

TERMS AND CONDITIONS OF THE SENIOR SECURED NOTES

ISSUED BY

SOLO SOLE S.R.L.

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

Solo Sole Senior Secured Notes 2042 (the “Notes”)

Euro 5,300,000 – due June 2042

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

ISIN CODE

IT0005359978

Solo Sole S.r.l.

Registered office: Caltanissetta (CL) Corso Umberto I n. 211 - 93100

VAT no.: 02034180857

Share capital: Euro € 10,000.00 (paid up for € 2,500.00)

The following is the text of the terms and conditions (the “**Terms and Conditions**”) of the Notes issued by Solo Sole S.r.l. (the “**Issuer**”) on May 13, 2019 (the “**Issue Date**”), pursuant to articles 2483 of the Italian civil code (the “**Italian Civil Code**”).

In these Terms and Conditions:

1. DEFINITIONS

“**Accounts**” means each of:

- (a) the Proceeds Account;
- (b) the Cash Trap Lockup Account;
- (c) the Debt Service Reserve Account;
- (d) the MRA Account
- (e) the Escrow Account;
- (f) the Distribution Account; and
- (g) any other account opened in accordance with the Conditions.

“**Account Bank**” means Banca Finanziaria Internazionale S.p.A., Agency of Milan, Via Manzoni 5, 20121 Milan.

“**Additional Amount**” has the meaning ascribed to it in Condition 7(xiii).

“**ADSCR**” means, in respect of any Calculation Date falling after the Interest Payment Date falling in 31 December 2020 both:

- 1) the historic Annual Debt Service Coverage Ratio, being the ratio of A:B where:

- A. is Cash Available for Debt in respect of the 12 month period ended on the relevant Calculation Date; and
- B. is the aggregate of (i) the amounts of Principal Amount Outstanding of the Notes to be redeemed and (ii) the Interest Amounts due, on the Notes on the two Interest Payment Dates immediately preceding the relevant Calculation Date,

and

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

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

- B. is the aggregate of (i) the amounts of Principal Amount Outstanding of the Notes to be redeemed and (ii) the Interest Amounts due, on the Notes of the 12 month period beginning on the relevant Calculation Date.

“ADSCR Trigger” means that the ADSCR is less than or equal to 1.20x (one point twenty times) on any Calculation Date falling after the Interest Payment Date falling in 31 December 2020.

“Affiliates” means, in relation to the Sponsor, any company, corporation or other entity, which controls, is controlled by or is under common control with the Sponsor and shall be considered an Affiliate only so long as the control, directly or indirectly, meets the conditions of this definition. For purposes of this definition, control, in relation to any company, corporation or entity, shall mean ownership or control, directly or indirectly, of more than fifty (50%) percent of the shares having voting rights, or other equivalent rights of the subject entity entitled to vote or having the right to appoint the majority of its board of directors (or equivalent) or otherwise (including by way of contract) having the right to control its management and operation.

“Annex A” means annex A hereto.

“Annex B” means annex B hereto.

“Annex C” means annex C hereto.

“Annex D” means annex D hereto.

“Annex E” means annex E hereto.

“Annex F” means annex F hereto.

“Annex G” means annex G hereto.

“Anti-Corruption Laws” means any anti-corruption laws and regulations applicable to the Issuer, including laws and measures implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption.

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

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

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

“Assignment of Claims” means the assignment by way of security in favour of the Noteholders of receivables arising out of the Project Documents (other than the Tariff Agreement and the Sponsor Tariff Agreement), entered into on or about the Issue Date.

“AU” means the sole authorization (*“autorizzazione unica”*) issued by the Sicily Region – *Assessorato dell’Energia e dei Servizi di Pubblica Utilità – Dipartimento dell’Energia* with DRS no. 446 of 19 July 2016, as amended and supplemented by DDG no. 5 of 3 January 2019.

“AU Transfer (Voltura)” means the deed by means of which the Sicily Region transfers (*“voltura”*) the AU from the Sponsor to the Issuer.

“Authorization” means an authorization, including the AU, consent, approval, resolution, license, exemption, filing, notarization or registration necessary to (i) build, operate and maintain the Plant and all activities related thereto and (ii) run the business in which the Issuer is engaged.

“Available Resources” means, at any date after the Issue date and before the Long Stop Date, the aggregate of:

- (a) the positive balance on the Proceeds Account;

- (b) the positive balance on the Escrow Account;
- (c) prior to the Issue Date, the Project Costs borne by the Sponsor;

“Base Case” means the agreed financial model published on the website of the Issuer and contained in a CD Rom initiated by the director(s) of the Issuer based on *inter alia* Technical Assumptions and Economic Assumptions, deposited with, and available at the registered office of, the Noteholders’ Representative or any other custodian agreed by the Issuer and the Noteholders, as updated in accordance with Annex A.

“Business Day” means a day (other than Saturday or Sunday or a public holiday in Italy or in the United Kingdom) on which banks are generally open for business in Rome, Milan and London and TARGET2 (or any successor thereto) is open.

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

“Calculation Agent” means Securitisation Service S.p.A. with registered office at Via Alfieri 1, Conegliano Veneto (TV), VAT no. 03546510268.

“Calculation Date” means a Business Day falling 7 (seven) Business Days following each Interest Payment Date, starting from the Interest Payment Date falling in 31 December 2020.

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

“Cash Available for Debt” means, in respect of any period, A minus B, where:

- (i) A is the aggregate Project Revenues expected to be received by the Issuer (without double counting) during that period; and
- (ii) B is the aggregate of all amounts payable by the Issuer during that period in respect of Operating Costs expected to be paid by the Issuer (without double counting).

“Cash Trap Lockup Account” means the bank account having IBAN No. IT36 S 03266 01600 000014024442 opened by the Issuer with the Account Bank.

“Change of Control” shall mean any event or circumstance in which any Person, other than a Relevant Person, acquires Control of (i) the Issuer or, until one calendar year following the entering into of the Transfer Agreement (ii) QSI or (iii) the Sponsor.

“Condition” means the relevant clause of the present Terms and Conditions.

“Connection of the Plant” means has the meaning ascribed to *“Entrata in Esercizio”* in the EPC Agreement.

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

“Control” or **“control”** means:

in respect of the Issuer:

- (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (A) cast, or control the casting of, more than 49.99% (forty nine point ninety nine per cent.) of votes that might be cast at a general ordinary meeting of the Issuer; or
 - (B) appoint or remove (whether as a result of the exercise of dominant influence in accordance with Article 2359, paragraph 1, numbers 2 and 3, of the Italian Civil Code or its equivalent under the relevant applicable laws (**“Dominant**

Influence”) or otherwise) all of, or the majority of, the members of the board of directors (or other equivalent body) of the Issuer; or

- (C) give directions with respect to the operating and financial policies of the Issuer, with which the members of the Issuer’s board of directors (or other equivalent body) are obliged to comply; or

- (ii) the ability to exercise Dominant Influence over the Issuer.

“Debt Service Reserve Account” or **“DSRA”** means the bank account having IBAN No. IT02 D 03266 01600 000014024459 opened by the Issuer with the Account Bank.

“Default Interest” has the meaning ascribed to it in Condition 5 (*Interest*).

“Default Early Redemption Date” has the meaning ascribed to it in Condition 8 (*Events of Default*).

“Default Early Redemption Request” has the meaning ascribed to it in Condition 8 (*Events of Default*).

“Direct Agreement” means the EPC Direct Agreement, the EPC Subcontract Direct Agreement, the O&M Direct Agreement and the MSA Direct Agreement.

“Distribution” means:

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

“Distribution Account” means the bank account having IBAN No. IT58 S 03266 01600 000014024434 opened by the Issuer with the Account Bank.

“Distribution Conditions” means that each of the following conditions has occurred on an Interest Payment Date, as verified on the immediately following Calculation Date:

- (i) the Principal Amount Outstanding of the Notes and the Interest Amount due and payable on the relevant Interest Payment Date have been duly paid by the Issuer;
- (ii) no Potential Event of Default or Event of Default has occurred and is continuing or would result from the making of such Distribution;
- (iii) no ADSCR Trigger or LLCR Trigger has occurred and is continuing;
- (iv) the Technical Advisor has delivered to the Noteholders the Technical Advisor Operating Report to be delivered, on the last due date of delivery, pursuant to Annex A (*Financial and Reporting Undertakings*);
- (v) the positive balance of the DSRA is equal to or greater than the DSRA Balance Target;
- (vi) if applicable, the MRA Account is credited with the relevant MRA Amount.

“DSRA Balance Target” means an amount equal to Euro 248,000.00 (two hundred forty-eight thousand/00) following the application of the Funds Flow Memo upon occurrence of the Second Release CPs and thereafter.

“Easement Decree” means the expropriation decree aimed at compulsory creation of cable easements rights over the areas concerned by the connection works related to the Plant, under D.P.R. no. 327/2001.

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

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

“Environmental Law” means any law or regulation which relates to:

- (a) the pollution or protection of the environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any environmental contaminant, including but not limited to, to the extent applicable:
 - (i) the Strategic Environmental Assessment Directive 2001/42/EC;
 - (ii) the Environmental Impact Assessment Directive 2011/92/EU;
 - (iii) the Habitats Directive 92/43/EEC;
 - (iv) the Birds Directive 2009/147/EC;
 - (v) the EU Water Framework Directive 2000/60/EC;
 - (vi) the Pollution Prevention Control Directive 2008/1/EC;
 - (vii) the Dangerous Substances Directive 2006/111/EC;
 - (viii) the Nitrates Directive 91/676/EEC; and
 - (ix) Italian laws and regulations implementing any of the above.

“EPC Contract” means the engineering, procurement and construction agreement entered into between the Sponsor and the EPC Contractor on or about the Issue Date for the purposes of the completion of the Plant’s construction works.

“EPC Contractor” means Kalor Systems S.r.l., incorporated under the laws of the Republic of Italy, with registered office at Via De Gasperi, 54/b, 92024 Canicattì (AG), VAT. No. 02522030846.

“EPC Direct Agreement” means the direct agreement entered into between the Sponsor, the EPC Contractor and the Noteholders.

“EPC Subcontractor” means Elianto S.r.l., with registered office at Parco Scientifico e Tecnologico - Edificio 1, Pula (CA), VAT No. 03111180927.

“EPC Subcontract” means the engineering, procurement and construction sub-agreement entered into between the EPC Contractor and the EPC Subcontractor for the purposes of the completion of the Plant’s construction works.

“EPC Subcontract Direct Agreements” means the direct agreement entered into between the EPC Contractor, the EPC Subcontractors and the Noteholders.

“Equity Contribution” means a Capital Increase or a Shareholder(s) Loan, for an aggregate amount not lower than the amount specified in the Funds Flow Memo and that will be updated until the Long Stop Date

“Equity Contribution Agreement” means the Agreement entered into among the Sponsor, QSI, the Issuer and the Noteholders whereby, *inter alia*, the Sponsor and QSI undertake to provide the Equity Contribution.

“Escrow Account” means the bank account having IBAN No. IT77 D 03266 01600 000014024467 opened by the Issuer with the Account Bank.

“Escrow Agreement” means the agreement entered into between the Issuer, the Account Bank and Foresight whereby the Issuer irrevocably instructs the Account Bank, in the interest of Foresight, as escrow account bank of the Escrow Account.

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

“**ExtraMOT Regulation**” means the ExtraMOT regulation issued by the Italian Stock Exchange in force from 8 June 2009 as subsequently amended or supplemented.

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

“**Event of Default**” has the meaning ascribed to it in Condition 8 (*Events of Default*).

“**FAC**” has the meaning ascribed to it under the EPC Contract as at the Issue Date.

“**Fee Letter**” means the fee letter entered into between the Issuer and Foresight Group S.à.r.l. on or about the Issue Date.

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

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

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

“**First Assignment of Tariff**” means the assignment by way of security in favour of the Noteholders of the Tariff, to be entered into between the Sponsor and the Noteholders.

“**First Interest Payment Date**” means the Interest Payment Date falling on June 30, 2019.

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

“**First Release CPs**” means all of the following events:

- (i) a Funding Shortfall has not occurred and evidence is provided to the Noteholders in a manner which is satisfactory to these latter that the applicable Equity Contribution has been duly credited to the Proceeds Account;

- (ii) all of the Project Documents have been entered into and are into force, other than (a) the Tariff Agreement, (b) the Sponsor Tariff Agreement, (c) the Transfer Agreement, (d) the O&M and (e) the O&M Direct Agreement;
- (iii) Fee Letter has been entered into and is into force;
- (iv) Subscription Agreement has been entered into and is into force;
- (v) the Intra-Group Loan has been entered into between the Issuer and the Sponsor in a form satisfactory to the Noteholders;
- (vi) the whole Security Package has been entered into and is into force, other than (a) the MRA Pledge (b) the Sponsor Account Pledge (c) the First Assignment of Tariff and (d) the Second Assignment of Tariff;
- (vii) the Notes have been admitted to trading on the ExtraMOT PRO by the Italian Stock Exchange;
- (viii) the initial Noteholders have received the Legal Opinion, the Legal Due Diligence the Insurance Due Diligence and the Technical Due Diligence;
- (ix) the PoA has been granted and is into force;
- (x) the Notes are listed under the “green section” of the ExtraMOT.

“**Foresight Group S.à.r.l.**” means Foresight Group S.à.r.l., Société à responsabilité limitée (Società a responsabilità limitata), with registered office in L-2320 Luxembourg, 68-70 Boulevard de la Pétrusse, registration number with the Company Register of Luxembourg with number B220274.

“**Funds Flow Memos**” means the charts showing the costs detailed in Annex F to be paid (i) on or about the Issue Date; (ii) upon occurrence of the First Release CPs; and (iii) the Second Release CPs by the Issuer in accordance with article 5.2(i), (ii) and (ii), Annex C.

“**Funding Shortfall**” means, on any date prior to the Long Stop Date, the amount by which the Available Resources are less than the Uses of Funds.

“**GSE**” means Gestore dei Servizi Energetici - GSE S.p.A., a joint stock company incorporated under the laws of Italy.

“**Guarantee**” means the irrevocable, unconditional on demand guarantee, in the form attached hereto as Annex H, granted for the benefit of the Noteholders by the Guarantor and that will expire on the first anniversary of the transfer of the full property of the Plant to the Issuer under the Transfer Agreement.

“**Guarantor**” means QSI.

“**Insolvency Proceedings**” means any bankruptcy or similar proceeding applicable to any company or other organization or enterprise under the relevant laws of incorporation or operation, and in particular, as for Italian law, under the Italian Bankruptcy Law and including but not limited to the following procedures: *fallimento*, *concordato preventivo*, *liquidazione coatta amministrativa*, and *amministrazione straordinaria delle grandi imprese in stato di insolvenza*.

“**Insurance Policy**” means any contract of insurance listed in Annex D.

“**Insurance Proceeds**” means any amount payable to the Sponsor, the Issuer, as applicable, by the relevant insurance company under the Insurance Policies.

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

“**Interest Payment Date**” has the meaning ascribed to it in Condition 5 (*Interest*).

