

RULES OF THE LOAN

RULES OF THE LOAN “Sipcam Oxon S.p.A. (ex Sipcam S.p.A.) 6.50% 2014 - 2019” WITH A FACE VALUE OF EUR 15,000,000.00 ISIN CODE IT0005054173

Sipcam Oxon S.p.A.

Registered office: Via Carroccio, 8 - 20123 Milan (MI)

Tax ID, VAT number and registration number in the Milan Register of Companies: 00845900158

Resolved and subscribed share capital: € 17,700,000.00 fully paid up

This bond loan is governed by the following terms and conditions (the "Rules of the Loan") and to the extent not specified herein, by Articles 2410 et seq. of the Italian Civil Code on bonds issued by joint stock companies.

1. Definitions

In these Rules of the Loan, the following expressions shall have the meanings respectively given to them herein:

"**Article**" means an article of these Rules of the Loan.

"**Bondholders' Meeting**" has the meaning given to that term in Article 22.

"**Assets**" means, in respect of a company, tangible (excluding finished goods for sale) and intangible assets, including receivables, shares, equity investments and financial instruments held by the company, but excluding assets acquired in the ordinary course of business.

"**The Italian Stock Exchange**" means Borsa Italiana S.p.A., with registered office in Milan, Piazza degli Affari No. 6.

"**Cerved**" means Cerved Rating Agency S.p.A. (formerly Cerved Group S.p.A.), with registered office at Via S. Vigilio No.1, 20142 Milan, registration number in the Milan Register of Companies and tax ID 08445940961, REA No. MI-2026783.

"**Core Business**" means the formulation of active ingredients, the marketing and distribution of chemicals for agriculture, as well as the manufacture and distribution of innovative plant nutrition systems and products.

"**Issue Date**" has the meaning given to that term in Article 5.

"**Payment Date**" has the meaning given to that term in Article 7.

"**Early Redemption Date**" means the mandatory early redemption date of the Loan as indicated in the Early Redemption Request sent to the Issuer; it being understood that the Early Redemption Date shall not fall earlier than the tenth Business Day following the date on which such Early Redemption Request is sent.

"**Maturity Date**" has the meaning given to that term in Article 6.

"**Valuation Date**" means 31 December of each year starting from 2014.

"**Issue Resolution**" has the meaning given to that term in Article 16.

"**Benchmark Statement**" has the meaning given to that term in Article 12.

"**EBITDA**" means, in relation to the Group and on the basis of the results of the annual consolidated financial statements, the algebraic sum of the following items of the Income Statement pursuant to Article 2425 of the Italian Civil Code:

1. (+) A) value of production;
2. (-) B) production costs;
3. (+) production costs for the use of third-party assets referred to in paragraph 8) of letter B) (only for the part relating to rentals for financial or operating leases of assets used under lease, assuming that the financial statements are not prepared in accordance with IAS 17);
4. (+) depreciation/amortisation and write-downs referred to in paragraph 10) of letter B), referring only to:
 - a) amortisation of intangible assets;
 - b) depreciation of tangible assets;
 - c) other write-downs of fixed assets.

"**Issuer**" means Sipcam Oxon S.p.A., a company incorporated as a joint-stock company under Italian law, with registered

office a Via Carroccio, 8 - 20123 Milan (MI), registration number with the Milan Register of Companies, tax ID and VAT number 00845900158, Economic and Administrative Index number MI-804531, share capital of €17,700,000.00 fully paid up.

"Significant Adverse Event" means any event whose direct or indirect consequences may adversely affect the Issuer's financial standing, assets or business in such a way as to impair the Issuer's ability to duly fulfil its obligations under the Loan.

"Rate Change Event" means a change in any of the Financial Benchmarks caused by a deviation of up to 10% of the value specified for each of them in paragraph (viii) of Article 12.

"Relevant Event" has the meaning given to that term in Article 9.

"Business Day" means any day on which the Trans-European Automated Real Time Gross Settlement Express Transfer System (TARGET2) is operational for payment in euros.

"Group" means the Issuer and its subsidiaries pursuant to Article 2359 of the Italian Civil Code.

"Net Financial Debt" means, in relation to the Group and on the basis of the results of the annual consolidated financial statements, the total algebraic sum of:

1. Items recorded under Liabilities (letter D) of the Balance Sheet pursuant to Article 2424 of the Italian Civil Code:
 - (+) 1 - Bonds;
 - (+) 2 - Convertible bonds;
 - (+) 3 - Payables to shareholders for loans;
 - (+) 4 - Payables to banks;
 - (+) 5 - Payables to other lenders;
 - (+) 8 - Payables represented by debt securities (for the portion of financial nature);
 - (+) 9 - Net payables to subsidiaries (only financial items are included in the calculation);
 - (+) 10 - Net payables to affiliated companies (only components of a financial nature should be included in the calculation);
 - (+) 11 - Net payables to parent companies (only components of a financial nature should be included in the calculation);
 - (+) 14 - Other payables (only components of a financial nature are to be included in the calculation).

Any form of shareholders' loan is excluded from the above items to the extent that they are subordinated.

2. Items recorded under Assets (letter C) of the Balance Sheet pursuant to Article 2424 of the Italian Civil Code:
 - (-) III 6) - Other securities (provided they are traded on regulated markets), it being understood that in the case of securities with an original maturity of more than 1 (one) year, only government securities are to be included in the calculation;
 - (-) IV - Cash and cash equivalents (such as bank and post office deposits, cheques, money and valuables on hand);
3. (+) Residual principal payables related to outstanding lease transactions (calculated in accordance with IAS 17) where not already included in the above items.

"Interest" has the meaning given to that term in Article 7.

"Interest Coverage Ratio" means, in relation to the Group and on the basis of the results of the annual consolidated financial statements, the ratio between:

- (i) the Group's EBITDA; and
- (ii) Net Financial Charges.

"Professional Investors" has the meaning given to that term in Article 3.

"Bankruptcy Law" has the meaning given to that term in Article 9.

