proxy to act on his or its behalf in connection with any meeting or adjourned meeting of Bondholders.

2.2 A holder of a Bond which is a corporation may, by delivering to any Paying, Transfer and Conversion Agent not later than 48 hours before the time fixed for any meeting a resolution in English of its directors or other governing body, authorise any person to act as its representative (a “representative”) in connection with any meeting or adjourned meeting of Bondholders.

2.3 A proxy or representative so appointed shall so long as such appointment remains in force be deemed, for all purposes in connection with any meeting or adjourned meeting of Bondholders specified in such appointment, to be the holder of the Bonds to which such appointment relates and the holder of the Bonds shall be deemed for such purposes not to be the holder.

2.4 Any vote given in accordance with the terms of a form of proxy shall be valid notwithstanding the previous revocation or amendment of the form of proxy or of any of the Bondholders’ instructions pursuant to which it was executed, provided that no intimation in writing of the revocation or amendment shall have been received from the relevant Paying, Transfer and Conversion Agent or from the holder of the Bond by the Issuer at such place as may have been approved by the Trustee for the purpose by the time being 24 hours before the time appointed for holding the meeting or adjourned meeting at which the form of proxy is being used.

3 The directors of the Issuer, the Trustee or any Bondholders’ Representative at any time may, and (subject in the case of the Trustee to its being indemnified and/or secured and/or prefunded to its satisfaction against all costs and expenses thereby occasioned) upon a request in writing of Bondholders holding not less than one-twentieth in principal amount of the Bonds for the time being outstanding shall, convene a meeting of Bondholders.
Whenever any such party is about to convene any such meeting it shall forthwith give notice in writing to each other party of the day, time and place of the meeting at first, second and third call and of the nature of the business to be transacted at it. Every such meeting shall be held at such time and place as the Trustee may approve.

4 At least 30 days’ notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the day, time and place of the meeting at first, second and third call shall be given to the Bondholders. A copy of the notice shall in all cases be given by the party convening the meeting to each of the other parties. Such notice shall also specify the nature of the resolutions to be proposed.

5 A person (who may, but need not, be a Bondholder) nominated in writing by the Trustee may take the chair at every such meeting but if no such nomination is made or if at any meeting the person nominated shall not be present within 15 minutes after the time fixed for the meeting the Bondholders present shall choose one of their number to be chairman, failing which the Bondholders’ Representative or, if none has been appointed, the directors of the Issuer may appoint a chairman. The chairman of an adjourned meeting need not be the same person as was chairman of the original meeting.

6 In addition to the matters described in paragraph 17 below, meetings of the Bondholders may resolve (inter alia) (and such matters shall only be capable of being effected after having been so approved): (a) to appoint or revoke the appointment of the Bondholders’ Representative; (b) to modify the Conditions by Extraordinary Resolution (as provided below); (c) to approve a motion for “Concordato”, as set forth in the bankruptcy laws of Italy; (d) to establish a fund for the expenses necessary for the protection of common interests of the Bondholders and related statements of account; and (e) to pass a resolution concerning any other matter of common interest to the Bondholders.

7 A meeting of Bondholders will be validly held if (i) on the first call there are one or more Bondholders or agents present in person representing at least one-half of the aggregate principal amount of the outstanding Bonds, or (ii) in the case of a second meeting following adjournment of the first meeting for want of quorum, there are one or more Bondholders or agents present in person representing more than one-third of the aggregate principal amount of the outstanding Bonds, or (iii) in the case of any subsequent meeting following a further adjournment for want of quorum, or, to the extent provided for by the Issuer’s by-laws, in case of single call, there are one or more Bondholders or agents present in person representing at least one-fifth of the aggregate principal amount of the outstanding Bonds PROVIDED THAT the quorum shall always be at least one-half of the aggregate principal amount of the outstanding Bonds for the purposes of considering a Reserved Matter and provided further in each of the above cases that the by-laws of the Issuer may from time to time require a higher quorum at any of the above meetings.

8 The majority required to pass an Extraordinary Resolution (including at any meeting convened following adjournment of the previous meeting for want of quorum) will be one or more Bondholders or agents present in person representing at least two thirds of the aggregate principal amount of the Bonds represented at the meeting, provided, however, that a Reserved Matter (as defined in Condition 3) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders and approved by one or more Bondholders or agents present in person representing at least one half of the aggregate principal amount outstanding of the Bonds, and provided further that the by-laws of the Issuer may from time to time require a larger majority.
If within 15 minutes from the time fixed for any such meeting a quorum is not present the meeting shall stand adjourned to the meeting at second or third call, as the case may be, or in any other case be dissolved.

The chairman may with the consent of (and shall if directed by) any meeting adjourn such meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

Every question submitted to a meeting shall be decided in the first instance by a show of hands.

At any meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, the Issuer, the Trustee, the Bondholders’ Representative or by one or more persons holding one or more Bonds or being proxies or representatives and holding or representing in the aggregate not less than one-fiftieth in principal amount of the Bonds for the time being outstanding, a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

If at any meeting a poll is so demanded, it shall be taken in such manner and (subject as provided below) either at once or after such an adjournment as the chairman directs and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuation of the meeting for the transaction of any business other than the question on which the poll has been demanded.

Any poll demanded at any meeting on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment.

The Issuer, the Trustee and the Bondholders’ Representative (through their respective representatives) and their respective financial and legal advisers may attend and speak at any meeting of Bondholders. No one else may attend at any meeting of Bondholders or join with others in requesting the convening of such a meeting unless he is the holder of a Bond or is a proxy or a representative.

At any meeting on a show of hands every person who is present in person and who produces a Bond or is a proxy or a representative shall have one vote and on a poll every person who is so present shall have one vote in respect of each €100,000 (or, in the case of meetings of holders of Bonds denominated in another currency, as the Trustee in its absolute discretion may decide) in principal amount of the Bonds so produced in respect of which he is a proxy or a representative. Without prejudice to the obligations of proxies, any person entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.

A meeting of Bondholders shall, subject to the Conditions, in addition to the powers given above, but without prejudice to any powers conferred on other persons by this Trust Deed, have power exercisable by Extraordinary Resolution:

17.1 to approve any Reserved Matter;

17.2 to sanction any proposal by the Issuer or the Trustee for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders
against the Issuer or against any of its property whether such rights shall arise under this
Trust Deed or otherwise;

17.3 to sanction any scheme or proposal for the exchange, substitution or sale of the Bonds for,
or the conversion of the Bonds into, or the cancellation of the Bonds in consideration of,
shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or
securities of the Issuer or any other body corporate formed or to be formed, or for or into or
in consideration of cash, or partly for or into or in consideration of such shares, stock,
notes, bonds, debentures, debenture stock and/or other obligations and/or securities as
aforesaid and partly for or into or in consideration of cash;

17.4 to assent to any modification of this Trust Deed or the Conditions that relate to the rights
appertaining to the Bonds which shall be proposed by the Issuer or the Trustee;

17.5 to authorise anyone to concur in and do all such things as may be necessary to carry out
and to give any authority, direction or sanction which under this Trust Deed or the Bonds is
required to be given by Extraordinary Resolution;

17.6 to appoint any persons (whether Bondholders or not) as a committee or committees to
represent the interests of the Bondholders and to confer upon such committee or
committees any powers or discretions which the Bondholders could themselves exercise
by Extraordinary Resolution;

17.7 to approve a person proposed to be appointed as a new Trustee or Bondholders' Repre
sentative and to remove any Trustee or Bondholders' Representative;

17.8 to approve the substitution of any entity for the Issuer (or any previous substitute) as
principal debtor under this Trust Deed; and

17.9 to discharge or exonerate the Trustee or Bondholders' Representative from any liability in
respect of any act or omission for which it may become responsible under this Trust Deed
or the Bonds;

provided that in the case of an adjourned meeting the special quorum provisions contained
in paragraph 8 shall apply in relation to any Extraordinary Resolution for the purpose of
paragraph 17.1.

18 An Extraordinary Resolution passed at a meeting of Bondholders duly convened and held
in accordance with this Trust Deed shall be binding upon all the Bondholders, whether or
not present at such meeting and whether or not they vote in favour, and each of the
Bondholders shall be bound to give effect to it accordingly. The passing of any such
resolution shall be conclusive evidence that the circumstances of such resolution justify the
passing of it.

19 The expression “Extraordinary Resolution” means a resolution passed at a meeting of
Bondholders duly convened and held in accordance with these provisions subject to the
quorum and majority requirements set forth in paragraphs 7 and 8 of this Schedule 3

20 Minutes of all resolutions and proceedings at every such meeting shall be made and
entered in the books to be from time to time provided for that purpose by the Issuer or the
Trustee and any such minutes, if purporting to be signed by the chairman of the meeting at
which such resolutions were passed or proceedings transacted or by the chairman of the
next succeeding meeting of Bondholders, shall be conclusive evidence of the matters
contained in them and until the contrary is proved every such meeting in respect of the
proceedings of which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

21 Subject to all other provisions contained in this Trust Deed the Trustee may without the consent of the Bondholders prescribe such further regulations regarding the holding of meetings of Bondholders and attendance and voting at them as the Trustee may in its sole discretion determine including particularly (but without prejudice to the generality of the foregoing) such regulations and requirements as the Trustee thinks reasonable:

21.1 so as to satisfy itself that persons who purport to requisition a meeting in accordance with paragraph 3 or who purport to make any requisition to the Trustee in accordance with this Trust Deed are entitled to do so; and

21.2 so as to satisfy itself that persons who purport to attend or vote at any meeting of Bondholders are entitled to do so in accordance with this Trust Deed.

22 If and whenever the Issuer shall have issued and have outstanding any Bonds which are not identical and do not form one single series then those Bonds which are in all respects identical shall be deemed to constitute a separate series of the Bonds and the foregoing provisions of this Schedule shall have effect subject to the following modifications:

22.1 a resolution which in the opinion of the Trustee affects one series only of the Bonds shall be deemed to have been duly passed if passed at a separate meeting of the holders of the Bonds of that series;

22.2 a resolution which in the opinion of the Trustee affects more than one series of the Bonds but does not give rise to a conflict of interest between the holders of Bonds of any of the series so affected shall be deemed to have been duly passed if passed at a single meeting of the holders of the Bonds of all the series so affected;

22.3 a resolution which in the opinion of the Trustee affects more than one series of the Bonds and gives or may give rise to a conflict of interest between the holders of Bonds of any of the series so affected shall be deemed to have been duly passed only if it shall be duly passed at separate meetings of the holders of the Bonds of each series so affected; and

22.4 to all such meetings as aforesaid all the preceding provisions of this Schedule shall mutatis mutandis apply as though references therein to Bonds and holders were references to the Bonds of the series or group of series in question and to the holders of such Bonds respectively.

22.5 If the Issuer shall have issued and have outstanding (a) Bonds which are not denominated in Euro or (b) more than one series of Bonds denominated in Euro but in differing denominations, the following provisions shall apply. In the case of any meeting of holders of Bonds of more than one currency the principal amount of such Bonds not denominated in Euro shall (i) for the purposes of paragraph 3 above be the equivalent in Euro at the spot rate of a bank nominated by the Trustee for the conversion of the relevant currency or currencies into Euro on the seventh dealing day prior to the day on which the request in writing is received by the Trustee and (ii) for the purposes of paragraphs 7, 8, 12 and 16 above (whether in respect of the meeting, or any adjourned such meeting or any poll resulting therefrom) be the equivalent in Euro at such spot rate on the seventh dealing day prior to the day of such meeting or, if applicable, the taking of such poll. In such circumstances, and where separate series of Bonds denominated in Euro but of different denominations are to be treated together for the purposes of this Schedule, on any poll
each person present shall have one vote for every complete one Euro of Bonds (converted as above) which he holds.

23 References in this Schedule to Agents shall, where the context requires, be taken to be references to the Principal Paying, Transfer and Conversion Agent.
Schedule 4
Terms and Conditions of the Bonds

The issue of the €250,000,000 2.125 per cent. Subordinated Convertible Bonds due 2020 (the “Bonds”, which expression shall, unless otherwise indicated, include any Further Bonds) was (save in respect of any Further Bonds) authorised by a resolution of the board of directors of Azimut Holding S.p.A. (the “Issuer”) passed on 11 November 2013. The Bonds are constituted by a trust deed dated 25 November 2013 (the “Trust Deed”) between the Issuer and BNP Paribas Trust Corporation UK Limited (the “Trustee”, which expression shall include all persons for the time being appointed as the trustee or trustees under the Trust Deed) as trustee for the holders (as defined below) of the Bonds. The statements set out in these Terms and Conditions (the “Conditions”) are summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those provisions applicable to them which are contained in the Paying, Transfer and Conversion Agency Agreement dated 25 November 2013 (the “Agency Agreement”) relating to the Bonds between the Issuer, the Trustee and BNP Paribas Securities Services, Luxembourg Branch (the “Principal Paying, Transfer and Conversion Agent”, which expression shall include any successor as Principal Paying, Transfer and Conversion Agent under the Agency Agreement), the Paying, Transfer and Conversion Agents for the time being (such persons, together with the Principal Paying, Transfer and Conversion Agent, being referred to below as the “Paying, Transfer and Conversion Agents”, which expression shall include their successors as Paying, Transfer and Conversion Agents under the Agency Agreement) and BNP Paribas Securities Services, Luxembourg Branch in its capacity as registrar (the “Registrar”, which expression shall include any successor as registrar under the Agency Agreement).

Copies of the Trust Deed and the Agency Agreement are available for inspection at the office of the Trustee at 55 Moorgate, London EC2R 6PA, United Kingdom and at the specified offices of the Paying, Transfer and Conversion Agents and the Registrar.

Capitalised terms used but not defined in these Conditions shall have the meanings attributed to them in the Trust Deed unless the context otherwise requires or unless otherwise stated.

1 Form, Denomination and Title

(a) Form and Denomination

The Bonds are in registered form in principal amounts of €100,000 each.

(b) Title

Title to the Bonds will pass by transfer and registration as described in Condition 4. The holder (as defined below) of any Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or its theft or loss (or that of the related certificate, as applicable) or anything written on it or the certificate representing it (other than a duly executed transfer thereof)) and no person will be liable for so treating the holder.

2 Status and Subordination

(a) Status

The Bonds, on the Closing Date, constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and rank and will at all times rank pari passu without any preference among themselves. The Bonds constitute obbligazioni pursuant to Articles 2410 et seq. of the Italian Civil Code.
(b) **Winding-up**

In the event of the winding-up, insolvency, dissolution, liquidation or bankruptcy of the Issuer the payment obligations of the Issuer under the Bonds and the Trust Deed will rank in right of payment after unsubordinated unsecured creditors of the Issuer but at least *pari passu* with all other subordinated obligations of the Issuer.

(c) **Set-off**

Each holder of a Bond unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Bond.

