

Milan, 10 January 2013

FORM S.P.A. UNDER EXTRAORDINARY ADMINISTRATION – SALE OF THE BUSINESS
ACTIVITIES

REGULATION OF THE FAST-TRACK PROCEDURE

SUMMARY: Recitals – The business perimeters subject to the Sale Procedure – Activities pertaining to the Fast-Track Procedure and relevant timing – Due diligence process – The Binding Offer and the definition of the relevant sale and purchase agreement – Reservation of further requests and integrations – General provisions

I. Recitals

The present document describes and sets out the modalities for the implementation of the activities consequent to the presentation of the Expressions of Interest for the acquisition of the business activities held by Form S.p.A. under Extraordinary Administration (**Form**), for interested parties that, in order to accelerate the process and with a preferential treatment in respect of those participating to the ordinary procedure regulated in a separate document (hereinafter, the **Ordinary Procedure**), intend to evaluate the formulation of an already binding offer for the purposes of such acquisition, following the completion of the due diligence verifications and of the instrumental activities, pursuant to terms and conditions set out herein (hereinafter, the procedure set forth by such terms and conditions, the **Fast-Track Procedure**).

The Fast-Track Procedure is part of the activities aimed at transferring the business activities held by Form – company admitted to the extraordinary administration procedure pursuant to the Legislative Decree 8 July 1999, no. 270, as subsequently amended and supplemented (the **EA Law**) – subject to the obtainment by the Ministry of Economic Development (**MED**), heard the Surveillance Committee, of the authorization (a) to the implementation of the transfer plan submitted to the MED by the Extraordinary Commissioner of Form (the **Commissioner**) on 26 September 2012, pursuant to art. 58 of the EA Law, and (b) to the execution of the deed, or deeds, of transfer, pursuant to art. 61, paragraph 1, and art. 42, paragraph 1, letter a) of the EA Law itself (the **Authorization to the Transfer**).

The present document is published on the website of the extraordinary administration of Form (www.gruppoformamministrazionestraordinaria.com, hereinafter, the **Website**) and it is submitted directly by the Commissioner to the parties he admitted to participate to the phase following the presentation of the expressions of interest (hereinafter, **Phase 2**), pursuant to terms and conditions of the relevant regulation, dated 24 September 2012 and published on the

Website (the **Regulation**). With the submission of the present document, the Commissioner will expressly indicate to each party if it has been admitted to participate to Phase 2 pursuant to the terms and conditions of the Fast-Track Procedure or of the Ordinary Procedure, in the light of the preferences previously expressed by the interested parties. Each party may in any case be admitted to a procedure different from the one indicated by the Commissioner, following a notice to be submitted by email to the Commissioner himself, to the email address gptform@gptlex.com within 7 days as of the receipt of the present document.

Unless expressly defined herein, capitalized terms and expressions shall have the meaning set out under the Regulation.

II. The business perimeters subject to the Sale Procedure

The perimeters subject to the Sale Procedure are, preferably, the entire business of Form and, in second instance, the single or couple of the business branches exercised in the three plants in which Form carries out its activity (*i.e.* the plants located in Cormano, Villasanta and Quero). It is possible to exclude from the perimeter of interest the ownership of all or part of the real estate located in Cormano.

It is offered the sale of the entire business of Form or of the single business branches, inclusive of all assets - including the warehouse - and agreements relating to them (excluding the factoring and banking agreements and save for what stated above in relation to the real estate located in Cormano), with the assumption by the purchaser of every overdue and falling due debt arising from the leasing agreement and from the conditional agreements with reservation of title pursuant to the so called Law Sabatini of 28 November 1965, n. 1329 (the **Debt Subject to the Transfer**) and excluding (a) any, both commercial and financial, credits whatsoever and available cash prior to the transfer, and (b) any debts whatsoever pertaining to and preceding the transfer, different from the Debt Subject to the Transfer generally accrued on such date (hereinafter, the entire business of Form or the single business branches, as identified above, the **Business Activities**).

III. Activities pertaining to the Fast-Track Procedure and relevant timing

The Fast-Track Procedure provides for, as phase following the submission of the Expressions of Interest:

1. the performance of a due diligence activity on the Business Activities, pursuant to terms and conditions set out under paragraph IV;
2. the presentation of a formal and irrevocable binding offer for the purchase of the Business Activities of interest (the **Binding Offer**), following the discussion and definition, *inter alia*, of the relevant sale and purchase agreement, in accordance with the indications set out and anticipated under paragraph V below.

