

COURT OF VICENZA

SALE NOTICE AND RULES

COMPANY IN LIQUIDATION MITENI SPA no. 125/2018

Delegated Judge: His Honour Giuseppe Limitone

Liquidator: Domenico De Rosa

I, the undersigned Domenico De Rosa, acting as Liquidator of the Company in Liquidation MITENI Spa no. 125/2018, duly authorised by the Delegated Judge, standing in for the Creditors' Committee, which has not yet been set up,

PLACE ON SALE

the assets owned by the aforementioned company in liquidation indicated as the following **8 lots**:

- **Lot no. 1 (Auction sale 5001):** machines, plants, equipment, patents described in the attached expert report drawn up by Massimo Selvatico "Second Part" from pg. 4 to pg. 55;
- **Lot no. 2 (Auction sale 5002):** furnishings, electronic office machines and telephones, described in the attached expert report drawn up by Massimo Selvatico "Second Part" from pg. 56 to pg. 60;
- **Lot no. 3 (Auction sale 5003):** Warehouse storing chemical laboratory products, described in the attached expert report drawn up by Massimo Selvatico "Third Part" from pg. 2 to pg. 18;
- **Lot no. 4 (Auction sale 5004):** Packaging Warehouse, described in the attached expert report drawn up by Massimo Selvatico "Third Part" from pg. 18 to pg. 19
- **Lot no. 5 (Auction sale 5005):** Raw materials Warehouse, described in the attached expert report drawn up by Massimo Selvatico "Third Part" from pg. 19 to pg. 21;
- **Lot no. 6 (Auction sale 5006):** Warehouse storing chemical products for BENZOTRIFLUORIDE PLANT (code 100) and AROMATIC FLUORINE PLANT (code 200), described in the attached expert report drawn up by Massimo Selvatico "Third Part" from pg. 21 to pg. 23 and "First Part";
- **Lot no. 7 (Auction sale 5007):** Warehouse storing chemical products for

PERFLUORINATED CHEMICALS PLANT (code 300), described in the attached expert report drawn up by Massimo Selvatico “Third Part” pg. 23;

- **Lot no. 8 (Auction sale 5008):** Warehouse storing chemical products for PILOT PLANT (code 600), described in the attached expert report drawn up by Massimo Selvatico “Third Part” pg. 24.

It is pointed out that for the lots relating to warehouses, identified by the numbers 4 to 8 inclusive, the quantities of products described therein may be subject to variation, following the clearance of the company plants that has taken place in the meantime. Each lot relating to a warehouse and described in the expert report is therefore accompanied by an appended statement of the actual stock of products existing on the date of the sale, to which reference should be made for an accurate account of the quantities of assets offered.

For a more detailed description of the aforementioned assets and rights, with a view to formulating irrevocable bids to purchase, parties interested may consult the IT Auction s.r.l. website (hereinafter referred to as “ITA”) www.industrialdiscount.it (English version on www.industrialdiscount.com) to access a Virtual Data Room, in which not only are the appraisal reports published, but the assets on sale are also described in detail.

Anyone interested may personally consult the appraisal reports relating to the sale lots, requesting permission from IT Auction s.r.l. to view anything deemed useful and/or necessary directly, in order to formulate a bid, accepting responsibility for his actions, gaining access to documents in IT Auction’s possession, adopting the methods envisaged in the attached rules, and attending viewings at the premises of the company to which the bid is addressed, exonerating the Liquidator and IT Auction Srl from any liability connected therewith. The Virtual Data Room may be consulted by the party concerned after signing the relevant confidentiality covenant, a draft of which is available in the public section of the Data Room.

The drawings/projects relating to machines and plants, in the possession of the Procedural Body and not found in the Data Room, will be handed over to the successful bidder at the close of the auction sale, upon request.