## 3 Definitions

In these Conditions, unless otherwise provided:

"**Additional Ordinary Shares**" has the meaning provided in Condition 6(c).

"**Additional Ordinary Share Delivery Date**" means, in relation to the Additional Ordinary Shares to be delivered to a Bondholder following a Retroactive Adjustment, the date from which such holder is entitled to all rights and entitlements to such Additional Ordinary Shares, as provided in Condition 6(h).

"**Borsa Italiana**" means Borsa Italiana S.p.A.

"**Bondholder**" and "**holder**" mean the person in whose name a Bond is registered in the Register (as defined in Condition 4(a)).

"**business day**" means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

"**Capital Distribution**" has the meaning provided in Condition 6(b)(iii)(A).

"**Cash Dividend**" has the meaning provided in Condition 6(b)(iii)(B).

A "**Change of Control**" shall occur if (i) an offer is made (other than by an Exempt Person) to all (or as nearly as may be practicable all) Shareholders or all (or as nearly as may be practicable all) such Shareholders other than the offeror and/or any associate of the offeror to acquire all or a majority of the Ordinary Shares and the offeror acquires control of the Issuer (other than as a result of an Exempt Newco Scheme), or (ii) a person or persons, acting together, (other than by an Exempt Person) acquires control of the Issuer (other than as a result of an Exempt Newco Scheme) and in the case of (i) and (ii) above where "control" means the acquisition or holding or legal or beneficial ownership or control of, in aggregate, more than 50 per cent. of the Voting Rights of the Issuer or the ability to otherwise direct the affairs of the Issuer.

"**Closing Date**" means 25 November 2013.

"**Competent Authority**" means the Bank of Italy or any other authority or authorities having prudential oversight of the Issuer at the relevant time.

"**Conversion Date**" has the meaning provided in Condition 6(h).

"**Conversion Notice**" has the meaning provided in Condition 6(h).

"**Conversion Price**" has the meaning provided in Condition 6(a).

"**Conversion Right**" has the meaning provided in Condition 6(a).

"**Current Market Price**" means, in respect of an Ordinary Share at a particular date, the average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date; provided that if at any time during the said five-dealing-day
period the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), then:

(a) if the Ordinary Shares to be issued or transferred and delivered do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Effective Date relating to such Dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit; or

(b) if the Ordinary Shares to be issued or transferred and delivered do rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Effective Date relating to such Dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit,

and provided further that:

(1) if on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement) in respect of a Dividend (or other entitlement) which has been declared or announced but the Ordinary Shares to be issued or transferred and delivered do not rank for that Dividend (or other entitlement) the Volume Weighted Average Price on each of such dates shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Effective Date relating to such Dividend or entitlement, in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit;

(2) for the purposes of any calculation or determination required to be made pursuant to paragraphs (a)(1) or (a)(2) of the definition of “Dividend”, if on any of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum the relevant Dividend or capitalisation giving rise to the requirement to make such calculation or determination, the Volume Weighted Average Price on any such dealing day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the relevant Cash Dividend; and

(3) if the Volume Weighted Average Price of an Ordinary Share is not available on one or more of the said five dealing days (disregarding for this purpose the proviso to the definition of Volume Weighted Average Price), then the average of such Volume Weighted Average Prices which are available in that five-dealing-day period shall be used (subject to a minimum of two such prices) and if only one, or no, such Volume Weighted Average Price is available in the relevant period the Current Market Price shall be determined in good faith by an Independent Adviser.

“dealing day” means a day on which the Relevant Stock Exchange or relevant stock exchange or securities market is open for business and on which Ordinary Shares, Securities, Spin-Off Securities options, warrants or other rights (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange or relevant stock exchange or securities market is scheduled to or does close prior to its regular closing time).
a “Delisting Event” shall occur if at any time the Ordinary Shares are not listed and admitted to trading on
the Borsa Italiana or any other regulated, regularly operating, recognised stock exchange or securities market.

“Delivery Date” means, in relation to the Ordinary Shares to be delivered to a Bondholder following the
exercise of Conversion Rights, the date from which such holder is entitled to all rights and entitlements to
such Ordinary Shares, as provided in Condition 6(h).

“Dividend” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets
or other property, and however described and whether payable out of share premium account, profits, retained
earnings or any other capital or revenue reserve or account, and including a distribution or payment to holders
upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes
without limitation an issue of Ordinary Shares or other Securities credited as fully or partly paid up by way of
capitalisation of profits or reserves), provided that:

(a) where:

(1) a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Ordinary Shares or other property or assets, or where an issue of Ordinary Shares to Shareholders by way of a capitalisation of profits or reserves (including any share premium account or capital redemption reserve) is announced which may at the election of a Shareholder or Shareholders be satisfied by the payment of cash, then the Dividend or capitalisation in question shall be treated as a Cash Dividend of an amount equal to the greater of (i) the Fair Market Value of such cash amount and (ii) the Current Market Price of such Ordinary Shares or, as the case may be, the Fair Market Value of such other property or assets, in any such case as at the first date on which the Ordinary Shares are traded ex­ the relevant Dividend or capitalisation on the Relevant Stock Exchange (or, if later, the Dividend Determination Date, save that where a Dividend in cash is announced which may at the election of a Shareholder or Shareholders be satisfied by the issue or delivery of Ordinary Shares where the number of Ordinary Shares to be issued or delivered is to be determined during a period following such announcement and is to be determined by reference to the closing price or volume weighted average price or any like or similar pricing benchmark of the Ordinary Shares, without any discount, at a date falling, or in respect of a period commencing, not earlier than the date of the first public announcement in respect of such Dividend, then such Dividend shall be treated as a Cash Dividend in an amount equal to the Fair Market Value of such cash amount; or

(2) there shall be any issue of Ordinary Shares to Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) where such issue is or is expressed to be in lieu of a Dividend (whether or not a cash Dividend equivalent or amount is announced) or a Dividend in cash that is to be satisfied by the issue or delivery of Ordinary Shares or other property or assets, the capitalisation or Dividend in question shall be treated as a Cash Dividend of an amount equal to the Current Market Price of such Ordinary Shares or, as the case may be, the Fair Market Value of such other property or assets as at the first date on which the Ordinary Shares are traded ex­ the relevant capitalisation or, as the case may be, ex­ the relevant Dividend on the Relevant Stock Exchange or, if later, the Dividend Determination Date, save that where a Dividend in cash is announced which is to be satisfied by the issue or delivery of Ordinary Shares where the number of Ordinary Shares to be issued or delivered is to be determined during a period following such announcement and is to be determined by reference to the closing price or volume weighted average price or any like or similar pricing benchmark of the Ordinary Shares,
without any discount, or in respect of a period commencing, not earlier than the date of
the first public announcement in respect of such Dividend, then such Dividend shall be
treated as a Cash Dividend in an amount equal to the Fair Market Value of such cash
amount;

(b) any issue of Ordinary Shares falling within Condition 6(b)(i) or 6(b)(ii) shall be disregarded;

(c) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer or any
of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase or redemption or
buy back of Ordinary Shares by or on behalf of the Issuer or any of its Subsidiaries, the weighted
average price per Ordinary Share (before expenses) on any one day (a “Specified Share Day”) in
respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into
the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the
average of the daily Volume Weighted Average Price of an Ordinary Share on the five dealing days
immediately preceding the Specified Share Day (or, where an announcement (excluding, for the
avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy
backs approved by a general meeting of Shareholders or any notice convening such a meeting of
Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at
some future date at a specified price or where a tender offer is made, on the five dealing days
immediately preceding the date of such announcement or the date of first public announcement of such
tender offer (and regardless whether or not a price per Ordinary Share, a minimum price per Ordinary
Share or a price range or a formula for the determination thereof is or is not announced at such time)),
in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the
Relevant Currency in an amount equal to the amount by which the aggregate price paid (before
expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by or on behalf of
the Issuer or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant
Currency as provided above) exceeds the product of (i) 105 per cent. of the average of the daily
Volume Weighted Average Price of an Ordinary Share determined as aforesaid and (ii) the number of
Ordinary Shares so purchased, redeemed or bought back;

(d) if the Issuer or any of its Subsidiaries shall purchase, redeem or buy back any depositary or other
receipts or certificates representing Ordinary Shares, the provisions of paragraph (c) above shall be
applied in respect thereof in such manner and with such modifications (if any) as shall be determined
by an Independent Adviser;

(e) where a dividend or distribution is paid or made to Shareholders pursuant to any plan implemented by
the Issuer for the purpose of enabling Shareholders to elect, or which may require Shareholders, to
receive dividends or distributions in respect of the Ordinary Shares held by them from a person other
than (or in addition to) the Issuer, such dividend or distribution shall for the purposes of these
Conditions be treated as a dividend or distribution made or paid to Shareholders by the Issuer, and the
foregoing provisions of this definition and the provisions of these Conditions shall be construed
accordingly;

(f) provided that where a Dividend in cash is declared which provides for payment by the Issuer to
Shareholders in the Relevant Currency, whether at the option of Shareholders or otherwise, it shall be
treated as a Cash Dividend in the amount of such Relevant Currency and in any other case it shall be
treated as a Cash Dividend in the amount and in the currency in which it is payable by the Issuer; and

(g) a dividend or distribution that is a Spin-Off shall be deemed to be a Non Cash Dividend paid or made
by the Issuer,

and any such determination shall be made on a gross basis and disregarding any withholding or deduction
required to be made on account of tax, and disregarding any associated tax credit. For the avoidance of doubt,
payments made pursuant to Clause 32 of the Issuer’s By-Laws to (x) the holders of the participation financial instruments issued by the Issuer pursuant to Clause 9-bis of the Issuer’s By-Laws and (y) the charity (onlus) named “Fondazione Azimut” shall not constitute a Dividend.

“Dividend Determination Date” means for the purposes of the definition of “Dividend” the date on which the number of Ordinary Shares or, as the case may be, amount of other property or assets, which may be issued or delivered is, or is capable of being, determined, and where determined by reference to prices or values or the like on or during a particular day or during a particular period, the Dividend Determination Date shall be deemed to be such day or the last day of such period, as the case may be.

“Effective Date relating to such Dividend or entitlement” means the first date on which the Ordinary Shares are traded ex- the relevant Dividend or entitlement on the Relevant Stock Exchange.

“equity share capital” means, in relation to any entity, its issued share capital excluding any part of that capital which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specific amount in a distribution.

“Exempt Newco Scheme” means a Newco Scheme where, immediately after completion of the relevant Scheme of Arrangement, the ordinary shares or units or equivalent of Newco (or depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco) are (1) admitted to trading on the Relevant Stock Exchange or (2) admitted to listing on such other regulated, regularly operating, recognised stock exchange or securities market as the Issuer or Newco may determine.

“Exempt Person” means (i) Timone Fiduciaria S.p.A. a fiduciary company acting on behalf of certain shareholders of the Issuer, who contributed their shares into a shareholders agreement renewed on 7 April 2013 (the “Shareholders Agreement”, which expression shall include any future agreement supplemental to, amending or restating the Shareholders Agreement provided that the parties to such agreement will remain directly or indirectly only managers or employees of, or financial salesmen acting on behalf of, the Issuer) or (ii) a single shareholder or group of the shareholders of the Issuer acting in concert and being party to the Shareholders Agreement owning in aggregate 15 per cent. or more of the Voting Rights in the Issuer or (iii) a person, or persons, acting in concert with the shareholder(s) of the Issuer who are party to the Shareholders Agreement who, together, own in aggregate 15 per cent. or more of the Voting Rights in the Issuer.

“Extraordinary Dividend” has the meaning provided in Condition 6(b)(iii)(B).

“Extraordinary Resolution” has the meaning provided in the Trust Deed.

“Fair Market Value” means, with respect to any property on any date, the fair market value of that property as determined by an Independent Adviser provided that (i) the Fair Market Value of a Cash Dividend shall be the amount of such Cash Dividend; (ii) the Fair Market Value of any other cash amount shall be the amount of such cash; (iii) where Securities, Spin-Off Securities, options, warrants or other rights are publicly traded on a stock exchange or securities market of adequate liquidity (as determined in good faith by an Independent Adviser), the Fair Market Value of such Securities, Spin-Off Securities options, warrants or other rights shall equal the arithmetic mean of the daily Volume Weighted Average Prices of such Securities, Spin-Off Securities, options, warrants or other rights during the period of five dealing days on the relevant stock exchange or securities market commencing on such date (or, if later, the first such dealing day such Securities, Spin-Off Securities, options, warrants or other rights are publicly traded) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights are publicly traded; (iv) where Securities, Spin-Off Securities, options, warrants or other rights are not publicly traded on a stock exchange or securities market of adequate liquidity (as aforesaid), the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights shall be determined in good faith by an Independent Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants
or other rights, including as to the expiry date and exercise price (if any) thereof. Such amounts shall, in the case of (i) above, be translated into the Relevant Currency (if declared or paid or payable in a currency other than the Relevant Currency, and if the relevant Dividend is payable at the option of the Issuer or a Shareholder in any currency additional to the Relevant Currency, the relevant Dividend shall be treated as payable in the Relevant Currency) at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the Cash Dividend in the Relevant Currency; and in any other case, shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date. In addition, in the case of (i) and (ii) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“Final Maturity Date” means 25 November 2020.

“First Issuer Conversion Date” means 9 January 2018.

“Free Float” means the aggregate number of Ordinary Shares held by (i) collective investment schemes or mutual funds, (ii) pension funds and (iii) persons that own (together with any other person or persons with whom they act in concert) Ordinary Shares representing less than 5 per cent., of the total number of issued and outstanding Ordinary Shares, and where (a) references to “Ordinary Shares” shall include Ordinary Shares represented by depositary or other receipts or certificates representing Ordinary Shares; (b) Ordinary Shares held by or on behalf of a depositary or custodian or similar person in respect of any such depositary or other receipts of certificates representing Ordinary Shares from time to time shall be treated as being held by the holder of the relevant depositary or other receipts or certificates and not by such depositary, custodian or similar person; (c) Ordinary Shares that have been borrowed and remain borrowed pursuant to any stock lending arrangement shall be treated as not being owned by the relevant lender; (d) for the avoidance of doubt, Ordinary Shares held by the Exempt Person or person acting together with the Exempt Person, and Ordinary Shares held by or on behalf of the Issuer or any subsidiary of the Issuer shall be treated as not constituting part of the Free Float.

A “Free Float Event” shall occur if for any period of at least 30 consecutive dealing days the number of Ordinary Shares comprising the Free Float is equal to or less than 20 per cent. of the total number of issued and outstanding Ordinary Shares.

“Further Bonds” means any further Bonds issued pursuant to Condition 17 and consolidated and forming a single series with the then outstanding Bonds.

“Independent Adviser” means an independent institution appointed by the Issuer at its own expense and approved in writing by the Trustee or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Trustee in its sole discretion) and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against the costs, fees and expenses of such adviser and otherwise in connection with such appointment, appointed by the Trustee (without liability for so doing) following notification to the Issuer.