The interested parties are required to submit their Binding Offer no later than 18:00 (CET) on 5 March 2013 (the **Term for the BO**).

IV. Due diligence process

The parties admitted to Phase II, that would have opted, or opt, for the Fast-Track Procedure (the **Participants to Phase II-FS**), have the chance to perform a commercial, technical, financial, accounting, fiscal and legal due diligence activity on the Business Activities (the **Due Diligence Activity**), which includes:

1. the access, until 28 February 2013, to the virtual data room (the **VDR**), containing the information memorandum and the additional documentation pertaining to Form and to the Business Activities. The VDR may be supplemented with the documentation, as available, that the Commissioner and his advisors shall deem convenient to made available to the Participants to Phase II-FS;
2. a management presentation of Form, whose details shall be later notified to the Participants to Phase II-FS and that shall be indicatively held between 20 January 2013 and 20 February 2013;
3. one or more visits to the Plants, in the period between 10 January 2013 and 20 February 2013 (the **Visits**);
4. the access to the management of Form (with the possible support of the advisors), on a continuous basis, to the extent that such informative interviews and discussions are aimed to the presentation of the Binding Offer and that they do not represent an impediment to the ordinary management of the company (even considered the equal access allowed to all the Participants to Phase II-FS), and also following an agreement with the Commissioner, or with the appointed advisors indicated below (hereinafter, the **Interviews**).

The Participants to Phase II-FS will be allowed to formulate request of supplemental documents and/or of clarifications (the **Informative Requests**). It will be left to the absolute discretion of the Commissioner, without any obligation of motivation, to decide whether follow up the Informative Requests, evaluated and also taken into account the availability of the required information and/or their importance or their level of confidentiality. In any event, requests of information, clarification and/or documentation generic, purely explorative and/or that lead to an unreasonable slowdown of the Sale Procedure will not be taken into account. The Informative Requests shall have to be sent by email to the names and addresses set out under Paragraph VII below.

The Visits and the Interviews will be coordinated by Mr. Martinelli and by Ms. Moro of Vitale & Associati S.p.A., whose contacts are indicated under Paragraph VII below. Therefore, for such purpose, the interested parties are invited to refer to them.

It is reminded that the information and documents made available for the purposes of or in the context of the Due Diligence Activity, or in any event relating to the Sale Procedure, remain subject to the terms and conditions of the confidentiality undertaking already signed by the interested parties. As set out therein, (a) no – explicit or implicit- representation or warranty is provided by Form (or its employees), the Commissioner or its representatives and/or advisors, in respect of the truthfulness, completeness and accuracy of the Confidential Information (as defined in such confidentiality undertaking) and (b) none of such parties assumes any liability, not even pre-contractual, *vis-à-vis* the participants to the Sale Procedure (or *vis-à-vis* the Authorized Parties, as defined therein), in respect of the contents of such Confidential Information or of the use of them that it will be made and/or of any error or omission relating to them.

V. The Binding Offer and the definition of the relevant sale and purchase agreement

The Commissioner shall provide the following information with a separate and subsequent notice (the **Regulation of the Binding Offers and of the Sale**): the description of the modalities and terms of presentation of the Binding Offer, the relevant formal and substantial requirements that it shall fulfill, the modalities to define the sale and purchase agreement which shall be made available in the VDR, *vis-à-vis* those admitted to Phase III-FS, and also the criteria of selection of the Binding Offers and the rules of the competitive bidding, including the terms and conditions of the award and completion of the sale of the Business Activities (even with regard to the union consultation procedure pursuant to art. 47 of the Law 29 December 1990, n. 428, as subsequently amended and supplemented, for the purposes set out under art. 63 of the EA Law). It is understood that any final resolution in respect of the outcome of the Sale Procedure and of the consequent execution of the sale and purchase agreement shall remain subject to the power of authorization of the MED, heard the Surveillance Committee.