The assets offered at the auction sale are situated in Trissino (VI), in an area currently

owned by Miteni Spa. To view them, parties interested should contact ITA with adequate prior notice to fix an appointment on one of the dates set and indicated in the portal. A request to view must be sent for this purpose to the certified e-mail address itauction@pec.it and f125.2018vicenza@pecfallimenti.it. The request must contain the following information:

- a. the code for the auction sale in question;
- b. the subject who is to attend the viewing (with identity document attached);
- c. a declaration that the inspection shall be carried out, in the manner to be indicated by the head of security at the premises and, in any event, at the risk and peril of the party concerned, at the same time providing an indemnity in favour of the liquidation bodies and IT Auction, without opening and/or disassembling equipment and/or machines and/or plants;
- d. an indication of the e-mail address to which IT Auction or the Company in receivership should send written authorisation for the inspection, to be carried out under the supervision of staff indicated by IT Auction and/or the Company in receivership or a person delegated by the Company in receivership (receiver).

RULES APPLYING TO SALES

This “Sale Notice and Rules” is intended to establish the absolute conditions that must be satisfied by bidders when formulating irrevocable bids to purchase, as well as the criteria adopted when assessing bids relating to the purchase of the assets put on sale. The minimum prices to be applied in the auction sale for the purchase of the aforementioned assets are stated below, whether the assets remain *in situ* or are disassembled and removed.

no.	description of lots	minimum price	
		without being removed	being removed
1	machines, plants, equipment, patents	8,676,000.00	4,639,000.00
2	furnishings, electronic office machines and telephones	28,700.00	13,700.00
3	Warehouse storing chemical laboratory products	68,000.00	44,000.00
4	Packaging warehouse	30,000.00	15,000.00
5	Raw materials warehouse	50,000.00	25,000.00
6	Warehouse storing products for BTF PLANT (code 100) and AROMATIC FLUORINE PLANT (code 200)	320,000.00	160,000.00

7	Warehouse storing products for PERFLUORINATED CHEMICALS PLANT (code 300)	170,000.00	85,000.00
8	Warehouse storing products for PILOT PLANT (code 600)	50,000.00	25,000.00

If irrevocable bids to purchase are received at a price equal to or exceeding the aforementioned minimum price, the Procedural Body shall automatically accept the bid as the starting price for the sale that shall be carried out following the methods indicated in this Sale Notice and Rules, in the paragraph headed “Conditions applying to the Sale of the Business”.

It is pointed out, in this regard, that, if bids to purchase without removal and with removal are put forward, the Procedural Body shall automatically accept, as the starting price, the bid to purchase without removal at the higher price; in these circumstances, bidders to purchase the assets with removal may not take part in the invitation procedure.

If only one bid is submitted, the assets shall be automatically awarded to the subject indicated in that bid, at a price no lower than the price referred to above.

No other element produced by the bidder shall be assessed.

At the close of an online invitation to bid, IT Auction shall claim a commission referred to as the “Buyer’s Premium”. This commission, to be borne fully by the successful bidder and paid directly to IT Auction, is calculated as the percentage of the awarded price for the assets, at the rate specified herein.

CONDITIONS APPLYING TO THE SALE OF THE BUSINESS

The assets shall be sold in their current physical and legal condition, as described in the inventory and appraisal reports.

In the case of assets that do not conform to current safety standards and have no EC marking, the successful bidder is obliged, accepting exclusive liability and risk in connection therewith and at its expense, to ensure that they are made to conform or, if this is not possible, that they are disposed of in the manner envisaged by the law.

The sale shall not be considered to be subject to the regulations concerning warranties against defects or failure to meet quality standards, nor can it be revoked on any grounds whatsoever; as a result, the existence of any defects, failure to meet quality standards or non-conformities affecting the asset sold, which for any reason have not been taken into

consideration, even if latent or, in any event, not revealed in the expert report, shall not entitle the buyer to compensation, an indemnity or a price discount, nor entitle it to withdraw from the sale agreement with the insolvency procedural body, such factors having been taken into account in the valuation of the asset. The costs associated with the need to bring machines or plants into line with legislative standards shall be borne by the successful bidder.

