

## English Courtesy Translation

*Should any conflict arise between the Italian version of the Tender Rules and this translation, the Italian version shall prevail.*

### **TENDER RULES OF THE SALE PROCEDURE REGARDING THE BUSINESSES UNIT CARRIED OUT BY TESSITURA MONTI S.P.A. IN JUDICIAL WINDING UP PROCEEDINGS (R.G. NO. 18/2023 – COURT OF VENICE)**

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#### **I. Foreword**

The purpose of this document (the “**Tender Rules**”) is to illustrate and regulate the terms and conditions of the sale procedure involving the Business Unit (as defined and identified below) carried out by Tessitura Monti S.p.A. in judicial winding up proceedings (“**Tessitura Monti**” or the “**Procedure**”).

By decree dated 29.3.2023, notified on 31.3.2023, the Court of Venice: (i) declared the opening of the judicial winding up proceedings of Tessitura Monti; (ii) appointed Ms. Silvia Bianchi as Delegated Judge and Mr. Fabio Pettinato as Receiver; (iii) ordered the provisional continuation of the business activity until 31.5.2023, subject to extensions, in order to complete the activities currently in progress and to proceed with the relevant deliveries to customers and to allow the sale of business unit in operation to third parties.

On 19.5.2023, the Receiver received an irrevocable and binding offer to purchase the Business Unit (the “**Irrevocable Binding Offer**”), as defined and identified below, in the amount of Euro 1,300,000.00, plus taxes and duties, (the “**Consideration**”) consisting of: (i) Euro 300,000.00 by way of consideration for the elements of the

Business Unit with the exception of the inventory (“**Consideration for the Business Unit without the Inventory**”); (ii) Euro 1,000,000.00 by way of provisional consideration of the inventory (as defined and identified below) (“**Provisional Consideration of the Inventory**”).

The Irrevocable Binding Offer provides, among others, for an adjustment mechanism of the Provisional Consideration of the Inventory, which is better detailed in the Irrevocable Binding Offer itself.

The business unit (the “**Business Unit**”) subject to the sale procedure under these Tender Rules, consists of the following assets/contracts/activities (as better detailed in the Irrevocable Binding Offer):

- (i) machinery and equipment in the sampling department and in the yarn and fabric laboratory, equipment in the finished products warehouse, office and archive furniture and equipment, material and equipment for setting up exhibition stands and company cars;
- (ii) computer systems and input/output devices;
- (iii) trademarks owned by the Procedure, certifications of Tessitura Monti and Sictess branded products, historical archive - both physical and IT - of fabrics and samples; logos, models, distinctive signs and branded materials;
- (iv) orders received by the Procedure that are in progress on the date of signing the preliminary agreement for the sale of the Business Unit (“**Signing**”) as well as all further orders received by the Procedure subsequently to the Signing, provided that - in both cases - still in progress on the date of the notarial deed of transfer of the Business Unit (“**Closing**”). “Orders still in progress at Closing” means all orders for which production/assembly/finishing activities still need to be carried out, in whole or in part. Therefore, this category does not include orders for goods that are ready to be shipped to the customer: these orders will remain in the hands of the Procedure, which will proceed with the shipment and collect the relevant consideration;
- (v) license agreement for “Tessitura Monti India” trademark dated 28.12.2022;
- (vi) employment contracts with n. 16 workers divided into:

- (a) no. 3 area manager employees (of which no. 1 Italy area manager, no. 1 Europe area manager, no. 1 non-European area manager, i.e. UK, China, Japan, Korea, Usa);
  - (b) no. 4 commercial back office employees (of which no. 1 Italy back office employee and no. 3 foreign back office employees);
  - (c) no. 1 financial director;
  - (d) no. 2 administrative employees (of which no. 1 administrative employee responsible for active cycle e no. 1 administrative employee in charge of the liability-accounting cycle);
  - (e) no. 4 employees in the creative department (of which no. 1 creation office coordinator in charge of collections, no. 1 print designer e no. 2 designers yarn-dyed collections and exclusive customers);
  - (f) no. 1 production manager; and
  - (g) no. 1 laboratory manager.
- (vii) part of the inventory, in the consistency that will result from the inventory to be carried out jointly within 15 days from the Closing date (the “**Inventory**”).