“Interest Payment Date” has the meaning provided in Condition 5(a).

“Issuer Conversion Date” has the meaning provided in Condition 6(f).

“Issuer Conversion Notice Cut-off Date” has the meaning provided in Condition 6(f).

“Issuer Conversion Right” has the meaning provided in Condition 6(f).

“Issuer Conversion Right Notice” has the meaning provided in Condition 6(f).

“Issuer Conversion Settlement Notice” has the meaning provided in Condition 6(f).

“Minimum Disqualification Amount” has the meaning provided in Condition 7(c).
“MTA” means the Mercato Telematico Azionario, a market organised and managed by Borsa Italiana.

“Newco Scheme” means a Scheme of Arrangement which effects the interposition of a limited liability company (“Newco”) between the Shareholders of the Issuer immediately prior to the Scheme of Arrangement (the “Existing Shareholders”) and the Issuer; provided that (i) only ordinary shares or units or equivalent of Newco or depositary or other receipts or certificates representing ordinary shares or units or equivalent are issued to Existing Shareholders; (ii) immediately after completion of the Scheme of Arrangement the only holders of ordinary shares, units or equivalent of Newco or, as the case may be, the only holders of depositary or other receipts or certificates representing ordinary shares or units or equivalent of Newco (other than a nominal holding by initial subscribers) are Existing Shareholders holding in the same proportions as immediately prior to completion of the Scheme of Arrangement; (iii) immediately after completion of the Scheme of Arrangement, Newco is (or one or more wholly-owned Subsidiaries of Newco are) the only shareholder of the Issuer; (iv) all Subsidiaries of the Issuer immediately prior to the Scheme of Arrangement (other than Newco, if Newco is then a Subsidiary of the Issuer) are Subsidiaries of the Issuer (or of Newco) immediately after completion of the Scheme of Arrangement; and (v) immediately after completion of the Scheme of Arrangement the Issuer (or Newco) holds, directly or indirectly, the same percentage of the ordinary share capital and equity share capital of those Subsidiaries as was held by the Issuer immediately prior to the Scheme of Arrangement.

“Non-Cash Dividend” has the meaning provided in Condition 6(b)(iii)(A).

“Ordinary Shares” means fully paid ordinary shares in the capital of the Issuer of no par value.

“Parity Value” means, in respect of any dealing day, the amount calculated as follows:

\[
PV = N \times VWAP
\]

where

\[
PV = \text{the Parity Value}
\]

\[
N = \text{the number of Ordinary Shares that would fall to be issued or delivered on the exercise of Conversion Rights in respect of a Bond in the principal amount of €100,000, assuming the Conversion Date to be such dealing day}
\]

\[
VWAP = \text{the Volume Weighted Average Price of an Ordinary Share on such dealing day (provided that if on any such dealing day the Ordinary Shares shall have been quoted cum-Dividend or cum-any other entitlement, the Volume Weighted Average Price of an Ordinary Share on such dealing day shall be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the Effective Date relating to such Dividend or entitlement.)}
\]

A “person” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

“Prevailing Rate” means, in respect of any currencies on any day, the spot rate of exchange between the relevant currencies prevailing as at or about 12 noon (London time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12 noon (London time) on the immediately preceding day on which such rate can be so determined or if such rate cannot be determined by reference to the Relevant Page, the rate determined in such other manner as an Independent Adviser shall consider appropriate.

“Quarter” means each period in any year commencing on (and including) a Quarter Date and ending on (but excluding) the next following Quarter Date.

“Quarter Date” means 31 March, 30 June, 30 September and 31 December in each year.
“Record Date” has the meaning provided in Condition 8(c).

“Reference Date” means, in relation to a Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment takes effect or, in any such case, if that is not a dealing day, the next following dealing day.

“Reference Shares” means, in respect of the exercise of Conversion Rights by a Bondholder, the number of Ordinary Shares (rounded down, if necessary, to the nearest whole number) determined by dividing the principal amount of the Bonds the subject of the relevant exercise of Conversion Rights by the Conversion Price in effect on the relevant Conversion Date.

“Register” has the meaning provided in Condition 4(a).

“Relevant Currency” means, for the relevant calculation or determination, Borsa Italiana is not the Relevant Stock Exchange, the currency in which the Ordinary Shares are quoted or dealt in on the Relevant Stock Exchange at such time.

“Relevant Date” means, in respect of any Bond, whichever is the later of:

(i) the date on which payment in respect of it first becomes due; and

(ii) if any payment is improperly withheld or refused, the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 16 that, upon further presentation of the Bond, where required pursuant to these Conditions, being made, such payment will be made, provided that such payment is in fact made as provided in these Conditions.

“Relevant Event” means:

(i) a Change of Control; or

(ii) a Free Float Event; or

(iii) a Delisting Event.

“Relevant Event Notice” has the meaning provided in Condition 6(g).

“Relevant Event Period” means the period commencing on the occurrence of a Relevant Event and ending 60 calendar days following the Relevant Event or, if later, 60 calendar days following the date on which a Relevant Event Notice is given to Bondholders as required by Condition 6(g).

“Relevant Page” means the relevant page on Bloomberg or such other information service provider that displays the relevant information.

“Relevant Person” has the meaning provided in Condition 6(l).

“Relevant Stock Exchange” means Borsa Italiana or, if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on Borsa Italiana, the principal stock exchange or securities market on which the Ordinary Shares are then listed, admitted to trading or quoted or dealt in.

“Reserved Matter” means, in the context of any meeting of Bondholders, any proposal under Article 2415 of the Italian Civil Code, (first paragraph, item 2) and any other relevant proposal set out below, including the following proposals:

(a) to change the Final Maturity Date or the dates on which interest is payable in respect of the Bonds;

(b) to modify the circumstances in which the Issuer is entitled to redeem the Bonds pursuant to Condition 7(b) or 7(c) or to modify the circumstances in which the Issuer is entitled to convert the Bonds pursuant to Condition 6(l);
(c) to reduce or cancel the principal amount of, or interest on, the Bonds or to reduce the amount payable on redemption of the Bonds;

(d) to modify the provisions relating to, or cancel, the Conversion Rights (other than pursuant to or as a result of any amendments to these Conditions and the Trust Deed made pursuant to and in accordance with the provisions of Condition 11(h) ("Newco Scheme Modification"), and other than a reduction to the Conversion Price);

(e) to increase the Conversion Price (other than in accordance with these Conditions or pursuant to a Newco Scheme Modification);

(f) to change the currency of the denomination or any payment in respect of the Bonds;

(g) to change the governing law of the Bonds, the Trust Deed or the Agency Agreement (other than in the case of a substitution of the Issuer (or any previous substitute or substitutes) under Condition 14(c)); or

(h) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution.

"Retroactive Adjustment" has the meaning provided in Condition 6(c).

"Scheme of Arrangement" means a scheme of arrangement or analogous procedure.

"Securities" means any securities including, without limitation, shares in the capital of the Issuer, or options, warrants or other rights to subscribe for or purchase or acquire shares in the capital of the Issuer.

"Shareholders" means the holders of Ordinary Shares.

"Special Conversion Price" has the meaning provided in Condition 6(b)(x).

"Specified Date" has the meaning provided in Conditions 6(b)(iv), (vi), (vii) and (viii).

"Spin-Off" means:

(a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or

(b) any issue, transfer or delivery of any property or assets (including cash or shares or other securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class or, in the case of or in connection with a Scheme of Arrangement, Existing Shareholders as a class (but excluding the issue and allotment of ordinary shares (or depositary or other receipts or certificates representing such ordinary shares) by Newco to Existing Shareholders as a class), pursuant in each case to any arrangements with the Issuer or any of its Subsidiaries.

"Spin-Off Securities" means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

"Subsidiary" means in relation to any person at any time, a company, body corporate, corporation, association or other business entity (a) 50 per cent. or more of the Voting Rights of which is at the relevant time directly or indirectly owned or controlled by such person or (b) whose affairs and policies at such time such person controls or has the power to control, whether by ownership of Voting Rights, share capital, contract, the power to appoint and remove members of the board of directors or other governing body or otherwise or (c) whose financial statements are at such time, in accordance with applicable law and generally accepted accounting principles, consolidated with such person’s financial statements.

"TARGET Business Day" means a day (other than a Saturday or Sunday) on which the TARGET System is operating.

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) system which was launched on 19 November 2007 or any successor thereto.
“Tax Redemption Date” has the meaning provided in Condition 7(c).

“Volume Weighted Average Price” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security on any dealing day, the volume-weighted average price of an Ordinary Share, Security or, as the case may be, a Spin-Off Security published by or derived (in the case of an Ordinary Share) from Bloomberg page AZM IM <equity> AQR (setting weighted average) or (in the case of a Security (other than Ordinary Shares), Spin-Off Security, options, warrants or other rights) from the principal stock exchange or securities market on which such Securities, Spin-Off Securities options, warrants or other rights are then listed or quoted or dealt in, if any or, in any such case, such other source as shall be determined to be appropriate by an Independent Adviser on such dealing day, provided that if on any such dealing day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security, a Spin-Off Security, option, warrant or other right, as the case may be, in respect of such dealing day shall be the fair market value of such Ordinary Shares, Security, Spin-Off Security, option, warrant or other right, as the case may be, determined, if practicable, using a volume-weighted method, by an Independent Adviser.

“Voting Rights” means the right generally to vote at a general meeting of Shareholders of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency) or to elect the majority of the members of the board of directors or other governing body of the Issuer.

“€” and “euro” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or Existing Shareholders “as a class” or “by way of rights” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or Existing Shareholders, as the case may be, other than Shareholders or Existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made as an Independent Adviser considers appropriate to reflect any consolidation or sub-division of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event (but without duplication).

For the purposes of Conditions 6(a), (b), (c), (h) and (l)(viii) and Condition 11 only, (a) references to the “issue” of Ordinary Shares or Ordinary Shares being “issued” shall include the transfer and/or delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries, and (b) Ordinary Shares held by or on behalf of the Issuer or any of its Subsidiaries (and which, in the case of Condition 6(b)(iv), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “in issue” or “issued”, or entitled to receive the relevant Dividend, right or other entitlement.

4 Registration and Transfer of Bonds

(a) Registration

The Issuer will cause a register (the “Register”) to be kept at the specified office of the Registrar outside the United Kingdom on which will be entered the names and addresses of the holders of the
Bonds and the particulars of the Bonds held by them and of all transfers, redemptions and conversions of Bonds.

(b) **Transfer**

Bonds may, subject to the terms of the Agency Agreement and to Conditions 4(c) and 4(d), be transferred in whole or in part in an authorised denomination by lodging the relevant Bond (with the form of application for transfer in respect thereof duly executed and duly stamped where applicable) at the specified office of the Registrar or any Paying, Transfer and Conversion Agent.

No transfer of a Bond will be valid unless and until entered on the Register. A Bond may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding four in number).

The Registrar will within seven business days, in the place of the specified office of the Registrar, of any duly made application for the transfer of a Bond, register the relevant transfer and deliver a new Bond to the transferee (and, in the case of a transfer of part only of a Bond, deliver a Bond for the untransferred balance to the transferor) at the specified office of the Registrar or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Bond by uninsured mail to such address as the transferee or, as the case may be, the transferor may request.

(c) **Formalities Free of Charge**

Such transfer will be effected without charge subject to (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar being satisfied with the documents of title and/or identity of the person making the application and (iii) such reasonable regulations as the Issuer may from time to time agree with the Registrar and the Trustee (and as initially set out in the Agency Agreement).

(d) **Closed Periods**

Neither the Issuer nor the Registrar will be required to register the transfer of any Bond (or part thereof) (i) during the period of 15 days ending on and including the day immediately prior to the Final Maturity Date or any earlier date fixed for redemption of the Bonds pursuant to Condition 7(b) or 7(c); (ii) in respect of which a Conversion Notice has been delivered in accordance with Condition 6(h); or (iii) during the period of 15 days ending on (and including) any Record Date in respect of any payment of interest on the Bonds.

5 **Interest**

(a) **Interest Rate**

The Bonds bear interest from (and including) the Closing Date at the rate of 2.125 per cent. per annum calculated by reference to the principal amount thereof and payable semi-annually in arrear in equal instalments on 25 November and 25 May in each year (each an “Interest Payment Date”), commencing on 25 May 2014.

The amount of interest payable in respect of any period which is shorter than an Interest Period shall be calculated on the basis of the number of days in the relevant period from (and including) the first day of such period to (but excluding) the last day of such period divided by the product of the number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Closing Date) to (but excluding) the next Interest Payment Date and the number of Interest Periods normally ending in any year.

“Interest Period” means the period beginning on (and including) the Closing Date and ending on (but
excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(b) Accrual of Interest

Where a Bond is redeemed pursuant to Condition 7, interest on such Bond will accrue up to, but excluding, the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue at the rate specified in Condition 5(a) (both before and after judgment) up to, but excluding, the Relevant Date.

Where a Bond is converted, whether pursuant to the exercise of Conversion Rights by a Bondholder or at the election of the Issuer pursuant to Condition 6(b), interest on such Bond shall accrue up to, but excluding, the Conversion Date or, as the case may be, the Issuer Conversion Date and shall be paid by transfer to a euro account with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Conversion Notice or, as the case may be, the Issuer Conversion Settlement Notice (subject as provided in Condition 6(d)).

6 Conversion of Bonds

(a) Conversion Right and Conversion Price

Each Bond shall entitle the holder to convert such Bond into new and/or existing Ordinary Shares as determined by the Issuer, credited as fully paid (a "Conversion Right").

The Bonds will initially be convertible into existing Ordinary Shares. Subject to obtaining all necessary corporate approvals, the Issuer shall have the right to issue and deliver new Ordinary Shares on conversion.