The application of any warranty relating to the good working order of the asset being sold, or the existence of any administrative permit and/or licence covering it, is excluded.

The successful bidder forfeits the right, when formulating an irrevocable bid to purchase, to enforce, against the insolvency procedural body in the future, any complaint, claim, demand or objection regarding the identity, legal condition, quality, extent or existence of the assets being sold.

In the case of a sale where disassembly and removal of the assets are envisaged, title over the property being sold shall not pass until it is removed after being disassembled, in the sense that the successful bidder shall only become the owner of the assets when the Company in receivership, having verified that the assets have been disassembled and loaded onto the collection vehicle, hands over the fiscal document necessary for them to be taken off the site on which they are situated.

In the case of a sale where disassembly and removal of the assets are envisaged, the successful bidder is irrevocably obliged to remove the assets awarded from the site on which they are situated, accepting responsibility in connection therewith and at its expense, following meticulously the instructions given in the document relating to the assessment of risks from interference, as provided for in art. 26 of the Italian Safety at Work Consolidation Act, published in the Virtual Data Room.

In such a case, the successful bidder is obliged to complete disassembly and removal operations within an absolute maximum period of 18 (eighteen) months from the notice of the final award, in the manner described in the documentation found in the section entitled "Closure of Procedure" in the Data Room, which forms an integral part of these Rules of Sale. Once this term has elapsed, the successful bidder shall be obliged to pay a penalty of 10,000.00 Euros (ten thousand/00) for every day exceeding the aforementioned

deadline.

As security for the performance of the obligations to deal fully with the disassembly and removal of the assets sold under lot 1 within the aforementioned term (18 months), the successful bidder shall pay the Company in receivership a guarantee deposit totalling 500,000.00 Euros (five hundred thousand/00).

The failure on the part of the successful bidder, upon the expiry of the aforementioned 18-month period, to complete the disassembly and removal of the assets and the clearance from the site of the said property, shall entitle the Company in receivership to deal directly with the disassembly and removal of the assets remaining *in situ*, retaining definitively, as a penalty for breach, the guarantee deposit and the price paid by the successful bidder.

The successful bidder shall, in any event, be responsible, at its expense, for:

a) cleaning the assets awarded, which, despite the unloading and cleaning operations already carried out by the company in liquidation, Miteni Spa, could still contain residues of potentially hazardous chemical substances;

b) storing the assets awarded and bearing any ensuing maintenance expenses accruing from the date of the award up to the completion of the disassembly and removal operations. Such expenses include, for example, but are not limited to, the cost of energy utilised to maintain mandatory security systems in working order, surveillance costs at the factory premises, the cost of staff instructed to deal with emergencies and to run the plants awarded.

The successful bidder exonerates the company in liquidation and ITA from any liability for damage or injury to either itself or third parties.

Submission of bids

In order to take part in the auction sale, a potential bidder must register on the website www.industrialdiscount.it, auction sale code no. 5001 - 5002 - 5003 - 5004 - 5005 - 5006 - 5007 - 5008 (English version on www.industrialdiscount.com, auction no. 5001 - 5002 - 5003 - 5004 - 5005 - 5006 - 5007 - 5008), following the instructions indicated and send an irrevocable bid to purchase by registered letter with advice of receipt, or deliver it by hand, unreservedly to the head office of IT Auction s.r.l. at Via Galileo Galilei, 6, 48018 Faenza (RA), in a sealed envelope bearing no means of identification, **by Monday 10 June 2019, at**

10.00 a.m.

For the purpose of verifying the validity of the bid, the date and hour indicated on the advice of receipt shall serve as proof.

The only wording permitted on the envelope is “Liquidation Procedure no. 125/2018, Court of Vicenza”, without any other additional information.