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

“Interest Rate” means, *per annum*, on a ACT/ACT ICMA, (a) the product of 25% (twenty five per cent.) multiplied by the aggregate, capped at 6.00 (six per cent.) *per annum*, of (i) the Reference Rate and the (ii) the Margin, *plus* (b) the product of 75% (seventy-five per cent.) multiplied by the aggregate of (i) the Mid-Swap Rate, and the (ii) the Margin.

“Interest Rate Fixing Date” means, with respect to each Interest Period, the second Business Day preceding the first day of such Interest Period.

“Intra-Group Loan” means the loan agreement that will be entered into by the Issuer to the Sponsor whereby the Issuer will grant the Sponsor an amount of around Euro 4,000,000.00 (four million/00).

“Insurance Due Diligence” means the due diligence carried out by the insurance advisor appointed by the Issuer in the context the transaction at hand.

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

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

“Issuer” means Solo Sole S.r.l., a limited company (*società responsabilità limitata, con socio unico*) incorporated under the laws of the Republic of Italy, with registered office in Caltanissetta (CL), Corso Umberto I no. 211, share capital equal to Euro 10,000.00 fully subscribed and paid-up for Euro 2,500.00, tax code, VAT number and registration number with the Company Register of Caltanissetta no. 0234180857, REA no. CL - 115592.

“Issuer’s Group” means the Issuer and any other company qualified as “controlled” (*controllata*) by the Issuer pursuant to article 2359 of the Italian civil code.

“Italian Bankruptcy Law” means the Italian Royal Decree no. 267, dated March 16, 1942, as subsequently amended and supplemented.

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

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

“Joint Venture” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“Land” means the land on which the construction works of the Plant are currently being carried out and the Plant will be located.

“Legal Due Diligence” means means the due diligence carried out by the legal advisor appointed by the Issuer in the context the transaction at hand.

“Legal Opinion” means the legal opinion issued by Orrick, Herrington and Sutcliffe (Europe) LLP in favour of the Noteholders opining on (i) the corporate capacity, power and authority of the Issuer and the Sponsor to enter into the Transaction Documents and Directs Agreements to which they are parties, and, in relation to the Issuer, to issue the Notes, (ii) the legality, validity and enforceability of the Notes and the Transaction Documents and Direct Agreements to which the Issuer and the Sponsor are parties and (iii) the tax treatment of the Notes and the application of the substitutive tax regime pursuant to Article 20-bis of Presidential Decree of 29 September 1973, no. 601.

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

“Liquidated Damages” means any sum payable to or received by the Issuer in the nature of damages or compensation under, in relation to or in connection with, (i) any Project Document, excluding any Insurance Proceeds, (ii) partial or total nationalization, expropriation or compulsory purchase of any interest in the Plant or (iii) refusal, revocation, suspension or modification of any Authorization.

“LLCR Trigger” means that the LLCR is less than or equal to 1.20x (one point twenty times) on any Calculation Date falling after the Interest Payment Date falling in 31 December 2020.

“Loan Life Cover Ratio” or **“LLCR”** means, in respect of any Calculation Date falling after the Interest Payment Date falling in 31 December 2020, the ratio of “A” to “B” where:

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

“Long Stop Date” has the meaning ascribed to the term *“Deadline Fine Lavori Urbanistico - Edilizia”* under the EPC Contract as at the Issue Date, being October 12, 2019.

“Make-Whole Percentage” means, in respect of the Notes, the greater of:

- (A) 100 (one hundred) per cent.; and
- (B) the amounts equal to the price of the Notes (as reported in writing to the Issuer by the Calculation Agent) expressed as a percentage (and rounded, if necessary, to three decimal places (0.0005 and higher being rounded upwards and otherwise being rounded downwards)) at which the Make-Whole Yield on the relevant Notes is equal to the Make-Whole Rate.

“Make-Whole Rate” means the Mid-Swap Rate, as calculated three Business Days prior to the Optional Early Redemption Date, *plus* 0.50% (zero point fifty per cent.).

“Make-Whole Yield” means a yield calculated in accordance with the market practice for euro denominated securities of a similar nature to the Notes or on such other basis as the Noteholders and the Issuer, may approve.

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

“Margin” means 5.50 (five point fifty per cent.) *per annum*.

“Material Adverse Effect” means, with respect to an event that has already occurred, an effect which results in or is likely to result (in the Noteholders’ opinion, acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) in a material adverse change in: (i) the business, performance, financial conditions, operations of the Issuer or the Guarantor; (ii) the operation of the Plant; (iii) the ability of the Issuer to perform any of its payment obligations under the Notes and existing debt financing; or (iv) the legality, validity, priority or enforceability of any obligations or security created by or arising under the Notes and the Security Package.

“Mid-Swap Rate” means the linear interpolation of EURO mid-swap rates, as displayed on the Bloomberg screen <ICAE> <GO> as soon as practicable after 11:00 am (London time) up to 2

(two) Business Days before the Issue Date, for terms of 14 years and 15 years respectively, commencing on the Issue Date, with floating rate legs based on the 6-month EURIBOR rate, being equal to 0.76% (zero point seventy-six per cent.)

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

“Minimum Positive Balance” means an amount equal to Euro 192,000.00 (one hundred ninety-two thousand/00) following the application of the Funds Flow Memo upon occurrence of the Second Release CPs and thereafter.

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

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

“Mortgage on the Land” means the mortgage (*ipoteca*) granted on the Land by the Sponsor in favour of the Noteholders.

“MRA Account” means the bank account to be opened with the Account Bank upon instructions of the Noteholder to the Issuer and to be operated pursuant to para. 7 of Annex C (*Accounts Management*).

“MRA Amount” means the amount to be determined from time to time by the Technical Advisor, agreed with the Representative of the Noteholders and notified to the Issuer, as this will be evidenced in the Base Case and the updated Base Case.

“MRA Pledge” means the pledge over the positive balance of the MRA in favour of the Noteholders, having substantially same terms and conditions of the Pledge over Accounts.

“MSA Contractor” means the Sponsor.

“MSA Direct Agreement” means the direct agreement entered into between the Issuer and the MSA Contractor.

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

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

“Noteholders’ Representative” has the meaning ascribed to it in Condition 12 (*Meetings of the Noteholders*).

“Notes” means the Euro 5,300,000.00 senior secured notes due June 30, 2042, issued by the Issuer.

“O&M Agreement” means the operation and maintenance agreement of the Plant to be entered into between the Issuer and the O&M Contractor.

“O&M Contractor” means the Sponsor or any Affiliates thereof.

“O&M Direct Agreement” means the direct agreement entered into between the Issuer, the O&M Contractor and the Noteholders.

“Officer” means any of the following of the Issuer: the Chairman of the Board of Directors, the Chief Executive Officer, the General Manager, the Chief Financial Officer, or a responsible financial or accounting officer.

“Officers Certificate” means a certificate signed by two Officers.

“Operating Budget” means the semi-annual budget detailing the Operating Costs attached as Annex E.

“Operating Costs” means:

- (i) before any Default Early Redemption Request is served, all costs and expenses expected to be incurred by the Issuer in connection with the operation, management, maintenance, asset management and repair of the Plant including:
 - (a) operating and maintenance costs and expenses detailed in the Operating Budget and approved by the Technical Advisor in compliance with the provisions of Annex A (*Financial and Reporting Undertakings*);
 - (b) any capital expenditures detailed in the Operating Budget;
 - (c) costs, expenses and fees in connection with the management and administration of the Issuer;
 - (d) costs and expenses due under any Authorization;
 - (e) amounts payable under the Project Documents;
 - (f) premia payable in respect of Insurance Policies;
 - (g) utilities and consumption costs;
 - (h) Taxes (including VAT, other than with respect to costs under lett. (c) above); and
 - (i) all other costs and expenses agreed by the Noteholders, but excluding the following:
 - (i) any costs and fees due by the Issuer under the Transaction Documents;
 - (ii) amounts incurred or paid in respect of Shareholders Loans;
 - (iii) any amounts paid as Distributions to Shareholders;
 - (iv) depreciation, other non-cash charges, reserves, amortization of intangible and similar book-keeping entries; and
 - (v) all reinstatement or repair of work that is paid for by physical damage insurance proceeds.
- (ii) following the service of a Default Early Redemption Request:
 - a) on each Interest Payment Date, pay, *pro rata*, all costs, charges, fees and expenses of the Noteholders’ Representative;
 - b) payment or making a prudent reserve for Taxes;
 - c) pay Interest Amounts and Default Interest (if any) due and payable under the Notes;
 - d) repay the due and payable Principal Amount Outstanding of the Notes;
 - e) pay all costs, charges, fees and expenses (other than Interest Amounts, Default Interest and Principal Amount Outstanding) due and payable under the Notes or for the enforcement of any rights of the Noteholders under the Transaction Documents;
 - f) subject to the prior written consent of the Noteholders’ Representative in or towards and any other Operating Costs payable by the Issuer in accordance with the Operation Budget.

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

“Operating Report” has the meaning ascribed to it in Annex A (*Financial and Reporting Undertakings*).

“PAC” has the meaning ascribed to it under the EPC Contract as at the Issue Date.

“Paying Agent” means Banca Finanziaria Internazionale S.p.A., with registered office at via Vittorio Alfieri 1, Conegliano Veneto (TV), VAT no. 04040580963.

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

“Permitted Indebtedness” means the (i) Notes, (ii) any Shareholders Loan and any debt (including any guarantee) of the Issuer either (a) incurred in for the compliance of mandatory provisions of law or regulation in connection with the Authorizations for the construction and operation of the Plant or (b) incurred by the Issuer under the Project Documents and following the due performance thereof.

“Person” means any individual, company, corporation, firm, partnership, Joint Venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality.

“Plant” means the concentrated solar power plant located in the Municipality of Enna having an authorized capacity equal to 990 KW of electric output and the relevant connection facilities and cabins.

“Pledge over Accounts” means the pledge over the Accounts (other than the Distribution Account and the MRA Account).

“Pledge over Quotas” means the pledge over the quotas of the Issuer.

“PoA” means the irrevocable power of attorney and related irrevocable mandate granted by the Sponsor to Foresight Group S.à.r.l. for the execution of the Transfer Agreement.

“Potential Event of Default” means any of the events listed in Condition 8 (*Events of Default*) that, following to a resolution approved by the Noteholders under Condition 12 (*Meeting of the Noteholders*), would result in an Event of Default.

“Principal Amount Outstanding” means, at any relevant date, the Minimum Denomination *minus* the aggregate of all repayments of principal made on the relevant Note.

“Proceeds Account” means the bank account having IBAN No. IT80 S 03266 01600 000014024426 opened by the Issuer with the Account Bank.

“Project Costs” means the total costs incurred in by the Issuer, the Sponsor and its Affiliates for the development and construction of the Plant, certified by the Technical Advisor.

“Project Documents” means each of the following documents:

- (a) the Transfer Agreement;
- (b) the Intra-Group Loan;
- (c) the EPC Contract;
- (d) the EPC Subcontract;
- (e) O&M Agreement;
- (f) MSA;
- (g) any Direct Agreement;
- (h) the Tariff Agreement;
- (i) the Sponsor Tariff Agreement;
- (j) any Insurance Policy;

- (k) any bond issued in favour of the Issuer pursuant to the terms of a Project Document to support the obligations of the Issuer's counterparty under the relevant Project Document;
- (l) the Calculation Agency Agreement;
- (m) the Payment Agency Agreement;
- (n) the Escrow Agreement;
- (o) all replacements of any of the foregoing.

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

- (a) under the Tariff Agreement;
- (b) as Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties);
- (c) as Liquidated Damages;
- (d) as interest on the Accounts;
- (e) as Tax refunds (other than VAT refunds); and
- (f) being a revenue from the Plant, not falling in any of the above.

"QSI" means Qohelet Solar Italia S.p.A., a joint stock company (società per azioni) incorporated under the laws of the Republic of Italy with registered office in C.so Umberto I, 211 Caltanissetta (Italy), fully paid in share capital Euro 10,000,000.00, tax code and registration number with the Companies Register of Caltanissetta no. 01810300853 - R.E.A. CL – 99903.

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

"Qualified Investors subject to Prudential Supervision" (*investitori professionali soggetti a vigilanza prudenziale*) means, according to article 2483 of the Italian Civil Code, the professional investors subject to prudential supervision pursuant to special laws.

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

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

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

“Relevant Person” means any of (i) the Issuer, (ii) any of its Shareholders as at the Issue Date, (iii) QSI and (iv) the Sponsor.

“Ritiro Dedicato Agreement” means an agreement entered into in accordance with the provisions of legislative decree n. 387/03 and law no. 239/04.

“Satisfactorily Subordinated” means that:

- (a) the relevant Shareholders Loan is subordinated to the Notes and the shareholder(s) providing such Shareholders Loan has confirmed to the Noteholders that its indebtedness is subordinated to the Notes;
- (b) such Shareholders Loan is unsecured;
- (c) the shareholder(s) providing such Shareholders Loan has no right to receive any payments of any nature whether in respect of interest, principal, fees, indemnities or otherwise;
- (d) the shareholder(s) providing such Shareholders Loan has no contractual right to bring any claim of any nature against the Issuer, instigate any proceedings of any nature against the Issuer, or accelerate payment; and
- (e) the shareholder(s) providing such Shareholders Loan shall not create, incur, assume or permit to exist any Lien thereon, nor dispose of it in favour of any third party different from another shareholder.

“Second Assignment of Tariff” means the assignment by way of security in favour of the Noteholders of the Tariff, to be entered into between the Issuer and the Noteholders.

“Second Release CPs” means all of the following events:

- (i) the First Release CPs have occurred;
- (ii) a Funding Shortfall has not occurred and evidence is provided to the Noteholders in a manner which is satisfactory to these latter that the applicable Equity Contribution has been duly credited to the Proceeds Account. All the above also considering the rerun of the Base Case to be carried out considering the last and updated Technical Assumptions and Economic Assumptions of the project;
- (iii) the Sponsor Account has been opened;
- (iv) the MRA Pledge (where necessary), the Sponsor Account Pledge, the O&M Agreement and the O&M Direct Agreement are entered into in a form satisfactory to the Noteholders and are into force;
- (v) the Sponsor has received the PAC as certified by the Technical Advisor;
- (vi) an updated version of the Legal Opinion regarding the Transaction Documents entered into after the First Release CP date.

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

- (i) the Guarantee;
- (ii) the Pledge over Quotas;
- (iii) the Mortgage on the Land;
- (iv) the Special Privilege;
- (v) the Pledge over Accounts;
- (vi) the MRA Pledge;
- (vii) the First Assignment of Tariff;
- (viii) the Second Assignment of Tariff;
- (ix) Assignment of Claims;
- (x) Assignment of Insurance Proceeds/Endorsement of Insurance Policies;
- (xi) the PoA;
- (xii) the Sponsor Account Pledge.

“**Shareholders**” means any Shareholder of the Issuer as the Issue Date and thereafter.

“**Shareholders Loan**” means any loan to the Issuer by (i) any Shareholder, (ii) the Sponsor or (iii) QSI.

“**Special Privilege**” means the special privilege (*privilegio speciale*) granted by the Sponsor on the equipment, machineries and any other present and future, unregistered, movable assets of the Plant.

