

**EXTRAORDINARY ADMINISTRATION  
ACC COMPRESSORS S.p.A.**

**January 31, 2014**

Dear Sirs,

**Re: Letter of Procedure : opening of the Virtual Data Room and performance of the due diligence**

following your expression of interest, the undersigned Mr. Maurizio Castro, acting in his capacity as the Extraordinary Commissioner of ACC Compressors S.p.A. in Amministrazione Straordinaria ("**ACC Compressors**"), a joint-stock company incorporated under Italian law, with registered office in Pordenone (Italy), at Viale Lino Zanussi 11,

**whereas**

- in order to perform a survey on the market interest in purchasing the ACC Business, ACC Compressors, duly authorized by MISE, published on the websites of ACC and of the Court of Pordenone, and also on the newspapers "Il Sole 24Ore" and "The Financial Times" on 29.11.2013, an invitation to express interest to the purchase of the Business (hereinafter referred to as "**Invitation**"), with the Confidential Information Memorandum, containing the terms and conditions of Invitation;
- the subjects that, after the publication of the Invitation, have expressed their interest, sending to ACC Compressors their expressions of interest were evaluated by the Extraordinary Commissioner;
- pending approval of the tender regulation for the sale of the business of ACC Compressors by the competent authority, the Extraordinary Commissioner is willing to go faster with the procedure for such a sale, allowing the access to the Virtual Data Room to the recipients of this Letters, being the bidders who delivered their expression of interest in compliance with the terms and conditions provided for by the Invitation and the Confidential Information Memorandum (hereinafter the "**Admitted Bidders**" or the "**Recipient**");

all the above stated, by sending you this Letter of Procedure, the Extraordinary Commissioner of ACC Compressors

**admits**

your Company - under the following terms and conditions – as an Admitted Bidder, to the subsequent phase of the ACC Business sale procedure, that is the admission to the Virtual Data Room, containing the information material and documents concerning ACC Compressors and its business activities.

Please find here enclosed the following documents:

- the Confidentiality Declaration (Annex 1);
- the Regulation regarding the access to the Data Room and the inspection of the documents contained therein ("**Data Room Regulation**") (Annex 2);
- the list bearing indication of Work Team and Responsible person (Annex 3)

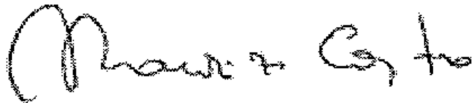
The terms and conditions for such admission are set forth hereinafter.

- I. In order to be allowed to visit the Virtual Data Room, the Admitted Bidders are required to:

- a. properly read and fully and unconditionally accept this Letter of Procedure and Annexes n. 1 and 2 attached hereto (Confidentiality declaration and Data Room Regulation). Such documents shall be initialed on each page and signed at the foot of the final page as acceptance by the legal representative of the Admitted Bidder, and they shall be returned, within the term of **February 10, 2014** to ACC Compressors, to the kind attention of the Extraordinary Commissioner, by sending them by postal mail or courier, eventually disclosed in advance, within the said term, by fax or electronic scan attached by e-mail, to the address already provided in the Invitation (i.e. the said documents shall be delivered to ACC Compressors, to the kind attention of the Extraordinary Commissioner, Mr. Maurizio Castro, by sending them by registered postal mail, with return receipt, or courier, in either case in a sealed envelope, at viale Lino Zanussi 11, 33170 Pordenone, Italy, anticipated via fax at + 390434379850 and/or eventually to the following e-mail addresses: federica.magnoler@accomp.it and mirko.piccoli@accomp.it, respectively Legal Counsel and CFO of ACC Compressors);
  - b. provide, in the above mentioned term, a list bearing the indication of the name and position (e.g. employee, legal counsel, consultant, etc.) of the persons responsible for accessing to the Data Room (“Work Team”) and of the person designed as Work Team responsible (“Responsible person”) filling the document attached to this Letter of Procedure (Annex 3).
- II. The Admitted Bidders who will fulfill the requirements above listed, will be admitted to the virtual Data Room, which shall be held starting from **February 14, 2014 at 12:00 am CET**. The access to the virtual Data Room and the performance of the due diligence shall terminate on **March 16, 2014 at 12:00 pm CET**. In order to access to the virtual Data Room the Admitted Bidders, under evaluation of the Extraordinary Commissioner, will be supplied with usernames and password to access to the virtual Data Room.
  - III. The dates scheduled for the access of each Work Team to the virtual Data Room shall be communicated to the Admitted Bidders who have regularly submitted the documents set out in the previous paragraph.
  - IV. During the activity of due diligence, all Admitted Bidders may forward in writing request for information, clarifications and/or further documents to the people appointed for that purpose by the Extraordinary Commissioner in accordance with the terms and conditions set out in the Data Room Regulation.
  - V. The Extraordinary Commissioner reserves the right, at his absolute discretion and without justification, to decide whether or not to meet the requests for information, clarifications and/or further documents. General or exploratory enquiries shall not be taken into account.
  - VI. This Letter of Procedure is governed by Italian Law and shall be construed in accordance thereto. This Letter and the admission to the Data Room is not intended, nor shall be deemed, to establish any contractual or non-contractual obligations whatsoever upon ACC Compressors, the Extraordinary Commissioner and the Admitted Bidders thereof including, without limitations, in respect of the sale of the ACC Business contemplated under this Letter, the start of the related sale procedure, its subsequent cessation or revocation of admission of previous Admitted Bidders