The irrevocable bid to purchase, bearing revenue stamps worth € 16.00, must be presented by completing the irrevocable bid to purchase submission form (Form A) published and available for downloading on the website www.industrialdiscount.it, auction sale code no. 5001 - 5002 - 5003 - 5004 - 5005 - 5006 - 5007 - 5008 (*English version on www.industrialdiscount.com*, auction no. 5001 - 5002 - 5003 - 5004 - 5005 - 5006 - 5007 - 5008), in its entirety and having it signed by the bidder’s duly authorised representative, (if the bid is being submitted by a legal entity), or by the bidder himself (if the bid is being submitted by a natural person).

The aforementioned form, completed in full, must be accompanied by the following attached documents:

a) A copy of this “Sale Notice and Rules” stamped and sealed on each page and bearing the bidder’s full signature on the final page (in the case of a natural person) or that of the duly authorised representative or the person vested with proven powers to sign, together with the relevant power of attorney (in the case of a legal entity), as acknowledgement of full acceptance of the conditions contained therein.

b) In the case of a sale where the assets are to remain *in situ*, the agreement regulating the use of the immovable assets entered into with the company in possession of the factory premises, Miteni Spa, acting through its duly authorised representative *pro tempore*, or its beneficiary.

c) In the case of a bid submitted on behalf and in the name of a legal entity, the following must be produced:

- certificate from the register kept at the Chamber of Commerce evidencing the incorporation of the legal entity and the powers conferred upon the subject who physically submits the bidding company;
- any authorisation or power of attorney conferred upon company bodies in favour of the

subject who physically represents the bidding company, if he or she is not personally empowered to purchase the assets covered by the bid;

➤ for subjects incorporated in foreign states, an indication of the bidder accompanied by appropriate documentation issued by the competent public authorities of that State, giving the general details of the company and naming its duly authorised representatives (if a foreign company is involved, a translation into Italian of the documents must be provided).

d) The bidder's/ bidder's duly authorised representative's current identity document and tax code.

e) A non-transferable draft made out to the Procedural Body "Liquidation Procedure 125/2018 – Court of Vicenza", inserted in the same sealed envelope, for a sum representing 10% of the price offered, as a guarantee deposit.

f) With regard solely to lot 1, as an alternative to the draft referred to in the foregoing sub-clause e), a bank guarantee at first request may be filed for the same amount, corresponding to 10% of the price offered, issued by a leading Italian bank or an international bank with a branch or secondary office in Italy, using the form (Form B) published and available for downloading on the website www.industrialdiscount.it, auction sale code no. 5001 (*English version on www.industrialdiscount.com, auction no. 5001*). If an award is made, this guarantee, which shall cease to have effect if no request for enforcement is made within a period of thirty days from the date on which the auction sale is opened, must be cancelled and replaced, within five days from the opening of the auction sale, by a non-transferrable draft for the same amount, made out to the Procedural Body "Liquidation Procedure 125/2018 – Court of Vicenza".

g) ITA must arrange for the amount paid as a guarantee deposit, or the bank guarantee referred to under point f), to be returned to the unsuccessful bidders upon the closure of the auction sale.

The deposit constitutes a down payment on the price.

It is pointed out that bids on behalf of a person or body or company yet to be appointed are not admissible.

It is also pointed out that the irrevocable bid must indicate:

- the lot number for which the irrevocable bid to purchase is to be formulated (it is

specified that an individual irrevocable bid to purchase must be submitted for each individual lot for which the bidder intends to make an offer);

- the price offered, which may not be lower than the minimum price indicated;
- an undertaking to pay any taxes or charges in full that may be incurred in connection with the sale of the assets awarded;
- an undertaking to pay the auction sale commissions due to IT Auction s.r.l. at the percentage rate indicated in this document.

Auction sale proceedings

On 10 June 2019, at 10.00 a.m. (*coinciding with the deadline for the collection of bids*), IT Auction will open the envelopes containing the irrevocable bids submitted in the manner described above and, once it has been verified that the bids presented are valid, will proceed to admit the bidders to the website www.industrialdiscount.it in the manner envisaged in this invitation procedure. This process is necessary in order to check the soundness of the irrevocable bids to purchase made for the assets.