“**Sponsor**” means Archimede S.r.l., with registered office at Caltanissetta (CL), Corso Umberto I no. 211, VAT number and registration number with the Company Register of Caltanissetta no. 01693950857, REA No. CL 91738.

“**Sponsor Account**” means the account to be opened by the Sponsor with the Account Bank and pledged in favour of the Noteholders, into which the Tariff arising from the Sponsor Assignment Agreement shall be credited pursuant to the First Assignment Agreement.

“**Sponsor Account Pledge**” means the pledge over the positive balance of the Sponsor Account in favour of the Noteholders, having substantially same terms and conditions of the Pledge over Accounts.

“**Sponsor Tariff Agreement**” means the *Convenzione* that the Sponsor will enter into with GSE for receiving the Tariff.

“**Subscription Agreement**” means the agreement entered into on or before the Issue Date between the Issuer and the initial Noteholders for the subscription of the Notes.

“**Subscription Price**” means the net subscription price of Notes received by the Issuer from the initial Noteholders under the Subscription Agreement.

“**Target Ratio Conditions**” means that both conditions below are met on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account:

- (i) both the ADSCR and the LLCR are above 1.20x (one point twenty times);
- (ii) the aggregate of the positive balances of the DSRA and the Cash Trap Lockup Account are equal to or higher than the Principal Amount Outstanding of the Notes.

“**Tariff**” are the tariffs granted on the Plant by the GSE under the Italian Ministerial Decree dated 23 June 2016.

“Tariff Agreement” means the *Convenzione* that the Issuer and the GSE will enter into for receiving the Tariff.

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

“Technical Advisor” means Duff & Phelps Italia S.r.l. a socio unico, with registered office at Via Monte Rosa 91, 20149 Milan, Italy, VAT no. 12950820154 or any other technical advisor appointed from time to time by the Issuer upon instruction of the Noteholders.

“Technical Advisor Construction Report” means the report to be delivered by the Technical Advisor in accordance with para. 6 (*Technical Advisor Reports*) of Annex A (*Financial and Reporting Undertakings*).

“Technical Advisor Operating Report” means the report to be delivered by the Technical Advisor in accordance with para. 6 (*Technical Advisor Reports*) of Annex A (*Financial and Reporting Undertakings*).

“Technical Appraisal” means the appraisal which will be carried out by the Technical Advisor or any other entity appointed by the Issuer or the Sponsor with the prior approval of the Representative of the Noteholder, upon instruction by the Sponsor or the Issuer, to appraise the commercial value of the Plant and related ongoing business.

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

“Technical Due Diligence” means the due diligence carried out by the Technical Advisor appointed by the Issuer in the context the transaction at hand.

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

“Transaction Documents” means this Terms and Conditions, the Subscription Agreement, the Security Package, the Direct Agreements, the Equity Contribution Agreement, the Fee Letter, and any other document entered into by the Issuer in the context of the Notes.

“Transfer Agreement” means the agreement to be entered into by and between the Issuer and the Sponsor whereby the Sponsor will transfer the Plant and related ongoing business to the Issuer for a price (i) around Euro 7,500,000.00 (seven million five hundred thousand/00) or (ii) equal to the commercial value of the Plant and related ongoing business as resulting from the Technical Appraisal.

“Uses of Funds” means, on any date, the sum of:

(a) the aggregate amount of costs to be borne by the Issuer and the Sponsor (without double counting) in relation to the construction of the Plant which, in each case, have fallen due for payment but have not yet been paid; and

(b) the aggregate amount of costs to be borne by the Issuer and the Sponsor (without double counting) in relation to the construction of the Plant and any other costs incurred by the Issuer or the Sponsor (without double counting) which, in each case, are projected to fall due prior to the date on which the Long Stop Date is expected to occur;

as these will be evidenced in each Funds Flow Memo and will be updated by the Issuer or the Noteholder until the Long Stop Date and certified by the Technical Advisor.

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

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

2. NOTES

2.1 Denomination and Price

The total amount of the issued Notes on the Issue Date will be equal to Euro 5,300,000 (five million, three hundred thousand/00) (the “**Nominal Amount**”).

The Notes issued on the Issue Date will be issued in a minimum denomination of Euro 50,000.00 (fifty thousand/00) and additional increments of Euro 50,000 (fifty thousand/00) thereafter (the “**Minimum Denomination**”).

The Notes issued on the Issue Date will be issued for a price equal to 100.00% (one hundred per cent.) of their Minimum Denomination, i.e. for a price equal to Euro 50,000.00 (fifty thousand/00) for each Note (the “**Issue Price**”).

2.2 Form and Title

The Notes are issued in dematerialised form and will be wholly and exclusively deposited with Monte Titoli. The Notes will at all times be evidenced by book-entries in accordance with the provisions of articles 83-*bis* et seq. of the Italian Consolidated Financial Act and Regulation 22 February 2008 jointly issued by CONSOB and Bank of Italy, both as amended from time to time.

Any transaction regarding the Notes (including transfers of the Security Package), as well as the exercise of proprietary rights, may only be made in accordance with the provisions of articles 83-*bis* et seq. of the Italian Consolidated Financial Act and Regulation 22 February 2008 jointly issued by CONSOB and Bank of Italy (as amended and supplemented). The Noteholders will not be able to request delivery of the documents representative of the Notes, save for the right to request the certification referred to in articles 83-*quinquies* and 83-*sexies* of the Italian Consolidated Financial Act.

2.3 Status and guarantees

The Notes are senior secured obligations solely of the Issuer. In respect of the obligation of the Issuer to repay principal and pay interest on the Notes, the Notes will rank as senior secured obligations and *pari passu* and without any preference or priority among themselves except for the obligations of the Issuer, which are preferred according to the general provisions required by law.

The Notes are fully, unconditionally and irrevocably secured by the Security Package that will circulate together with the Notes.

The Notes have not been and will not be convertible into shares or participation rights in the share capital of the Issuer nor any other company.

3. SUBSCRIPTION AND TRANSFER OF THE NOTES

The Notes shall be exclusively placed to Qualified Investors subject to Prudential Supervision. The Notes shall be successively held by, and retransferred to, Qualified Investors.

The Notes are issued with exemption from the obligation to publish a prospectus for the purposes of article 100 of the Italian Consolidated Financial Act and article 34-*ter* of the Regulation adopted by Consob Resolution no. 11971/1999, as subsequently amended and supplemented.

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as subsequently amended or supplemented, or any other applicable securities law in force in Canada, Australia, Japan or any other country in which the transfer and/or the subscription of the Notes is not permitted under the applicable laws.

Notwithstanding the foregoing, any transfer of the Notes to any of abovementioned countries, or in countries other than Italy and to non-residents or entities not incorporated in Italy, will be allowed only under the following circumstances: (i) to the extent which is expressly permitted by the laws and regulations applicable in the country in which it is intended to transfer the

Notes, or (ii) if the applicable laws and regulations in force in these countries provide for specific exemptions that allow the transfer of the Notes.

The transfer of the Notes will be made in compliance with all applicable regulations, including the provisions relating to anti-money laundering referred to in Italian Legislative Decree No. 231, of 21st November 2007, as subsequently amended and supplemented.

4. ISSUE DATE AND FINAL MATURITY DATE

The Notes will be issued for an amount equal to the Nominal Amount on May 13, 2019 (the “**Issue Date**”).

The final maturity date (save for what otherwise provided herein under Condition 8 (*Events of Default*)) will fall on the Interest Payment Date falling in June 30, 2042 (the “**Final Maturity Date**”).

5. INTEREST

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

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

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

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

Interest shall cease to accrue on any part of the Principal Amount Outstanding of the Notes from (and including) the due date for redemption of such part.

Should the Issuer fail to pay any amount payable by it in relation to the Notes, it shall pay the Interest Rate on the overdue amount plus a margin of 1.50% (one point fifty per cent.) *per annum*, in accordance with the applicable regulation (the “**Default Interest**”), to be calculated by the Calculation Agent from the date on which this payment should have been made (including) until the date of actual payment (excluded).

Should the Interest Rate, the Default Interest and other fees and costs under the Conditions exceed the limits provided by the Usury Law, they shall be deemed automatically reduced (for the period strictly necessary) to the maximum interest rate allowed by such law. The Calculation Agent is responsible for the checking the rate of Usury Law limit.

6. REDEMPTION, PURCHASE AND CANCELLATION

6.1 Redemption

Unless previously redeemed in full or in part and cancelled, the Notes will be redeemed, on each Interest Payment Date in 45 (forty-five) consecutive instalments, as per the attached Annex B, (i) starting from and including the Interest Payment Date which falls on June 30, 2020 and (ii) ending on and including the Final Maturity Date.

6.2 Mandatory Early Redemption

6.2.1 The Issuer shall apply any Insurance Proceeds (other than Insurance Proceeds in relation to physical damage and liabilities against third parties) and Liquidated Damages (after Tax, if any, is deducted) to the repayment of the Principal Amount Outstanding of the Notes in an amount equal to such Insurance Proceeds or Liquidated

Damages, on the Interest Payment Date immediately following the relevant receipt thereof; provided that the Issuer shall not be required to apply to the repayment of the Principal Amount Outstanding of the Notes such Insurance Proceeds if, and to the extent that, the Noteholders are satisfied that the relevant Insurance Proceeds are to be or were applied in the repair or reinstatement of Plant in the manner advised by the Technical Advisor.

6.2.2 On the Interest Payment Date falling in December 31, 2019, the Issuer shall repay the Principal Amount Outstanding of each Note in full, if the Technical Advisor has not confirmed the Noteholders 10 (ten) Business Days prior to such Interest Payment Date that the Connection of the Plant has occurred within the Long Stop Date.

6.2.3 If the Target Ratio Conditions are not met on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, the Issuer shall apply the full positive balance standing to the credit of the Cash Trap Lock-Up Account to the repayment of the Principal Amount Outstanding of the Notes.

6.3 Early redemption application

Any redemption of the Notes under Conditions 6.2 (*Mandatory Early Redemption*) will reduce, *pro rata* and *pari passu*, the Principal Amount Outstanding of each Note, rounded up or down, as the case may be, to one Euro, and shall apply to the instalments in inverse order of maturity.

A 5 (five) Business Days prior written notice will be given by the Issuer to the Noteholders in accordance with the applicable provisions of law and according to the ExtraMOT Regulation.

6.4 Optional Early Redemption

Starting from and the including the Interest Payment Date falling on June 30, 2021, the Issuer shall have the right to early redeem the Notes in full but not in part on any Interest Payment Date (the “**Optional Early Redemption Date**”), by serving a 21 (twenty one) Business Days prior written notice given to the Noteholders in accordance with the applicable provisions of law and according to the ExtraMOT Regulation.

On an Optional Early Redemption Date, provided that (i) no Default Early Redemption Request has been served, and (ii) the Issuer has given proof to the Noteholders that it will have the necessary funds, the Issuer shall pay to the Noteholders (A) any amount due in relation to the then Principal Amount Outstanding, *multiplied by* (B) the Make-Whole Percentage, in accordance with the provisions of article 1386 of the Italian Civil Code, as calculated by the Calculation Agent; provided that if such amounts exceed the limits provided by the Usury Law, it shall be deemed automatically reduced to the maximum amount allowed by such law. No other penalty or damage costs shall apply.

7. COVENANTS BY THE ISSUER

As long as any Note remains outstanding and unless a waiver is approved by a resolution of the Noteholders under Condition 11 (*Meeting of the Noteholders*), the Issuer shall:

- (i) maintain its status of *società a responsabilità limitata*, duly incorporated and validly operating in accordance with the Italian law and having the full legal capacity, Authorizations, licenses and permits necessary to operate and maintain the Plant and carry on its business;
- (ii) not approve or carry out extraordinary transactions of any kind, including without limitation special transactions on its share capital, corporate transformations (*trasformazioni*), merger (*fusioni*) or spin-off (*scissioni*);

- (iii) not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary, to sell, lease, transfer, discount, factor, assign (including under article 1977 of the Italian civil code) or otherwise dispose of, all or any part of, (i) the Plant, the Land or its rights thereon; (ii) its rights under the Authorizations; or (iii) any other present or future undertakings, rights, revenues or Assets;
- (iv) not form, acquire, make any acquisition of, or investment in, companies or other entities;
- (v) other than the Transaction Documents, the Project Documents and the expenses specified in the Funds Flow Memo, not enter into any agreements or obligation whereby the Issuer would incur in annual, aggregate costs or expenses higher than Euro 10,000.00 (ten thousand/00);
- (vi) have the operation and maintenance of the Plant (together with any activities ancillary thereto) as its sole business activity;
- (vii) not amend its by-laws (*atto costitutivo* and *statuto*) in any material respect;
- (viii) procure that its financial statements:
 - (a) will be prepared in compliance with law;
 - (b) will provide a true, complete and accurate financial position and the results of its financial operations, as on the date on which they were prepared and for all its reporting period;
 - (c) will contain no significant errors or omissions of material facts that would make such documents misleading; and
 - (d) will be audited;
- (ix) not change the date of its financial year's end;
- (x) not reduce its fully paid share capital below Euro 10,000.00 (ten thousand/00), except for the mandatory cases provided for by law; and, in the event that the share capital is reduced due to losses pursuant to applicable laws, ensure that, no later than 60 (sixty) Business Days from the resolution approving such reduction, the Issuer's share capital required by applicable laws is restored;
- (xi) not pay any Dividend to its Shareholder, other than when permitted under the Conditions;
- (xii) without prejudice to the provision of article 6.2 of Annex C, procure that all existing and future Shareholder(s) Loans be at all times Satisfactorily Subordinated;
- (xiii) make all payments due in connection with the Notes without any deduction or withholding on taxes or otherwise, unless is required by law. In such case:
 - (a) the Issuer shall procure that the deduction or withholding shall not exceed the minimum amount required by law; and
 - (b) the amounts due by the Issuer to the Noteholders shall be increased of an additional amount (the “**Additional Amount**”) to allow that the amount to be paid, excluding the relevant deduction or withholding, is equal to the amount that would be due to the Noteholders without any such deduction or withholding;

provided that, no such Additional Amount shall be payable (i) to a non-Italian resident legal entity or non-Italian resident individual, which is resident in a country that does not allow for a satisfactory exchange of information with the Republic of Italy or (ii) in the event the Noteholders have transferred the Notes or made other changes to the shareholding

structure which according to the Law in force when such transfer or change has been performed will generate a Tax on the payments received under the Notes; and

provided further that, in the event the Noteholders have the right to benefit in any way from any deduction or withholding on taxes or otherwise, in whole or in part, according to the applicable laws (i) no Additional Amount shall be due in the portion covered by any such deduction or withholding on tax benefits, or (ii) should such Additional Amount have already been paid by the Issuer, it will be paid back by the Noteholders to the Issuer;