The Business Unit does not include:

- (i) neither the claims of the Procedure of any kind and/or nature existing at the date of the Closing;
- (ii) nor the debts of the Procedure of any kind and/or nature whatsoever, including those towards personnel in any capacity whatsoever, nor any charges, commitments, liabilities, contingent liabilities of any kind and/or nature whatsoever, arising prior to the Closing date;
- (iii) nor agency agreements.

The details of the assets, contracts and activities constituting the Business Unit are at the disposal of the interested parties and can be viewed, upon transmission of an expression of interest to submit a purchase offer (the “**Expression of Interest**”) to the following certified email address (“**PEC**”): [lg18.2023venezia@pecliquidazionigiudiziali.it](mailto:lg18.2023venezia@pecliquidazionigiudiziali.it), under the terms set forth below, through access to the data room referred to in § III below and/or to the industrial

plant located in Maserada sul Piave (TV), Via Saltore n. 10, upon appointment scheduled, with suitable advance notice, with the Receiver.

The Receiver's communications to the parties that have expressed interest will be made:

- (i) by PEC from the address [lg18.2023venezia@pecliquidazionigiudiziali.it](mailto:lg18.2023venezia@pecliquidazionigiudiziali.it), and
- (ii) to the PEC address (if Italian subject) or to the e-mail address (if foreign subject) that the interested party will have communicated in the Expression of Interest.

All communications relating to the sale procedure addressed to the Receiver must be transmitted exclusively to the PEC address [lg18.2023venezia@pecliquidazionigiudiziali.it](mailto:lg18.2023venezia@pecliquidazionigiudiziali.it) from the PEC address (if Italian subject) or from the e-mail address (if foreign subject) that the interested party will have communicated in the Expression of Interest.

In light of the above, Tessitura Monti intends to commence a sale procedure pursuant to and for the purposes of Article 214 D. Lgs. 12.1.2019, n. 14 as amended (*Codice della Crisi d'Impresa e dell'Insolvenza*, “**CCII**”), the conduct of which is governed by these Tender Rules.

In order to give the widest possible publicity to this sale procedure, on 30 May 2023, the Receiver, pursuant to the authorisation of the Delegated Judge on 29 May 2023, published on the Public Sale Portal, on the websites “[www.idealista.it](http://www.idealista.it) - [www.casa.it](http://www.casa.it) - [www.bakeca.it](http://www.bakeca.it) - [www.immobiliare.it](http://www.immobiliare.it)” on the newspapers “Il Sole 24 Ore” and “Il Gazzettino” on the newsletter “Pambianco Daily”, an invitation (the “**Invitation**”) to submit improved binding offers for the purchase of the Business Unit.

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## **II. Terms and conditions of the sale**

The transfer - without prejudice to the provisions set forth with reference to Inventory - shall take place in bulk (*a corpo*) and not by measurement (*e non a misura*), and in the factual and legal condition in which the goods/contracts/assets constituting the Business Unit are found; any differences in measure shall not give rise to any compensation, indemnity or price reduction.

Any capital goods not in compliance with the applicable regulations, if included in the inventory, shall be deemed to be the object of the agreement only as assets “to be

scrapped”, with the exclusion of any liability of the Procedure in the case of their use by the successful bidder. In the case of any goods not in compliance with safety regulations and not bearing the CE mark, the successful bidder is obliged to proceed, at its sole care, expense and risk, to bring them into compliance with regulations or, if this is not possible, to dispose of them in accordance with the law.

The sale takes place, as stated above, in the factual and legal condition in which goods, contracts and assets included in the perimeter of the Business Unit are found without any guarantee whatsoever. Since this sale is in the form of a tender, the assignment is not subject to the rules concerning warranties for defects or lack of quality, nor may it be revoked for any reason whatsoever, without prejudice to the provisions of the law on this regard.

Consequently, the existence of any defects, lack of quality or non-conformity of the purchased assets, burdens of any kind - including, for example, those deriving from the possible need to adapt plants and facilities to the applicable laws, for any reason not considered, even if hidden and/or in any case not highlighted by the Receiver - shall not give rise to any compensation, indemnity or reduction of the price, nor, least of all, to the termination/cancellation/invalidity of the agreement, given that it was taken into account both in the evaluation of the assets and in the offer submitted.

The taxes and duties provided for by law, as well as notary expenses and expenses relating to transcriptions, registrations or inscriptions in public registers, relating to and/or consequent to the transfer of the Business Unit, including related and dependent technical expenses and the expenses of dismantling, removal and transport of movable assets, shall be borne exclusively by the successful bidder under the terms of the preliminary sale and purchase agreement of the Business Unit.