The first bid will be automatically attributed to the highest bidder or the party who submitted his bid first, if more than one bid is submitted for the same price.

The open ascending price auction will commence on 10 June 2019, at 11.30 a.m., and will be concluded on the same day, at 12.30 p.m. and only admitted bidders will be permitted to take part.

The open ascending price auction will provide for the following minimum raised bids:

no.	description of lots	min. raised bids
1	machines, plants, equipment, patents	20,000.00
2	furnishings, electronic office machines and telephones	500.00
3	Warehouse storing chemical laboratory products	1,000.00
4	Packaging warehouse	500.00
5	Raw materials warehouse	500.00
6	Warehouse storing products for BTF PLANT (code 100) and AROMATIC FLUORINE PLANT (code 200)	3,000.00
7	Warehouse storing products for PERFLUORINATED CHEMICALS PLANT (code 300)	2,000.00
8	Warehouse storing products for PILOT PLANT (code 600)	500.00

The auction sale will proceed adopting the “individual auction” method: in this type of auction, a bid can be submitted for the individual lot subject to auction. At the close of the

auction, the lot will be awarded the highest bidder.

In order to guarantee that the Procedure takes place under the most competitive conditions possible and that the highest return is secured, on-line auctions are regulated by the “Time Extension” rule; this means that if the potential buyer enters a bid during the last 5 minutes of the invitation procedure, the closure of the auction sale is put off for a further 5 minutes, thereby giving the others taking part the opportunity to raise the offer. For this reason, a precise time cannot be established for the closure of an auction sale.

The lots being sold will be awarded to the highest bidder at the close of the auction sale.

Formalities following award

The award price, net of the guarantee deposit already lodged, must be paid to the Procedural Body by bank transfer in favour of “INSOLVENCY OFFICE AT THE COMPANY IN LIQUIDATION MITENI SPA – COURT OF VICENZA” to the coordinates notified after the award, in a lump sum within and not beyond 30 days from confirmation of the award by the Liquidation Bodies.

Together with the balance of the aforementioned sale price, the following must also be paid:

- the expense fund relating to any costs laid down by the law, or incurred in connection with the storage and running of the assets awarded;
- with regard solely to lot 1, the guarantee deposit as security for performance of the obligations to deal fully with the disassembly and removal of the assets within the term of 18 months, calculated at a total of 500,000.00 Euros (five hundred thousand/00);

as an alternative to the aforementioned lump sum payment, with regard solely to lot 1, the balance of the sale price, the expense fund and the guarantee deposit may be paid in the following manner:

- the expense fund and the guarantee deposit may be paid in a lump sum within and not beyond 30 days from the confirmation of the award by the Liquidation Bodies;
- the sale price for the lot, on the other hand, can be paid in twelve equal monthly instalments, the first of which within 30 days from the confirmation of the award by the Liquidation Bodies, having lodged, by the end of that term, a bank guarantee at first request issued by a leading Italian bank or an international bank with a branch or

secondary office in Italy, using the form (Form C) published and available for downloading on the website www.industrialdiscount.it, auction sale code no. 5001 (*English version on www.industrialdiscount.com, auction n. 5001*).

The guarantee shall cease to have effect if no request for enforcement is made within a period of thirty days from the due date for the final instalment.

All taxes and legal charges relating to the sale of the assets (including, for example, but not limited to, any notary's fees and charges, cost of entries made in public registers, stamp duty, registry fees, value added tax or customs duties) shall be borne entirely by the successful bidder.