- (xiv) promptly notify to the Noteholders the occurrence of any failure by the Issuer to fulfill its obligations under the present Terms and Conditions or any event which may cause an Event of Default;
- (xv) procure that the DSRA Balance Target is met at each Interest Payment Date falling after the occurrence of the Second Release CPs, as verified on the immediately following Calculation Date;
- (xvi) maintain and operate the Plant in accordance with the applicable laws and Project Documents' provisions, and in a safe, efficient and business-like manner and preserve it from any damage;
- (xvii) maintain the Insurance Policies (also, but not limited to, by paying the relevant *premia*), refrain from modifying or amending any material provision thereof and from any action or omission that would reduce or avoid the liability of the relevant insurance company;
- (xviii) maintain any material intellectual property necessary for the operation and maintenance of the Plant;
- (xix) ensure that a representative of the Noteholders, also through a technical advisor appointed by the Noteholders or their representative, is (i) given reasonable access to the Plant and the Land and (ii) entitled to inspect and take copies of the Issuer's records on 5 (five) Business Days prior notice to the Issuer;
- (xx) diligently fulfill all the obligations undertaken by the Issuer towards Monte Titoli and the Italian Stock Exchange, in relation to the centralized management of the Notes;
- (xxi) other than any Permitted Indebtedness, not incur into any Financial Indebtedness;
- (xxii) other than the Security Package, not create, incur, assume or permit to exist any Lien on any of the Issuer's Assets;
- (xxiii) comply with the provisions of Annex A (*Financial and Reporting Undertakings*);
- (xxiv) comply with all laws, regulations and tax provisions applicable to them and will make regular and timely liquidations and payments required and due with respect to taxes, and charges of a similar nature and their withholding taxes, except taxes that:
 - (a) are contested in good faith by the Issuer and for which appropriate reserves have been allocated in accordance with the accounting principles; and
 - (b) for which payment may be legitimately subordinated, without giving rise to the payment of any penalty or pre-emption rights of a competent tax authority on the assets of the Issuer;
- (xxv) not to hire any employee;

- (xxvi) promptly communicate to the Noteholders, upon becoming aware of any Potential Event of Default or Event of Default, an Officers' Certificate specifying such Potential Event of Default or Event of Default and what action the Issuer is taking or proposes to take with respect thereto;
- (xxvii) annually provide, starting from release of the PAC, a report in the form attached hereto as Annex E;
- (xxviii) within 30 days from the Issue Date, send to the Noteholders' Representative the evidence that the Notes are traded in the green sector of the ExtraMOT;
- (xxix) within 30 (thirty) Business Days as of the Issue Date, procure that the First Release CPs will occur;
- (xxx) within 5 (five) Business Days as of the release of the PAC, procure that the Second Release CPs will occur;
- (xxxi) within 150 (one hundred fifty) Business Days as of the date on which the Second Release CPs are verified, procure that the Sponsor Tariff Agreement is entered into;
- (xxxii) within 5 (five) Business Days as of the execution of the Sponsor Tariff Agreement, procure that the First Assignment of Tariff (i) is entered into and provides for crediting the Tariff into the Sponsor Account and (ii) is notified to the GSE in the manner requested by GSE in the relevant agreements;
- (xxxiii) following the entering into of the First Assignment of Tariff and until the GSE will pay the Tariff on the Proceeds Account, procure that the Sponsor transfers all the amounts credited as Tariff on the Sponsor Account, or any other bank account, to the Proceeds Accounts;
- (xxxiv) within 10 (ten) Business Days from the execution of the Transfer Agreement, send to the Noteholders' Representative an updated land register excerpt (*visura catastale*) giving evidence of registration of the Plant in favour of the Issuer;
- (xxxv) within 90 (ninety) Business Days as of the date on which the Transfer Agreement is executed (i) procure that the AU Transfer (*Voltura*) has been performed by the Sponsor in favor of the Issuer and (ii) enter into the Tariff Agreement;
- (xxxvi) within 5 (five) Business Days as of the execution of the Tariff Agreement, enter into and notify the Second Assignment of Tariff to the GSE in the manner requested by GSE in the relevant agreements;
- (xxxvii) (A) within 120 (one hundred twenty) calendar days as of the relevant notification, give evidence to the Noteholders' Representative of the GSE acceptance of the First Assignment of Tariff and (B) within 120 (one hundred twenty) calendar days as of the relevant notification, give evidence to the Noteholders' Representative of the GSE acceptance of the Second Assignment of Tariff;
- (xxxviii) within 10 (ten) Business Days as of the relevant execution, procure that all formalities necessary to the effectiveness towards third parties of the applicable, from time to time, Security Package are performed;
- (xxxix) procure that the Sponsor and QSI make all Equity Contributions pursuant to the Equity Contribution Agreement;
- (xl) procure that the Sponsor requests by 31 July 2019 and obtains by 12 October 2019, an extension of the works' completion deadline as provided by the AU (as amended by DDG no. 5 of 3 January 2019) of at least the months necessary to complete the Plant as certified by the Technical Advisor;
- (xli) procure that the Sponsor obtains by 31 July 2019 written confirmation by IRSAP – *Istituto Regionale per lo Sviluppo delle Attività Produttive* – that the Sponsor had the availability of the Land as of the date of issuance of the AU;

- (xlii) procure that the Sponsor obtains by 31 July 2019 the recording (“*trascrizione*”) of the Easement Decree with the competent Land Register;
- (xliii) promptly procure the closing of the Escrow Account upon (a) full application of the positive balance thereof in accordance with the Funds Flow Memo applicable upon occurrence of the Second Release CPs or (b) transfer of the positive balance thereof (if any) on the Proceeds Account in accordance with para. 5.2(v) of Annex C;
- (xliv) procure that the Minimum Positive Balance is respected at each Interest Payment Date falling after the occurrence of the Second Release CPs;
- (xlv) open the MRA Account with the Account Bank within 5 Business Days of the request by the Representative of the Noteholders;
- (xlvi) enter into the MRA Pledge within 5 (five) Business Days from the opening of the MRA Account;
- (xlvii) procure that the EPC Subcontracts are entered into within 30 (thirty) Business Days as of the signing of the EPC Contract;
- (xlviiii) procure that the bonds to be issued in accordance with the EPC Contract in favour of the Sponsor are issued within 30 (thirty) Business Days as of the Issue Date.

8. EVENTS OF DEFAULT

Each Noteholder shall have the right to request the early redemption of the Notes upon the occurrence of any of the following events (each event below shall be treated as an “**Event of Default**”), provided that, these are not remedied from the Issuer within the later of, 30 (thirty) calendar days from the date on which the Issuer is aware of such circumstance, or 60 (sixty) calendar days from the date of occurrence of Event of Default; and provided further that the covenants undertaken by the Issuer under Condition 7(*Covenants by the Issuer*), let. (xxix), (xxx), (xxxi), (xxxii), (xxxv), (xxxvi), (xxxvii), (xxxviii), (xxxiv), (xl), (xli), (xlii), (xlv) and (xlvi) and the Events of Default in let. (j), (k), (l), (m), (v) and (z) of this Conditions will not enjoy of such remedy period and no resolution of the Noteholders under Condition 11 (*Meeting of the Noteholders*) will be required, occurring the early redemption upon delivery to the Issuer of a Default Early Redemption Request; and provided finally that any event referred to the Sponsor will apply until evidence is provided to the Noteholders (to their satisfaction) that the Second Assignment of Tariff is notified to the GSE:

- (a) **Payment Default:** any failure of the Issuer or the Guarantor to pay any principal or Interest Amounts payable on the Notes, unless such failure is due to an administrative or technical error which is not due to willful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Issuer and the relevant payment is performed within 5 (five) Business Days of the relevant discovery of the administrative or technical error.
- (b) **Insolvency Proceedings of the Issuer, the Sponsor and the Guarantor:** (i) judicial steps have been taken against the Issuer, the Sponsor or Guarantor aimed at commencing any Insolvency Proceedings; and/or (ii) the Issuer, the Sponsor or Guarantor is subject to any Insolvency Proceedings or has entered into any of the agreements provided for by article 182 *bis* or article 67 paragraph 3 (d) of the Italian Bankruptcy Law; provided that the above subparagraphs (i) and (ii) shall not apply to any proceeding which is discharged, stayed or dismissed within 90 (ninety) calendar days from its commencement; and/or (iii) the Issuer, the Sponsor or Guarantor is subject to any of the situation described in articles 2482, 2482-bis and 2842-ter of the Italian Civil Code, save for what provided under Condition 7(x); (iv) the Issuer, the Sponsor or Guarantor is unable, or admits its inability, to pay its debts as they fall due, ceases or threatens to cease to carry on business or substantially the whole of its business.

- (c) **Liquidation:** the adoption of a resolution of the competent body of the Issuer whereby it is resolved the winding up of the Issuer, the Sponsor or Guarantor, as applicable.
- (d) **Litigation:** (A)(a) any claim or investigation in relation to the Issuer or the Guarantor that is likely to be adversely determined and if so determined would have a Material Adverse Effect or (b) the filing against the Issuer or the Guarantor of any civil, criminal, labour, environmental, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or governmental authority) for an aggregate amount exceeding Euro 400,000 (four hundred thousand/00); provided that subparagraphs (a) and (b) shall not apply to any litigation, arbitration or administrative proceedings which is (i) discharged, stayed or dismissed within 60 (sixty) calendar days of its commencement or (ii) frivolous, vexatious, or remotely able to produce a Material Adverse Effect, in the Noteholders' opinion (acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code); or (B) the Issuer settles any civil, criminal, labour, tax or other litigation, arbitration, or administrative or regulatory proceeding, claim or action (including any dispute with any statutory or governmental authority); provided that the Issuer may enter into one or more settlements whereby it undertakes solely payment obligations for an aggregate, yearly amount not higher than Euro 100,000 (one hundred thousand/00).
- (e) **Covenants:** any of the covenants under Condition 7 (*Covenants by the Issuer*) is not complied with by the Issuer.
- (f) **Cross default of the Issuer or the Guarantor:** (a) the Issuer or the Guarantor fails to pay any amount due to under any Financial Indebtedness, incurred in with respect to the Issuer, without breaching Condition 7 (xxi) (other than payment obligations arising from the Notes); (b) the Issuer or the Guarantor fails to pay any amount (other than payment obligations arising from the Notes) within 10 (ten) calendar days of its due date or within any grace period agreed with the relevant creditor; (c) any amount due by the Issuer or the Guarantor becomes due and payable prior to its specified maturity date as a result of an event of default (or the relevant creditor becomes entitled to make a declaration to that effect) or (d) any facility or commitment granted to the Issuer or the Guarantor, incurred into with respect to the Issuer without breaching Condition 7 (xxi), is cancelled or suspended by the relevant creditors as a result of an event of default, in each case save where the aggregate amount of all amounts under (b), (c) and (d) above at that time is less than Euro 100,000 (one hundred thousand/00).
- (g) **Project Documents and Equity Contribution Agreement:** (A) (i) any Project Document is amended or becomes invalid, null, void, unenforceable or is suspended, in full or in any material part thereof; (ii) the Issuer or any relevant party to a Project Document fails to comply with its material obligations thereunder; (iii) the Issuer fails to enforce its rights (other than its termination rights) under any Project Document; (iv) the Issuer assigns or transfers any of its rights under the Project Documents; (v) any action is taken (including, but not limited to giving notice) by the Issuer or any relevant party to a Project Document to terminate the relevant Project Document or the relevant Project Document terminates by law; or (vi) it is or becomes unlawful for any party to perform any of its obligations under the Project Documents; provided that, the MSA shall be renewed upon termination substantially at the same terms and conditions existing at the Issue Date, unless the Noteholders provide written consent to amend such terms and conditions and (B) the Equity Contribution Agreement becomes invalid, null, void, unenforceable or is suspended, in full or in any material part thereof; (ii) the Sponsor or QSI fails to comply with the material obligations under the Equity Contribution Agreement; (iii) any action is taken by the Sponsor or QSI to terminate the Equity Contribution Agreement or it terminates by law; or (iv) it is or becomes unlawful for the Sponsor or QSI to perform any of its obligations under the Equity Contribution Agreement;

- (h) **Material Adverse Effect:** any event or circumstance occurs which in the Noteholders' opinion (acting in good faith, in accordance with the provisions of article 1375 of the Italian Civil Code) has or is reasonably likely to have a Material Adverse Effect.
- (i) **Force Majeure Events:** the occurrence of force majeure events, such as wars, revolutions, embargos, actions by civil and/or military authorities, earthquakes, floods, droughts, water pollution, power lines breaks that persist for a period exceeding 90 (ninety) nonconsecutive calendar days in the same solar year and from which on the expiry of the 90 (ninety) calendar days derives an Event of Default.
- (j) **Authorizations:** save for the transfer to occur between the Sponsor and the Issuer pursuant to the Transfer Agreement, any Authorization is transferred, or otherwise disposed of, by the Sponsor or the Issuer, as applicable or is revoked, annulled, cancelled, terminated, or otherwise ineffective (also temporarily).
- (k) **Construction and operation of the Plant:** the Plant is not built and is not operated and managed in accordance with the applicable Project Documents, Authorizations and applicable laws (including, but not limited to, any Environmental Law).
- (l) **Grants:** except for the Tariff, the Issuer or, prior to the transfer of the Plant under the Transfer Agreement, the Sponsor makes any application for any grant of funds or other benefit of any nature (including fiscal), whether national, regional or from any other local authority, the existence of which would be in contrast with the Authorizations or the Tariff.
- (m) **Compulsory nationalization of the Issuer's or Sponsor's Assets:** nationalization, expropriation or dispossession by a government, public or regulatory body of the Plant or all or substantially all of the Issuer's or Sponsor's Assets.
- (n) **Unlawfulness:** it is or will become unlawful for the Issuer to perform or comply with any of its material obligations under the Transaction Documents to which it is a party or any of such material obligations conflicts with the by-laws (*atto costitutivo* and *statuto*) or contractual obligations of the Issuer.
- (o) **Validity and enforceability of the Security Package:** any agreement constituting the Security Package becomes null, void or unenforceable for any reason, other than by waiver (*rinuncia alle garanzie*) by the Noteholders.
- (p) **Change of Control:** an event or circumstance of Change of Control occurs; provided that, any transfer of the participation in the Issuer will be permitted solely if the Noteholders notified to the Issuer that the relevant transferee(s) comply with their *know your customer* requirements.
- (q) **Information:** any information provided to the Noteholders by or behalf of the Issuer is misleading untrue or incorrect in any material respect.
- (r) **Compliance with laws:** the Issuer, the Sponsor or the Guarantor fails to comply in any material respect with any applicable Anti-Corruption Laws, Anti-Money Laundering Laws, Environmental Laws, any employment law provisions, any collective bargaining labour contract provisions, any law provision (including any EU law provisions) for the specific field of operation of the Plant, or building laws (*norme edilizie, urbanistiche*).
- (s) **Illegality and increased costs:** the Noteholders notify the Issuer that (a) is or becomes contrary to any law or regulation for the Noteholders to maintain the Notes; or (b) as a result of any change in (or in the interpretation, administration or application of), or to the generally accepted interpretation or application of, or the introduction of, any law or regulation, any amounts payable in respect of the Notes would be subject to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected,

withheld or assessed by the Republic of Italy or any political or administrative subdivision thereof or any authority thereof or therein and no Additional Amount shall be paid by the Issuer to compensate such withholding or deduction.