Therefore, the successful bidder waives, in the future, to assert against the Procedure any exception, claim, request, dispute regarding the identity, legal status, quality, consistency, proper functioning and/or existence of the good/assets/contracts included in the Business Unit related to this sale procedure. The Procedure is also exonerated from any liability for the existence of any rights of third parties.

Any disposals and/or adaptations of the assets to prevent and/or safety regulations, as well as to ecological and environmental protection regulations and, in general, to the regulations in force, shall be borne in full by the purchaser, who shall be responsible for any expense and/or burden, relieving the Procedure as of now from any liability and waiving any right of recourse/recourse against the same.

In particular, the successful bidder assumes all liability for any damage of an environmental and/or structural nature deriving from and/or referable to the activity of dismantling and transport of the goods, machinery and equipment located within the Maserada sul Piave plant, carried out by the successful bidder or other parties appointed by the successful bidder and/or in any case referable to the successful bidder.

The successful bidder also undertakes to allocate insured personnel in all operations pertaining to the dismantling and removal of goods, machinery and equipment, and to draw up the safety plan, relieving as of now the Procedure from any liability towards persons or things present at any time inside the premises. The successful bidder shall inform the Procedure of the name of the person who will be in charge of directing the dismantling and removal operations and enforcing safety regulations.

It is hereby acknowledged that there are other assets in the Maserada sul Piave plant that are not included in the Business Unit, which are identified and listed in the inventory report available to all interested parties. Therefore, the successful bidder shall be liable for any damage caused to the aforesaid assets by negligent and/or wilful acts.

The Closing shall be held no later than 15 July 2023.

The successful bidder has the right to appoint for the purchase of the Business Unit a joint stock company controlled by the same within 5 days from the signing of the preliminary sale and purchase agreement of the Business Unit, without prejudice to the successful bidder's joint and several liability for the obligations undertaken with such preliminary sale and purchase agreement.

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### **III. Access to the data room, inspections and possible due diligence activities**

In order to have access to the data room (containing, in particular, the summary of the terms and conditions of the Irrevocable Binding Offer and all the data and information necessary to identify the assets, the activities and the contractual relationships subject of the Business Unit), to request inspections or to carry out other activities of technical due diligence, the interested parties shall send to the Procedure at the above-mentioned PEC address the Expression of Interest, signed by the legal

representative of the interested party or by an attorney with relevant powers to represent the same, together with the following documents:

- (i) in the case of a natural person, a declaration made in accordance with Presidential Decree no. 445/2000, that he/she is not subject to interdiction or precautionary measures pursuant to Articles 13, 14, 15, 16, 45 of Legislative Decree no. 231/2001, nor to proceedings or prohibitory measures pursuant to the anti-mafia law (Legislative Decree no. 159/2011) and that he/she meets the requirements of integrity pursuant to Ministerial Decree no. 169/2020;
- (ii) in the case of an entity, company or other legal person:
  - (a) a copy of the articles of association and by-laws in force and the updated company excerpt;
  - (b) summary overview of the chain of control up to the top and, in the case of a listed company, a list of the ten largest shareholders;
  - (c) list of the members of the corporate bodies and attached statement, signed by each of the members of those corporate bodies, made in the forms set out in Presidential Decree No. 445/2000, not to be subject to interdiction or precautionary measures as per Articles 13, 14, 15, 16, 45 of Legislative Decree No. 231/2001, nor to any proceedings or prohibitory measures pursuant to the anti-mafia law (Legislative Decree No. 159/2011, as amended) and to meet the requirements of of integrity pursuant to the Ministerial Decree No. 169/2020;
  - (d) balance sheet and, if any, consolidated financial statements, for the last three financial years or, if the bidder is a newco or, in any case, an entity established for less than three years, a copy of the available financial statements of the newco and a copy of the balance sheet and, if any, consolidated financial statements of the controlling entity and of the other shareholders linked to it by shareholders' agreements and/or participating in and/or contributing to the control of the newco or having significant influence over it or any right of veto or representation in its corporate and control bodies;
- (iii) in the case of a consortium (and therefore a group of entities - provided that they are limited companies, including newly incorporated ones - linked by agreements or other forms of association, the "**Consortium**"), the members

of the Consortium were asked to (x) prepare an aggregate offer, signed by their respective legal representatives and bearing the name or the company name of the legal entity designated as common representative to implement the sale procedure and as common recipient of the related communications and (y) provide the above mentioned documents *sub* paragraphs (i) and (ii) with reference to each of the Consortium members;