"Leverage Ratio" means, in relation to the Group and based on the results of the annual consolidated financial statements, the leverage ratio between:

- (i) the amount of Net Financial Debt; and

(ii) Equity

"ExtraMOT Market" means the multilateral trading system called "Extramot" for bonds organised and managed by the Italian Stock Exchange.

"Equity" means, in relation to the Group, and on the basis of the results of the annual consolidated financial statements, the algebraic sum of the amounts relating to the following items recorded on the Balance Sheet pursuant to Article 2424 of the Italian Civil Code:

1. (+) A) of Liabilities - Net Worth;
2. (-) A) of Assets - Receivables from shareholders for contributions still due;
3. (-) B.III.4 of Assets - Own shares (under financial fixed assets);
4. (-) C.III.5 of Assets - Own shares (under current assets);

and in addition

5. (+) Shareholders' loans (in any form) subordinated.

"Monte Titoli" means Monte Titoli S.p.A., with registered office in Milan, Piazza degli Affari No. 6.

"Bonds" has the meaning given to that term in Article 2.

"Bondholders" has the meaning given to that term in Article 2.

"Net Financial Charges" indicates, in relation to the Group and on the basis of the results of the annual consolidated financial statements, the algebraic sum of the amounts relating to the following items recorded on the Income Statement pursuant to Article 2425 of the Italian Civil Code:

1. (+) C) 17, Interest and other financial charges;
2. (+) C) 17 bis, net foreign exchange losses;
3. (-) C) 16 Other financial proceeds;
4. (+) financial expenses arising from leasing contracts calculated in accordance with IAS 17 where not already included in the above items.

"Permitted Transactions" means:

- (i) the Listing;
- (ii) the sale of up to 50% of the shares of Sipcam Agro SA;
- (iii) the sale of up to 20% of the shares of Sipcam Europe;
- (iv) the acquisition of up to 10% of the shares of Sumi Agro Ltd;
- (v) transactions characterised by institutional investments in the Issuer's capital consisting in the temporary acquisition, by a specialised financial investor, of a shareholding in the Issuer's capital, aimed at obtaining a capital gain over a medium/long term period (so-called private equity transactions);
- (vi) sale, lease, transfer or disposal of the Assets (excluding the shareholdings of the Relevant Companies) held by the Issuer, if the cumulative value of such transactions (for the entire term of the Loan) is less than € 5,000,000 (five million) as resulting from the book value of the relevant Asset;
- (vii) corporate reorganisation operations carried out between the Issuer and other companies of the Group (i.e. mergers, and spin-offs, contributions and transfers of companies and business units within the Group) provided that, as a result of such transactions, the commitment referred to in point (vi) of Article 12 is respected;
- (viii) acquisitions of businesses, companies or business units whose pro-rata enterprise value calculated (i) individually in relation to the relevant transaction is less than € 10,000,000 (ten million) and/or (ii) cumulatively for the entire duration of the Loan is less than € 25,000,000 (twenty-five million);
- (ix) acquisition of Assets, with the exclusion of businesses, companies or business units, the price of which (i) in relation to a single Asset is less than € 10,000,000 (ten million) and/or (ii) cumulatively for the entire duration of the Loan is less than € 25,000,000 (twenty-five million);
- (x) transactions previously communicated to the Bondholders' Meeting, and for which the Bondholders' Meeting has not passed a resolution to the contrary within 30 (thirty) days of the communication. In the event that the Bondholders' Meeting has, within the terms, resolved negatively on the transaction and the Issuer nevertheless proceeds to carry out the transaction, the Bondholders shall be entitled to request early redemption of the Loan in accordance with the provisions of Article 9 below (Early Redemption in favour of Bondholders), although it is

understood that such early redemption event shall not constitute a Relevant Event.

"Option" has the meaning given to that term in Article 17.

"Financial Benchmarks" has the meaning given to that term in Article 12.

"Exercise Period" has the meaning given to that term in Article 17.

"Loan" has the meaning given to that term in Article 2.

"Listing" has the meaning given to that term in Article 17.

"Common Representative" has the meaning given to that term in Article 22.

"Rating" means the public solicited rating assigned to the Issuer by Cerved Rating Agency S.p.A. on 30 June 2014 pursuant to EC Regulation 1060/2009, as amended.

"ExtraMOT Market Rules" means the rules for the management and operation of the ExtraMOT Market issued by the Italian Stock Exchange, in force since 8 June 2009 (as amended and supplemented from time to time).

"Rules of the Loan" means these Rules of the Loan.

"Early Redemption Request" has the meaning given to that term in Article 9.

"Relevant Companies" means Sipcam Agro SA, Sipcam Europe and its subsidiaries, Sipcam Pacific Pty Ltd.

"ExtraMOT PRO Segment" means the segment of the ExtraMOT Market where financial instruments (including bonds and debt securities) are traded and which is accessible only to professional investors (as defined in the ExtraMOT Market Rules).

"Majority Shareholder" means the Gagliardini and Ciocca families.

"Interest Rate" has the meaning given to that term in Article 7.

"Italian Consolidated Law on Finance" means Legislative Decree No. 58 of 24 February 1998, as amended.

"Face Value" has the meaning given to that term in Article 2.

"Permitted Liens" means, in relation to the Issuer or another company of the Group:

- (i) Existing Liens;
- (ii) the Liens established, after the Issue Date, to secure loans on favourable terms (with exclusive reference to the economic conditions applied) granted by public bodies, multilateral development institutions, development agencies, international organisations and banks or credit institutions acting as agents of the aforementioned bodies or organisations, provided that such loans are granted in the ordinary course of business of the relevant company as set forth in its by-laws in force;
- (iii) Liens on Assets to finance the acquisition thereof, provided that the value of the financing secured for the acquisition of the relevant Asset does not exceed the value of the Asset itself;
- (iv) the Liens granted by Sipcam Agro SA (excluding pledges on its shares);
- (v) sureties and/or personal guarantees in favour of or on behalf of Group companies;
- (vi) any privilege granted directly by law, except those created as a result of a breach of mandatory rules;
- (vii) the pledge on the shares of Sipcam Agro SA, which must in any case be released by 31 December 2014;
- (viii) mortgages established in substitution for or in addition to the mortgages existing on the Issue Date, provided that the total value of the loans secured by such mortgages does not exceed a total of € 20,000,000 (twenty million) over the entire term of the Loan;
- (ix) Liens qualifying as "Permitted Encumbrances" pursuant to Article 7.3 of the Rules of the bond loan of "Sipcam Oxon S.p.A. (formerly Oxon Italia S.p.A.) - Fixed Rate 5.50% - 2015/2021".