- (t) **Accounts:** the Issuer opens any bank or deposit account, other than the Accounts.
- (u) **Center of interest:** the Issuer or the Sponsor fails to have (i) its “*business centre of interest*” in Italy, pursuant to article 3(1) of the EU Insolvency Regulation or (ii) establishes any foreign branch, pursuant to article 2(h) of the EU Insolvency Regulation.
- (v) **Tariff:** at any time, for any reason (including a change in law) the Tariff granted to the Plant is (i) no longer payable by the GSE or (ii) is directly or indirectly reduced and the relevant reduction has or is reasonably likely to have a Material Adverse Effect.
- (w) **GSE:** at any time the GSE (or any other entity which may replace the GSE as subject responsible for payment of the Tariff) ceases to be controlled by the Italian State according to article 2359 of the Civil Code and the replacing controlling entity is a governmental body or other authority which is not deemed equivalent to the Republic of Italy.
- (x) **Change in law:** any law or regulation is enacted or issued to change, repeal or replace the energy regulatory legal framework which is likely to have a Material Adverse Effect.
- (y) **ADSCR and LLCR:** as at any Interest Payment Date (according to the calculation made on the immediately following Calculation Date), the ADSCR or the LLCR fall below 1.05x (one point five times).
- (z) **Transfer Agreement:** (A) the Transfer Agreement is not entered into, in a form satisfactory to the Noteholders, within 210 (two hundred ten) Business Days as of the date of satisfaction of the Second Release CPs, but not prior to the entering into of the Sponsor Tariff Agreement, and provided it has been duly authorized by the Sicily Region and (B) the Plant and related ongoing business is transferred for a price different from (a) around Euro 7,500,000.00 (seven million five hundred thousand/00) or (b) the commercial value of the Plant and related ongoing business as resulting from the Technical Appraisal.

Following a resolution approved under Condition 12 (Meeting of the Noteholders) requesting the early redemption of the Notes, on the first Business Day following a 20 (twenty) calendar days prior request (the “**Default Early Redemption Request**”) of early redemption (the “**Default Early Redemption Date**”) by the Noteholders to the Issuer, to be sent according to the applicable provisions of law and as requested by the Italian Stock Exchange, the amounts payable by the Issuer to the Noteholders shall become immediately due and payable with respect to the then Principal Amount Outstanding, *plus* interest accrued and unpaid thereon.

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

The Noteholders may approve a resolution in accordance with Condition 12 (*Meeting of the Noteholders*) to waive an existing Event of Default or Potential Event of Default and its consequences.

9. PAYMENTS

Payments of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by authorized intermediaries.

Payments of principal and interest in respect of the Notes are subject in all cases to any fiscal or other applicable laws and regulations.

10. ADMISSION TO TRADING

The Issuer has filed the Notes with the Italian Stock Exchange for admission to trading on the ExtraMOT PRO.

The decision of the Italian Stock Exchange and the date of commencement of trading of the Notes on the ExtraMOT PRO, together with the functional information to trading shall be communicated by the Italian Stock Exchange with a notice, pursuant to Sec. 11.6 of the Guidelines contained in the regulation for the management and operation of the ExtraMOT issued by the Italian Stock Exchange, and effective from June 8, 2009 (as amended and supplemented from time to time).

The Notes are not traded in a regulated market (“*mercato regolamentato*”) therefore are not subject to the Commission Regulation (EC) No 809/2004.

The Notes will not enjoy the support of an “*operatore specialista*” as defined in the ExtraMOT Regulation

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

The issuance of the Notes and the granting of the Security Package were approved by the resolution of the Sole Director of the Issuer on March 21, 2019 and registered in the relevant chamber of commerce on March 26, 2019.

12. MEETINGS OF THE NOTEHOLDERS AND APPOINTMENT OF THE NOTEHOLDERS’ REPRESENTATIVE

Article 2415 of the Italian Civil Code, other than for the provision in para. 3 thereof requesting a public notary drafting the relevant minutes of the meeting of the Noteholders, will apply. Accordingly, the meeting of Noteholders is empowered to resolve upon the following matters: (i) the appointment and revocation of a Noteholders’ representative; provided that the first Noteholders’ representative will be Foresight Group S.à.r.l. (the “**Noteholders’ Representative**”), (ii) any amendment to these Terms and Conditions, agreed or to be agreed with the Issuer, (iii) motions by the Issuer for the composition with creditors (*amministrazione controllata* and *concordato*); (iv) establishment of a fund for the expenses necessary for the protection of the common interests of the Noteholders and the related statements of account; and (v) any other matter of common interest to the Noteholders.

Articles 2416, 2417, 2418 and 2419 of the Italian Civil Code will apply to the extent permitted by law.

As long as a Noteholders’ Representative is appointed, this latter:

(a) shall receive on behalf of the Noteholders from the Issuer any notice, proof, evidence and communication to be served or provided by the Issuer to the Noteholders under the Conditions; and

(b) may provide, on behalf and in the name of the Noteholders, consents, opinions and notifications that the Noteholders may provide to the Issuer under the Conditions.

13. STATUTE OF LIMITATION

Claims against the Issuer for payments in respect of the Notes will be barred and become void (*prescritti*) unless made within ten years in the case of principal or five years in the case of interest from the date the relevant payment are due.

14. TAXATION

Without prejudice to the provisions of Condition 7 (xiii) (*Covenants by the Issuer*), any tax, levy, impost, duty or other charge of a similar nature, fee, present and future, applicable to the Notes shall be borne by the Noteholders.

15. NOTICES

Notwithstanding any applicable provision to the contrary, all the communications from the Issuer to the Noteholders will be considered valid if made through publication on the website of the Issuer at the following address www.solosolesrl.it, and in compliance with the disclosure requirements of the ExtraMOT Regulation and applicable laws; provided that, as long as the Notes are held on behalf of the beneficial owners through Monte Titoli, the Issuer shall maintain the right to notify certain communications to the Noteholders through Monte Titoli.

16. GOVERNING LAW AND JURISDICTION

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

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

ANNEX A
Financial and Reporting Undertakings

1. The Issuer will provide to the Noteholders all documents, confirmations and evidence required by the Noteholders to satisfy its "*know your customer*" requirements or similar identification checks in order to meet its obligations from time to time under applicable money laundering, or similar, laws and regulations;
2. the Issuer will provide the Noteholders with semi-annual and audited annual (as long as listed in ExtraMOT) financial statements for the Issuer at the earlier of (A) as regards the semi-annual financial statement, 90 (ninety) calendar days following each 30 of June (starting from June 30, 2019) and (B) as regards the audited annual financial statement (i) the provision of such statements to any shareholder in the Issuer or (ii) within one hundred and eighty (180) calendar days of the end of the relevant fiscal year, in each case including a statement of operations, balance sheet, statement of cash flows and shareholders' equity.
3. **Base Case update**
 - 3.1 No later than 40 (forty) calendar days following each Interest Payment Date the Issuer will notify to the Noteholders its proposal for the Technical Assumptions certified by the Technical Advisor to be used for the next Calculation Date and the figures to be used for the Economic Assumptions for the next Calculation Date.
 - 3.2 The Issuer will make such proposals in good faith after careful consideration and enquiry and such proposals will genuinely reflect views which it believes in good faith to be reasonable in the circumstances and will be consistent with the provisions of the Terms and Conditions.
 - 3.3 Together with the Base Case update, the Issuer shall provide that the Technical Assumptions received from the Technical Advisor.
 - 3.4 For the purpose of updating the Base Case, the Issuer shall factor in (i) the Economic Assumptions and (ii) any other economic and financial assumption in each Base Case update due on each Calculation Date falling in December.
 - 3.5 Upon receipt of the updated Base Case, the Noteholders may propose changes in order to:
 - (i) correct any historical data known to be inaccurate; or
 - (ii) correct any manifest error.
 - (iii) incorporate any changes to the Technical Assumptions and Economic Assumption agreed or determined according to the above,
 - 3.6 The Noteholders may propose such a change by giving written notice to the Issuer setting out the proposed change and the reasons why it believes such a change is required.
 - 3.7 The Noteholders can prepare the updated Base Case in the event that the Issuer: (i) fails to deliver the notice according to 3.1 or delivers an updated Base Case that has been proposed on the basis of the Technical Assumptions

and/or Economic Assumptions or changes to the Base Case that have not been agreed or determined in accordance with the Annex A.

- 3.8 If any disagreement arises in relation to such changes to the updated Base Case, the Noteholders and the Issuer will negotiate in good faith for the purpose of agreeing changes to the updated Base Case.
- 3.9 If the Issuer and the Noteholders are unable to reach an agreement on the above changes within 10 (ten) days from the relevant written notice, then either of them may refer the matter to an expert (the “**Expert**”) for resolution. The Expert shall be appointed jointly by the Issuer and the Noteholders or, if such agreement is not reached within 5 (five) Business Days of the proposal of either party, the Expert shall be the person nominated on the application of the Issuer or the Noteholders to the president for the time being of (i) the *Ordine dei Dottori Commercialisti di Milano* in the case of any reference in respect of the Base Case or relating to taxation or (ii) to the *Ordine degli Ingegneri di Milano* in the case of any other matter, or if such entity has ceased to exist or in case of failure to nominate the Expert, such other entity or persons as may be reasonably selected by the Noteholders.
- 3.10 The costs of any Expert and the costs reasonably incurred in giving effect to any decision of the Expert, shall be entirely borne by the Issuer.
- 3.11 Any changes to the updated Base Case shall take effect and be binding on and from the date such changes are agreed or determined in accordance with the above provisions.

4. **Operating Budget**

- 4.1 Not less than 60 (sixty) days and not more than 90 (ninety) days before the first day of each of its calendar year (starting from 2020), the Issuer shall deliver to the Noteholders and the Technical Advisor a revised draft operating budget (the “**Operating Budget**”) for approval by the Noteholders.
- 4.2 Each revised operating budget shall comprise an Operating Budget (together with a commentary thereon) for the next following 24 (twenty four) months setting out costs and revenues for such 12 (twelve) month period on a monthly basis and setting out the costs and revenues for all subsequent financial years until the Final Maturity Date on a semi-annual basis. The Issuer shall also ensure that each revised Operating Budget is prepared using the same form as used for the initial operating budget and, in any event, consistent with the Base Case and sets out the costs and revenues in reasonable detail together with all related Technical Assumptions and Economic Assumptions
- 4.3 Within 30 (thirty) days of receipt of the revised Operating Budget, the Noteholders shall notify the Issuer whether the Operating Budget has been approved by the Noteholders.
- 4.4 If the Noteholders do not approve the Operating Budget, then: (i) the Noteholders shall provide the Issuer with reasonable details of the grounds for such disapproval; (ii) the existing Operating Budget shall continue in

effect without any amendment; and (iii) the Issuer shall submit a further revised draft operating budget to the Noteholders.

- 4.5 Within 30 (thirty) days of receipt of the revised draft Operating Budget, the Noteholders may: (i) notify the Issuer that the revised draft Operating Budget has been approved, or (ii) ask the Issuer for amendments to the revised draft Operating Budget. In such a case, the Noteholders and the Issuer may consult between themselves and with the Technical Advisor. If no agreement is reached within 20 (twenty) Business Days of the Noteholders request for amendments, the Expert shall apply provisions regarding the reference of the subject matter to on.
- 4.6 Upon the Expert having reached a decision in relation to a dispute over the revision of the Operating Budget, the draft Operating Budget as revised by the Expert shall become the Operating Budget.
- 4.7 Unless approved by the Noteholders, the Issuer shall not incur or pay any cost where that cost or payment (in aggregate with all other amounts incurred or paid in respect of that category of cost for the relevant half year period) exceeds the aggregate amount allowed for that category of costs for that half year period in the Operating Budget by more than 10% (ten per cent.). This clause shall not restrict or prevent the Issuer from incurring or paying a particular cost to the extent that the relevant cost is a tax payment related to applicable law (including but not limited to Environmental Law).

5. Operating Report

- 5.1 The Issuer shall prepare and deliver to the Noteholders and the Technical Advisor an Operating Report for each semi-annual period from the Calculation Date falling in 2020 until the Final Maturity Date. The first Operating Report shall be delivered by the Issuer not later than the first Calculation Date. Each other Operating Report shall be delivered by the Issuer at each Calculation Date.
- 5.2 The Issuer will ensure that each Operating Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Interest Payment Date; (ii) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (iii) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (iv) any change, damage to or destruction of any material Plant; (v) copies of any certificates or reports provided to the Issuer under the O&M Agreement; (vi) cash balances of each of the Accounts as at the first day and the last day of the relevant semi-annual period; and (vii) any other or additional information that the Noteholders may reasonably request the Issuer to provide in relation to the operation of the Plant.

6. Technical Advisor Reports

The Issuer shall ensure that the Technical Advisor delivers to the Noteholders a Technical Advisor Construction Report and Technical Advisor Operating Report according to the below.

- 6.1 The Issuer shall ensure that (i) the Technical Advisor delivers to the Noteholders a Technical Advisor Construction Report within 10 (ten) Business Days from the end of each calendar month with respect to the

construction work progress of the Plant with respect to the immediately prior calendar month, until the PAC and (ii) the relevant Technical Advisor Construction Report is published on the Issuer website pursuant to Clause 15 of the Terms and Conditions.

- 6.2** The Issuer will ensure that each Technical Advisor Construction Report contains or encloses the following details: (i) material delivered in situ, (ii) works (work progress); (iii) actual expenditure for the relevant period and a comparison of that expenditure against the corresponding figures in the construction budget; (iv) details of the status of the interconnection works carried out by the EPC Contractor including Connection of the Plant, together with any information that indicates a delay or potential delay in such works; (v) the Issuer's opinion as to whether completion of the plant and, if the Issuer thinks that date is not achievable, the Issuer's best estimate of when completion of the plant will be achieved (together with reasons for that estimate); (vi) any material change, damage to or destruction of any material Plant; (vii) any other material delay to the works or any extensions of time granted by the Issuer to any party carrying out construction related activities under the EPC Contract; (viii) details of any delay liquidated damages or performance liquidated damages which have been paid to or received by the Issuer under the EPC Contract; (ix) all change orders requested under the EPC Contract, together with details of any action it proposes to take in relation to the same; and (x) any other or additional information that the might reasonably request the Issuer to provide in relation to the construction of the Plant.
- 6.3** The Issuer shall ensure that the Technical Advisor delivers to the Noteholders a Technical Advisor Operating Report for each semi-annual period from the Interest Payment Date falling in June, 30 2020 and, thereafter, for each annual period until the Final Maturity Date. The Issuer shall ensure that the first Technical Advisor Operating Report is delivered by the Technical Advisor not later than the Interest Payment Date falling in June 2020. The Issuer shall ensure that: (i) each other semi-annual Technical Advisor Operating Report shall be delivered by the Technical Advisor within 20 (twenty) Business Days after each Calculation Date and (ii) each annual Technical Advisor Operating Report shall be delivered by the Technical Advisor on each Calculation Date.
- 6.4** The Issuer will ensure that each Technical Advisor Operating Report contains or encloses the following details: (i) the performance of the Plant during the semi-annual period ending on that Calculation Date including but not limited to: (a) electricity generated, (b) self-consumption (c) electricity injected into the grid; (d) irradiance (DNI) measured using pyrheliometer; (e) global performance, (f) ORC performance; (g) performance solar field; (h) temperature and flow in and out of the solar field; (i) temperature and flow in and out of the storage system; (j) temperature and flow in and out of the heat exchanger upstream of the Orc; (k) gas price and quantity (m3) burnt; (l) Boiler efficiency (boiler); (ii) actual expenditure for the relevant semi-annual period and a comparison of that expenditure against the corresponding figures in the Operating Budget; (iii) forecast expenditure for each of the next following two semi-annual periods together with a comparison of that forecast expenditure against the corresponding figures in the Operating Budget; (iv) the general status of the Plant, the extraordinary maintenance activity carried out, recommendations on the O&M activities and on the extraordinary maintenance to be carried out by,

any change, damage to or destruction of any material of the Plant; (v) the MRA Amount necessary (if applicable); and (vi) any other or additional information that the Noteholders may reasonably request in relation to the operation of the Plant.