- (iv) non-disclosure agreement by the interested party, conforming to the model prepared by the Receiver, signed on each page and signed at the bottom for acceptance by the legal representative of the interested party (or, in the event of a Consortium, as defined above, by the legal representative of each of the parties participating in such Consortium);
- (v) virtual data room rules and for the consultation of the documents contained therein prepared by the Receiver, signed on each page and signed at the bottom for acceptance by the legal representative of the interested party (or, in the event of a Consortium, as defined above, by the legal representative of each of the parties participating in such Consortium);
- (vi) a declaration of awareness and full acceptance of the terms and conditions of the sale of the Business Unit set forth in these Tender Rules;
- (vii) a copy of these Tender Rules stamped and signed on each page and signed in full on the last page by the bidder (in the case of a natural person) or by the bidder's legal representative or by a person with adequate signing authority whose power of attorney has been produced (in the case of a legal person), in full acceptance of the terms and conditions herein;
- (viii) a list indicating the names and position (e.g., employee, legal advisor, financial advisor, etc.) of the persons in charge of accessing the data room (the “**Work Team**”) and of the person designated as head of the Work Team (the “**Team Leader**”).

The Expression of interest will not be considered if:

- (i) submitted by a person who, at the date of submission of the application, is in a state of bankruptcy (or judicial winding up proceedings), administrative compulsory liquidation, composition with creditors, or in respect of which proceedings are pending for the opening of such bankruptcy proceedings, or is subject to any type of procedure, regulated by Italian or foreign law, which

indicates a state of insolvency or crisis, sale of business or compulsory administration;

- (ii) submitted by a person to be appointed, except in the case of a corporation controlled by the person submitting the Expression of Interest, as defined in paragraph II;
- (iii) if not drafted in compliance with these Tender Rules.

The Receiver, after examining the expressions of interest received, on the basis of the information contained therein, will send formal notice of admission to the data room to carry out the due diligence, containing a dedicated link, to the interested parties deemed suitable (the “**Admitted Parties**”).

The due diligence will concern the information documents made available in the data room, as well as the carrying out of on-site inspections, to be agreed upon with the Receiver.

Until the closure of the data room, the Admitted Parties may submit to the Procedure any requests for clarifications or for further information on the documents examined; replies and any additions to the documentation shall be included in the data room in a special section, after deletion of the references to the requesting party and made available to all the other Admitted Parties.

All the information contained in the data room shall be autonomously verified by the Admitted Parties.

The Procedure, together with its employees, consultants or agents in any capacity whatsoever, assumes no responsibility or warranty whatsoever as to the accuracy and completeness of the information and documentation included in the data room, provided or transmitted in any other form to the Admitted Parties, bidders or other parties participating in this sale procedure; it is therefore the sole responsibility of such parties to verify such documentation at their own exclusive risk, expense and responsibility.

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#### **IV. Definitive and Binding Offers**

Binding offers may be submitted by anyone, except by the debtor and by all parties that, by law and/or according to these Tender Rules, are not admitted to the sale of the Business Unit and, in general, to the tender procedure.

The Receiver has been authorized pursuant to article 216, paragraph 2, CCII to carry out the synchronous telematic auction by means of the Fallco Aste platform (the “**Auction**”), which shall be held according to the procedures set forth in these Tender Rules. The tender shall be carried out in the telematic synchronous mode, as defined by article 2 of Ministerial Decree 32/2015, which provides that the offer and the raises may be formulated only by telematic methods.

Bidders must, therefore, adhere to the procedures established by the operator after registering free of charge on the [www.fallcoaste.it](http://www.fallcoaste.it) platform, following the specific instructions therein, in particular contained in the “Operating Guide” on the platform.

Offers must be drawn up in Italian or English and must be submitted no later than 12:00 (CEST) on 19.6.2023, as indicated in the Invitation, using the telematic methods established by law and by the operator. In particular, after connecting and accessing the operator’s platform [www.fallcoaste.it](http://www.fallcoaste.it) free of charge, the bidder shall select the lot of interest; the operator’s website provides the “MAKE A BID” (“*FAI UN’OFFERTA*”) command that allows the purchase offer to be filled in.

Once registered, the user is responsible for his or her own access codes (username and password) and may not cede or disclose them to third parties, since these codes will be used to identify him or her in the system. The references entered during registration on the portal by the interested party (or subsequently modified by the same) will be used for sending all communications relating to the procedure and it is the responsibility of the registered party to promptly update in their profile any changes to their e-mail address.