As regards the commission to IT Auction S.r.l., this must be paid within and not beyond 15 (fifteen) days from the confirmation of the award by the Liquidation Bodies directly by bank transfer in favour of IT AUCTION S.R.L., IBAN IT 55 H 02008 23710 000101559980, BIC/SWIFT UNCRITM1PM0, Banca UNICREDIT BANCA S.P.A. C.SO MAZZINI FAENZA BRANCH OFFICE. Payment of the commissions represents a necessary condition to the completion of the sale and shall be calculated as a percentage of the price confirmed at the auction for the sale of the individual lots, at the following rate:

no.	description of lots	commissions
1	machines, plants, equipment, patents	0.25%
2	furnishings, electronic office machines and telephones	10%
3	Warehouse storing chemical laboratory products	2%
4	Packaging warehouse	2%
5	Raw materials warehouse	2%
6	Warehouse storing products for BTF PLANT (code 100) and AROMATIC FLUORINE PLANT (code 200)	2%
7	Warehouse storing products for PERFLUORINATED CHEMICALS PLANT (code 300)	2%
8	Warehouse storing products for PILOT PLANT (code 600)	2%

The successful bidder may be required, if necessary, as evidentiary proof, to submit documentation certifying payment of the sale price, of the commissions and any additional costs and charges connected therewith.

Once both the charges for the storage and running of the assets purchased and the costs incurred for the removal of the assets, if envisaged, have been paid, the Liquidator will return to the successful bidder, by bank transfer, any remaining expense fund received as a

guarantee deposit, or, with regard solely to Lot no. 1, the original bank guarantee, if issued. In the event that payments are not made within the terms established, owing to the actions or through the fault of the successful bidder, the successful bidder shall forfeit the award and the Liquidator shall appropriate the guarantee deposit lodged, as a penalty and order the party to pay the difference between the price offered and that obtained from the sale successfully concluded at a later date, having deducted the deposit paid. In any event, the Liquidator may, at his or her absolute discretion, announce a new procedure, or, make an award to the subject who submitted the second highest bid after that presented by the successful bidder who has forfeited his rights.

The successful bidder in breach will be cancelled from the website and may not take part in future procedures.

FINAL PROVISIONS

The sale will be subject to a “Clause defining the typical effects associated with sales ordered by the court”.

Neither the invitation procedure nor the receipt of any bids shall oblige the procedural bodies to accept bidders, nor shall they constitute an award in their favour, nor confer any rights, even to claim compensation for damage, or to make any other claim contrary to binding legal provisions, merely amounting to an invitation to bid and not an offer to the public as defined in art. 1336 of the Italian Civil Code.

This Procedure, being of a compulsory nature to all effects and purposes, is regulated in its entirety by the provisions contained in articles 105, 107 and 108 of the Italian Bankruptcy Law, with the exception of the right to suspend the sale if an irrevocable bid to purchase is received that exceeds the price offered by an amount of no less than ten per cent, referred to in paragraph 4 of art. 107, the application of which has been waived by the company in receivership.

For all that is not expressly provided for in these rules, reference shall be made to the provisions of the Italian Code of Civil Procedure dealing with sales ordered by the court, in so far as they are compatible.

IT Auction warrants the secure and confidential nature of all auction sale sessions. The Liquidation Bodies reserve the right, in their absolute discretion and without any obligation

to state any grounds:

- to modify the discount percentage rates and the duration of the proceedings;
- to modify the sale method, *en bloc* or in individual lots;
- to modify the time schedules for the payment and collection of the guarantee deposit and the value of the deposit;
- to suspend or interrupt the award procedure definitively at any time; if it is therefore not possible, for any reason, to make an award, neither the bidders nor the Company in receivership, nor IT Auction, shall be entitled to any form of compensation or reimbursement.
- In the event that the provisions contained in the “General conditions of sale applying to on-line auctions” and those set out in these “Rules of Sale” are conflicting, the terms and conditions established in the “Rules of Sale” shall prevail over those established in the “General conditions of sale applying to on-line auctions”.
- If one or more clauses in these “Rules of Sale” are declared or are considered to be invalid or to lack binding effect, the other clauses shall remain valid and binding and the invalid or non-binding clause shall be replaced, if possible, by a corresponding legal provision.

Any additional information and/or clarification required regarding the contents of this notice are available from the company IT Auction s.r.l. at the number 0444.1442262 or via e-mail at the address itauction@pec.it.

Vicenza, 02 May 2019

The Liquidator

Domenico De Rosa