"Existing Liens" means all Liens existing on the Issue Date in respect of the Issuer and the other companies of the Group as listed in Annex 1 to these Rules of the Loan.

"Lien" means any mortgage, pledge, charge or lien of a real nature or privilege on the Assets held by the Issuer or any other company in the Group and any surety given by the Issuer or any other company in the Group to secure the obligations of third parties (including any form of allocation and separation of assets).

2. Nominal amount of the issue, denomination and form of the Bonds

These Rules of the Loan govern the issuance of a loan consisting of bonds (the "Loan") by Sipcam Oxon S.p.A.

The Loan, for a total nominal amount of € 15,000,000.00 (fifteen million) called "*Sipcam Oxon S.p.A. (ex Sipcam S.p.A.) 6.50% 2014 - 2019*", consists of 150 bearer bonds with a face value of EUR 100,000.00 (one hundred thousand) each (the "**Face Value**") in indivisible denominations (the "**Bonds**").

The Bonds will be centralised at Monte Titoli in dematerialised form in accordance with Chapter II, Title II, Part HI of the Consolidated Law on Finance and the "*Rules governing centralised management services, settlement, guarantee systems and related management companies*" adopted by the Bank of Italy and the CONSOB with a provision of 22 February 2008 and subsequently amended with a joint provision of the Bank of Italy and the CONSOB of 24 December 2010. Therefore, in accordance with such regime, any transaction involving the Bonds (including transfers and the establishment of liens), as well as the exercise of the related ownership rights, may only be carried out in accordance with the provisions of Articles 80 et seq. of the Consolidated Law on Finance. Holders of the Bonds (the "**Bondholders**") will not be able to request physical delivery of the certificates representing the Bonds. This is without prejudice to the right to request the issue of the certification referred to in Article 83-quinquies of the Consolidated Law on Finance.

3. Subscription and circulation limits

The Loan is reserved exclusively for subscription by persons falling within the category of professional clients (by right or on request) pursuant to the Rules for Intermediaries adopted by the CONSOB resolution No. 16190 of 29 October 2007 (the "**Professional Investors**").

In the event of subsequent circulation of the Bonds, the Bonds may not be transferred to persons other than Professional Investors.

The Bonds are issued exempt from the obligation to publish an offering prospectus, pursuant to and for the purposes of Article 100 of the Consolidated Law on Finance and Article 34-ter of the Issuers' Regulation adopted by the CONSOB resolution No. 11971 of 14 May 1999, as amended.

Furthermore, the Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended and supplemented, or under any other relevant law, or under the corresponding regulations in force in Canada, Australia, Japan or any other country in which the sale and/or subscription of the Bonds is not permitted by the concerned authorities.

Without prejudice to the foregoing, the subsequent circulation or resale of the Bonds in any of the aforementioned countries or, in any event, in countries other than Italy and to parties not resident or not incorporated in Italy, may only take place: (i) to the extent expressly permitted by the laws and regulations applicable in the respective countries in which it is intended to enable the subsequent circulation of the Bonds; or (ii) if the laws and regulations applicable in such countries provide for specific exemptions permitting the circulation of the Bonds.

The circulation of the Bonds shall take place in compliance with all applicable laws in force, including the anti-money laundering provisions of Legislative Decree 231/2007, as amended.

4. Issue price

The Bonds are issued at par at a price equal to 100% of the Face Value, i.e. at the price of € 100,000.00 (one hundred thousand) each, without any additional expenses, charges or commissions for the Bondholders.

5. Issue Date and Interest Entitlement Date

The Loan is issued on 30 September 2014 (the "**Issue Date**") and has rights to earn interest from 30 September 2014 (the "**Interest Entitlement Date**").

6. Term

The Loan has a duration of 5 (five) years, until 30 September 2019 (the "**Maturity Date**"), subject to the early redemption assumptions provided for in Article 9 below (*Early Redemption in favour of Bondholders*) and in paragraph (x) of the definition of Permitted Transactions.

7. Interest

The Bonds bear interest (the "**Interest**"), calculated at the relevant Interest Rate (as determined below), from the Interest Entitlement Date (included) until the Maturity Date (excluded), subject to the cases of early redemption provided for in Article 9 below (*Early Redemption in favour of Bondholders*) and in paragraph (x) of the definition of Permitted Transactions.

"**Interest Rate**" means the fixed annual nominal gross rate equal to:

- (i) in respect of each interest period commencing before the occurrence of any Rate Change Event, 6.50% (the "**Initial Interest Rate**")
- (ii) in respect of each Interest Period commencing after the occurrence of any Rate Change Event, the Initial Interest Rate or the Post Reset Interest Rate (as defined below), as the case may be, increased by 1.00% and 0.50% respectively (the "**Post Breach Interest Rate**"), save as provided below in the event of a reset of the Financial Benchmarks.

The Financial Benchmarks shall be calculated on an annual basis within 10 Business Days from the date of publication of the financial statements (each a "**Calculation Date**").

If a Rate Change Event occurs on a Calculation Date (the "**Relevant Calculation Date**"), the Issuer shall be required to provide the Step-Up Notice in accordance with the provisions of paragraph (xv) of Article 12 (*Issuer's Commitments*).