7. Environmental and social

- 7.1** No more than ten (10) days after becoming aware of any social, labour, health and safety, security or environmental incident, accident or circumstance, of any material adverse effect or material adverse impact on the implementation or operation of the Plant's operations in compliance with the Environmental Law requirements, the Issuer shall notify the Noteholders of and shall in each case specify the nature of the incident, accident, or circumstance and the impact or effect arising or likely to arise therefrom, and the measures being taken, or plans to be taken to address them and prevent any future similar event; and keep the Noteholders informed of the on-going implementation of those measures. Without prejudice to the generality of the foregoing paragraph, if the Noteholders has cause to suspect that there is any material non-compliance with the Environmental Law requirements the Noteholders may request that the Issuer provide such information as necessary in order to assist the Noteholders with their enquiry into compliance with the Environmental Law requirements.
- 7.2** The Issuer shall make available to the Noteholders any additional information in its possession or which it can reasonably obtain and that the Noteholders may reasonably request from time to time concerning environmental or social matters regarding the Plant.
- 7.3** The Issuer and the Sponsor shall use its best efforts to cause the Plant to continue to comply with relevant environmental and social requirements and encourage to work towards continuous improvements in environmental, social and governance matters.
- 7.4** The Issuer shall keep copies of the relevant documents collected during the due diligence process, concerning environmental or social matters regarding the Plant (including the documentation utilised for the due diligence process) for a period of not less than six (6) years.
- 7.5** The Issuer shall make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments. The annual report shall include a list of the projects to which the proceeds of this Notes have been allocated, as well as a brief description of the projects and the amounts allocated, and their expected impact.

8. Miscellanea

The Issuer will provide the Noteholders with:

- 8.1** available details of civil, criminal, labour, tax or other litigation, arbitration, or administrative or regulatory proceeding(including any GSE inspection), claim or action (including any dispute with any statutory or governmental authority) which takes place, is pending or threatened in writing against or involving the Issuer or to the extent it acquires knowledge in writing thereof, any of its counterparty under the Project Documents;

- 8.2** by not later than 15 (fifteen) Business Days of the date on which the visit or inspection is scheduled for, copy of any notice or details of any communication received from the GSE of an inspection or visit to the Plant or the Land;
- 8.3** without prejudice to the Conditions, a copy of any notice received or given by the Issuer constituting any step towards, or purporting or threatening default or, the rescission, termination or cancellation of any of the Project Documents, together with details of any action proposed to be taken in relation to the same;
- 8.4** details of any claims in relation to any Insurance Policy; and
- 8.5** any other reasonable information requested by the Noteholders with the respect to the Issuer and the Plant, the Land or any other of its Assets or activities.

9. Noteholders

Should a Noteholders be appointed by the Noteholders, all reporting and undertakings to be provided or performed, as the case may be, to the Noteholders, shall be provided or performed, as the case may be, to the Noteholders.

ANNEX B
Redemption schedule of the Notes

Note Interest Payment Date	Principal Due (per Nominal Holding of EUR 50000)	Principal Due (per Nominal Holding of EUR 5,300,000)	Percentage
30-Jun-19	-	-	0.000%
31-Dec-19	-	-	0.000%
30-Jun-20	841.00	89,146.00	1.682%
31-Dec-20	640.00	67,840.00	1.280%
30-Jun-21	771.00	81,726.00	1.542%
31-Dec-21	659.00	69,854.00	1.318%
30-Jun-22	795.00	84,270.00	1.590%
31-Dec-22	685.00	72,610.00	1.370%
30-Jun-23	818.00	86,708.00	1.636%
31-Dec-23	706.00	74,836.00	1.412%
30-Jun-24	832.00	88,192.00	1.664%
31-Dec-24	753.00	79,818.00	1.506%
30-Jun-25	898.00	95,188.00	1.796%
31-Dec-25	791.00	83,846.00	1.582%
30-Jun-26	924.00	97,944.00	1.848%
31-Dec-26	820.00	86,920.00	1.640%
30-Jun-27	954.00	101,124.00	1.908%
31-Dec-27	852.00	90,312.00	1.704%
30-Jun-28	980.00	103,880.00	1.960%
31-Dec-28	891.00	94,446.00	1.782%
30-Jun-29	1,021.00	108,226.00	2.042%
31-Dec-29	923.00	97,838.00	1.846%
30-Jun-30	1,058.00	112,148.00	2.116%
31-Dec-30	964.00	102,184.00	1.928%
30-Jun-31	1,100.00	116,600.00	2.200%
31-Dec-31	1,008.00	106,848.00	2.016%
30-Jun-32	1,139.00	120,734.00	2.278%
31-Dec-32	1,060.00	112,360.00	2.120%
30-Jun-33	1,193.00	126,458.00	2.386%
31-Dec-33	1,107.00	117,342.00	2.214%
30-Jun-34	1,245.00	131,970.00	2.490%
31-Dec-34	1,162.00	123,172.00	2.324%
30-Jun-35	1,301.00	137,906.00	2.602%
31-Dec-35	1,222.00	129,532.00	2.444%
30-Jun-36	1,357.00	143,842.00	2.714%
31-Dec-36	1,290.00	136,740.00	2.580%
30-Jun-37	1,427.00	151,262.00	2.854%
31-Dec-37	1,354.00	143,524.00	2.708%

30-Jun-38	1,496.00	158,576.00	2.992%
31-Dec-38	1,428.00	151,368.00	2.856%
30-Jun-39	1,570.00	166,420.00	3.140%
31-Dec-39	1,506.00	159,636.00	3.012%
30-Jun-40	1,646.00	174,476.00	3.292%
31-Dec-40	1,593.00	168,858.00	3.186%
30-Jun-41	1,735.00	183,910.00	3.470%
31-Dec-41	1,661.00	176,066.00	3.322%
30-Jun-42	1,824.00	193,344.00	3.648%

ANNEX C
Accounts Management

1. The Issuer shall maintain the Accounts until the Final Maturity Date.

The Issuer shall not withdraw from any Account if it would cause such Account to become overdrawn.

2. Proceeds Account

The Issuer shall operate the Proceeds Account as follows:

2.1 Credits to the Proceeds Account

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

- (i) all amounts paid to the Issuer, or on the Sponsor Account, by GSE as Tariff;
- (ii) any Insurance Proceeds and any Liquidated Damages due to the Issuer;
- (iii) in accordance with para. 4.2, item (ii) of this Annex, any amount by which any DSRA positive balance exceeds the DSRA Balance Target;
- (iv) if applicable, 15 (fifteen) Business Days prior to the Final Maturity Date or the Early Redemption Date (if any), credit the full positive balance of the MRA Account;
- (v) 15 (fifteen) Business Days prior to the Final Maturity Date or the Early Redemption Date (if any), credit the full positive balance of the DSRA Account;
- (vi) any Equity Contribution (other than the initial Equity Contribution to be credited in accordance with para. 5.1 of this Annex);
- (vii) in accordance with para. 5.2(v) of this Annex, any amount standing to the credit of the Escrow Account;
- (viii) any amount (other than those to be credited on any other Issuer's Account) due and paid to the Issuer not listed above;

2.2 Payments from the Proceeds Account

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

- (i) pay the due and payable Operating Costs;
- (ii) pay any Taxes due by the Issuer and any Tax liability asserted against the Issuer;
- (iii) on each Interest Payment Date, pay, *pro rata*, all costs, charges, fees and expenses of the Noteholders' Representative;
- (iv) pay all costs, charges, fees and expenses (other than Interest Amounts, Default Interest and Principal Amount Outstanding) due and payable under the Notes or for the enforcement of any rights of the Noteholders under the Transaction Documents;
- (v) save for what provided under para. 5.2 (iii) of this Annex, pay Interest Amounts and Default Interest (if any) due and payable under the Notes;
- (vi) repay the due and payable Principal Amount Outstanding of the Notes;
- (vii) if applicable, on each Calculation Date, credit the MRA with the MRA Amount;
- (viii) on each Calculation Date falling after the occurrence of the Second Release CPs, credit the DSRA with an amount equal to the positive difference (if any) between (x) the DSRA Balance Target

calculated on such Calculation Date and (y) the positive balance of the DSRA on the Interest Payment Date immediately preceding the relevant Calculation Date;

- (ix) on the Calculation Date on which is verified that an ADSCR Trigger or an LLCR Trigger has occurred, unless a Default Early Redemption Request is served, credit to the Cash Trap Lockup Account the full positive balance remaining on the Proceeds Account after application thereof to all of the previous items;
- (x) on each Interest Payment Date, make mandatory prepayment of the Principal Amount Outstanding of the Notes in accordance with Condition 6.2;
- (xi) on each Interest Payment Date, make voluntary prepayment of the Principal Amount Outstanding of the Notes in accordance with Condition 6.4;
- (xii) on each Calculation Date on which the Distribution Conditions are met, credit to the Distribution Account the positive difference (if any) between (a) the then positive balance of the Proceeds Account and (b) Minimum Positive Balance standing on the Proceeds Account;
- (xiii) upon service of a Default Early Redemption Request, apply the full balance thereon to repay the Principal Amount Outstanding, plus pay interest accrued and unpaid thereon.

3. Cash Trap Lockup Account

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

3.1 Credits to the Cash Trap Lockup Account

On any Calculation Date on which is verified that an ADSCR Trigger or an LLCR Trigger has occurred, the Issue shall procure that, the payment from the Proceeds Account listed in para. 2.1, item (ix) of this Annex will be transferred on the Cash Trap Lockup Account.

3.2 Payments from the Cash Trap Lockup Account

The Issuer shall only make withdrawals, payments or transfers from the Cash Trap Lockup Account as follows:

- (i) on the Calculation Date falling after the Calculation Date on which any amounts were credited on the Cash Trap Lockup Account, the Issuer shall:
 - a) transfer the full positive balance thereon on the Proceeds Account, if the Target Ratio Conditions are met; or
 - b) apply the full positive balance thereon to repay the Principal Amount Outstanding of the Notes in accordance with Condition 6.2.4, if the Target Ratio Conditions are not met; and
- (ii) on each following Calculation Date, the Issuer shall transfer the full positive balance thereon on the Proceeds Account, if the Target Ratio Conditions are met;
- (iii) upon service of a Default Early Redemption Request, apply the full balance thereon to repay the Principal Amount Outstanding, plus pay interest accrued and unpaid thereon;
- (iv) 15 (fifteen) Business Days prior to the Final Maturity Date or the Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the Cash Trap Lockup Account.

4. Debt Service Reserve Account

The Issuer shall operate the Debt Service Reserve Account as follows:

4.1 Credits to the DSRA

The Issuer shall procure that the following amounts are credited to the Debt Service Reserve Account:

- (i) in accordance with para. 5.2, item (iv) of this Annex, transfer from the Escrow Account an amount equal to the DSRA Balance Target;
- (ii) thereafter, on each Calculation Date transfer amounts from the Proceeds Account, in accordance with para. 2.2, item (viii) of this Annex, up to the DSRA Balance Target.

4.2 Payments from the DSRA

The Issuer shall only make withdrawals, payments or transfers from the Debt Service Reserve Account as follows:

- (i) on each Interest Payment Date, to pay any shortfall of the Issuer in paying any of the amounts referred to in para. 2.2, items (v) and (vi) of this Annex with the positive balance of the Proceeds Account;
- (ii) on each Calculation Date falling after the occurrence of the Second Release CPs, to credit the Proceeds Account with the positive difference (if any) between (a) the DSRA positive balance and (b) the DSRA Balance Target;
- (iii) upon service of a Default Early Redemption Request, apply the full balance thereon to repay the Principal Amount Outstanding, plus pay interest accrued and unpaid thereon;
- (iv) 15 (fifteen) Business Days prior to the Final Maturity Date or the Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the DSRA.

5. Escrow Account

The Issuer shall operate the Escrow Account as follows:

5.1 Credits to the Escrow Account

The Issuer shall procure that, on the Issue Date, the Subscription Price and the initial Equity Contribution is credited on the Escrow Account.

5.2 Payments from the Escrow Account

The Issuer shall only make withdrawals, payments or transfers from the Escrow Account as follows, with the prior written approval of the Noteholders:

- (i) on or after the Issue Date, perform any payment of Transaction Costs in accordance with the Funds Flow Memo applicable on or about the Issue Date;
- (ii) from the occurrence of the First Release CPs, perform any payments in accordance with the Funds Flow Memo applicable upon occurrence of the First Release CPs;
- (iii) within 5 Business Days from the First Interest Payment Date and from any other Interest Payment Date, until the issuance of the PAC, perform the payment of the relevant Interest Amount;
- (iv) from the occurrence of the Second Release CPs, perform any payments in accordance with the Funds Flow Memo applicable upon occurrence of the Second Release CPs and fund the DSRA with an amount equal to the DSRA Balance Target;
- (v) upon service of a Default Early Redemption Request, apply the full balance thereon to repay the Principal Amount Outstanding, *plus* pay interest accrued and unpaid thereon;
- (vi) on the Business Day following the performance of the last payment due in accordance with the Funds Flow Memo applicable upon occurrence of the Second Release CPs, transfer the positive balance thereof (if any) on the Proceeds Account.

6. Distribution Account

The Issuer shall operate the Distribution Account as follows:

6.1 Credits to the Distribution Account

On or about the Issue Date the Issuer may credit to the Distribution Account the amounts specified in the Funds Flow Memo.

6.2 Payments from the Distribution Account

Notwithstanding anything to the contrary under this Terms and Conditions, the Issuer may make payments or transfers from the Distribution Account without restrictions (including the repayment of any Shareholders Loan, as an exception to their subordination to the Notes).

7. MRA Account

The Issuer shall operate the MRA Account as follows:

7.1 Credits to the MRA Account

The Issuer shall procure that, within 5 (five) Business Days from the relevant Representative of the Noteholders' instructions, the following amounts are credited to the MRA:

- (i) on or about the Issue Date, transfer from the Proceeds Account to the MRA Account, the applicable MRA Amount;
- (ii) thereafter, on each Calculation Date, transfer the MRA Amount from the Proceeds Account to the MRA Account, in accordance with the para. 2.2, item (vii) of this Annex.