Conversion Rights may only be exercised in the following circumstances:

(i) at any time from (and including) 5 January 2014 (the "Conversion Commencement Date") up to (but excluding) the First Issuer Conversion Date if the Conversion Date falls during a particular Quarter, if the arithmetic mean of the Volume Weighted Average Price of an Ordinary Share on each of 20 consecutive dealing days in the period of 30 consecutive dealing days ending on (and including) the dealing day immediately preceding the final dealing day of the immediately preceding Quarter, is greater than 150 per cent. of the Conversion Price in effect on each such dealing day; or

(ii) where the Conversion Date falls at any time from (and including) the First Issuer Conversion Date to (but excluding) the 20th dealing day prior to the Final Maturity Date; or

(iii) at any time:

(a) in case of early redemption of all the outstanding Bonds at the option of the Issuer pursuant to Condition 7(b) or 7(c), provided that the Conversion Date falls in the period from (and including) the date on which the relevant notice of redemption is given up to (but excluding) the 20th dealing day preceding the date of early redemption, unless there shall be a default in making payment in respect of such Bond on any such date fixed for redemption, in which event the Conversion Right shall extend up to (and including) the close of business (at the place aforesaid) on the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given to Bondholders in accordance with Condition 17 or, if earlier, the Final Maturity Date or, if the Final Maturity Date is not a London business day, the immediately preceding London business day; or
(b) in the case of the exercise of the Issuer Conversion Right, where the Conversion Date falls in the period from (and including) the date on which the Issuer Conversion Right Notice is given to Bondholders up to (but excluding) the 20th day preceding the Issuer Conversion Date; or

c) in the case of a distribution to Shareholders of cash, assets, securities or other property where the Fair Market Value of such distribution per Ordinary Share is greater than 20 per cent. of the arithmetic mean of the Volume Weighted Average Price of an Ordinary Share during the 20 dealing day period ending on (and including) the dealing day immediately preceding the date on which such distribution was first publicly announced by the Issuer, provided that the Conversion Date falls in the period from (and including) the date of first public announcement of such distribution up to (but excluding) the ex-date in respect of such distribution (or, if earlier, the date on which the Issuer announces publicly and gives notice to Bondholders that such distribution will not be made or paid); or

d) in the case of a Relevant Event, provided that the Conversion Date falls during the Relevant Event Period; or

e) in case of an Event of Default, provided that the Conversion Date falls in the period from (and including) the occurrence of the Event of Default up to (but excluding) the date the Bonds are declared due and payable pursuant to Condition 10 or, if earlier, the date the relevant Event of Default ceases to be continuing; or

(f) where the Conversion Date falls during a period of 5 dealing days immediately following any period of 10 consecutive dealing days during which on each such dealing day the price per €100,000 principal amount of the Bonds (being the median price per €100,000 principal amount of Bonds as derived from Bloomberg Page XS0994784030 Corp ALLQ) as at the close of business on such dealing day (or, if such page is not available, as derived from any substitute Bloomberg page or from any successor to Bloomberg or derived from any other public source providing substantially similar data to such Bloomberg Page, or failing which from such other source displaying trading prices in respect of the Bonds provided by leading institutions as an Independent Adviser shall consider appropriate)), is less than the Adjusted Parity Value in effect on each such dealing day, provided that if for any period of 10 consecutive dealing days no such price is available from Bloomberg Page XS0994784030 Corp ALLQ, or such other source as aforesaid (a "Bond Price Unavailability Period"), then within 5 dealing days following the end of such Bond Price Unavailability Period the Issuer shall appoint an Independent Adviser to determine the market price per €100,000 principal amount of the Bonds as at the Bond Price Determination Date and if, as at the Bond Price Determination Date, the price per €100,000 principal amount of the Bonds, as determined in good faith by an Independent Adviser, is less than the Adjusted Parity Value then Bondholders will be entitled to exercise Conversion Rights at any time so that the Conversion Date falls during a period of 30 dealing days following the later of the Bond Price Determination Date and the giving of notice by the Issuer to Bondholders as provided below,

provided that, in each case, if the final date for the exercise of Conversion Rights is not a business day at the place aforesaid, then the period for exercise of Conversion Rights by Bondholders shall end on the immediately preceding business day at the place aforesaid.
The entitlement of Bondholders to exercise Conversion Rights pursuant to the above proviso shall be without prejudice to the right of Bondholders to exercise Conversion Rights pursuant to any provision of paragraphs (i), (ii) or (iii) (including the preceding provisions of sub-paragraph (e)).

"Adjusted Parity Value" means, at any date, 97 per cent. of the product of:

(x) the Volume Weighted Average Price of an Ordinary Share on such date (as derived from Bloomberg Page AZM IM <equity> AQR) (setting Weighted Average); and

(y) the number of Ordinary Shares (rounded to four decimal places) determined by dividing €100,000 principal amount of the Bonds by the Conversion Price in effect on such date.

"Bond Price Determination Date" means the fifth dealing day following any Bond Price Unavailability Period.

The Issuer shall as soon as reasonably practicable give notice to Bondholders of any determination by an Independent Adviser as provided in paragraph (iii) (e). Such notice shall specify the market price per €100,000 principal amount of the bonds, as determined by the Independent Adviser, as at the relevant Bond Price Determination Date and the Adjusted Parity Value as at the relevant Bond Price Determination Date.

The number of Ordinary Shares to be issued or transferred and delivered on exercise of a Conversion Right shall be determined by dividing the principal amount of the Bonds to be converted by the conversion price (the "Conversion Price") in effect on the relevant Conversion Date.

The initial Conversion Price is €24.26 per Ordinary Share. The Conversion Price is subject to adjustment in the circumstances described in Condition 6(b).

A Bondholder may exercise the Conversion Right in respect of a Bond by delivering such Bond, together with a duly completed Conversion Notice, to the specified office of any Paying, Transfer and Conversion Agent in accordance with Condition 6(h) whereupon the Issuer shall (subject as provided in these Conditions) procure the delivery, to or as directed by the relevant Bondholder, of Ordinary Shares credited as paid up in full as provided in this Condition 6.

If a Conversion Right is exercised prior to the Conversion Commencement Date, Bondholders exercising the Conversion Right prior to the Conversion Commencement Date shall, as a pre-condition to receiving Ordinary Shares, be required to certify in the Conversion Notice, among other things, that it or, if it is a broker-dealer acting on behalf of a customer, such customer:

(i) will, on conversion, become the beneficial owner of the Ordinary Shares; and

(ii) is located outside the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended).

Conversion Rights may not be exercised following the giving of notice by the Trustee pursuant to Condition 10.

Conversion Rights may not be exercised by a Bondholder in circumstances where the relevant Conversion Date would fall during the period commencing on the Record Date in respect of any payment of interest on the Bonds and ending on the relevant Interest Payment Date (both days inclusive).

Conversion Rights may only be exercised in respect of the whole of a principal amount of a Bond.

Fractions of Ordinary Shares will not be issued or delivered on exercise of Conversion Rights or pursuant to Condition 6(c) and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Ordinary Shares to be delivered on conversion or pursuant to Condition 6(c) are to be registered in
the same name, the number of such Ordinary Shares to be delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Ordinary Shares.

The Issuer will procure that Ordinary Shares to be issued or delivered on exercise of Conversion Rights will be issued or delivered to the holder of the Bonds completing the relevant Conversion Notice or his nominee as provided in these Conditions.

(b) Adjustment of Conversion Price

Upon the happening of any of the events described below, the Conversion Price shall be adjusted as follows:

(i) If and whenever there shall be a consolidation, reclassification, redesignation or subdivision in relation to the Ordinary Shares which alters the number of Ordinary Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such consolidation, reclassification, redesignation or subdivision by the following fraction:

\[
\frac{A}{B}
\]

where:

- \( A \) is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification, redesignation or subdivision, as the case may be; and
- \( B \) is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification, redesignation or subdivision, as the case may be.

Such adjustment shall become effective on the date the consolidation, reclassification or subdivision, as the case may be, takes effect.

(ii) If and whenever the Issuer shall issue any Ordinary Shares to Shareholders as a class credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) other than where it is determined to constitute a Cash Dividend pursuant to paragraph (a) of the definition “Dividend”, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

\[
\frac{A}{B}
\]

where:

- \( A \) is the aggregate number of Ordinary Shares in issue immediately before such issue; and
- \( B \) is the aggregate number of Ordinary Shares in issue immediately after such issue.

Such adjustment shall become effective on the date of issue of such Ordinary Shares.

(iii) If and whenever the Issuer shall declare, announce, make or pay any Capital Distribution to the Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:
where:

\[
\frac{A - B}{A}
\]

is the Current Market Price of one Ordinary Share on the Effective Date; and

\[
\frac{B}{A}
\]

is the portion of the Fair Market Value of the aggregate Capital Distribution attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Capital Distribution by the number of Ordinary Shares entitled to receive the relevant Capital Distribution (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back).

Such adjustment shall become effective on the Effective Date or, if later, the first date upon which the Fair Market Value of the relevant Capital Distribution is capable of being determined as provided herein.

"Effective Date" means, in respect of this sub-paragraph (b)(iii)(A), the first date on which the Ordinary Shares are traded ex- the relevant Dividend on the Relevant Stock Exchange or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares, the date on which such purchase, redemption or buy back is made or in the case of a Spin-Off, the first date on which the Ordinary Shares are traded ex- the relevant Spin-Off on the Relevant Stock Exchange.

"Capital Distribution" means any Non-Cash Dividend.

"Non-Cash Dividend" means any Dividend which is not a Cash Dividend, and shall include a Spin-Off.

(B) If and whenever the Issuer shall declare, announce, make or pay any Extraordinary Dividends to the Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

\[
\frac{A - B}{A}
\]

where:

\[
\frac{A}{B}
\]

is the Current Market Price of one Ordinary Share on the Effective Date; and

\[
\frac{B}{A}
\]

is the portion of the Fair Market Value of the aggregate Extraordinary Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Extraordinary Dividend by the number of Ordinary Shares entitled to receive the Relevant Dividend.

Such adjustment shall become effective on the Effective Date or, if later, the first date upon which the Fair Market Value of the relevant Extraordinary Dividend can be determined.
"Effective Date" means, in respect of this sub-paragraph (b (iii)(B), the first date on which the Ordinary Shares are traded ex-the Relevant Dividend on the Relevant Stock Exchange.

"Extraordinary Dividend" means any Cash Dividend (the "Relevant Dividend") paid or made in a fiscal year of the Issuer (the "Relevant Fiscal Year") if the sum of:

(i) the Fair Market Value of the Relevant Dividend per Ordinary Share; and

(ii) the aggregate of the Fair Market Value per Ordinary Share of any other Cash Dividend or Cash Dividends per Ordinary Share declared, announced, made or paid or made in the Relevant Fiscal Year (disregarding for such purpose any amount previously determined to be an Extraordinary Dividend in respect of the Relevant Fiscal Year), such sum being the "Current Year's Dividends", exceeds the Reference Amount, and in such case the amount of the relevant Extraordinary Dividend shall be the lesser of (i) the amount by which the Current Year's Dividends exceeds the Reference Amount and (ii) the Fair Market Value of the Relevant Dividend.

"Reference Amount" means 3 per cent. of the average of the Volume Weighted Average Price of an Ordinary Share on each dealing day in the period of 60 dealing days ending on the Effective Date provided that if on any such dealing day the Volume Weighted Average Price shall have been based on a price cum-Dividend or cum-any other entitlement, the Volume Weighted Average Price of an Ordinary Share on such dealing day shall be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or other entitlement per Ordinary Share as at the Effective Date relating to such Dividend or entitlement.

"Cash Dividend" means (i) any Dividend which is to be paid or made in cash (in whatever currency), but other than falling within paragraph (b) of the definition of "Spin-Off" and (ii) any Dividend determined to be a Cash Dividend pursuant to paragraph (a) of the definition of "Dividend", and for the avoidance of doubt, a Dividend falling within paragraph (c) or (d) of the definition of "Dividend" shall be treated as being a Non-Cash Dividend.

For the purposes of the above, Fair Market Value shall (subject as provided in paragraph (a) of the definition of "Dividend" and in the definition of "Fair Market Value") be determined as at the Effective Date.

In making any calculations for the purposes of this Condition 6(b)(iii), such adjustments (if any) shall be made as an Independent Adviser may determine in good faith to be appropriate to reflect (i) any consolidation or sub-division of any Ordinary Shares or the issue of Ordinary Shares by way of capitalisation of profits or reserves (or any like or similar event) or any increase in the number of Ordinary Shares in issue in relation to the fiscal year of the Issuer in question, or (ii) any change in the fiscal year of the Issuer or (iii) any adjustment to the Conversion Price pursuant to these Conditions.

If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Ordinary Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or the right to otherwise acquire, any Ordinary Shares (or shall grant any such rights in respect of existing securities so issued), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per
Ordinary Share on the Effective Date, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

\[
\frac{A + B}{A + C}
\]

where:

\(A\) is the number of Ordinary Shares in issue on the Effective Date;

\(B\) is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise thereof, would purchase at such Current Market Price per Ordinary Share on the Effective Date; and

\(C\) is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase or other rights of acquisition in respect thereof at the initial conversion, exchange, subscription, purchase or acquisition price or rate;

provided that if at the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange (as used in this sub-paragraph (b)(iv), the "Specified Date") such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for the purposes of this sub-paragraph (b)(iv), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

"Effective Date" means, in respect of this sub-paragraph (b)(iv), the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

(v) If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares or Securities which by their terms carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase or otherwise acquire any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares or Securities which by their term carry (directly or indirectly) rights of conversion into, or exchange or subscription for, or rights to otherwise acquire, Ordinary Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:
where:

\[
\frac{A - B}{A}
\]

is the Current Market Price of one Ordinary Share on the Effective Date; and

\[
\frac{A}{B}
\]

is the Fair Market Value on the Effective Date of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

"Effective Date" means, in respect of this sub-paragraph (b)(v), the first date on which the Ordinary Shares are traded ex- the relevant Securities or ex-rights, ex-option or ex-warrants on the Relevant Stock Exchange.

(vi) If and whenever the Issuer shall issue (otherwise than as mentioned in sub-paragraph (b)(iv) above) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on conversion of the Bonds or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, or rights to otherwise acquire, Ordinary Shares and other than where it is determined to constitute a Cash Dividend pursuant to paragraph (a) of the definition "Dividend") or if and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall issue or grant (otherwise than as mentioned in sub-paragraph (b)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase or otherwise acquire Ordinary Shares (other than the Bonds, which term shall for this purpose include any Further Bonds), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Effective Date, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

\[
\frac{A + B}{A + C}
\]

where:

\[
A
\]

is the number of Ordinary Shares in issue immediately before the issue of such Ordinary Shares or the grant of such options, warrants or rights;

\[
B
\]

is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share on the Effective Date; and

\[
C
\]

is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights;

provided that if at the time of issue of such Ordinary Shares or date of issue or grant of such options, warrants or rights (as used in this sub-paragraph (b)(vi), the "Specified Date") such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time, then for
the purposes of this sub-paragraph (b)(vi), “C” shall be determined by the application of
such formula or variable feature or as if the relevant event occurs or had occurred as at the
Specified Date and as if such conversion, exchange, subscription, purchase or acquisition
had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this sub-paragraph (b)(vi), the date of issue of such
Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or rights.