thereto. The Admitted Bidders cannot claim any damages as a consequence of any decision of the Extraordinary Commissioner concerning the sale of the ACC Business and in case of non-approval, by Italian Ministry of Economic Development, of the plan for the sale of the Business of ACC Compressors filed by the Extraordinary Commissioner. By replying to this Letter, you shall accept the Italian Law as the applicable law and that the Court of Pordenone shall have exclusive jurisdiction to settle any dispute arising out of, in relation to, or otherwise connected with, this Letter and/or the attached documents.

Yours faithfully



Mr. Maurizio Castro

The Extraordinary Commissioner of ACC Compressors S.p.A. in A.S.

*For reply and full and unconditionally acceptance*

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*List of documents attached:*

- *the Confidentiality Declaration (Annex 1);*
- *the Regulation regarding the access to the Data Room and the inspection of the documents contained therein ("Data Room Regulation") (Annex 2);*
- *list bearing indication of Work Team and Responsible person (Annex 3).*

## CONFIDENTIALITY DECLARATION

CONFIDENTIALITY DECLARATION (this "Declaration") dated as of [\_\_\_\_\_]

### Issued by

\_\_\_\_\_, legally represented by \_\_\_\_\_, including employees and the nominated consultants involved into the purpose, defined as follows (hereinafter, the "**Recipient**" or the "**Admitted Bidders**"), consistently with the provisions of the Letter of Procedure

### WHEREAS

ACC Compressors S.p.A. in Amministrazione Straordinaria (Extraordinary Administration), a joint-stock company, incorporated under the laws of Italy, admitted to the extraordinary administration procedure on 27.8.2013 pursuant to the Italian Legislative Decree of 8 July 1999, no. 270, herein represented by the Extraordinary Commissioner, dott. Maurizio Castro (hereinafter "**ACC Compressors**"), expects to disclose to the Recipient confidential information about ACC Compressors business and customers, through a virtual Data Room and a due diligence process, pursuant to the terms and conditions of the Letter of Procedure and the Data Room Regulation, dated and delivered on January 31, 2014.

the Recipient declares as follows:

1. "ACC Confidential Information" means, individually and collectively, any and all information and documents, including, without limitation, commercial and other information relating to ACC Compressors, its suppliers, customers, contractors examined by the Recipient in the virtual Data Room, concerning ACC Compressors and its business activities or anyway received pursuant to this Declaration and by virtue of the Invitation, the Confidential Information Memorandum, the Letter of Procedure and the Data Room Regulation, including the Check list.
2. The Recipient, acting also on behalf of his employees, consultants and all his people authorized to access to the virtual Data Room, pursuant to article 1381 of the Italian Civil Code, shall maintain ACC Confidential Information in confidence and not disclose the same to any third party. In particular, the Recipient shall use ACC Confidential Information exclusively for the purpose of accessing to the virtual Data Room and for the performance of the due diligence, pursuant to the Letter of Procedure, in order to evaluate in the future the submission of a potential intended purchase offer of ACC Compressors Business, under the terms and conditions that will be established in the relevant Tender Regulation issued by the Extraordinary Commissioner, subject to the approval of the Ministry for Economic Development and after consulting the Monitoring Committee (hereinafter the "**Purpose**"), and for no other purpose. It is acknowledged by the Recipient that the ACC Confidential