In the case of offers drawn up in English, they must be accompanied by an Italian translation signed by the bidder and contain the express provision that, in the event of discrepancies, the Italian version shall prevail.

The total amount offered for the Business Unit (the “**Offered Price**”) is intended as the sum of the amount offered as Consideration for the Business Unit without the Inventory and the Provisional Consideration of the Inventory, it being understood that the Provisional Consideration of the Inventory remains fixed and unchangeable in the amount of Euro 1,000,000.00 (one million) indicated in the Irrevocable Binding Offer.

Irrevocable offers shall, under penalty of inadmissibility, be accompanied by a deposit in the amount of 10% of the Offered Price (the “**Deposit**”).

The payment of the Deposit shall be made by bank transfer, with the following as reason for payment: number of the judicial winding up proceeding, scheduled date for the examination of the offers, number of the lot, name of the bidder. Said payment must be received within a reasonable period, so that the correct crediting of the deposit to the aforementioned bank account and the generation of the bank accounting receipt can be verified no later than the expiry of the deadline for submission of bids indicated in the Invitation. The copy of the payment account note must be attached to the telematic envelope containing the offer. Failure to credit the bank transfer to the account indicated in time shall be cause for the inadmissibility of the offer.

For participation in the Auction, shall apply in any case all the provisions contained, to the extent compatible with the operator's procedures, in Ministerial Decree 32/2015, herein fully recalled.

The bidder must pay the statutory stamp duty (amounting to Euro 16,00) by purchasing the stamp and affixing it on a sheet to be enclosed among the documents required for the offer or by paying the amount of Euro 16,00 by means of an F23 or F24 form and including the receipt for the payment among the documents required for the offer.

The irrevocable binding offer shall include:

- (i) the declaration of purchase offer containing:
  - (a) for natural persons: surname and first name, place and date of birth, domicile, tax code, marital status, fixed telephone number or mobile telephone number, ordinary e-mail address and certified e-mail address, if any;
  - (b) for individual enterprises and companies: company name, registered office, tax code and VAT number, fixed telephone number or mobile telephone number, certified e-mail address, surname and first name of the legal representative and the latter's tax code;
  - (c) indication of the Offered Price, which shall not be lower than the Consideration equal to Euro 1,300,000.00 (one million three hundred thousand), under penalty of invalidity of the offer, and with reference to which the amount offered as the Consideration for the Business Unit without the Inventory shall be expressly specified, being the

Provisional Consideration of the Inventory fixed and unchangeable at Euro 1,000,000 (one million). In the event of a discrepancy between the price indicated in figures and the price indicated in letters, the higher amount shall be deemed valid;

- (d) express statement that the offer is irrevocable and valid until 15.7.2023;
  - (e) indication of the terms and conditions of payment of the price, which may not, however, be different from or exceed those set forth in the Irrevocable Binding Offer;
- (ii) the declaration of awareness of the contents of the Irrevocable Binding Offer and to fully accept all the rules contained therein for the transfer of the Business Unit, including the price adjustment mechanism of the Provisional Consideration of the Inventory as well as the operating conditions relating to the cessation of Tessitura Monti's activity, as better regulated in §I., points 3, 4 and 5 of the Irrevocable Binding Offer;
  - (iii) the declaration that the offer is made for the purchase of the entire Business Unit, as better identified and described in these Tender Rules and in the Irrevocable Binding Offer, in factual and legal state in which it is found, it being clarified that partial offers for the purchase of assets or contracts shall not be considered valid;
  - (iv) the express assumption of the commitment (a) to initiate, if requested by the Procedure and within the timeframe indicated by the latter, the trade union consultation procedures relating to the transfer of the Business Unit pursuant to art. 47 L. 29.12.1990, n. 428 (as amended) and/or to participate in the relevant meetings also with respect to procedures already commenced by Tessitura Monti, all for the purpose of entering into an agreement pursuant to Article 47, paragraph 5, Law 29.12.1990, no. 428 (as amended) with the trade unions that provides, in the event of award of the Business Unit to the bidder, the employment of the bidder (or the appointed third party) of no. 16 employees also with new contractual conditions and (b) to maintain, to the extent possible, the place of employment in the municipality of Maserada sul Piave (TV) and in any case in another municipality located in a neighbouring area within a radius of no more than 25 km from the current site of the Tessitura Monti plant; (c) not to unreasonably refuse to consent to a trade

union agreement that, in the context of the above-mentioned procedure pursuant to art. 47 L. 29.12.1990 n. 428, the Receiver of Tessitura Monti should deem convenient;