7.2 Payments from the MRA Account

The Issuer shall only make withdrawals, payments or transfers from the MRA Account as follows:

- (i) with the prior written consent of the Representative of the Noteholders, for paying any maintenance expense of the Plant which is not under the obligations of the O&M Contractor under any O&M or that remains unpaid for a period longer than 120 days by the O&M Contractor;
- (ii) 15 (fifteen) Business Days prior to the Final Maturity Date or the Early Redemption Date (if any), transfer on the Proceeds Account the full positive balance of the MRA Account.

ANNEX D

Insurance Policies

The following insurance policies shall be entered into, in each case, the date set out in the relevant paragraphs of this Annex D (*Insurance Policies*) and have an annual (renewable) duration or a longer duration as may be agreed and shall be kept in full force and effect for so long as any amounts remain outstanding under the Finance Documents.

The Insurances listed in this Annex D (*Insurance Policies*):

- (a) should be entered into and maintained in force with insurance companies having a rating not lower than "A-" by Standard & Poor's or equivalent rating from Moody's, Fitch or A.M. Best and however to the liking of the Noteholders;
- (b) the sums insured and the risks covered by the policies shall in no case be reduced without the prior written approval of the Noteholders and any modification will be subjected to acceptance of the Technical Advisor and Insurance Advisor.

the conditions mentioned shall be understood as maximum limits in respect of deductibles, while minimum limits in relation to guarantees and limits of compensation.

[●]

APPENDIX 1

FINANCIERS ENDORSEMENT

Insurances set out in this Annex D shall contain the following provisions or endorsements.

In particular, the All Risks Property - Machinery Breakdown - Business Interruption affected by the Issuer as per point 1 shall be endorsed with clauses provided in this Appendix 1.

In order to protect the financial entities interests on the project, we recommend incorporating the following loss payee clause in all insurance policies:

1. In this endorsement:

"Noteholders" has the meaning ascribed to it in the Terms and Conditions.

"Company" means the Issuer.

"Insurers" means each entity or person insured under this policy severally.

2. The Insurers acknowledge that they have been notified that the Company has assigned by way of first ranking security to the Noteholders all its rights title and interest in this insurance and in the subject matter of this insurance and consent thereto, and confirm that they have not been notified of any other assignment of or security interest in the Company's interest in this insurance.
3. The Insurers acknowledge that the Noteholders and (in respect of third party liabilities) their respective officers, directors, employees agents and advisers are each additional co-insureds under this policy. The Insurers waive all rights of contribution against any other insurance effected by the Noteholders or their directors officers or employees or agents or advisers.
4. The Insurers hereby waive all rights of subrogation or action howsoever arising which they may have or acquire arising out of any occurrence in respect of which any claim is admitted hereunder against:
 - (a) any of the Noteholders or their officers, directors, employees, agents and advisers; and
 - (b) the Company and any other insured party until all its financial indebtedness to the Noteholders has been discharged.
5. The Insurers acknowledge receipt of consideration for the insurance of the Noteholders hereunder and acknowledge that the Noteholders are not liable for payment of any premium payable by any other insured under this insurance. The Insurers shall not be entitled to offset any sums payable to the Noteholders against premium or other monies owing by the Company.
6. The insurance provided by this policy is primary insurance. The amount of the insurers' liability shall not be reduced by the existence of other insurance of the same risk. The Insurers waive any claim for average or contribution in respect of any other insurance of the insured risks.
7. It is agreed that the inclusion of one or more Insured in this policy shall not affect the rights of any Insured as respects any claim, demand, law suit or judgment made or brought by or for any other Insured or by or for any employee of any Insured. This policy shall protect each Insured

in the same manner as though a separate policy has been issued to each, but the inclusion herein of more than one Insured shall not serve to increase the limit of the insurers' liability. the liability of the Insurers under this Policy to any one Insured shall not be conditional upon the due observance and fulfilment by any other insured party of the terms and conditions of this Policy or of any duties imposed upon that insured party relating thereto, and shall not be affected by any failure in such observance or fulfilment by any such other insured party.

8. The Insurers acknowledge that (i) they have received adequate information in order to evaluate the risk of insuring the Company in respect of the risks hereby insured, on the assumption that such information is not materially misleading, and (ii) there is no information which has been relied on or is required by Insurers in respect of their decision to co-insure the Noteholders or their directors, officers, employees agents or advisers.
9. Notwithstanding any other provisions of this policy, Insurers agree not to avoid this insurance, or any valid claim under it on the grounds that the risk or claim was not adequately disclosed, or that it was misrepresented, unless deliberate or fraudulent non-disclosure or misrepresentation is established in relation thereto. Non-disclosure or misrepresentation by one Insured shall not be attributable to any other insured party who did not actively participate in that non-disclosure or misrepresentation knowing it to be such.
10. **Loss Payee Clause - Policies:** By way of loss payment agreement, the Insurers undertake that, until the Agent shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Agent so notifies to the Insurers:
 - (i) in the case of monies due under delay in start-up insurance and business interruption insurance, payment shall be made to the insured Company's Proceeds Account;
 - (ii) in the case of all other monies due under this policy, payment shall be made to the insured Company's Proceeds Account.

LOSS PAYEE CLAUSE - POLICIES INVOLVING THIRD PARTY LIABILITY:

By way of loss payment agreement, the Insurers undertake that, until the Agent shall otherwise have notified and directed the Insurers, all monies due under this policy to any Insured, whether by way of claims, return premiums, ex gratia settlements or otherwise shall be paid as follows, or to such other account or accounts as the Noteholder so notifies to the Insurers:

In the case of all monies due under this policy, payment shall be made to the insured Company's Proceeds Account provided that, where payment represents claims monies due to satisfy a liability of the Issuer to a third party and where those monies are to be paid by the Insurers against a release from the third party to the insured Company in respect of the liability satisfied through the payment, the Insurers may make the payment direct to the third party on behalf of the insured Company after giving the Noteholder 10 days notice in writing of its intention so to do if the Noteholder has not objected to that payment to that third party within that 10 day period.

11. The Insurer shall pay such amount as will reimburse to the Insured the cost to it in euro of its loss or liability.
12. The Insurers shall give to the Noteholder at least 45 days notice in writing:
 - (a) before any cancellation can take effect if any Insurer cancels or gives notice of such cancellation of all or any cover under this insurance for any reason;

- (b) before avoiding for non payment of any outstanding premium in order to give an opportunity for that premium to be paid within the notice period;
 - (c) before any reduction in limits or coverage, any increase in deductibles or any termination before the original expiry date is to take effect;
 - (d) of any act or omission or of any event of which the Insurer has knowledge and which the Insurer considers may invalidate or render unenforceable in whole or in part this insurance.
13. The Noteholder is not agent of any party other than the Noteholders for receipt of any notice or any other purpose in relation to this insurance.
14. All notices or other communications under or in connection with this policy will be given in writing or by fax. Any such notice will be deemed to be given as follows:
- (a) if in writing, when delivered;
 - (b) if by fax, on the date on which it is transmitted but only if (i) immediately after the transmission, the sender's fax machine records the correct answerback (ii) the transmission date is a normal business day in the country of the recipient at the time of transmission and is recorded as received before 5 p.m. on that date in the recipient's time zone, failing which it shall be deemed to be given on the next normal business day in the recipient's country.

The address and fax number of the Noteholder for all notices under or in connection with this policy are those notified from time to time by the Noteholder for this purpose to the Company. The initial address and fax number of the Noteholder are as follows:

The Noteholder: Piazza Barberini 52, 00187 Rome
For the attention of: Diomidis Dorkofikis e Francesco Maggi

15. This policy shall be governed by and interpreted in accordance with Italian Law.
16. This endorsement changes the policy. It overrides any conflicting provision in any policy or prior endorsement to which it applies.

APPENDIX 2
BROKER LETTER OF UNDERTAKING

The Borrower shall procure - in respect of the Insurances specified in this Annex D (*Insurance Policies*) that the brokers through whom such Insurances have been procured deliver to the Noteholder - (i) the Insurance Policies and/or documents certifying that the risks referred to and specified in this Annex D (*Insurance Policies*) are duly covered, and (ii) the Broker Letter of Undertaking substantially in the form set out in this Appendix 2 as soon as practicable after each insurance is effected or renewed.

To: Foresight Group S.à.r.l.
Piazza Barberini 52, 00187 Rome
For the attention of: Diomidis Dorkofikis e Francesco Maggi

as agent (the "**Noteholders' Representative**") and any successors

Dear Sirs,

In this letter:

"**Borrower**" means the Issuer.

"**Noteholders**" has the meaning ascribed to it in the Terms and Conditions.

"**Insurance**" means each of those insurances which the Borrower has agreed with the Finance Parties to procure and maintain in relation to the said project which are from time to time arranged by ourselves or by other companies within our group of companies.

"**Insurance Proceeds**" means has the meaning ascribed to it in the Terms and Conditions.

Pursuant to instructions received from the Borrower and in consideration of your approving our appointment or continuing appointment on behalf of the Noteholders to arrange maintain and monitor the Insurances covered by this letter (including renewals and/or replacements of them), we confirm that:

- (a) the Insurances are in full force and effect as evidenced by the attached policies or, failing those, cover notes, and comply with the Borrower's obligations under the Finance Documents including the loss payee clause in compliance with Finance Documents;
- (b) we are not aware (after making reasonable enquiry) of any information which should have been disclosed to insurers in order to constitute proper disclosure of the risks insured, or that any information disclosed was inaccurate or misleading;
- (c) we are not aware (after making reasonable enquiry) of any reason why the Borrower or any insurer may be unwilling or unable to honour its obligations in relation to the Insurances, or to avoid the Insurances, in whole or in part.
- (d) we acknowledge that the Noteholders have a direct interest in the Material Insurances as co-insured and an indirect interest in them arising from their security interest in them and in the claims proceeds deriving from them. In respect of our services during the term of our appointment, we accept responsibility for acting as insurance broker on behalf of the Noteholders in respect of the co-insurance of the Noteholders (or the Noteholder on their behalf) under the Material Insurances on policy terms (including lender endorsements) agreed from time to time by you.

We hereby undertake in respect of the interests of the Borrower and the Noteholders in the Insurances:

1. To notify promptly to all insurers from time to time of the Insurances of the assignment of the

Borrower's rights under the Insurances and to the Insurance Proceeds to the Noteholders in such form as you may require and to procure their acknowledgement of receipt of such notices of assignment and by having the notices endorsed on the policies of Insurance, and to provide you with true copies of such notices and endorsements;

2. in the case of any Insurance policy, as and when the same is issued or renewed, to ensure that it complies with the requirements that the Borrower and the Noteholders have previously agreed and that it contains terms or endorsements agreed between the Borrower and the Noteholders;
3. to notify you:
 - (i) promptly when we are informed of any proposed changes in the terms of the Insurances which we reasonably believe would, if effected, result in any material reduction in limits or alteration in coverage (including those resulting from extensions) or increase in deductibles, exclusions or exceptions;
 - (ii) at least 30 days prior to the expiry of these Insurances with all reasonable information regarding their renewal arrangements, including premiums and insurers and reinsurers and terms and conditions of renewal cover; and
 - (iii) promptly if any premium due has not been paid within when due, or if any insurer or reinsure gives notice of cancellation non-renewal or avoidance of any Insurance or threatens to do so;
 - (iv) of any act or omission or of any event of which we have actual knowledge and which might reasonably be foreseen as invalidating any Insurance or rendering it void, avoidable or unenforceable in whole or in part;
 - (v) immediately in the event of our becoming aware of any purported assignment of or the creation of any security interest over the Borrower's interest or rights in any of the Insurances;
4. to disclose to you any fact, change of circumstance or occurrence which we know to be material to the risks insured against under the Insurance arranged by us promptly when we become aware of such fact, change of circumstance or occurrence, and if so requested by you to disclose the same to affected insurers and reinsurers;
5. to hold all Insurance policies received by us to your order, subject to our lien, if any, in respect of monies owing to us in respect of any Insurance;
6. to procure payment of any claim collected by us on behalf of the Borrower or the Noteholders in accordance with the Loss Payment clause (if any) within the Insurance;
7. to pay promptly to insurers all premium received from the Borrower or for which we are liable in order to ensure that each Insurance is valid and enforceable in accordance with its terms;
8. to make available to you on reasonable request our placing and claims files, and provide you with copies of any documents from those files.

We undertake to inform you in writing immediately if we receive or give notice that we are to cease to act as insurance brokers to the Borrower for the purpose of arranging, maintaining and/or monitoring any Insurances previously arranged by us. Paragraphs 1-7 above are subject to our continuing appointment as insurance brokers in relation to the Insurances concerned and the handling of claims in relation to them.

This letter shall be governed by and construed in all respects in accordance with Italian law.

Yours faithfully

Attachments: [to be described]

ANNEX E

Operating Budget

YEAR		1 month	2 month	3 month	4 month	5 month	6 month	1S VAT Incl.	1S VAT Excl.	7 month	8 month	9 month	10 month	11 month	12 month	2S VAT Incl.	2S VAT Excl.	Tot			
Annual Budget																VAT Regime				After VAT	Before VAT
	Supplier																				
INCENTIVE																					
Feed-in-Tariff	GSE	-	-	-	-	-	300,294	300,294	300,294	100,712	108,292	110,999	102,336	77,429	59,261	0%	559,030	559,030	859,324	859,324	
ancillary revenue	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
INSURANCE																					
All risk + RCT	[Spare]	-	15,000	-	-	-	-	15,000	15,000	-	-	-	-	-	-	0%	-	-	15,000	15,000	
OPEX																					
Manutenzione Impianto	Archimede	-	-	-	6,612	7,650	5,464	19,727	16,170	7,213	6,120	7,213	6,120	6,776	7,213	22%	40,656	33,324	60,383	49,494	
Gas Costs	[Spare]	-	-	-	3,048	3,552	2,538	9,137	7,490	3,359	2,853	3,370	2,862	3,176	3,381	22%	19,007	15,580	14,072	11,535	
Land agreement	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22%	-	-	-	-	
Utilities and power supply	[Spare]	851	825	854	853	799	855	5,036	4,128	829	858	832	861	863	836	22%	5,079	4,163	10,115	8,291	
Other costs	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22%	-	-	-	-	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
OTHERS																					
ADVISORS																					
Asset Management	Archimede	596	577	597	597	559	599	3,525	2,889	590	601	582	603	604	585	22%	3,555	2,914	7,080	5,804	
Technical Advisor Monitoraggio	TA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22%	-	-	-	-	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
IMU																					
IMU	[Spare]	-	27	795	852	902	738	3,313	3,313	874	792	874	792	847	874	0%	5,055	5,055	8,368	8,368	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
[Spare]	[Spare]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-	-	-	-	
Totale		-	1,446	1,429	2,246	11,361	13,462	10,194	40,738	33,390	12,856	11,225	12,872	11,239	12,265	-	73,352	61,036	115,018	98,491	

Operating Budget	1S	2S
INSURANCE	- 15,000.00	-
OPEX	- 33,300.41	- 64,742.12
OTHERS	- 3,525.08	- 3,595.33
IMU	- 3,312.90	- 5,054.64
Total	- 55,738.38	- 73,352.09

ANNEX F
Funds Flow Memo

Funds Flow Memo Part I Funds Flow Memo on or about the Issue Date	
Part I	425,000.0
Transaction costs	-171,608.7
Interest During Construction (Escrow Account)	-201,195.0
Upfront Fees	-142,500.0
Imposta sostitutiva	-13,250.0
Equity da versare	103,553.7

Funds Flow Memo Part II upon First Release CPs	
Part II	1,298,000.0
EPC Payment	-1,298,000.0

Funds Flow Memo Part III upon Second Release CPs <i>(it is understood in any case the uses and sources shall be always respected)</i>	
Part III	3,577,000.0
Cash in balance	-191,631.2
DSRA	-247,960.0
EPC Payment	-3,137,408.8

Fund Flow			
Uses		Sources	
Ingegneria e autorizzazioni	257,000.0	Bond	5,300,000.0
Acquisto suolo	318,084.2	Equity	2,920,277.4
Contratto EPC	4,000,000		
1 - Generatore Solare	1,162,048.0		
2 - Sistema ORC	1,485,000.0		
ALLACCI - VOCE G	30,000.0		
Upfront Fees	142,500.0		
Cash in balance	191,631.2		
DSRA	247,960.0		
Imposta sostitutiva	13,250.0		
IDC	201,195.0		
Transaction costs	171,608.7		
Total Uses	8,220,277.4	Total Sources	8,220,277.4
VAT	667,704.8	Equity VAT	667,704.8
Total Uses	8,887,982.2	Total Sources	8,887,982.2

ANNEX G
Report Green Bond Principles



SOLO SOLE S.R.L.