Information will be disclosed to the Recipient with the express understanding that ACC Compressors will not be obliged to enter into any further relevant transaction or other agreement with the Recipient. The Recipient – for himself and also on behalf of its employees and consultants and on behalf of all his people authorized to access to the virtual Data Room, as established by article 1381 of the Italian Civil Code - undertakes not to disclose ACC Confidential Information and to use them only for the Purpose. It is understood and agreed that any and all the ACC Confidential Information, including but not limited to, inter alia, business data, proprietary rights, patent rights, trademarks and other intellectual property or proprietary rights, referring to the ACC Confidential Information disclosed by ACC Compressors to the Recipient shall be and remain the exclusive property of ACC Compressors; ACC Compressors does not grant any license to the Recipient to exploit them, in any case. Recipient will indemnify and hold harmless ACC Compressors and its controlling companies for any damage or cost deriving from or related to a breach of this Declaration by the Recipient himself and/or his employees, consultants and other people authorized, including loss of business or customers and reputational damage, if any.

3. No representation or warranty, expressed or implied, is made by ACC Compressors to Recipient as to the accuracy or completeness of the documents and information disclosed into the virtual Data Room and/or during the due diligence process, pursuant to the Letter of Procedure and the Data Room Regulation. Nothing contained in the Data Room, is to or shall be relied upon as a promise or obligation of ACC Compressors to perform what there declared, with reference to the past, current or future representation of facts, circumstances and any other issue related to Purpose. ACC Compressors and its advisors do not accept any charge of liability for any use of, or reliance on, the ACC Confidential Information and/or any other information supplied on request by the Recipient. For the avoidance of doubt, nothing contained in the ACC Confidential Information shall be construed as ACC Compressors acceptance of any specific provision of the potential purchase agreement for the sale of ACC Compressors business, if any.
4. All obligation under this Declaration shall terminate upon the third anniversary of the signature and execution of the same.
5. This Declaration shall be deemed as an integral part of the Letter of Procedure and shall be governed by, and construed in accordance with, the laws of Italy. The Recipient, even on behalf of its consultants and employees, irrevocably and unconditionally agrees that any action, suit or proceeding ("**Actions**") relating to this Declaration shall be submitted to the Court of Pordenone.
6. In the event that any provision of this Declaration shall be held invalid or unenforceable, such provision shall not invalidate or render unenforceable any other provision hereof.
7. The Recipient is aware that any breach this Declaration will inflict serious damage to ACC Compressors. Upon the occurrence of any of such breach the Recipient agrees to pay to ACC Compressors, by way of liquidated damages, the amount of € 10.000,00 for each cause of default, with no exclusion of any other damage that ACC Compressors will be entitled to claim.
8. The Recipient undertakes not to solicit any person who is, or who has been, an employee or consultant of ACC Compressors in Italy for the term of this Declaration, as per article 5 above.

IN WITNESS WHEREOF, the Recipient signs and for full acceptance and execute this Declaration.

The Recipient, \_\_\_\_\_

**EXTRAORDINARY ADMINISTRATION  
ACC COMPRESSORS S.p.A.**

**DATA ROOM REGULATION**

**1. Object**

- 1.1. This regulation (“**Regulation**”) establishes the methodology according to which the Admitted Bidders - as defined by the Letter of Procedure for the sale of business of ACC Compressors S.p.A., in Amministrazione Straordinaria (Extraordinary Administration), (“ACC Compressors”), a joint stock company, incorporated under Italian law, with registered office in Pordenone (Italy), at viale Lino Zanussi n. 11, admitted to the extraordinary administration procedure on 27.8.2013, pursuant to the Italian Legislative Decree of 8 July 1999, no. 270, dated and published on January 31, 2014 - and their consultants (the Admitted Bidders and their consultants are collectively referred to as the “**Users**”), as indicated in the list already provided to ACC Compressors (annexes 3 to the Letter of Procedure) can access to the information material and documents (“**ACC Confidential Information**”) available in the virtual Data Room concerning ACC Compressors and its business activities. The virtual Data Room will be made available from February 14, 2014 to March 16, 2014 in a web area exclusively dedicated to the Users.
- 1.2. This Regulation, signed and executed by Users for full and unconditional acceptance, in compliance with the terms and conditions of the Letter of Procedure, has to be followed during all stages of access to the Data Room and performance of the due diligence.