- (v) the bidder's commitment to execute the Signing and the Closing (the latter to be held no later than 15.7.2023) within and no later than the terms indicated in the Irrevocable Binding Offer and to fulfil all the obligations arising from the participation in the sale procedure of the Business Unit, under penalty of forfeiture of the award with loss of the amount paid as security deposit that shall be retained by the Procedure;

The bidder, under penalty of unacceptability and inadmissibility, may not contain conditions or terms or any clause intended to condition, limit or exclude in whole or in part its effectiveness and/or in any case conditions or terms other than those indicated in these Tender Rules.

The following documents must be attached to the offer; each file must be digitally signed exclusively in PADES mode and have a pdf extension:

- (i) a copy of the payment slip of the bank transfer paid as security Deposit, for an amount equal to 10% of the Offered Price, in favour of "Tessitura Monti Spa in Liquidazione Giudiziale" to the current account of the Procedure having the following bank details: BCC Pordenonese e Monsile - Agenzia di Breda di Piave (TV), IBAN: IT 35 Y 08356 61500 000000069472, Swift/Bic Code: ICRAITRR9W0;
- (ii) a copy of an identity document of the bidder, if the bidder is a natural person; if the bidder is a company, a copy of the certificate of the commercial register or updated Chamber of Commerce certificate, a copy of the identity document of the person who has signed the offer on behalf of the company and who will participate in the tender and, if the bidder is not the company's legal representative, a copy of the document showing the relevant powers. In the case of entities incorporated in foreign countries, the indication of the bidding entity accompanied by appropriate documentation from the competent public bodies of that State, indicating the main particulars of the company and its legal representatives (in the case of a foreign company, the same shall provide the translation into Italian of the documents filed);

- (iii) a declaration containing the bank account details to which return the Deposit to the bidder in the event that the bidder is not successful at the end of the tender procedure for reasons not attributable to him;
- (iv) a copy of the documentation certifying the powers of the person who will represent the bidder at the Auction as defined below (excerpt and/or notarially authenticated proxy);
- (v) if drawn up in English, an Italian translation signed by the bidder containing the express provision that, in the event of discrepancies, the Italian version shall prevail;
- (vi) a copy of the Expression of Interest submitted pursuant to paragraph III of these Tender Rules, together with the related attachments, including the Tender Rules signed on each page, and signed for acknowledgement and acceptance. By signing for acknowledge and acceptance of these Tender Rules, the bidder expressly declares to be aware of the methods of participation in the Auction provided by the operator and to be aware of all the legal provisions concerning such methods, available on the platform of the operator of the telematic sale Fallco Aste and on the Portal of Public Sales managed by the Ministry of Justice;
- (vii) documentation proving payment of the statutory stamp duty (sheet of paper with stamp mark or alternatively F23 or F24 form).

Please note that the offer will be declared **inadmissible** if:

- (i) it is received after the deadline indicated in the Invitation;
- (ii) the Offered Price is lower than the Consideration;
- (iii) accompanied by a Deposit of less than 10% of the Offer Price;
- (iv) is filed by a person who has already submitted another offer in the same tender;
- (v) submitted by a person to be appointed, except in the case of a corporation controlled by the person making the offer, as defined in paragraph II;
- (vi) drawn up not in Italian nor in English and, if drawn up in English, without an Italian translation signed by the bidder with the express provision that, in the event of disagreement, the Italian version shall prevail;

- (vii) lacking a copy of the Expression of Interest submitted pursuant to paragraph III of these Tender Rules, together with its annexes, including the Tender Rules signed on each page, and signed for acknowledgement and acceptance;
- (viii) lacking one or more of the mandatory documents indicated in these Tender Rules.

Once the telematic offer has been entered, it will no longer be possible to modify or delete the offer and its documentation, which will be definitively acquired by the platform and stored by the platform itself in a confidential manner and not accessible to other bidders.

For assistance, the user may send an e-mail to the operator at [help@fallco.it](mailto:help@fallco.it) or call 0444-346211, operating Monday to Friday, 8.30 a.m. to 1 p.m. and 1.30 p.m. to 5.30 p.m.

The Deposit constitutes a down payment on the price in the event of award.