(vii) If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of
or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other
company, person or entity (otherwise than as mentioned in sub-paragraphs (b)(iv), (b)(v) or
(b)(vi) above) shall issue wholly for cash or for no consideration any Securities (other than
the Bonds which term shall for this purpose exclude any Further Bonds) which by their
terms of issue carry (directly or indirectly) rights of conversion into, or exchange or
subscription for, purchase of, or rights to otherwise acquire, Ordinary Shares (or shall grant
any such rights in respect of existing Securities so issued) or Securities which by their terms
might be reclassified or redesignated as Ordinary Shares, and the consideration per Ordinary
Share receivable upon conversion, exchange, subscription, purchase, acquisition,
reclassification or redesignation is less than 95 per cent. of the Current Market
Price per Ordinary Share on the Effective Date, the Conversion Price shall be adjusted by multiplying
the Conversion Price in force immediately prior to the Effective Date by the following
fraction:

\[
\frac{A+B}{A+C}
\]

where:

A is the number of Ordinary Shares in issue immediately before such issue or grant
(but where the relevant Securities carry rights of conversion into or rights of
exchange or subscription for Ordinary Shares which have been issued, purchased or
acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request
or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for
the purposes of or in connection with such issue, less the number of such Ordinary
Shares so issued, purchased or acquired);

B is the number of Ordinary Shares which the aggregate consideration (if any)
receivable for the Ordinary Shares to be issued or otherwise made available upon
conversion or exchange or upon exercise of the right of subscription, purchase or
acquisition attached to such Securities or, as the case may be, for the Ordinary
Shares to be issued or to arise from any such reclassification or redesignation would
purchase at such Current Market Price per Ordinary Share on the Effective Date; and

C is the maximum number of Ordinary Shares to be issued or otherwise made
available upon conversion or exchange of such Securities or upon the exercise of
such right of subscription, purchase or acquisition attached thereto at the initial
conversion, exchange, subscription, purchase or acquisition price or rate or, as the
case may be, the maximum number of Ordinary Shares which may be issued or
arise from any such reclassification or redesignation;
provided that if at the time of issue of the relevant Securities or date of grant of such rights (as used in this sub-paragraph (b)(vii), the “Specified Date”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or, as the case may be, such Securities are reclassified or redesignated or at such other time as may be provided), then for the purposes of this sub-paragraph (b)(vii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition, reclassification or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this sub-paragraph (b)(vii), the date of issue of such Securities or, as the case may be, the grant of such rights.

(viii) If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any such Securities (other than the Bonds, which term shall for this purpose include any Further Bonds) as are mentioned in sub-paragraph (b)(vii) above (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share receivable has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the Effective Date, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

\[
\frac{A + B}{A + C}
\]

where:

A is the number of Ordinary Shares in issue on the dealing day immediately before such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for the purposes of or in connection with such Securities, less the number of such Ordinary Shares so issued, purchased or acquired);

B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share on the Effective Date or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and

C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the modified conversion, exchange, subscription, purchase or acquisition price or rate
but giving credit in such manner as an Independent Adviser shall in good faith consider appropriate for any previous adjustment under this sub-paragraph (b)(viii) or sub-paragraph (b)(vii) above;

provided that if at the time of such modification (as used in this sub-paragraph (b)(viii), the "Specified Date") such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this sub-paragraph (b)(viii), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the Effective Date.

"Effective Date" means, in respect of this sub-paragraph (b)(viii), the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities.

(ix) If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall offer any Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Securities may be acquired by them (in the case of Ordinary Shares, at a consideration per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Effective Date) (except where the Conversion Price falls to be adjusted under sub-paragraphs (b)(ii), (b)(iii), (b)(iv), (b)(v), (b)(vi) or (b)(vii) above or (b)(x) below (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant day)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

\[ \frac{A-B}{A} \]

where:

A is the Current Market Price of one Ordinary Share on the Effective Date; and

B is the Fair Market Value on the Effective Date of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the Effective Date.

"Effective Date" means, in respect of this sub-paragraph (b)(iii), the first date on which the Ordinary Shares are traded ex-rights on the Relevant Stock Exchange.

(x) If a Change of Control or a Free Float Event shall occur, then upon any exercise of Conversion Rights where the Conversion Date falls during the Relevant Event Period, the Conversion Price (the "Special Conversion Price") shall be determined as set out below:

\[ SCP = \frac{OCP}{1 + (CP \times c/t)} \]

where:

SCP means the Relevant Event Conversion Price
OCP = means the Conversion Price in effect on the relevant Conversion Date
CP = means 30 per cent. (expressed as fraction)
c = means the number of days from and including the date the Change of Control or, as the case may be, the Free Float Event occurs to but excluding the Final Maturity Date
t = means the number of days from and including the Closing Date to but excluding the Final Maturity Date

(xi) If the Issuer give a notice of redemption in respect of the Bonds pursuant to Condition 7(c), then upon any exercise of Conversion Rights in accordance with Condition 6(a)(iii), the Conversion Price shall be the Special Conversion Price (as determined as provided in Condition 6(b)(x), with references in the definition “C” to the “Change of Control or, as the case may be, the Free Float Event” being construed as references to “the date the relevant notice of redemption is given pursuant to Condition 7(c)”).

(xii) If the Issuer determines that a reduction to the Conversion Price should be made for whatever reason, the Conversion Price will be reduced (either generally or for a specified period as notified to Bondholders) in such manner and with effect from such date as the Issuer shall determine and notify to the Bondholders.

Notwithstanding the foregoing provisions:

(a) where the events or circumstances giving rise to any adjustment pursuant to this Condition 6(b) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be advised by an Independent Adviser to be in its opinion appropriate to give the intended result;

(b) such modification shall be made to the operation of these Conditions as may be advised by an Independent Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once; and

(c) other than pursuant to Condition 6(b)(i), no adjustment shall be made that would result in an increase to the Conversion Price.

For the purpose of any calculation of the consideration receivable or price pursuant to sub-paragraphs (b)(iv), (b)(vi), (b)(vii) and (b)(viii), the following provisions shall apply:

(a) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;

(b) (x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be the consideration or price received or receivable for any such Securities and (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the
exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the relevant Effective Date referred to in (b)(iv), (b)(vi), (b)(vii) or (b)(viii), as the case may be, plus in the case of each of (x) and (y) above, the additional minimum consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights of subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange at the initial conversion, exchange or subscription price or rate;

(c) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency, it shall be converted into the Relevant Currency at the Prevailing Rate on the relevant Effective Date;

(d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith;

(e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity; and

(f) references in these Conditions to "cash" shall be construed as cash consideration within the meaning of Section 583(3) of the Companies Act.

(c) Retroactive Adjustments

If the Delivery Date in relation to the conversion of any Bond shall be after the record date in respect of any consolidation, reclassification or sub-division as is mentioned in Condition 6(b)(i), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 6(b)(ii), (iii) (iv), (v) or (ix), or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 6(b)(vi) and (vii) or of the terms of any such modification as is mentioned in Condition 6(b)(viii), but where the relevant Conversion Date is before the relevant adjustment to the Conversion Price becomes effective under Condition 6(b) (such adjustment, a "Retroactive Adjustment"), then the Issuer shall (conditional upon the relevant adjustment becoming effective) procure that there shall be issued or transferred and delivered to the converting Bondholder, in accordance with the instructions contained in the Conversion Notice, such additional number of Ordinary Shares (if any) (the "Additional Ordinary Shares") as, together with the Ordinary Shares issued or to be transferred and delivered on conversion of the relevant Bond (together with any fraction of an Ordinary Share not so issued or transferred and delivered), is equal to the number of Ordinary Shares which would have been required to be issued or transferred and delivered on conversion of such Bond as if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Conversion Date, provided that if in the case of paragraph (b) (ii), (iii), (iv), (v) or (ix) the relevant Bondholder shall be entitled to receive the relevant Ordinary Shares, Dividends or Securities in respect
of the Ordinary Shares to be issued or delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the relevant Bondholder shall not be entitled to receive Additional Ordinary Shares in relation thereto.

(d) Decision of an Independent Adviser

If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, and following consultation between the Issuer and an Independent Adviser, a written opinion of such Independent Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error.

(e) Share or Option Schemes, Dividend Reinvestment Plans

No adjustment will be made to the Conversion Price where Ordinary Shares or other Securities (including rights, warrants and options) are issued, offered, exercised, allotted, purchased, appropriated, modified or granted to, or for the benefit of, employees or former employees (including Directors holding or formerly holding executive office or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or trustees to be held for the benefit of any such person, in any such case pursuant to any share or option scheme or pursuant to any dividend reinvestment plan or similar plan or scheme.

(f) Rounding Down and Notice of Adjustment to the Conversion Price

On any adjustment, the resultant Conversion Price, if not an integral multiple of 0.01, shall be rounded down to the nearest whole multiple of one cent. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Issuer to Bondholders in accordance with Condition 16 and to the Trustee promptly after the determination thereof.

The Conversion Price shall not in any event be reduced to below the nominal value of the Ordinary Shares. The Issuer undertakes that it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such nominal value or any minimum level permitted by applicable laws or regulations.

(g) Relevant Event

Within 5 calendar days following the occurrence of a Relevant Event, the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 16 (a “Relevant Event Notice”). The Relevant Event Notice shall contain a statement informing Bondholders of their entitlement to exercise their Conversion Rights as provided in these Conditions.

The Relevant Event Notice shall also specify:

(i) all information material to Bondholders concerning the Relevant Event;

(ii) the Conversion Price immediately prior to the occurrence of the Relevant Event and (in the case of a Change of Control or a Free Float Event) the Special Conversion Price applicable pursuant to Condition 6(b)(x) during the Relevant Event Period on the basis of the Conversion Price in effect immediately prior to the occurrence of the Relevant Event;
(iii) the Volume Weighted Average Price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Relevant Event Notice;

(iv) the last day of the Relevant Event Period;

(v) such other information relating to the Relevant Event as the Trustee may require.

The Trustee shall not be required to monitor or take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

(h) Procedure for exercise of Conversion Rights by Bondholders

Conversion Rights may be exercised by a Bondholder by delivering the relevant Bond to the specified office of any Paying, Transfer and Conversion Agent, during its usual business hours, accompanied by a duly completed and signed notice of conversion (a “Conversion Notice”) in the form (for the time being current) obtainable from any Paying, Transfer and Conversion Agent. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Paying, Transfer and Conversion Agent to whom the relevant Conversion Notice is delivered is located.

If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the specified office of the relevant Paying, Transfer and Conversion Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.

Any determination as to whether any Conversion Notice has been duly completed and properly delivered shall be made by the relevant Paying, Transfer and Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Paying, Transfer and Conversion Agents and the relevant Bondholder.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond. A Conversion Notice, once delivered, shall be irrevocable.

The conversion date in respect of a Bond (the “Conversion Date”) shall be the business day in Milan immediately following the date of the delivery of the relevant Bond and the Conversion Notice as provided in this Condition 6(h).

A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer taxes and duties arising on such exercise (other than any capital, stamp, issue and registration and transfer taxes and duties payable in Italy (including, without limitation, any such taxes payable in Italy pursuant to Article 1, paragraphs 491 to 500, of Law No. 228 of 24 December 2012, as amended from time to time), or in any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction it may be generally subject, in respect of the issue or transfer and delivery of any Ordinary Shares in respect of such exercise (including any Additional Ordinary Shares), which shall be paid by the Issuer). If the Issuer shall fail to pay any taxes and capital, stamp, issue and registration and transfer taxes and duties payable for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

The Trustee shall not be responsible for determining whether any such taxes or capital, stamp, issue and registration and transfer taxes and duties are payable or the amount thereof and it shall not be
responsible or liable for any failure by the Issuer to pay such taxes or capital, stamp, issue and registration and transfer taxes and duties.

Such Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Conversion Rights by it.

The Delivery Date in respect of a Bond shall be (i) the last dealing day on the MTA of the calendar month in which the relevant Conversion Notice was delivered to the relevant Paying, Transfer and Conversion Agent if the relevant Conversion Notice is delivered on or before the 15th calendar day of the calendar month or (ii) the 10th dealing day of the calendar month immediately following the calendar month in which the relevant Conversion Notice was delivered, if the Conversion Note is delivered to the Paying, Transfer and Conversion Agent from the 16th calendar day up to and including the last calendar day of any calendar month.

The Additional Ordinary Shares Delivery Date in respect of the Additional Ordinary Shares shall be (i) the last dealing day on the MTA of the calendar month in which the relevant Retroactive Adjustment occurs, if such Retroactive Adjustment occurs on or before the 15th calendar day of the calendar month; (ii) the 10th dealing day of the calendar month immediately following the calendar month in which the relevant Retroactive Adjustment occurs, if such Retroactive Adjustment occurs from the 16th calendar day up to and including the last calendar day of any calendar month; or (iii) the date of issue of Ordinary Shares, if the Retroactive Adjustment results from the issue of Ordinary Shares.

Ordinary Shares to be delivered on exercise of Conversion Rights (including any Additional Ordinary Shares) will be delivered in uncertificated form through Monte Titoli S.p.A., unless, at the time of issue, the Ordinary Shares are not a participating security in Monte Titoli S.p.A. Where Ordinary Shares are to be issued through Monte Titoli S.p.A., they will be delivered to the account specified by the relevant Bondholder in the relevant Conversion Notice by not later than the relevant Delivery Date (or, in the case of any Additional Ordinary Shares, not later than the relevant Additional Ordinary Shares Delivery Date).

If the Ordinary Shares are not a participating security in Monte Titoli S.p.A. at the relevant time, the Ordinary Shares to be delivered on exercise of Conversion Rights (including any Additional Ordinary Shares) will be delivered in such manner as may be in accordance with market practice, and as notified by the Issuer to Bondholders.

Ordinary Shares (including any Additional Ordinary Shares) issued or transferred and delivered on exercise of Conversion Rights will be fully paid and will in all respects rank pari passu with the fully paid Ordinary Shares in issue on the relevant Delivery Date or, in the case of Additional Ordinary Shares, on the relevant Additional Ordinary Share Delivery Date, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Delivery Date or, as the case may be, the relevant Additional Ordinary Shares Delivery Date.

(i) Purchase or Redemption of Ordinary Shares

Subject to the prior approval of the Competent Authority, where required, the Issuer or any Subsidiary of the Issuer may exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same and may do so without the consent of the Bondholders.
(f) **No Duty to Monitor**

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Conversion Price and will not be responsible or liable to any person for any loss arising from any failure by it to do so, nor shall the Trustee be responsible or liable to any person for any determination of whether or not an adjustment to the Conversion Price is required or should be made nor as to the determination or calculation of any such adjustment.

(k) **Consolidation, Amalgamation or Merger**

In the case of any consolidation, amalgamation or merger of the Issuer with any other corporation (other than a consolidation, amalgamation or merger in which the Issuer is the continuing corporation), or in the case of any sale or transfer of all, or substantially all, of the assets of the Issuer, the Issuer will forthwith give notice thereof to the Trustee and to the Bondholders in accordance with Condition 16 of such event and take such steps and actions as shall be required by the Trustee (including the execution of a deed supplemental to or amending the Trust Deed to ensure that each Bond then outstanding will (during the period in which Conversion Rights may be exercised) be convertible into the class and amount of shares and other Securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Ordinary Shares which would have become liable to be issued or transferred and delivered upon exercise of Conversion Rights immediately prior to such consolidation, amalgamation, merger, sale or transfer. The above provisions of this Condition 6(k) will apply, *mutatis mutandis* to any subsequent consolidations, amalgamations, mergers, sales of transfers.