It is as of now anticipated that those possibly admitted to participate to the Fast-Track Procedure shall, *inter alia*, and pursuant to forms and terms that shall be described and set out more specifically in the Regulation of the Binding Offers and of the Sale:

1. present, jointly with its own Binding Offer, the industrial and economic and financial plan of prosecution of the business activities exercised through the Business Activities of interest, pursuant to art. 63, paragraph 3, of the EA Law, with indication of the levels of employment that the purchaser intends to undertake and to preserve for at least a subsequent two-year period, pursuant to art. 63, paragraph 2, of the EA Law;
2. undertake, through its own Binding Offer, which shall be expressly declared irrevocable for the period that will be specified in the Regulation of the Binding Offers and of the Sale, to present - following the obtainment of the Authorization to the Transfer and of the acceptance of the Binding Offer by the Commissioner - at the time of the execution of the sale and purchase agreement (a) an autonomous bank

security, containing the obligation for the guarantor to pay on first demand, without possibility to raise exceptions and to claim for the previous enforceability against the main debtor, issued by a primary bank operating in Italy and approved by the Commissioner (the **First Demand Bank Guarantee**), to guarantee the payment obligation of the purchase price of the Business Activities of interest, and (b) any other security that may be required and agreed with respect to the obligations which will be undertaken as a result of the execution of the sale and purchase agreement, such as, for example, the obligations of prosecution of the business activities and of preservation of the levels of employment set out under the sale and purchase agreement itself;

3. create, together with the submission of its own Binding Offer, a security deposit in favor of Form for an amount of Euro 250.000,00 (hereinafter, the **Deposit**), to guarantee (a) the obligation to execute the sale and purchase agreement, whether the Authorization to the Transfer is obtained and the Binding Offer is accepted by the Commissioner, and (b) the obligation to present or to issue the guarantees in accordance with the indications set forth under previous point 2 of the present Paragraph V (hereinafter, jointly referred to as the **Secured Obligations**), which shall be:
 - a. returned (x) in case of notice of non-award of the Business Activities or of exclusion from, or definitive interruption of, the Sale Procedure, or (y) in the absence of non-fulfillments of the Secured Obligations by the relevant offeror, at the execution of the sale and purchase agreement of the Business Activities, following the obtainment of the Authorization to the Transfer and of the acceptance of the Binding Offer by the Commissioner; or
 - b. acquired as a penalty (and save for the additional damage), in case of non-fulfillment of the Secured Obligations by the offeror.

Each offeror will be allowed to present, alternatively to the Deposit, a First Demand Bank Guarantee, in respect of the same abovementioned obligations.

With regard to the activities of definition of the sale and purchase agreement of the Business Activities, it is anticipated that, during the Due Diligence Activity, the Commissioner will make available to the Participants to Phase II-FS a draft of the relevant agreement, subject to amendments and/or integrations, even to take into account the necessary variations in order to adapt the text to the business perimeters subject of the interest of the single Participants to Phase II-FS. It will be required to submit in writing to the Commissioner's advisors possible comments (the **Comments on the Agreement**), within the term that will be specified in the Regulation of the Binding Offers and of the Sale. The Comments on the Agreement shall be submitted in mark-up compared to the version made available in the VDR (in format word and pdf), via email, by submitting the names and addresses indicated under Paragraph VII below.

A handwritten signature or set of initials, possibly 'AT', written in black ink in the bottom right corner of the page.

The Commissioner's advisors may request to meet the Participants to Phase II-FS and their advisors in order to give them the chance to describe and discuss their respective Comments on the Agreement. As a result of such meetings and/or of the evaluation by the Commissioner of the Comments on the Agreement, the texts that shall be put as basis of the Binding Offers will be defined, in accordance with the indications that will be set out under the Regulation of the Binding Offers and of the Sale. As of now Form and the Commissioner reserve their right to amend any term and/or condition of the text of the sale and purchase agreement made available in the VDR, as a result of the comments received, it being understood that Form, the Commissioner and his advisors do not assume any undertaking to accept any of such comments that will be possibly formulated by the interested parties.

The Binding Offer and the sale and purchase agreement of the Business Activities shall not have to be subject to, *inter alia*, the performance of any further Due Diligence Activity, the obtainment of the financial resources necessary for the purposes of the acquisition of the Business Activities of interest, other events or consents, authorizations and/or internal approvals or approvals of third parties, save for the obtainment of the necessary authorizations required by law (inclusive of the antitrust clearance, if required) and, in case, the achievement of an union agreement in the context of the union consultation procedure set out under art. 47 of the Law 29 December 1990, n. 428, as subsequently amended and supplemented.