Instead, the Procedure shall refund, in favour of the unsuccessful bidder of the Business Unit for reasons not attributable to him, the amount paid as a Deposit at the end of the Auction, as defined below.

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## **V. Opening of the envelopes – Carrying out of the Auction**

The evaluation of the offers and the carrying out of the possible Auction will be made by the Receiver using the platform [www.fallcoaste.it](http://www.fallcoaste.it).

The Receiver may send messages to all participants, or only to some of them, to warn them about the timing of the start of the tender or for other communications. The messages will be displayed by the participants on the sale page.

On **20.6.2023** at 10.00 a.m., as indicated in the Invitation, the Receiver shall proceed, in the presence of the designated Notary Public, to the opening of the telematic envelopes, to the examination of the offers received and, if necessary, to the Auction.

The participation of bidders in the sale hearing will take place exclusively through the reserved area of the website [www.fallcoaste.it](http://www.fallcoaste.it), by accessing it with their personal credentials and according to the instructions received at the time of enabling participation.

When the envelopes are opened, the Receiver shall verify the accuracy and admissibility of the offers received in accordance with these Tender Rules.

In the event of multiple valid encrypted offers, upon completion of the examination of the offers, after the possible declaration of inadmissibility of the offers deemed to be inadmissible and the possible communication of changes relating to factual or legal state of the assets, which shall be promptly communicated by the Receiver to all bidders admitted to the Auction, the tender shall proceed among all bidders.

In any case, the participation instructions issued by the Auction operator, to which the bidder must refer for any further information, clarification and assistance shall apply. All users whose offers have been deemed admissible by the Receiver pursuant to these Tender Rules may participate in the Auction by telematic means.

The Auction, which shall be conducted in synchronous telematic mode, shall commence upon completion of the operations for the examination of the offers, after the possible declaration of inadmissibility of the offers deemed to be inadmissible and the possible communication of changes relating to factual or legal state of the assets, which shall be promptly communicated by the Receiver to all the online bidders.

Bidders must connect to the platform of the telematic sale operator and must, under penalty of exclusion from the Auction, properly understand and speak Italian.

The platform will allow the identification of connected bidders while preserving anonymity.

The platform of the telematic sale operator will allow all connected users to know the progress of the tender, the offers submitted and the countdown.

All parties whose offers have been deemed valid and admissible and who have submitted to the Procedure an irrevocable offer, bearing an amount at least equal to the Consideration, formulated in accordance with the criteria set forth in these Tender Rules, shall participate in the Auction, as well as the party that has submitted the Irrevocable Binding Offer, which shall in any case be required to submit its telematic offer in accordance with the procedures set forth in these Tender Rules, with the specification that the deposit already paid shall be deemed valid for the purposes of the admissibility of the offer.

The price to be set as the basis of the Auction shall be equal to the highest Offered Price indicated in the irrevocable binding offers received pursuant to these Tender Rules (“**Base Auction Price**”).

The Auction shall take place on the Base Auction Price, by means of increased raises to be made, each, within (maximum) **sixty (60) seconds** from the opening of the tender or from the immediately preceding offer; the increase may not be less than the minimum raise of **Euro 25,000.00 (twenty-five thousand/00)**.

In the event that several valid offers are submitted, a competition will be held between the bidders via the [www.fallcoaste.it](http://www.fallcoaste.it) platform on the basis of the highest offered price (this applies even if there are two or more offers of the same amount).

The tender will therefore start immediately after the opening of the envelopes of offers and the admissibility check of all offers received.

Bids deemed to be regular will automatically qualify the bidder to participate in the tender.

If the Auction cannot take place due to a lack of raises, the Receiver shall award the Business Unit to the highest bidder. If no highest bidder can be identified because all offers are equal in amount and there were no raises during the tender, the lot shall be awarded to the bidder who was the first to submit the offer according to the telematic results.

Please note that even in the case of non-connection/presence of the sole bidder, the award may still be made in its favour.

The Auction shall be declared concluded when the maximum time limit has expired without any improved telematic offer with respect to the last valid offer (the “**Tender Consideration**”). The bidder with the last valid offer shall be declared the successful bidder.

It should be noted that, since the Tender Consideration component consists of the Provisional Consideration of the Inventory fixed and unchangeable in the amount of Euro 1,000,000.00, the differential shall constitute consideration for the other components of the Business Unit other than Inventory.

The offer, although irrevocable, does not in itself give the right to purchase the Business Unit. Subsequent increased offers will not be taken into consideration, with the exception of the provision of Art. 217 CCII.