(l) **Issuer Conversion Right**

The Issuer shall have the right to convert all but not some only of the Bonds into Ordinary Shares at any time on or after the First Issuer Conversion Date (the "Issuer Conversion Right"), subject as provided in these Conditions.

The Issuer may exercise the Issuer Conversion Right only if the Parity Value on each of at least 20 dealing days in any period of 30 consecutive dealing days ending not earlier than 7 days prior to the giving of the relevant Issuer Conversion Right Notice referred to below, shall have exceeded €150,000 and only if the Issuer shall have available sufficient Ordinary Shares to satisfy the Issuer Conversion Right in full.

In order to exercise the Issuer Conversion Right, the Issuer shall give not less than 45 nor more than 60 days notice (an "Issuer Conversion Right Notice") to the Trustee and to the Bondholders in accordance with Condition 16, specifying the dealing day (the "Issuer Conversion Date") on which the Bonds shall be converted.

An Issuer Conversion Right Notice shall specify:

(i) the Issuer Conversion Date;

(ii) the Conversion Price, the aggregate principal amount of the Bonds outstanding and the Volume Weighted Average Price of the Ordinary Shares as derived from the Relevant Stock Exchange, in each case as at the latest practicable date prior to publication of the Issuer Conversion Right Notice; and

(iii) the last day on which Conversion Rights may be exercised by Bondholders pursuant to Condition 6(h).

The Issuer may not exercise the Issuer Conversion Right if an Event of Default or Potential Event of Default (as defined in the Trust Deed) shall have occurred and be continuing on the date of the relevant Issuer Conversion Right Notice nor may the Issuer exercise the Issuer Conversion Right during a
Relevant Event Period or where the Issuer Conversion Date falls in a Relevant Event Period (and, if given, any such Issuer Conversion Right Notice shall be null and void). An Issuer Conversion Right Notice shall be null and void if at any time on or prior to the relevant Issuer Conversion Date an Event of Default or Potential Event of Default shall have occurred and be continuing or a Relevant Event occurs and the Issuer Conversion Date would fall within the Relevant Event Period.

The number of Ordinary Shares to be issued or transferred and delivered on exercise of the Issuer Conversion Right in respect of each €100,000 principal amount of Bonds to be converted will be determined by dividing such principal amount by the Conversion Price in effect on the relevant Issuer Conversion Date, provided that fractions of Ordinary Shares will not be delivered on an exercise of the Issuer Conversion Right and no cash payment or other adjustment will be made in lieu thereof.

However:

(a) if one or more Issuer Conversion Settlement Notices and relevant Bonds are delivered by not later than the Issuer Conversion Notice Cut-off Date pursuant to this Condition 6(i) such that the Ordinary Shares to be issued or transferred and delivered in respect thereof are to be registered in the same name, the number of such Ordinary Shares to be delivered in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Ordinary Shares; and

(b) where Ordinary Shares are to be issued to the Relevant Person pursuant as provided below, the number of Ordinary Shares to be issued and transferred and delivered shall be calculated on the basis of the aggregate principal amount of Bonds in respect of which such issue or transfer and delivery is to be made.

If the Issuer exercises the Issuer Conversion Right, the following provisions shall apply:

(i) In order to obtain delivery of the relevant Ordinary Shares, the relevant Bondholder must deliver a duly completed notice substantially in the form set out in the Paying, Transfer and Conversion Agency Agreement (the “Issuer Conversion Settlement Notice”) a copy of which may be obtained from the specified office of any Paying, Transfer and Conversion Agent, together with the relevant Bonds to the specified office of any Paying, Transfer and Conversion Agent at least 5 business days in the relevant place of delivery prior to the Issuer Conversion Date (the “Issuer Conversion Notice Cut-off Date”). If such delivery is made after the end of normal business hours at the specified office of the relevant Paying, Transfer and Conversion Agent or on a day which is not a business day in such place, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.

(ii) Subject as provided herein, the relevant Ordinary Shares will be issued or transferred and delivered on the Issuer Conversion Date in accordance with the instructions given in the relevant Issuer Conversion Settlement Notice, provided the Issuer Conversion Settlement Notice and the relevant Bonds are delivered not later than the Issuer Conversion Notice Cut-off Date.

(iii) If the Issuer Conversion Settlement Notice and relevant Bonds are not delivered to a Paying, Transfer and Conversion Agent on or before the Issuer Conversion Notice Cut-off Date, then on the Issuer Conversion Date, the relevant Ordinary Shares will be issued or transferred and delivered to a person (the “Relevant Person”) selected by the Issuer. The Issuer shall procure that all of such Ordinary Shares shall be sold by or on behalf of the Relevant Person as soon as practicable based on advice from a reputable financial institution, investment or commercial bank or broker selected by the Issuer and subject to any necessary consents being obtained and to the deduction by or on behalf of the Relevant
Person of any amount payable in respect of its liability to taxation and the payment of any capital, stamp, issue, registration and/or transfer taxes and duties (if any) and any fees or costs incurred by or on behalf of the relevant person in connection with the issue, allotment and sale thereof the net proceeds of sale paid to the Principal Paying, Transfer and Conversion Agent for distribution rateably to holders of the relevant Bonds in accordance with Condition 8.

(iv) The Trustee shall have no liability in respect of the exercise or non exercise of any power or discretion pursuant to sub-paragraph (iii) above or in respect of any sale of Ordinary Shares or Additional Issuer Ordinary Shares, whether for the timing of any such sale or the price at or manner in which any such Ordinary Shares are sold or the inability to sell any such Ordinary Shares or Additional Issuer Ordinary Shares or for the rate of exchange for the conversion of any amount into euro.

(v) Subject as provided in this Condition 6(v), an Issuer Conversion Right Notice shall be irrevocable. Any Issuer Conversion Settlement Notice shall be irrevocable. Failure properly to complete and deliver an Issuer Conversion Settlement Notice and deliver the relevant Bonds may result in such notice being treated as null and void and the Issuer shall be entitled to effect settlement in accordance with sub-paragraph (iii) above. Any determination as to whether such notice has been properly completed and delivered as provided in these Conditions shall be made by the Issuer in its sole and absolute discretion and shall be conclusive and binding on the relevant Bondholders.

(vi) A Bondholder must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer taxes and duties arising on such exercise (other than any capital, stamp, issue and registration and transfer taxes and duties payable in Italy, or in any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction it may be generally subject, in respect of the issue or transfer and delivery of any Ordinary Shares in respect of the exercise of the Issuer Conversion Right (including any Additional Ordinary Shares), which shall be paid by the Issuer). If the Issuer shall fail to pay any taxes and capital, stamp, issue and registration and transfer taxes and duties payable for which it is responsible as provided above, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

The Trustee shall not be responsible for determining whether any such taxes or capital, stamp, issue and registration and transfer taxes and duties are payable or the amount thereof and it shall not be responsible or liable for any failure by the Issuer to pay such taxes or capital, stamp, issue and registration and transfer taxes and duties.

Such Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of the Issuer Conversion Right.

(vii) The Delivery Date in respect of a Bond shall be (i) the last dealing day on the MTA of the calendar month in which the relevant Issuer Conversion Date falls if that is on or before the 15th calendar day of the calendar month or (ii) the 10th dealing day of the calendar month immediately following the calendar month in which the Issuer Conversion Date falls if that is on or after the 16th calendar day up to and including the last calendar day of any calendar month.
The Additional Ordinary Shares Delivery Date in respect of the Additional Ordinary Shares shall be (i) the last dealing day on the MTA of the calendar month in which the relevant Retroactive Adjustment occurs, if such Retroactive Adjustment occurs on or before the 15th calendar day of the calendar month; (ii) the 10th dealing day of the calendar month immediately following the calendar month in which the relevant Retroactive Adjustment occurs, if such Retroactive Adjustment occurs from the 16th calendar day up to and including the last calendar day of any calendar month; or (iii) the date of issue of Ordinary Shares, if the Retroactive Adjustment results from the issue of Ordinary Shares.

Ordinary Shares to be delivered on exercise of the Issuer Conversion Right (including any Additional Ordinary Shares) will be delivered in uncertificated form through Monte Titoli S.p.A., unless, at the time of issue, the Ordinary Shares are not a participating security in Monte Titoli S.p.A. Where Ordinary Shares are to be issued through Monte Titoli S.p.A., they will be delivered to the account specified by the relevant Bondholder in the relevant Issuer Conversion Settlement Notice by not later than the relevant Delivery Date (or, in the case of any Additional Ordinary Shares, not later than the relevant Additional Ordinary Shares Delivery Date).

If the Ordinary Shares are not a participating security in Monte Titoli S.p.A. at the relevant time, the Ordinary Shares to be delivered on exercise of the Issuer Conversion Right (including any Additional Ordinary Shares) will be delivered in such manner as may be in accordance with market practice, and as notified by the Issuer to Bondholders.

(viii) Ordinary Shares (including any Additional Ordinary Shares) issued or transferred and delivered on exercise of the Issuer Conversion Right will be fully paid and will in all respects rank pari passu with the fully paid Ordinary Shares in issue on the relevant Delivery Date or, in the case of Additional Ordinary Shares, on the relevant Additional Ordinary Share Delivery Date, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Delivery Date or, as the case may be, the relevant Additional Ordinary Shares Delivery Date.

(ix) If the Delivery Date in relation to the conversion of any Bond shall be after the record date in respect of any consolidation, reclassification or sub-division as is mentioned in Condition 6(b)(i), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 6(b)(ii), (iii) (iv), (v) or (ix), or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 6(b)(vi) and (vii) or of the terms of any such modification as is mentioned in Condition 6(b)(viii), but where the relevant Issuer Conversion Date is before the relevant adjustment to the Conversion Price becomes effective under Condition 6(b) (such adjustment, a "Retroactive Adjustment"), then the Issuer shall (conditional upon the relevant adjustment becoming effective) procure that there shall be issued or transferred and delivered to the converting Bondholder, in accordance with the instructions contained in the Conversion Notice, such additional number of Ordinary Shares (if any) (the “Additional Ordinary Shares”) as, together with the Ordinary Shares issued or to be transferred and delivered on conversion of the relevant Bond (together with any fraction of an Ordinary Share not so issued or transferred and delivered), is equal to the number of Ordinary Shares which would have been required to be issued or transferred and delivered on conversion of such Bond as if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the Issuer...
Conversion Date, provided that if in the case of paragraph (b) (ii), (iii), (iv), (v) or (ix) the relevant Bondholder shall be entitled to receive the relevant Ordinary Shares, Dividends or Securities in respect of the Ordinary Shares to be issued or delivered to it, then no such Retroactive Adjustment shall be made in relation to the relevant event and the relevant Bondholder shall not be entitled to receive Additional Ordinary Shares in relation thereto.

7 Redemption and Purchase

(a) Final Redemption

Unless previously purchased and cancelled, redeemed or converted as herein provided, the Bonds will be redeemed at their principal amount on the Final Maturity Date. The Bonds may only be redeemed at the option of the Issuer prior to the Final Maturity Date in accordance with Condition 7(b) or 7(c).

(b) Redemption for Taxation Reasons

Subject as provided in this Condition 7(b) the Bonds may be redeemed at the option of the Issuer (subject to the prior approval of the Competent Authority, where required) in whole, but not in part, at any time, on giving not less than 45 nor more than 60 days' notice to the Trustee and the Bondholders (which notice shall be irrevocable), if:

(i) on the occasion of the next payment due under the Bonds, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of Italy or any political subdivision of, or any authority in, or of, Italy having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 11 November 2013 provided that in relation to any such redemption prior to the fifth anniversary of the Closing Date the Issuer satisfies the Competent Authority that any such change or amendment is material and was not reasonably foreseeable by the Issuer as at the Closing Date; and

(ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due.

Prior to the publication of any notice of redemption pursuant to this Condition 7(b), the Issuer shall deliver or procure that there is delivered to the Trustee a certificate signed by two authorised signatories of the Issuer stating that the said circumstances prevail and describe the facts leading thereto and the Trustee shall be entitled (without liability) to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Bondholders.

Upon the expiry of any such notice as is referred to in this Condition 7(b), the Issuer shall, subject as provided below, be bound to redeem the Bonds in accordance with this Condition 7(b). Bonds redeemed pursuant to this Condition 7(b) will be redeemed at their principal amount together with interest accrued to (but excluding) the date of redemption (the "Tax Redemption Date").

If the Issuer gives a notice of redemption pursuant to this Condition 7(b), each Bondholder will have the right to elect that its Bonds shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment of interest to be made on such Bonds which falls due after the relevant redemption date, whereupon no additional amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts of such interest on such Bonds shall be made subject to the deduction or withholding of any Italian taxation required to be withheld or deducted. To exercise such
right, the holder of the relevant Bond must complete, sign and deposit at the specified office of any Paying, Transfer and Conversion Agent a duly completed and signed notice of election, in the form for the time being current, obtainable from the specified office of any Paying, Transfer and Conversion Agent together with the relevant Bonds on or before the day falling 10 days prior to the Tax Redemption Date.

(c) Redemption for Regulatory Reasons (Regulatory Call)

The Bonds may be redeemed at the option of the Issuer (subject to the prior approval of the Competent Authority, (where applicable or required), in whole, but not in part, at any time, on giving not less than 45 nor more than 60 days’ notice to the Trustee and, the Bondholders (which notice shall be irrevocable), if, after consultation with the Competent Authority (where applicable or required), a proportion equal to the Minimum Disqualification Amount of the Bonds ceases to qualify as “Lower Tier 2 capital” prior to the CRD IV Implementation Date and as “Tier 2 capital” on or after the CRD IV Implementation Date, as a result of changes (or prospective changes that the Competent Authority considers to be sufficiently certain) after 11 November 2013 in the standards and guidelines of the Competent Authority implementing CRD IV in Italy provided that in relation to any such redemption prior to the fifth anniversary of the Closing Date, the Issuer satisfies the Competent Authority that such changes (or prospective changes) were not reasonably foreseeable by the Issuer as at the Closing Date.

In this Condition 7(c), the “Minimum Disqualification Amount” means 100 per cent. of the aggregate outstanding principal amount of the Bonds; “CRD IV” means the legislative package consisting of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 (“CRR”) on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012; and “CRD IV Implementation Date” means 1 January 2014 or such later date on which the CRR enters into force in the European Union.

Prior to the publication of any notice of redemption pursuant to this Condition 7(c), the Issuer shall deliver or procure that there is delivered to the Trustee a certificate signed by two authorised signatories of the Issuer stating that the said circumstances prevail and describe the facts leading thereto and the Trustee shall be entitled (without liability) to accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, in which event it shall be conclusive and binding on the Bondholders.