In the event that the Financial Benchmarks are reset on the first Calculation Date following the Relevant Calculation Date (the "**Reset Date**"), the Interest Rate applicable from the interest period commencing after the Reset Date and for the remaining term of the Loan shall be the Initial Interest Rate plus 0.50% (the "**Post Reset Interest Rate**"), unless there is a subsequent failure to respect the Financial Benchmarks.

If another Rate Change Event occurs on any Calculation Date following the Reset Date, the Issuer will be required to provide another Step-Up Notice as a result of which the Post Reset Interest Rate from the interest period commencing after the occurrence of the new Rate Change Event will be increased by 0.50%.

It is understood that, irrespective of the number of Rate Change Events occurring during the life of the Loan, in no event shall the applicable Interest Rate exceed the Initial Interest Rate plus 1.00%.

It is understood that (i) in the event of failure to restore the Financial Benchmarks on the Calculation Date following the Relevant Calculation Date, or (ii) in the event that a change in any of the Financial Benchmarks results in a deviation of more than 10% of their respective value, Bondholders shall have the right to request early redemption of the Loan in accordance with the provisions of Article 9 below (*Early Redemption in favour of Bondholders*). Interest shall be paid in arrears, on a quarterly basis, on 30 December, 30 March, 30 June and 30 September of each year (each a "**Payment Date**"), commencing on the first Payment Date falling on 30 December 2014.

Each Bond shall cease to accrue interest on the earlier of the following dates:

- (i) the Maturity Date; and
- (ii) the Early Redemption Date, in the event of exercise by the Bondholders of the early redemption right provided for in Article 9 below (*Early Redemption in favour of Bondholders*) and in paragraph (x) of the definition of Permitted Transactions;

it being understood that, if on the Maturity Date or on the Early Redemption Date the Issuer does not repay the Loan in full in accordance with these Rules of the Loan, pursuant to Article 1224 of the Civil Code, the Bonds will continue to accrue default interest, limited to the portion not repaid, at a rate equal to the Interest Rate.

The amount of each interest coupon shall be determined by multiplying the Face Value of each Bond by the Interest Rate and shall be rounded up to the nearest cent (0.005 rounded up to the nearest cent).

Interest is calculated on the basis of the actual number of days in the relevant interest period over the number of days in the calendar year (365, or 366 in a leap year), according to the ACT unadjusted convention, as understood in market practice. If a Payment Date does not fall on a Business Day, the Payment Date shall be postponed to the first Business Day immediately thereafter, without such postponement causing any additional amount to be due to Bondholders or postponement of subsequent Payment Dates.

"*Interest Period*" means the period between one Payment Date (included) and the next Payment Date (excluded), or, in respect of the first interest period only, the period between the first Interest Entitlement Date (included) and the first Payment Date (excluded); provided that if a Payment Date falls on a day which is not a Business Day, the Payment Date shall be postponed to the first Business Day immediately thereafter, without such postponement causing any additional amount to be due to the Bondholders or any postponement in the subsequent Payment Dates (*Following Business Day Convention - Unadjusted*).

The Issuer also acts as calculation agent with respect to the Bonds.

8. Redemption

Save the cases of early redemption provided for in Article 9 below (*Early Redemption in favour of Bondholders*) and in paragraph (x) of the definition of Permitted Transactions, the Loan will be redeemed at par, at 100% of the face value, in a single payment on the Maturity Date.

If the Maturity Date coincides with a day which is not a Business Day, payment will be made on the first Business Day thereafter without recognition of further interest.

9. Early redemption in favour of Bondholders

Each of the following events constitutes a "**Relevant Event**":

- (i) **Change of Control:** the occurrence of any event or circumstance (other than a Listing) as a result of which the Majority Shareholder ceases to have control (directly or indirectly, jointly or individually) over the Issuer pursuant to Article 2359 of the Italian Civil Code;
- (ii) **Financial Benchmarks:** (i) the non-reset of the Financial Benchmarks on the Reset Date, or (ii) a change in any of