Upon the closing of the Auction, the Receiver shall draw up the Auction minutes. The successful bidder’s contact details will also be collected. Only the name of the successful bidder will be made known.

The subsequent sale will be entered into by notarial deed subject to the authorization of the Delegated Judge pursuant to Article 217 CCII.

In the event of the award of the Business Unit and in the event that there is more than one offer, the unsuccessful bidders will obtain the return of the amounts paid by bank transfer as Deposit.

The adjudication shall not entail any obligation for the Receiver and the Procedure to enter into the deed of sale of the Business Unit and shall not give rise to any reliance for the successful bidder, nor any right to compensation for damages in the event of failure to enter into the deed. In fact, this is without prejudice to the possibility for the Delegated Judge to suspend the Auction or not to authorize the stipulation of the contract of sale of the Business Unit.

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#### **VI. Adjudication, signing of the preliminary sale and purchase agreement and finalization of the sale**

Once the above-described phase is completed, the Receiver shall submit to the Delegated Judge the adjudication proposal in order to obtain the authorizations required by law to be able to proceed with the signing of the preliminary sale and purchase agreement of the Business Unit and the related notarial deed of transfer of the Business Unit (which must be signed no later than 15.7.2023).

Any final determination as to the sale is, in fact, subject to the authorizing power of the Court.

\* \* \*

#### **VII. Tender Consideration and Sale Taxes Payment**

The Tender Consideration shall be paid, after deduction of the Deposit, no later than the terms set forth in the preliminary sale and purchase agreement.

In the event of non-payment of the Tender Consideration and/or failure to provide the relevant guarantees within the terms set forth in preliminary sale and purchase agreement, the successful bidder shall be declared debarred, with the consequent forfeiture of the Deposit by way of penalty and, in the event of a subsequent sale of the Business Unit at a lower price, shall be required to pay the difference not collected by way of compensation for greater damages. In such event, the Procedure may, at its sole discretion, call a new auction.

Taxes and duties as provided for by law, as well as notary fees and expenses relating to transcriptions, registrations or entries in public registers, relating and/or consequent to the transfer of the Business Unit, including related and dependent technical expenses, shall be borne exclusively by the successful bidder under the terms set forth in the preliminary sale and purchase agreement of the Business Unit.

\* \* \*

### **VIII. Final Provisions**

The processing of the data sent by interested parties will be carried out in accordance with the provisions of Legislative Decree No 196 of 30 June 2003, as amended, and with full respect for and protection of the confidentiality of the parties that have expressed their interest. The purpose of the processing of the data is to allow the verification of the eligibility of the subjects to participate in the sale procedure, as well as the proper conduct of the same.

The advertising of the sale procedure will be carried out on the following advertising channels:

1. pursuant to Article 490, paragraph 1 of the Civil Procedure Code by publication on the Public Sales Portal available at <https://portalevenditepubbliche.giustizia.it>;
2. pursuant to Article 490, paragraph 2 of the Civil Procedure Code by publication of the invitation to make improved offers, congruity assessment on the amount of the Irrevocable Binding Offer and any other useful documentation related to the Business Unit on the following sites:
  - a) [www.Idealista.it](http://www.Idealista.it)
  - b) [www.casa.it](http://www.casa.it)
  - c) [www.bakeca.it](http://www.bakeca.it)
  - d) [www.immobiliare.it](http://www.immobiliare.it)
3. pursuant to Article 490, paragraph 3 of the Civil Procedure Code on the regional/national edition of newspapers: Il Sole 24 Ore and Il Gazzettino
4. on the *newsletter* "Pambianco Daily" and "WWD".

For anything not provided for in the Tender Rules, this tender procedure is governed by Italian law.

Any dispute concerning the provisions of these Tender Rules shall be submitted to the exclusive jurisdiction of the Court of Venice.

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Maserada sul Piave (TV), 29 maggio 2023

**The Receiver of Tessitura Monti S.p.A. in judicial winding up proceedings**

Dott. Fabio Pettinato

\* \* \*

A copy of these Tender Rules must be attached to the offer, signed on each page, and signed for acknowledgement and acceptance, failing which the offer will be inadmissible.

On the platform [www.fallcoaste.it](http://www.fallcoaste.it) can be found all the necessary information and may also be downloaded the relevant documentation prepared by the operator, these instructions being considered an integral part of these Tender Rules.

*For acknowledgement and acceptance:*

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