VI. Reservation of further requests and integrations

The Commissioner, also by means of his advisors, reserves his right to request any other relevant information or documentation – by way of example and without limitations, even by supplementing the requirements set out herein and/or verifying at any time the compliance with the requirements set out under the Regulation or under the present document, or by requesting clarifications and/or further details and guarantees in respect of the representations already made or to be made by interested parties – that the Commissioner or his advisors deem necessary or convenient to acquire, either before or following the presentation of the Binding Offer, from all the interested parties or from one or more of them.

VII. General provisions

Unless otherwise set out under the present document, all notices set out under or required pursuant to, or in any event relating to, the present document (inclusive of possible request of clarifications), or pertaining to the activities set out herein, shall have to be formulated to the Commissioner and his advisors, indicated below:

Avv. Alessandro
Triscornia

Giliberti
Pappalettera

Dott. Riccardo Martinelli

Partner
Vitale & Associati S.p.A.

Dott.sa Mariacristina
Moro

Vice President
Vitale & Associati S.p.A.

Avv.ti Ilaria
Zingali, Marco
Bonioli, Cristina
Favilla and
Emilio Bettaglio

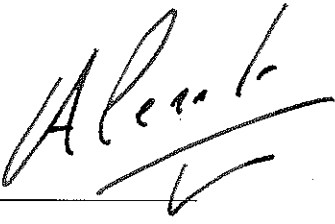
Triscornia e Associati Studio Legale	Via San Paolo, 7 20121 Milano Fax: +39 02 62001220 Tel: +39 02 6200121 <i>e-mail:</i> rmartinelli@vitaleeassociati.com	Via San Paolo, 7 20121 Milano Fax: +39 02 62001220 Tel: +39 02 6200121 <i>e-mail:</i> mcmoro@vitaleeassociati.com	Giliberti Pappalettera Triscornia e Associati Studio Legale Via Visconti di Modrone, 21 20122 Milano Fax: +39 02 780858 Tel: +39 02 76001585 <i>e-mail</i> of the working team (which includes between the recipients the Commissioner): gptform@gptlex.com
Via Visconti di Modrone, 21 20122 Milano Fax: +39 02 780858 Tel: +39 02 76001585 <i>e-mail:</i> atriscornia@gptlex.com or gptform@gptlex.com			

The present document and the activities set out herein, without any prejudice, are subject to the terms and conditions of the Regulation and, in particular, to what set out therein under Paragraphs 8 and 9.

In the exercise of the rights set out therein, the Commissioner may, *inter alia*, by way of example (i) suspend or interrupt, temporarily or permanently, the Sale Procedure *vis-à-vis* one or more of, or all the participants, whatever the stage and level of progress may be, (ii) amend at any time the terms and conditions of the Sale Procedure, as inclusive of the term to perform the Due Diligence Activity, or the Term for the BO, and the perimeters subject to the Sale Procedure, (iii) initiate or proceed at any time with private negotiations with one or more participants to the Fast-Track Procedure or to the Ordinary Procedure, for the purposes to complete – following the obtainment of the necessary authorizations required by law – the sale of the Business Activities and/or (iv) admit to the Sale Procedure, or consent to the aggregation of persons participating to the Phase 2, of new persons, at his absolute discretion.

In accordance with the indications set out under the abovementioned Paragraph 8 of the Regulation, (a) the present document and the activities set out therein do not entail for the Commissioner any obligation or undertaking to proceed with the sale of the Business Activities *vis-à-vis* the persons admitted to participate to the Sale Procedure, or, for such persons, the right to any performance whatsoever by Form, the Commissioner or their advisors and (b) any costs, expenses and burdens in any manner related, consequent and/or connected to the participation

to the Sale Procedure, inclusive of costs of their own representatives and advisors, shall be exclusively borne by the relevant participants.



A handwritten signature in black ink, appearing to read "Alessandro", is written over a horizontal line. The signature is stylized and cursive.

**The Extraordinary Commissioner of Form S.p.A. in A.S.,
Avv. Alessandro Triscornia**