GREEN BOND

SECOND PARTY OPINION

Assessment of the alignment with the Green Bond Principles

Roma, 14 March 2019



SOGESA Consulting Srl

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- Basis of SOGESA Consulting's opinion.....4
- Responsibilities of the Management of Solo Sole and SOGESA Consulting.....5
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1. SCOPE AND OBJECTIVES

Solo Sole S.r.l. ("Solo Sole" or the "Issuer") is an Italian company incorporated with the purpose of the acquisition and management of a 990 kWe/4 Mwt concentrated solar power plant ("CSPP") that will produce electricity from renewable sources currently under construction in the municipality of Enna by the company Archimede Srl.

The estimated production of electricity of such CSPP reaches the yearly value of 2.432 MWhe, equivalent to a lower emissions amount of 1.130 Co2/Tons (based on the average emissions level of the European thermoelectric plants). The CSPP project has already been admitted to the incentive tariff scheme granted by GSE – Gestore Servizi Energetici.

Solo Sole is considering the issuance of a bond in EURO (henceforth referred to as "BOND") of Euro 5.300.000,00 and would like to label it as a "Green Bond" as defined within the Green Bond Principles (GBP) by ICMA – International Capital Market Association. The capital investments related with the acquisition of the CSPP will be financed by new equity to be injected in Solo Sole by its shareholders for the amount exceeding the issued BOND.

The Issuer intends to use the proceeds of the BOND following the signing with Archimede Srl of an Operation & Management agreement immediately at the BOND issuance day (such contract will be executed the day the CSPP will be transferred by Archimede Srl to Solo Sole), and 2) a Transfer Agreement concerning the CSPP and its relevant connection facilities which will be executed once the CSPP is fully operational. The Transfer Agreement will be signed when the Sicily Region will authorize the transaction, in order to avoid losing the right to the incentive tariff.

According to GSE the transfer of the shares of the owner of a company which has been granted with an incentive tariff is always allowed. The price to be paid to Archimede Srl, to be funded by the BOND, will be based on the actual costs accounted for the realization of the CSPP.

At the BOND issuance day, Solo Sole will pay to Archimede Srl an amount of 1.600.000,00 in relation with the O&M agreement above mentioned.

According to Solo Sole, the CSPP has a work completion term by October 12, 2019; furthermore, in order to be admitted to the incentive tariff the plant has to enter into operation by May 25, 2021.

The bondholders will be granted by a number of securities in order to secure the payments of the Issuer under the notes of the BOND.

SOGESA Consulting S.r.l. ("SOGESA Consulting") has been commissioned by Solo Sole to provide a Green Bond Second Party Opinion on the alignment with GBP. Our methodology to achieve this is described under 'Work Undertaken' below. We were not commissioned to provide

independent assurance or other audit activities. No assurance is provided regarding the financial performance of the BOND, the value of any investments in the BOND, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the BOND has met the criteria established on the basis set out below.

The scope of this SOGESA Consulting opinion is limited to the Green Bond Principles by ICMA – International Capital Market Association – June 2018.

2. BASIS OF SOGESA CONSULTING'S OPINION

To provide as much flexibility for the issuer Solo Sole, we have adapted our Green Bond Principles assessment methodologies, which incorporates the requirements of the Green Bond Principles, to create a Solo Sole - specific Green Bond Second Party Opinion Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin SOGESA Consulting's opinion. The overarching principle behind the criteria is that a green bond should "enable capital-raising and investment for new and existing projects with environmental benefits".

As for our Protocol, the criteria against which the BOND has been reviewed are grouped under the four Principles:

- **Principle One: Use of Proceeds.** The Use of Proceeds criteria are guided by the requirement that an issuer of a green bond must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.
- **Principle Two: Process for Project Evaluation and Selection.** The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a green bond should outline the process it follows when determining eligibility of an investment using Green Bond proceeds and outline any impact objectives it will consider.
- **Principle Three: Management of Proceeds.** The Management of Proceeds criteria are guided by the requirements that a green bond should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- **Principle Four: Reporting.** The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond investors should be made of the use of bond proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

3. RESPONSIBILITIES OF THE MANAGEMENT OF SOLO SOLE AND SOGESA CONSULTING

The management of Solo Sole has provided the information and data used by SOGESA Consulting during the delivery of this review. Our statement represents an independent opinion and is intended to inform Solo Sole's management and other interested stakeholders in the BOND as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by Solo Sole.

SOGESA Consulting is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, SOGESA Consulting shall not be held liable if any of the information or data provided by Solo Sole's management and used as a basis for this assessment were not correct or complete.

4. WORK UNDERTAKEN

Our work constituted a high level review of the available information, based on the understanding that this information was provided to us by Solo Sole in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a Solo Sole - specific Protocol, adapted to the purpose of the BOND, as described above;
- Assessment of documentary evidence provided by Solo Sole on the BOND and supplemented by a high-level desktop research. These checks refer to current assessment, best practices and standards methodology;
- Discussions with Solo Sole management, and review of relevant documentation;
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

5. FINDINGS AND SOGESA CONSULTING'S OPINION

SOGESA Consulting's findings are listed below:

1. Principle One: Use of Proceeds

Solo Sole intends to use the proceeds of the BOND exclusively to fund the acquisition of a CSPP still under construction.

SOGESA Consulting determined that the CSPP that will be acquired by Solo Sole will reach significant savings in GHG emissions relative to fossil fuel usage and meets the requirements for inclusion under the Green Bond Principles.

According to Solo Sole's business plan, the CSPP will use n. 23.110 linear Fresnel reflectors designed in order to concentrate the solar radiation into circuits filled with a heat transfer fluid working at a temperature of 330 celsius degrees. The thermal energy absorbed by such fluid will be transformed by a turbine into mechanical energy and then into electrical energy by an alternator connected with the turbine itself.

The BOND is issued by the new company Solo Sole that plans to acquire in the future the CSPP. For that reason, the BOND could be labelled as "Green" only if and when the Transfer Agreement will be executed. Anyway, the complete analysis of the operations framework that Solo Sole plans to carry out, allows to bypass such possible deferred green bond labelling as:

- the legal risk that the Sicily Region will not approve the transfer is close to zero;
- and Solo Sole will be involved in the CSPP management operations via the O&M agreement with Archimede Srl and the immediate disbursement of euro 1.600.000,00 to that company.

On the basis of the information provided by Solo Sole and the work undertaken, it is SOGESA Consulting's opinion that the BOND will meet the criteria established in the Protocol and that it is aligned with the stated definition of green bonds within the Green Bond Principles by ICMA, which is to "enable capital-raising and investment for new and existing projects with environmental benefits".

2. Principle Two: Process for Project Evaluation and Selection

Solo Sole is a new company with no relevant previous experience in management of CSPP or similar projects.

In order to secure the availability of the specific technical skills connected with the complexity of the CSPP, at the BOND issuance day Solo Sole will sign an O&M agreement with Archimede Srl. The O&M will be signed before the Bond issue but with deferred effect on the date of the

final acceptance certificate. For the first two years (i.e. in the time between the certificate of provisional acceptance and that of final acceptance) O&M activities will be conducted by the EPC contractor himself.

- **Principle Three: Management of Proceeds**

SOGESA Consulting has reviewed evidence showing how Solo Sole plans to trace the proceeds from the BOND, from the time of issuance to the time of disbursement.

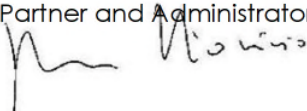
The amount of the proceeds exceeding the sum that will be paid immediately to Archimede Srl in connection with the O&M agreement, will be managed within treasury or equivalent, and thereafter disbursed in accordance with the debt obligation. The details of the disbursement and the outstanding value will be tracked using Solo Sole internal financial reporting system. At the end of each financial period, Solo Sole will review the outstanding balance of the BOND. As stated above, SOGESA Consulting provides no assurance regarding the financial performance of the BOND, the value of any investments in the BOND, or the effects of the transaction.


- **Principle Four: Reporting**

As Solo Sole has the purpose of acquiring and managing the CSSP, it will timely provide confirmation to bondholders that the acquisition of the plant has been fully executed by the Transfer Agreement. Such confirmation should include the information of any possible amount of the proceeds of the BOND that has not been used for such transaction. Solo Sole will deliver in its annual financial statements all the relevant qualitative and quantitative information concerning the environmental impact of the CSPP in terms of energy savings and operational efficiency.

Roma, 14 March 2019

for SOGESA Consulting S.r.l.

Stefano Dionisio
Partner and Administrator


Pierluigi Pireddu
Technical Director


SOGESA
consulting srl

Protocol: GREEN BOND ASSESSMENT SCHEME

1. USE OF PROCEEDS

Ref.	Criteria	Requirements	Work Undertaken	Findings
1a	Type of bond	<p>The bond must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Green Securitized Bond 	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Admission document; - BOND Term Sheet; - BOND Funds Flow. <p>Discussions with Solo Sole management</p>	<p>The reviewed documents confirm that the BOND falls into the category: Green Use of Proceeds Bond.</p>
1b	Green Project Categories	<p>The cornerstone of a Green Bond is the utilization of the proceeds of the bond which should be appropriately described in the legal documentation for the security.</p>	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Admission document; - BOND Term Sheet; - BOND Funds Flow. <p>Discussions with Solo Sole management</p>	<p>Solo Sole S.r.l. is an Italian company incorporated with the purpose of the acquisition and management of a 990 kWe/4 Mwt concentrated solar power plant ("CSPP") that will produce electricity from renewable sources currently under construction in the municipality of Enna by the company Archimede Srl.</p> <p>Solo Sole S.r.l. intends to use the proceeds of the BOND following the signing with Archimede Srl of an Operation & Management agreement immediately at the BOND issuance day (such contract will be executed the day the CSPP will be transferred by Archimede Srl to Solo Sole), and 2) a Transfer Agreement concerning the CSPP and its relevant connection facilities which will be executed once the CSPP is fully operational. The Transfer Agreement will be signed when the Sicily Region will authorize the transaction, in order to avoid losing the right to the incentive tariff.</p> <p>The CSPP project has already been admitted to the incentive tariff scheme granted by GSE – Gestore Servizi Energetici.</p>

Ref.	Criteria	Requirements	Work Undertaken	Findings
1c	Environmental benefits	All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the issuer.	Review of: <ul style="list-style-type: none"> - BOND Admission document; - BOND Term Sheet; - BOND Funds Flow; - Solo Sole Asset Specifications. Discussions with Solo Sole management	The estimated production of electricity of such CSPP reaches the yearly value of 2.432 MWhe, equivalent to a lower emissions amount of 1.130 Co2/Tons (based on the average emissions level of the european thermoelectric plants).

2. PROCESS FOR PROJECT SELECTION AND EVALUATION

Ref.	Criteria	Requirements	Work Undertaken	Findings
2a	Investment-decision process	<p>The issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds.</p> <p>This includes, without limitation:</p> <ul style="list-style-type: none"> • process to determine how the projects fit within the eligible Green Projects categories identified in the Green Bond Principles; • the criteria making the projects eligible for using the Green Bond proceeds; • and the environmental sustainability objectives. 	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Admission document; - BOND Term Sheet; - BOND Funds Flow. <p>Discussions with Solo Sole management</p>	<p>Solo Sole is a new company with no relevant previous experience in management of CSPP or similar projects.</p> <p>In order to secure the availability of the specific technical skills connected with the complexity of the CSPP, at the BOND issuance day Solo Sole will sign an O&M agreement with Archimede Srl. The O&M will be signed before the Bond issue but with deferred effect on the date of the final acceptance certificate. For the first two years (i.e. in the time between the certificate of provisional acceptance and that of final acceptance) O&M activities will be conducted by the EPC contractor himself.</p>

3. MANAGEMENT OF PROCEEDS

Ref.	Criteria	Requirements	Work Undertaken	Findings
3a	Tracking procedure	The net proceeds of Green Bonds should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the issuer in an appropriate manner and attested to by a formal internal process that will be linked to the issuer's lending and investment operations for Green Projects.	Review of: <ul style="list-style-type: none"> - BOND Admission document; - BOND Term Sheet; - BOND Funds Flow. Discussions with Solo Sole management	<p>SOGESA Consulting has reviewed evidence showing how Solo Sole plans to trace the proceeds from the BOND, from the time of issuance to the time of disbursement.</p> <p>The amount of the proceeds exceeding the sum that will be paid immediately to Archimede Srl in connection with the O&M agreement, will be managed within treasury or equivalent, and thereafter disbursed in accordance with the debt obligation. The details of the disbursement and the outstanding value will be tracked using Solo Sole internal financial reporting system. At the end of each financial period, Solo Sole will review the outstanding balance of the BOND. As stated above, SOGESA Consulting provides no assurance regarding the financial performance of the BOND, the value of any investments in the BOND, or the effects of the transaction.</p>

4. REPORTING

Ref.	Criteria	Requirements	Work Undertaken	Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact.	<p>Review of:</p> <ul style="list-style-type: none"> - BOND Admission document; - BOND Term Sheet; - BOND Funds Flow; - Solo Sole Environmental authorizations, analytical investigations, plant production reporting. <p>Discussions with Solo Sole management</p>	<p>As Solo Sole has the purpose of acquiring and managing the CSSP, it will timely provide confirmation to bondholders that the acquisition of the plant has been fully executed by the Transfer Agreement.</p> <p>Such confirmation should include the information of any possible amount of the proceeds of the BOND that has not been used for such transaction.</p> <p>Solo Sole will deliver in its annual financial statements all the relevant qualitative and quantitative information concerning the environmental impact of the CSPP in terms of energy savings and operational efficiency.</p>