Upon the expiry of any such notice as is referred to in this Condition 7(c), the Issuer shall be bound to redeem the Bonds in accordance with this Condition 7(c). Bonds redeemed pursuant to this Condition 7(c) will be redeemed at their principal amount together with interest accrued to (but excluding) the date of redemption.

(d) Restriction on Redemption: Notices

The Issuer shall not give redemption notice pursuant to Condition 7(b) or 7(c) at any time during a Relevant Event Period or an Offer Period or which specifies a date for redemption falling in a Relevant Event Period or an Offer Period or the period of 21 days following the end of a Relevant Event Period or Offer Period (whether or not the relevant notice was given prior to or during such Relevant Event Period or Offer Period), and any such notice shall be invalid and of no effect (whether or not given prior to the relevant Relevant Event Period or Offer Period) and the relevant redemption shall not be made.

Any redemption notice pursuant to Condition 7(b) or 7(c) shall be irrevocable. Any such notice shall specify (i) the relevant redemption date which shall be a TARGET Business Day, (ii) the Conversion
Price, the aggregate principal amount of the Bonds outstanding and the closing price of the Ordinary Shares as derived from the Relevant Stock Exchange, in each case as at the latest practicable date prior to the publication of the relevant notice and (iii) the last day on which Conversion Rights may be exercised by Bondholders.

"Offer Period" means (i) any period commencing on the date of first public announcement of an offer by any person or persons in respect of all or a majority of the issued and outstanding Ordinary Shares and ending on the date that offer ceases to be open for acceptance or, if earlier, on which that offer lapses, terminates or (ii) any period commencing on the date of first public announcement of a Scheme of Arrangement relating to the acquisition of all or a majority of the issued and outstanding Ordinary Shares and ending on the date such Scheme of Arrangement is or becomes effective or, if earlier, the date such Scheme of Arrangement is cancelled or terminated.

**Purchase**

Subject as provided in the following paragraph, the Issuer or any Subsidiary of the Issuer may at any time purchase Bonds at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Bondholders alike. Such Bonds may be held, reissued, resold or, at the option of the purchaser, surrendered to the Principal Paying, Transfer and Conversion Agent for cancellation.

Bonds may only be purchased by the Issuer or any of the Issuer's subsidiaries subject to the prior approval of the Competent Authority unless the Bonds to be purchased (a) do not exceed 10 per cent. of the aggregate principal amount of the Bonds and (b) are not purchased in order to be surrendered to the Principal Paying, Transfer and Conversion Agent for cancellation. In any case, Bonds may not be purchased by the Issuer or any of the Issuer's subsidiaries prior to the fifth anniversary of the Closing Date.

**Cancellation**

All Bonds which are redeemed or in respect of which Conversion Rights or Issuer Conversion Rights are exercised will be cancelled and may not be reissued or resold. Bonds purchased by the Issuer or any of its Subsidiaries shall be surrendered to the Principal Paying, Transfer and Conversion Agent for cancellation and may not be reissued or re-sold.

**Multiple Notices**

If more than one notice of redemption is given pursuant to this Condition 7, the first of such notices to be given shall prevail.

**8 Payments**

**(a) Principal**

Payment of principal and interest in respect of the Bonds will be made to the persons shown in the Register at the close of business on the Record Date.

**(b) Other amounts**

Payments of all amounts other than as provided in Condition 8(a) will be made as provided in these Conditions.

**(c) Record Date**

"Record Date" means the fifth business day, in the place of the specified office of the Registrar, before the due date for the relevant payment.
(d) Payments

Each payment in respect of the Bonds pursuant to Condition 8(a) and (b) will be made by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the TARGET System.

Payment instructions (for value on the due date or, if that is not a TARGET Business Day, for value the first following day which is a TARGET Business Day) will be initiated on the TARGET Business Day preceding the due date for payment (for value the next TARGET Business Day).

(e) Payments subject to fiscal laws

Save as provided in Condition 9, payments will be subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws and regulations to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements.

(f) Delay in payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due as a result of the due date not being TARGET Business Day.

(g) Paying, Transfer and Conversion Agents, etc.

The initial Paying, Transfer and Conversion Agents and Registrar and their initial specified offices are listed below. The Issuer reserves the right under the Agency Agreement at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of any Paying, Transfer and Conversion Agent and Registrar and appoint additional or other Paying, Transfer and Conversion Agents, provided that it will (i) maintain a Principal Paying, Transfer and Conversion Agent, (ii) maintain a Paying, Transfer and Conversion Agent (which may be the Principal Paying, Transfer and Conversion Agent) with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN council meeting of 26-27 November 2000 and (iii) maintain a Registrar with a specified office outside the United Kingdom. Notice of any change in the Paying, Transfer and Conversion Agents or the Registrar or their specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 16.

(h) No charges

Neither the Registrar nor the Paying, Transfer and Conversion Agents shall make or impose on a Bondholder any charge or commission in relation to any payment or conversion in respect of the Bonds.

(i) Fractions

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

9 Taxation

All payments made by on or behalf of the Issuer in respect of the Bonds will be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Republic of Italy or any political subdivision or any authority thereof or therein having power to
tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is required to be made by law.

If any such withholding or deduction is required to be made, the Issuer will pay such additional amounts as will result in the receipt by the Bondholders of the amounts which would otherwise have been receivable had no such withholding or deduction been required, except that no such additional amount shall be payable in respect of interest on any Bond:

(a) to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with (including, inter alia, being a resident of the Republic of Italy for tax purposes) otherwise than merely by holding the Bond or by the receipt of amounts in respect of the Bond; or

(b) where the withholding or deduction could be avoided by the holder making a declaration of non-residence as well as making any other act of compliance required under Italian law in order to benefit from the exemption according to art. 6 of the Italian Legislative Decree No. 239 of 1st April 1996 or other similar claim for exemption to the appropriate authority which such holder is legally capable and competent of making but fails to do so; or

(c) to a non-Italian resident other than a non-Italian resident who either (i) is resident in country that allows an adequate exchange of information with Italy (a mandatory list of those countries is contained in the Decree of the Minister of Finance dated September 4, 1996) or (ii) is included in one of the following categories: (a) entities or international bodies established according to international treaties implemented in Italy; (b) institutional investors, although not subject to tax, established in a country which satisfies the requirement under (i); or (c) central banks or bodies which manage the official reserves of a country; or

(d) (in the case of a payment of principal only) if the Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder would have been entitled to such additional amount on surrendering the Bond for payment on the last day of such period of 30 days; or

(e) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or

(f) presented for payment by or on behalf of an holder who would have been able to avoid such withholding or deduction by presenting the relevant Bond to another Paying and Conversion Agent in a Member State of the European Union.

Except as otherwise stated, references in these Conditions to principal and/or interest and/or any other amounts payable in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 7(b).
10 Events of Default and Enforcement

(a) Events of Default

The following shall each be Events of Default in relation to the Bonds (each an "Event of Default"):

(i) if default is made by the Issuer for a period of 15 Milan business days or more in (A) the payment of any principal or interest when due and payable or (B) the delivery of Ordinary Shares to a Bondholder upon the exercise of Conversion Rights pursuant to these Conditions; or

(ii) a judgment is given for the voluntary or judicial winding-up, dissolution, liquidation or bankruptcy of the Issuer under any applicable bankruptcy or insolvency law or if the Issuer is liquidated for any other reason.

(b) Enforcement

(i) If an Event of Default occurs pursuant to Condition 10(a)(i) and is continuing, the Trustee may at any time, subject to mandatory provision of Italian law and if so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) petition for the winding-up or liquidation of the Issuer (in Italy) and may prove or claim in any voluntary or judicial winding-up, dissolution, liquidation or bankruptcy of the Issuer (in Italy or elsewhere).

Proceedings for the winding-up or liquidation of the Issuer may only be initiated in Italy (and not elsewhere) by the Trustee on behalf of the Bondholders, in accordance with the laws of Italy.

(ii) If an Event of Default occurs pursuant to Condition 10(a)(ii) and is continuing, the Trustee, at its discretion and subject to mandatory provision of Italian law, may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer, that the Bonds are, and shall accordingly forthwith become, immediately due and repayable at their principal amount plus accrued interest, and the Trustee may prove or claim in any voluntary or judicial winding-up, dissolution, liquidation or bankruptcy of the Issuer (in Italy or elsewhere).

(iii) Subject to paragraph (v) below, the Trustee may at any time, at its discretion and without notice, take such further proceedings, steps or actions against the Issuer as it may think fit to enforce the obligations of the Issuer under the Trust Deed or the Bonds (other than any payment obligation of the Issuer under or arising from the Bonds or the Trust Deed including any payment of damages awarded for breach of any obligations thereunder), but it shall not be bound to take any such proceedings unless (1) it shall have been so directed by an Extraordinary Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding and (2) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

(iv) No Bondholder, shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed as aforesaid, fails so to do within a reasonable time and such failure is continuing in which case the Bondholders shall have only such rights against the Issuer as those which the Trustee is entitled to exercise as set out in this Condition 10.
Save in a voluntary or judicial winding-up, insolvency, liquidation or bankruptcy of the Issuer, in no event shall the Issuer, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

No remedy against the Issuer, other than as referred to in this Condition 10, shall be available to the Trustee or the Bondholders, whether for the recovery of amounts owing in respect of the Bonds or under the Trust Deed or in respect of any breach by the Issuer of any of its other obligations under or in respect of the Bonds or under the Trust Deed (subject to the powers granted to the Trustee thereunder).

Nothing in this Condition 10(b) shall, however, prevent the Trustee or the Bondholders from pursuing the remedies to which they are entitled pursuant to this Condition 10.

11 Undertakings

Whilst any Conversion Right remains exercisable, the Issuer will, save with the approval of an Extraordinary Resolution or with the prior written approval of the Trustee where, in its opinion, it is not materially prejudicial to the interests of the Bondholders to give such approval:

(a) not take any action that would result in an adjustment to the Conversion Price, unless at such time it has sufficient new or existing Ordinary Shares available to it to enable it to satisfy in full all Conversion Rights of Bondholders at the resulting adjusted Conversion Price, save where the Issuer is required, by mandatory provisions of Italian law (articles 2446 and 2447 of the Italian Civil Code), to promptly act to cure losses by either (i) reducing the share capital or reserves of the Issuer or (ii) performing a capital increase but (in the case of (i) and/or (ii)) only if and to the extent that such actions are necessary to ensure minimum compliance with such mandatory provisions;

(b) not issue or pay up any Securities, in either case by way of capitalisation of profits or reserves, other than:

(i) pursuant to a Scheme of Arrangement involving a reduction and cancellation of Ordinary Shares and the issue to Shareholders of an equal number of Ordinary Shares by way of capitalisation of profits or reserves;

(ii) pursuant to a Newco Scheme;

(iii) by the issue of fully paid Ordinary Shares or other Securities to Shareholders and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive Ordinary Shares or other shares or Securities on a capitalisation of profits or reserves; or

(iv) by the issue of Ordinary Shares paid up in full (in accordance with applicable law) and issued wholly, ignoring fractional entitlements, in lieu of the whole or part of a Dividend in cash; or

(v) by the issue of fully paid equity share capital (other than Ordinary Shares) to the holders of equity share capital of the same class and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive equity share capital (other than Ordinary Shares); or

(vi) by the issue of Ordinary Shares or any equity share capital to, or for the benefit of, any employee or former employee, director or executive holding or formerly holding executive office of the Issuer or any of its Subsidiaries or any associated company or to trustees or nominees to be held for the benefit of any such person, in any such case pursuant to an
employee, director or executive share or option scheme whether for all employees, directors, or executives or any one or more of them,

unless, in any such case, the same constitutes a Dividend or otherwise falls to be taken into account for a determination as to whether an adjustment is to be made to the Conversion Price pursuant to Condition 6(b), regardless of whether in fact an adjustment falls to be made in respect of the relevant capitalisation, gives rise (or would, but for the provisions of Condition 6(f) relating to roundings and minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price;

(c) not modify the rights attaching to the Ordinary Shares with respect to voting, dividends or liquidation nor issue any other class of equity share capital carrying any rights which are more favourable than the rights attaching to the Ordinary Shares but so that nothing in this Condition 11(c) shall prevent:

(i) any consolidation, reclassification, redesignation or subdivision of the Ordinary Shares; or

(ii) any modification of such rights which is not, in the opinion of an Independent Adviser, materially prejudicial to the interests of the holders of the Bonds; or

(iii) any issue of equity share capital where the issue of such equity share capital results, or would, but for the provisions of Condition 6(f) relating to roundings or the carry forward of adjustments or, where comprising Ordinary Shares, the fact that the consideration per Ordinary Share receivable therefor is at least 95% of the Current Market Price per Ordinary Share at the relevant time for determination thereof pursuant to the relevant provisions of Condition 6(b), otherwise result, in an adjustment to the Conversion Price; or

(iv) any issue of equity share capital or modification of rights attaching to the Ordinary Shares, where prior thereto the Issuer shall have instructed an Independent Adviser to determine what (if any) adjustments should be made to the Conversion Price as being fair and reasonable to take account thereof and such Independent Adviser shall have determined in good faith either that no adjustment is required or that an adjustment resulting in a decrease in the Conversion Price is required and, if so, the new Conversion Price as a result thereof and the basis upon which such adjustment is to be made and, in any such case, the date on which the adjustment shall take effect (and so that the adjustment shall be made and shall take effect accordingly); or

(v) any alteration to the by-laws of the Issuer made in connection with the matters described in this Condition 11 or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Ordinary Shares, dealt with under such procedures); or

(vi) any amendment of the Articles of Association (or other constitutional document) of the Issuer following or in connection with a Change of Control to ensure that any Bondholder exercising Conversion Rights where the Conversion Date falls on or after the occurrence of a Change of Control will receive, in whatever manner, the same consideration for the Ordinary Shares arising on such exercise as it would have received in respect of such Ordinary Shares had such Ordinary Shares been entitled to participate in the relevant Scheme of Arrangement or to have been submitted into, and accepted pursuant to, the relevant offer (a "Change of Control Conversion Right Amendment");

(d) procure that no Securities (whether issued by the Issuer or any Subsidiary of the Issuer or procured by the Issuer or any Subsidiary of the Issuer to be issued or issued by any other person pursuant to any arrangement with the Issuer or any Subsidiary of the Issuer) issued without rights to convert into, or
exchange or subscribe for, Ordinary Shares shall subsequently be granted such rights exercisable at a consideration per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share at the relevant time for determination thereof pursuant to the relevant provisions of Condition 6(b) unless the same gives rise (or would, but for the provisions of Condition 6(f) relating to roundings and minimum adjustments or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price and that at no time shall there be in issue Ordinary Shares of differing nominal values, save where such Ordinary Shares have the same economic rights;

(e) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, on the exercise of Conversion Rights, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid;

(f) not reduce its issued share capital, share premium account, or any uncalled liability in respect thereof, or any non-distributable reserves, except:

(i) pursuant to the terms of issue of the relevant share capital; or

(ii) by means of a purchase or redemption of share capital of the Issuer to the extent permitted by applicable law; or

(iii) where the reduction does not involve any distribution of assets to Shareholders; or

(iv) solely in relation to a change in the currency in which the nominal value of the Ordinary Shares is expressed; or

(v) to create distributable reserves; or

(vi) pursuant to a Scheme of Arrangement involving a reduction and cancellation of Ordinary Shares and the issue to Shareholders of an equal number of Ordinary Shares by way of capitalisation of profits or reserves; or

(vii) pursuant to a Newco Scheme; or

(viii) by way of transfer to reserves as permitted under applicable law; or

(ix) where the reduction is permitted by applicable law and the Trustee is advised by an Independent Adviser, acting as an expert, that the interests of the Bondholders will not be materially prejudiced by such reduction; or

(x) where the reduction is permitted by applicable law and results in (or would, but for the provisions of Condition 6(f) relating to roundings or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is otherwise taken into account for the purposes of determining whether such an adjustment should be made,

provided that, without prejudice to the other provisions of these Conditions, the Issuer may exercise such rights as it may from time to time be entitled pursuant to applicable law to purchase, redeem or buy back its Ordinary Shares and any depositary or other receipts or certificates representing Ordinary Shares without the consent of Bondholders;

(g) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any associates of the offeror to acquire the whole or any part of the issued Ordinary Shares, or if any person proposes a scheme with regard to such acquisition (other than a Newco Scheme), give notice of such offer or scheme to the Trustee and the Bondholders at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer or scheme may be obtained from the specified offices of the Paying, Transfer and Conversion Agents and, where such an offer or scheme has been recommended by the board of directors of the Issuer, or where such an offer has become or
been declared unconditional in all respects or such scheme has become effective, use all reasonable endeavours to procure that a like offer or scheme is extended to Bondholders and the holders of any Ordinary Shares issued during the period of the offer or scheme arising out of the exercise of the Conversion Rights by the Bondholders (which like offer or scheme to Bondholders shall entitle Bondholders to receive the same type and amount of consideration they would have received had they held the number of Ordinary Shares to which such Bondholders would be entitled assuming Bondholders were to exercise his Conversion Rights in the relevant Change of Control Period);

(h) in the event of a Newco Scheme, take (or shall procure that there is taken) all necessary action to ensure that (to the satisfaction of the Trustee) immediately after completion of the Scheme of Arrangement, at its option, either (a) Newco is substituted under the Bonds and the Trust Deed as principal obligor in place of the Issuer (with the Issuer providing a guarantee) subject to and as provided in the Trust Deed; or (b) Newco becomes a guarantor under the Bonds and the Trust Deed and, in either case, that (i) such amendments are made to these Conditions and the Trust Deed as are necessary, in the opinion of the Trustee, to ensure that the Bonds may be converted into or exchanged for ordinary shares or units or the equivalent in Newco mutatis mutandis in accordance with and subject to these Conditions and the Trust Deed and (ii) the ordinary shares or units or the equivalent of Newco are:

(A) admitted to the Relevant Exchange; or
(B) admitted to listing on another regulated, regularly operating, recognised stock exchange or securities market.

(i) use all reasonable endeavours to ensure that the Ordinary Shares issued upon exercise of Conversion Rights will, as soon as is practicable, be admitted to listing and to trading on the Relevant Stock Exchange and will be listed, quoted or dealt in, as soon as is practicable, on any other stock exchange or securities market on which the Ordinary Shares may then be listed or quoted or dealt in (but so that this undertaking shall be considered as not being breached as a result of a Change of Control (whether or not recommended or approved by the Board of Directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise, (including at the request of the person or persons controlling the Issuer as a result of the Change of Control) a de-listing of the Ordinary Shares);

(j) for so long as any Bond remains outstanding, use all reasonable endeavours to ensure that its issued and outstanding Ordinary Shares shall be admitted to listing on the Relevant Stock Exchange (but so that this undertaking shall be considered as not being breached as a result of a Change of Control (whether or not recommended or approved by the board of directors of the Issuer) that causes or gives rise to, whether following the operation of any applicable compulsory acquisition provision or otherwise, (including at the request of the person or persons controlling the Issuer as a result of the Change of Control) a de-listing of the Ordinary Shares);

(k) make an application for admission of the Bonds to trading on such internationally recognised, regularly operating, regulated or non-regulated, stock exchange as is determined by the Issuer no later than the first Interest Payment Date and use all reasonable endeavours to maintain such admission to trading;

(l) procure that it shall not become domiciled or resident in or subject generally to the taxing authority of any jurisdiction (other than the Italy) unless it would not thereafter be required pursuant to then current laws and regulations to withhold or deduct for or on account of any taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of such jurisdiction or any applicable sub-division thereof or therein having power to tax in respect of any payment on or in respect of the Bonds; and
not dispose of the Ordinary Shares owned by the Issuer (the “Treasury Shares”) in such number as is sufficient to enable the Issuer to satisfy Conversion Rights in respect of the Bonds at the Conversion Price in effect on the Closing Date and, no later than the Closing Date, to deposit the Treasury Shares to the credit of a special deposit account (the “Deposit Account”) in the name of the Issuer in the books of a depositary (the “Depositary”) in Italy.

The Issuer has undertaken in the Trust Deed to deliver to the Trustee annually and otherwise on request by the Trustee a certificate of two directors of the Issuer, as to there not having occurred an Event of Default or Potential Event of Default since the date of the last such certificate or if such event has occurred as to the details of such event. The Trustee will be entitled to rely on such certificate and shall not be obliged to independently monitor compliance by the Issuer with the undertakings set forth in this Condition 11, nor be liable to any person for not so doing.

12 Prescription

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 years (in the case of principal or any amounts other than interest) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment.

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

13 Replacement of Bonds

If any Bond is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of any Paying, Transfer and Conversion Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the Issuer may require. Mutilated or defaced Bonds must be surrendered before replacements will be issued.

14 Meetings of Bondholders, Modification and Waiver, Substitution

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of Bondholders to consider any matter affecting their interests relating to the Bonds, including the modification of any provision of the Bonds, these Conditions, or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution, which shall mean a resolution passed by the majority required pursuant to Condition 14(a)(iii) at a meeting of the Bondholders duly convened and held in accordance with the provisions of the Trust Deed (an “Extraordinary Resolution”), and any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Bondholders, whether present or not.

In relation to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution:

(i) a meeting may be convened by the Issuer, the Trustee or any Bondholders’ Representative (rappresentante comune) appointed pursuant to Articles 2415 and 2417 of the Italian Civil Code and shall be convened by any of them upon the request of Bondholders holding not less than one-twentieth of the aggregate principal amount of the outstanding Bonds;

(ii) a meeting of Bondholders will be validly held if (i) on first call, there are one or more persons present, being or representing Bondholders holding at least one-half of the aggregate principal amount of the outstanding Bonds, or (ii) in the case of a second meeting following adjournment of the first meeting for want of quorum, there are one or more persons present, being or
representing Bondholders holding more than one-third of the aggregate principal amount of the outstanding Bonds, or (iii) in the case of any subsequent meeting following a further adjournment for want of quorum or, to the extent provided for by the Issuer’s bylaws, in case of single call, there are one or more persons, present being or representing Bondholders holding at least one-fifth of the aggregate principal amount of the outstanding Bonds provided, however, that the quorum shall always be at least one-half of the aggregate principal amount of the outstanding Bonds for the purposes of considering a Reserved Matter and provided further that in each of the above cases the by-laws of the Issuer may from time to time require a higher quorum at any of the above meetings;

(iii) the majority required to pass an Extraordinary Resolution (including at any meeting convened following adjournment of the previous meeting for want of quorum) shall be (i) for all matters other than Reserved Matters, one or more persons present, being or representing Bondholders holding at least two-thirds of the aggregate principal amount of the Bonds represented at the meeting, or (ii) for Reserved Matters, one or more persons present, being or representing Bondholders holding at least one half of the aggregate principal amount of the outstanding Bonds; provided, however, that in each of the above cases the by-laws of the Issuer may from time to time require a larger majority.

No consent or approval of Bondholders shall be required in connection with any Newco Scheme Modification.

In accordance with the Italian Civil Code, a “rappresentante comune” may be appointed, inter alia, in order to represent the Bondholders hereunder. The “rappresentante comune” shall have the powers and duties set out in Article 2418 of the Italian Civil Code. The “rappresentante comune” may be appointed under Article 2415 of the Italian Civil Code by resolution passed at the Bondholders’ meeting. In the event the Bondholders’ meeting fails to appoint the “rappresentante comune”, the appointment will be made by the president of the court of first instance of the venue where the registered office of the Issuer is located at the request of any Bondholder or at the request of the board of directors of the Issuer in accordance with Article 2415 of the Italian Civil Code.

(b) Modification and Waiver

The Trustee may agree, without the consent of the Bondholders, to (i) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds or these Conditions which in the Trustee’s opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds or these Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds or these Conditions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may, without the consent of the Bondholders, determine that any Event of Default or a Potential Event of Default (as defined in the Trust Deed) should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation, waiver or determination shall be subject to such terms and conditions as the Trustee may determine, shall be binding on the Bondholders and, if the Trustee so requires, shall be notified to the Bondholders promptly in accordance with Condition 16.
(c) **Substitution**

The Trustee may, without the consent of the Bondholders, agree any substitution as provided in, and for the purposes of, Condition 11(h) or to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition) as the principal debtor under the Bonds and the Trust Deed of any Subsidiary of the Issuer subject to (a) the Bonds being unconditionally and irrevocably guaranteed by the Issuer, and (b) the Bonds continuing to be convertible or exchangeable into Ordinary Shares as provided in these Conditions *mutatis mutandis* as provided in these Conditions, with such amendments as the Trustee shall consider appropriate provided that in any such case, (x) the Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution, and (y) certain other conditions set out in the Trust Deed being complied with. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. Any such substitution shall be binding on the Bondholders and shall be notified to the Bondholders promptly in accordance with Condition 16.

(d) **Entitlement of the Trustee**

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders, except to the extent provided for in these Conditions or the Trust Deed.

15 **The Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trustee may rely without liability to Bondholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Bondholders.

16 **Notices**

All notices regarding the Bonds will be valid if published through the electronic communication system of Bloomberg. The Issuer shall also ensure that all notices are duly published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed and/or admitted to trading. Any such notice shall be deemed to have been given on the date of such notice. If publication as provided above is not practicable, notice will be
given by publication in a newspaper of general circulation in London (which is expected to be the *Financial Times*).

However, so long as the Bonds are represented by a global Bond registered in the name of, and held by a nominee or on behalf of, a common depository for Euroclear Bank SA/NV ("Euroclear") or Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg") notices to Bondholders shall instead be given by the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg as the case may be.

17 Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further notes, bonds or debentures either having the same terms and conditions in all respects as the outstanding notes, bonds or debentures of any series (including the Bonds) or in all respects except for the first payment of interest on them and the first date on which Conversion Rights may be exercised and so that such further issue shall be consolidated and form a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) or upon such terms as to interest, conversion, premium, redemption and otherwise as the Issuer may determine at the time of their issue. Any further notes, bonds or debentures forming a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other notes, bonds or debentures may, with the consent of the Trustee, be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of notes, bonds or debentures of other series in certain circumstances where the Trustee so decides.

18 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

19 Governing Law and Jurisdiction

(a) *Governing Law*

The Trust Deed, the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law, save in respect of Conditions 2(b) and 2(c) and the corresponding provisions of the Trust Deed which are governed by, and shall be construed in accordance with, Italian law.

(b) *Jurisdiction*

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed or the Bonds ("Proceedings") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and has waived any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the Trustee and each of the Bondholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) *Agent for Service of Process*

The Issuer has irrevocably appointed Law Debenture Corporate Services Limited at its registered office for the time being, currently at Fifth Floor, 100 Wood Street, London EC2V 7EX, United
Kingdom as its agent in England to receive service of process in any Proceedings in England. Nothing herein or in the Trust Deed shall affect the right to serve process in any other manner permitted by law.
Schedule 5
Form of Directors’ Certificate

[ON THE HEADED PAPER OF THE ISSUER/GUARANTOR]

To: BNP Paribas Trust Corporation UK Limited
55 Moorgate
London EC2R 6PA
United Kingdom

[Date]

Dear Sirs

Azimut Holding S.p.A.
€250,000,000 2.125 per cent. Subordinated Convertible Bonds due 2020

This certificate is delivered to you in accordance with Clause 10.5 of the Trust Deed dated 25 November 2013 (the “Trust Deed”) and made between Azimut Holding S.p.A. (the “Issuer”) and BNP Paribas Trust Corporation UK Limited (the “Trustee”). All words and expressions defined in the Trust Deed shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein. The undersigned, having made all reasonable enquiries to the best of their knowledge, information and belief:

(a) As at [●]¹, no Event of Default or Potential Event of Default or Relevant Event existed [other than [●]]² and no Event of Default or Potential Event of Default or Relevant Event had existed at any time since [●]³ (the Certification Date (as defined in the Trust Deed) of the last certificate delivered under Clause 10.5⁴)/(the date of this Trust Deed) [other than [●]]⁵; and

(a) From and including [●]³ (the Certification Date of the last certificate delivered under Clause 10.5⁴)/(the date of this Trust Deed) to and including [●], the [Issuer] confirms that there has been no breach in respect of its obligations under the Trust Deed [other than [●]]⁶ and that no Relevant Event [other than [●]]⁷ has occurred.

For and on behalf of

Authorised Director

¹ Specify a date not more than 5 days before the date of delivery of the certificate.
² If any Event of Default or Potential Event of Default or Relevant did exist, give details; otherwise delete.
³ Insert date of Trust Deed in respect of the first certificate delivered under Clause 10.5, otherwise delete.
⁴ Include unless the certificate is the first certificate delivered under Clause 10.5, in which case delete.
⁵ If any Event of Default or Potential Event of Default or Relevant Event did exist, give details; otherwise delete.
⁶ If the Issuer has failed to comply with any obligation(s), give details; otherwise delete.
⁷ If a Relevant Event has occurred, give details; otherwise delete.
This deed is delivered on the day and year first before written.

Please transcribe in full the text of this Trust Deed, sign the document by your authorised officer to indicate your full and unconditional acceptance thereof in your capacity as Issuer and return it to us.

Yours faithfully

[COMMON SEAL AFFIXED]

THE COMMON SEAL OF
BNP PARIBAS TRUST CORPORATION UK LIMITED
as Trustee was hereunto affixed in the presence of:

Director:

Director/Authorised Signatory:

Executed as a deed on the date first stated.

We hereby confirm our full and unconditional acceptance of your Proposal.

Yours faithfully

AZIMUT HOLDING S.p.A.

By: [Signature]

Executed as a deed on the date first stated.
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