- the Financial Benchmarks resulting in a deviation of more than 10% from the value of the same, in each case provided that such circumstance persists for a period of more than 30 (thirty) days and within such period a resolution has not been passed by the Bondholders' Meeting waiving the exercise of the early redemption option and approving an alternative remedy to early redemption;
- (iii) **Benchmark Statement:** the failure to publish the Benchmark Statement on its website within the time limits and in the manner provided for in paragraph (ix) of Article 12 (*Issuer's Commitments*), provided that such breach persists for a period of more than 10 (ten) days and within such period a resolution has not been adopted by the Bondholders' Meeting waiving the exercise of the early redemption option and approving an alternative remedy to early redemption;
 - (iv) **Failure to respect commitments:** the breach by the Issuer of any of the other obligations provided for in Article 12 below (*Issuer's Commitments*) (other than respect for the Financial Benchmarks), provided that such breach persists for a period of more than 30 (thirty) days from the earlier of (i) the date on which the Issuer sends the notice of violation of the relevant obligation in accordance with paragraph (xiv) of Article 12 below (*Issuer's Commitments*) and (ii) the date on which the Bondholders become aware of the Issuer's violation of the relevant obligation, and within that period the Bondholders' Meeting has not passed a resolution waiving the exercise of the early redemption option and approving an early redemption plan.
 - (v) **Non-payment:** the failure of the Issuer to pay, when due, any sum due in respect of the Bonds, whether by way of principal or interest, provided that such failure persists for a period of at least 10 (ten) days;
 - (vi) **Bankruptcy procedures and Issuer's crisis:** (a) the submission to the Issuer of a petition to establish the Issuer's state of insolvency and have it declared, pursuant to Article 5 of R.D. No. 267 of 16 March 1942, (the "**Bankruptcy Law**"), or pursuant to other legislation applicable to the Issuer, and/or the commencement of bankruptcy or other insolvency proceedings in relation to the Issuer pursuant to the Bankruptcy Law or other applicable legislation; or (b) the Issuer ceases to be a going concern or (c) the occurrence of any cause for the dissolution of the Issuer pursuant to article 2484 of the Italian Civil Code and which has not been remedied (if any remedy is possible) within the terms of the law; or (d) the filing by the Issuer with the competent court of an application for composition with creditors pursuant to article 161, paragraph 6, of the Bankruptcy Law or an application for approval of an agreement for the restructuring of its debts pursuant to article 182-bis of the Bankruptcy Law or (e) the formalization of a reorganisation plan pursuant to Article 67, paragraph 3, letter (d) of the Bankruptcy Law; or (f) the initiation by the Issuer of negotiations with even only one of its creditors in order to obtain moratoriums and/or agreements for the restructuring and/or rescheduling of debts (including agreements to be finalized in the forms referred to in Article 182-bis of the Bankruptcy Law or Article 67, paragraph 3, letter (d) of the Bankruptcy Law) and/or out-of-court settlements and/or in order to sell assets to its creditors.
 - (vii) **Liquidation:** the passing of a resolution by the competent body of the Issuer approving:
 - a) the liquidation of the Issuer itself; or
 - b) the cessation of all business activity by the Issuer; or
 - c) the cessation of a substantial part of the Issuer's business.
 - (viii) **Cheque or promissory note protests:** reporting the Issuer for issuing bad promissory notes and/or bad cheques.
 - (ix) **Registrations and transcriptions:** the registration of judicial mortgages or prejudicial transcriptions, provided that the amount of such registrations or transcriptions exceeds € 100,000.00 (one hundred thousand), unless the Issuer (i) has promptly contested, challenged or opposed, according to the applicable procedure, the enforcement title on which the registration of the relevant judicial mortgage or prejudicial transcription is based and (ii) has promptly set aside an amount equivalent to the value of the registered judicial mortgage or prejudicial transcription.
 - (x) **Sale of assets:** the sale of assets to creditors by the Issuer pursuant to Article 1977 of the Civil Code.
 - (xi) **Non-compliance with legal or regulatory requirements:** the failure of the Issuer to comply with a legal or regulatory requirement to the extent that such failure results in the occurrence of a Significant Adverse Event.
 - (xii) **Invalidity or illegitimacy:** the occurrence of any event as a result of which one or more of the Issuer's material obligations under the Rules of the Loan becomes invalid, illegitimate, or ceases to be effective or enforceable.
 - (xiii) **Delisting:** the adoption of an act or measure whose consequence is the exclusion of the Bonds from trading in the ExtraMOT PRO Segment.
 - (xiv) **Cross default of the Issuer:** the occurrence of a default by the Issuer on any of the payment obligations (other than those arising out of the Loan) arising out of any financial indebtedness of the Issuer, provided that the amount of such payment obligations exceeds € 500,000.00.
 - (xv) **Significant Prejudicial Event:** the occurrence of a Significant Prejudicial Event.
 - (xvi) **Authorisations, Permits, Licences:** the authorisations, permits and/or licences essential for running the Issuer's

business are revoked, lapse or otherwise cease to exist.

- (xvii) **Failure to certify accounting documents:** the auditing company appointed to audit the financial statements of the Issuer and/or the Group's consolidated financial statements has not certified the above-mentioned accounting documents because it is not possible to express an opinion, or has raised particularly serious issues in relation to them.

Attestation of Relevant Event

Attestation of the occurrence of a Relevant Event may only be made by a resolution of the Bondholders' Meeting convened in accordance with the law.

If the Bondholders' Meeting declares the occurrence of a Relevant Event, it shall have the right to pass a resolution on:

- (a) sending the Early Redemption Request (as defined below) to the Issuer in accordance with the terms set out in the following paragraph (the "**Early Redemption Resolution**"); or
- (b) the waiver of early redemption of the Bonds; or
- (c) the waiver of early redemption of the Bonds conditional upon the Issuer's acceptance of specific changes to the Rules of the Loan.

Upon the occurrence of a Relevant Event and in any event subject to the Early Redemption Resolution, the Bondholders shall have the right to request, through the Common Representative, early redemption of the Bonds from the Issuer. The early redemption request must (i) be made in writing and sent to the Issuer by certified email to the following address oxonitalia@legalmail.it at least 10 (ten) Business Days prior to the relevant Early Redemption Date and (ii) contain (a) a specific indication and reason for the event constituting the cause of compulsory early redemption of the Loan as well as (b) an indication of the Early Redemption Date (the "**Early Redemption Request**").

Following the Early Redemption Request, all sums owed by the Issuer in relation to the Bonds, in respect of both principal and accrued interest, will be immediately payable on the Early Redemption Date. The Loan will in any event be repaid at 100% of its face value.

The Issuer undertakes to promptly notify the Bondholders of any change of the above-mentioned certified email address, it being understood that in the event of the Issuer's failure to provide notification, sending the Early Redemption Request to the above-mentioned address shall be considered valid and effective for all purposes.

The Issuer must promptly notify the Italian Stock Exchange, Monte Titoli and the Bondholders (through the Common Representative or through the authorised intermediaries at Monte Titoli if no Common Representative is in office) of the receipt of the Early Redemption Request with a specific indication of (i) the Relevant Event and (ii) the Early Redemption Date.

The early redemption referred to in this Article 9 shall take place at par and shall include the interest accrued, if any, on the Bonds up to the Early Redemption Date, without charge or commission to the Bondholders.

10. Status of the Bonds

The Bonds constitute direct, unconditional and unsubordinated obligations to all other debts of the Issuer and will at all times be considered to rank *pari passu* with each other and at least *pari passu* with the other present and future non-preferential and unsubordinated obligations of the Issuer, except in any case for those obligations of the Issuer which are preferred under general mandatory provisions of law.

The Bonds are not and will not be convertible into shares or equity instruments of the Issuer or of any other company. Therefore, Bondholders shall not be granted any right of direct and/or indirect participation in the management of the Issuer nor of control over the management of the Issuer and/or any other company, without prejudice to the provisions of Article 17 (Option) below. It is in any case understood that the Option does not entail the qualification of the Bonds as bonds which may be converted into shares pursuant to Article 2420-bis of the Italian Civil Code.