**2. Confidentiality**

ACC Confidential Information, for the effects of the Confidentiality Declaration signed by each Admitted Bidder and returned to ACC COMPRESSORS, as Annex 1 to the Letter of Procedure, is subject to all the terms and conditions set forth by the said Confidentiality Declaration. By accepting this Regulation, Users commit not to release to third parties, for any reason, any kind of ACC Confidentiality Information that is accessible in the virtual Data Room or delivered on request during the due diligence process. Representatives of the Admitted Bidder and its consultants previously indicated in writing to ACC COMPRESSORS, as being authorised to access the virtual Data Room will be hereinafter referred to as the “**Authorised People**”, under the terms and conditions of the Letter of Procedure.

**3. Admission and Duration**

- 3.1. The persons of ACC COMPRESSORS in charge of the coordination of the virtual Data Room (the “**Coordinators**”) are Federica Magnoler, tel. +39 (0)434379925, e-mail [federica.magnoler@accomp.it](mailto:federica.magnoler@accomp.it) and Mirko Piccoli, tel. +39 (0)434379830, e-mail [mirko.piccoli@accomp.it](mailto:mirko.piccoli@accomp.it).

- 3.2. The virtual Data Room will be freely accessible to the Authorised People, who have signed all the relevant documents, at the time scheduled with the Coordinators, after having received the Letter of Procedure and usernames and password to access to the virtual Data Room, pursuant to the said Letter.

#### **4. Documentation**

- 4.1. Documents available in the virtual Data Room (“**Documents**”) will be catalogued in a list (“**Check List**”). Coordinator can at any time integrate or modify the contents of the Check List and the Documents available in the Data Room without any form of obligation to communicate this to the Authorised People. Documents are in Italian or in English language.
- 4.2. Documents can be read and analyzed only into the virtual Data Room. The Authorised People will not be able to obtain a copy of the Documents. No copy of the Documents, however obtained, different from those explicitly authorized by ACC Compressors within the virtual Data Room, can be downloaded or discharged from the Data Room or attached, in whole or in part, to other documents or become part of reports prepared by the Authorised People themselves.

#### **5. Questions & Answers**

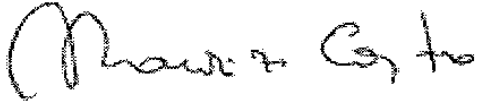
- 5.1. Authorised People will be able to deliver questions or requests or further clarifications to the Coordinators using the specific section of the Virtual Data Room named Q&A. Answers will be provided in writing until the termination of the due diligence.
- 5.2. Authorised People commit not to contact, directly or indirectly, the Extraordinary Commissioner, the Coordinators, other employees or consultants of ACC Compressors to discuss the Documents in any other context or situation.

#### **6. Miscellaneous**

- 6.1. ACC Compressors and its advisors reserve the right to modify at any time the terms and conditions of this Regulation, including access conditions to the Documents into the virtual Data Room by the Authorised People, without right of the Authorised People to bring up against ACC Compressors and their advisors any claim in the form of compensation or indemnity for this.
- 6.2. Regarding the access conditions to the virtual Data Room referred to in point 3.2. above of this Regulation, the Authorised People bind themselves: (i) not to reveal or let use the access details to third parties, and (ii) to take all the necessary measures and due care to ban access and avoid use of the access details by third parties. The above notwithstanding, should any Authorised People share with a third party access to the Data Room and/or the Documents, the name of such other person shall be immediately notified in writing to the Coordinator, so that a Confidentiality Declaration and this Regulations can be signed by such other person forthwith. In any event, ACC Compressors and their advisors will have the right to exclude any Authorised People from access to the Data Room, and, where deemed appropriate, to

take legal action against the Authorised People and such third person, for damages incurred referred to any violation of this Regulation.

Pordenone, January 31, 2014

A handwritten signature in black ink, appearing to read "Maurizio Castro". The signature is written in a cursive, somewhat stylized script.

Mr. Maurizio Castro  
The Extraordinary Commissioner of ACC Compressors S.p.A. in A.S.

For having read and accepting the foregoing terms:

\_\_\_\_\_  
(signature)