11. Guarantees

The Bonds are not backed by any guarantee, collateral or personal guarantee granted by the Issuer or any third party.

12. Issuer's Commitments

For the entire duration of the Loan, the Issuer makes the following commitments to the Bondholders:

- (i) (a) promptly notify the Bondholders of any change in its corporate purpose; and (b) not modify its corporate purpose in such a way as to allow a significant change in the Issuer's business;
- (ii) (a) distribute available reserves for an amount not exceeding € 500,000.00 (five hundred thousand) for the entire duration of the Loan and (b) distribute profits for the year (i) up to a maximum of 75% (seventy-five percent) of the annual profits earned and distributable, provided that the ratio between Net Financial Debt and EBITDA is less than 2.0, (ii) up to a maximum of 65% (sixty-five percent) of the annual profits earned and distributable, provided that the

ratio between Net Financial Debt and EBITDA is between 2.0 and 3.0, (iii) up to a maximum of 50% (fifty percent) of the annual profits earned and distributable, provided that the ratio between Net Financial Debt and EBITDA is between 3.0 and 4.0 and in any case provided for above, subject to the circumstance that, at the relevant distribution date, no event has occurred or is pending that may give rise to a cause for early redemption of the Bonds; it being understood that, if the ratio between Net Financial Debt and EBITDA is higher than 4.0, no distribution will be allowed;

- (iii) without prejudice to the provisions of point (v) below, with the exception of the Permitted Transactions, not to approve or carry out company transformation transactions, the acquisition of stakes in the share capital of other companies or other entities, or transactions for the acquisition of businesses, companies, assets or business units, or merger or spin-off transactions;
- (iv) except for Permitted Transactions, not sell, lease, transfer or otherwise dispose of any of its Assets;
- (v) not to set up one or more assets intended exclusively for a specific business transaction pursuant to Article 2447 bis of the Civil Code;
- (vi) maintain, with respect to the Issue Date, a controlling interest, within the meaning of Article 2359 of the Civil Code, in the Relevant Companies and maintain at least 50% co-control of Sipcam Agro SA;
- (vii) not to carry out transactions to reduce the share capital, except in the compulsory cases provided for by law;
- (viii) ensure that the following financial benchmarks are respected on each Valuation Date (the "**Financial Benchmarks**"):
 - (a) Group Interest Coverage Ratio: equal to or greater than 1.4;
 - (b) Group Leverage Ratio: equal to or less than 1.6; and
 - (c) the ratio of Net Financial Debt to EBITDA of the Group: equal to or less than 5.2,

it being understood that, pursuant to this paragraph (viii) a default will occur and the Bondholders will be entitled to request early redemption of the Loan in accordance with the provisions of Article 9 above (*Early Redemption in favour of Bondholders*) only (i) if the Financial Benchmarks are not reset on the Reset Date, or (ii) if the change in any of the Financial Benchmarks results in a deviation of more than 10% of its value;

- (ix) for the purposes of the obligation referred to in paragraph (viii) above, publish on the Issuer's website, no later than 10 Business Days from the date of publication of its financial statements in accordance with paragraph (xi) below, a statement signed by the Issuer's legal representative (and countersigned by the Issuer's auditor or auditing firm) attesting to the Issuer's compliance with, or failure to comply with, the Financial Benchmarks on the Valuation Date, complete with the calculations necessary to demonstrate such compliance ("**Benchmark Statement**").
- (x) not to create or permit the creation of any Lien, other than Permitted Liens, and reasonably endeavour, within the limits of its powers and authority in relation to the size of its direct or indirect shareholding, to ensure that no company in the Group (other than the Issuer) creates or permits the creation of any Lien on its Assets, other than Permitted Liens;
- (xi) publish on its website, not later than the Issue Date, the annual financial statements and (if any) the consolidated financial statements for the last two financial years preceding the Issue Date, of which at least the most recent financial statements (annual financial statements and consolidated financial statements) have been audited by an external auditor in accordance with Legislative Decree No. 39 of 27 January 2010, and to have an external auditor audit the financial statements in accordance with said Legislative Decree, and publish on its website, by no later than 10 (ten) Business Days from the date of approval, the financial statements and (if prepared) the consolidated financial statements relating to each annual period following the Issue Date until the total redemption of the Bonds;
- (xii) publish on its website, no later than 10 (ten) Business Days after the relevant date of approval, a copy of the interim reports (if any), both on an individual and consolidated basis;
- (xiii) to provide all necessary information and documents, as well as to cooperate to the fullest extent possible and to do all that is necessary (including allowing Cerved to pay visits to the company), in order to enable Cerved to carry out monitoring on an annual basis of the rating assigned to the Issuer prior to the Issue Date, until the date on which the Bonds have been repaid in full;
- (xiv) promptly notify the Bondholders of the occurrence of any breach of the Issuer's obligations under the Rules of the Loan and/or of any Relevant Event;
- (xv) promptly notify Bondholders, in accordance with the disclosure requirements of the Italian Stock Exchange, of any Rate Change Event, at any rate prior to the commencement of the interest period from which the Post Breach Interest Rate will be applicable (such notice, the "**Step-Up Notice**");
- (xvi) promptly notify the Bondholders of the start of legal proceedings of any nature whatsoever and/or of proceedings initiated by the Inland Revenue Agency against the Issuer, provided that such proceedings can result in a Significant Adverse Event;

- (xvii) not to request, for any reason whatsoever, the exclusion of the Bonds from trading in the ExtraMOT PRO Segment (so-called delisting), nor to allow or permit such exclusion;
- (xviii) comply with all the provisions of the Rules of the ExtraMOT Market on which the Bonds will be traded, in order to avoid any kind of sanction, as well as the exclusion of the Bonds from trading by decision of the Italian Stock Exchange;
- (xix) diligently comply with all the commitments provided for under the ExtraMOT Market Rules, as well as all the commitments undertaken towards Monte Titoli, in relation to the centralised management of the Bonds;
- (xx) promptly notify Bondholders of any suspension and/or revocation of the Bonds from trading by order of the Italian Stock Exchange;
- (xxi) ensure that the pledges on the shares of Sipcam Agro SA are released by 31 December 2014;
- (xxii) publish on the Issuer's website by the Issue Date the rating note issued to the Issuer by Cerved, as updated by Cerved from time to time.

13. Financial Benchmarks

13.1 Violation of Financial Benchmarks

If, on the basis of the results of the annual consolidated financial statements, the Issuer deems that any of the Financial Benchmarks has been breached on the related Valuation Date, it will promptly notify the Bondholders (by publication of the Benchmark Statement), who, except where such breach constitutes a Rate Change Event, will be entitled to request early redemption of the Bonds in the manner set out in Article 9 (*Early Redemption in favour of Bondholders*).

On the other hand, if the Issuer deems that any of the Financial Benchmarks has been breached on the Valuation Date, and such breach constitutes a Rate Change Event, it will promptly notify the Bondholders by means of the Step-Up Notice.

If, on the basis of the results of the annual consolidated financial statements, the Bondholders, through the Common Representative or through the person appointed for this purpose by the Bondholders' Meeting if no Common Representative is in office, deem that (i) any of the Financial Benchmarks has been breached and such breach does not constitute a Rate Change Event but a Relevant Event, or (ii) in the case of a Rate Change Event, the Issuer has failed to provide the Step-Up Notice, or the change in the Interest Rate indicated in the Step-Up Notice provided by the Issuer is incorrect, the Common Representative or the Bondholders shall promptly notify the Issuer by certified email at the following address oxonitalia@legalmail.it, and in the case of (i) they shall be entitled to request early redemption of the Bonds according to the procedures set forth in Article 9 (*Early Redemption in favour of Bondholders*), unless within the following 5 Business Days the Issuer challenges such breach in writing, or in the case of (ii) the Issuer shall be obliged to proceed promptly with the Step-Up Notice and the change in the Interest Rate, unless within the next 5 (five) Business Days the Issuer challenges in writing the breach indicated by the Common Representative or the Bondholders.

The Issuer undertakes to promptly notify the Bondholders of any change of the above-mentioned certified email address, it being understood that, in the event the Issuer fails to provide notification of such change, sending the above-mentioned notice to the above-mentioned address shall be considered valid and effective for all purposes.

In the event of a dispute by the Issuer, the determination of the Financial Benchmarks and/or the valuation of the change in the Interest Rate (as the case may be) shall be delegated (at the request of the Common Representative or the Bondholders) to a panel of three auditors (or auditing company), one of whom shall be appointed by the Issuer, one by the Common Representative or the Bondholders and the third by agreement of the first two appointed parties or, in the event of disagreement between them, by the Presiding Judge of the Court of Vicenza. The panel of arbitrators thus appointed shall decide in accordance with the provisions of the Code of Civil Procedure on regular arbitration. The place of arbitration will be Vicenza.

The costs relating to the resolution of the dispute as described above shall be borne by the losing party, it being understood that the Issuer hereby accepts to bear such costs, in the event that it loses the case, up to a maximum amount of € 50,000.

The decision of the arbitration panel may also be appealed on the grounds of breach of the rules of law relating to the substance of the dispute. It is expressly understood that if the Common Representative or the Bondholders or the Issuer bring legal proceedings before the ordinary courts, the counterparty shall have the right, under penalty of forfeiture exercisable in the response brief, to raise the objection of lack of jurisdiction of the ordinary courts by virtue of the presence of the arbitration clause. The failure to raise the objection in the response brief excludes arbitral jurisdiction limited to the dispute in that judgement.

It is agreed that in the event of an award in favour of the Bondholders, (i) if a Rate Change Event is determined to have occurred, the Post Breach Interest Rate provided for as a result of the breach of the Financial Benchmarks shall be deemed to

be applicable from the interest period commencing after the occurrence of such breach, as determined by the arbitration panel, or (ii) if a breach of the Financial Benchmarks is determined not to be a Rate Change Event but a Relevant Event, Bondholders shall be entitled to request early redemption of the Bonds.

It is understood that the same procedure shall apply *mutatis mutandis* even in the event of ascertainment of non-breach of the Financial Benchmarks by the Issuer and consequent confirmation of the application of the Initial Interest Rate, as may be amended in accordance with the provisions of Article 7 (*Interest*) above.

14. Loan service

The payment of interest and the repayment of the principal of the Bonds will be made exclusively through authorised intermediaries participating in Monte Titoli.

15. Admission to trading

The Issuer has applied to the Italian Stock Exchange for admission of the Bonds to trading in the ExtraMoT PRO Segment.

The decision of the Italian Stock Exchange and the date of commencement of trading of the Bonds in the ExtraMOT PRO Segment, together with the information required for trading, shall be announced by the Italian Stock Exchange by means of a specific notice, pursuant to Sect. 11.6 of the Guidelines contained in the Rules of the ExtraMOT Market.

16. Resolutions and authorisations relating to the Bonds

The issue of the Bonds and their admission to trading in the ExtraMOT PRO Segment was decided by the Board of Directors of the Issuer by resolution dated 28 July 2014 (the "**Issue Resolution**"). In particular, the Issuer has decided to proceed with the issue of Bonds for a total face value of EUR 15,000,000.00 (fifteen million).

17. Option

The Issuer's Board of Directors undertakes to submit to the Extraordinary Shareholders' Meeting, which may be called to resolve on the listing of the Issuer's shares on a regulated market or on a non-regulated market (including multilateral trading systems such as the AIM Italia market managed by the Italian Stock Exchange) (the "**Listing**") the grant to the Bondholders of a subscription right to ordinary shares of the Issuer for a total amount equal to 10% (ten percent) of the number of shares offered for subscription during the placement for the listing (the "**Option**").

The Option shall exist upon resolution of the Extraordinary Shareholders' Meeting of the Issuer by which the following resolutions are passed: (i) the Listing and (ii) the capital increase to service the Option, and will be granted to the persons who, at the date of the resolution of the Extraordinary Shareholders' Meeting of the Issuer, are identified as Bondholders. It is therefore understood that if the Loan is repaid in full on a date prior to the adoption of the above resolution, the Option will not exist.

Once it exists, the Option may be freely transferred by each Bondholder, separately from its own Bonds, to other Bondholders (hereinafter, the persons who from time to time are holders of the Option, jointly, the "**Option Holders**") within the limits and according to the procedures provided for in the resolution of the Extraordinary Shareholders' Meeting relating to the Listing or resolved by the Board of Directors of the Issuer by proxy of the Shareholders' Meeting. The Issuer shall be promptly notified of the transfer of the Option by means of a certified email sent to the following address oxonitalia@legalmail.it.

The Issuer undertakes to promptly notify the Bondholders of any change of the above-mentioned certified email address, it being understood that in the event of the Issuer's failure to provide notification, sending the above-mentioned notice to the above-mentioned address shall be considered valid and effective for all purposes.

The main ways and terms for exercising the Option are as follows:

- (i) The Option may be exercised by each Option Holder during the period to be determined (at the same time or after the granting of the Option) by the Shareholders' Meeting, or by the Board of Directors of the Issuer by proxy of the Shareholders' Meeting (the "**Exercise Period**"), it being understood that the Exercise Period may not be shorter (in terms of Business Days) than the placement period of the shares provided for in the Listing;
- (ii) the shares subscribed during the Exercise Period by virtue of exercise of the Option (the "**Exercise of the Option**"), together with the shares placed by means of a public offering or institutional placement in the context of the Listing (the "**Public Offering**", together with the Exercise of the Option, the "**Global Offering**") will be admitted to trading on the stock market chosen for the Listing in accordance with the regulatory provisions applicable thereto;
- (iii) The Option may be exercised by each Option Holder during the Exercise Period in accordance with the procedures set out in the resolution of the Extraordinary Shareholders' Meeting relating to the Listing or resolved by the Board of Directors of the Issuer by proxy of the Shareholders' Meeting; it is understood that the effects of Exercise of the Option shall be subject to the suspensive condition of the Listing;
- (iv) the subscription price of Exercise of the Option will be equal to the listing price fixed in relation to the Public Offering minus 10% (ten percent), and shall be paid within the terms set out by the Shareholders' Meeting, or by the Board of Directors of the Issuer upon delegation of the Shareholders' Meeting, without any additional fees or

expenses to be borne by the applicants;

- (v) the notice of Exercise of the Option shall be submitted, under penalty of forfeiture, by each Option Holder intending to exercise the Option by the end of the Exercise Period; therefore, if such notice is not submitted by the end of the Exercise Period, the Option shall lose effect;
- (vi) the Option will be granted to the Bondholders without the payment of any monetary consideration.

18. Changes

Without requiring the prior consent of the Bondholders, the Issuer may make such changes to the Rules of the Loan as it deems necessary or appropriate, solely for the purpose of eliminating clerical errors, ambiguities or inaccuracies in the text or to supplement the same, provided that such changes do not prejudice the rights and interests of the Bondholders and provided that such changes are promptly notified to the Bondholders in the manner set forth in Article 24 (*Miscellaneous*) below.

Without prejudice to the provisions of the preceding paragraph, the terms and conditions set out in the Rules of the Loan may be changed by the Issuer upon resolution of the Bondholders' Meeting.

19. Prescription deadline and forfeiture

The rights of the Bondholders shall become time-barred in favour of the Issuer, as regards the right to payment of interest, five years from the date on which the interest became collectable and, as regards the right to repayment of the principal, ten years from the date on which the Bonds became redeemable.

20. Fiscal regime

The Bondholders shall bear all present and future taxes and duties which by law are applicable to the Bonds and/or to the interest, premiums and other benefits thereof; no additional payment shall be borne by the Issuer.

Bondholders are required to consult their own tax advisers as to the tax regime applicable in Italy to the purchase, holding and disposal of the Bonds.

21. Repurchase of the Bonds by the Issuer

The Issuer may repurchase all or some of the Bonds on the market on the basis of bilateral transactions with Bondholders granted the option (but not the obligation) to sell their Bonds. In such case, the Issuer shall be entitled to cancel the repurchased Bonds.

22. Bondholders' Meeting

For safeguarding their mutual interests, the Bondholders may gather at a meeting (the "**Bondholders' Meeting**").

Costs related to the Bondholders' Meetings and the related resolutions shall only be borne by the Issuer if the meeting was called by the Issuer and/or is the consequence of the Issuer's breach of a commitment under the Rules of the Loan.

The provisions of Articles 2415 et seq. of the Civil Code concerning the bondholders' meeting apply.

The Bondholders' Meeting shall decide, *inter alia*, on the appointment and removal of the common representative (the "**Common Representative**").

All costs relating to the appointment and maintenance of the Common Representative (including related fees) shall be borne by the Issuer.

23. Applicable law and jurisdiction

The Loan is governed by Italian law.

Any dispute relating to the Loan or these Rules of the Loan which may arise between the Issuer and the Bondholders shall be submitted to the exclusive jurisdiction of the Court of Vicenza.

24. Miscellaneous

Unless otherwise applicable, all notices from the Issuer to the Bondholders shall be deemed valid if provided by publication on the Issuer's website at the following address www.sipcam-oxon.com and in compliance with the disclosure requirements of the ExtraMOT Market.

Without prejudice to the provisions of the preceding paragraph, the Issuer may also provide certain notifications to Bondholders through Monte Titoli.

The subscription or purchase of the Bonds implies full acceptance of all the terms and conditions set out in these Rules of the Loan, which shall be deemed to be supplemented, to the extent not provided for, by the relevant legal and regulatory provisions in force.

Annex 1

Existing Liens
