

Draft 09/05/2019

Dated [●]

C.L.N. S.p.A.

SECOND SUPPLEMENTAL TRUST DEED

effecting the changes to the Conditions of the
€100,000,000 4.70 per cent. Notes due 2022

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Ref L-285515

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THIS SECOND SUPPLEMENTAL TRUST DEED is made in London on [●] 2019

BETWEEN

- (1) **C.L.N. S.p.A.** (the "**Issuer**"); and
- (2) **DEUTSCHE TRUSTEE COMPANY LIMITED** (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed).

RECITALS

- (A) On 31 July 2015 the Issuer issued €100,000,000 in aggregate principal amount of 4.70 per cent. notes due 2022 (the "**Notes**").
- (B) On [●] 2019, the meeting of the holders of the Notes authorised the delisting of the Notes (the "**Delisting Resolution**").
- (C) On [●] 2019, a first supplemental trust deed has been entered into in order to authorise the delisting of the Notes (the "**First Supplemental Trust Deed**"). The Trustee entered into the First Supplemental Trust Deed in accordance with the instruction of the holders of the Notes given pursuant to the Delisting Resolution.
- (D) On [●] 2019 [the Issuer published a notice on the website of the Irish Stock Exchange delisting the Notes with immediate effect].
- (E) This Second Supplemental Trust Deed is supplemental to the trust deed dated 31 July 2015 (as modified and/or amended and restated and/or supplemented from time to time by, *inter alia*, the First Supplemental Trust Deed) made between the Issuer and the Trustee constituting the Notes (the "**Original Trust Deed**").
- (F) On [●] 2019, the meeting of the holders of the Notes approved the modification of the Conditions of the Notes (the "**Modification Resolution**"). This Second Supplemental Trust Deed is being entered into in order for the modification of the Conditions of the Notes to take effect. The Trustee is entering into this Second Supplemental Trust Deed in accordance with the instruction of the holders of the Notes given pursuant to the Modification Resolution.
- (G) The Trustee has agreed to act as trustee of this Second Supplemental Trust Deed on the following terms and conditions.

NOW THIS DEED WITNESSES AND IT IS HEREBY DECLARED as follows:

1 INTERPRETATION

1.1 Definitions

Words and expressions used herein and not defined in the main body of this Second Supplemental Trust Deed shall when used in this Second Supplemental Trust Deed have the same meanings as are given to them in the Original Trust Deed.

The term "**New Conditions**" means, in relation to the Notes, the terms and conditions modified as set out in Schedule 1 of this Second Supplemental Trust Deed, as may from time to time be modified in accordance with the provisions of the Original Trust Deed;

References in the Original Trust Deed to the "**Conditions**" in respect of the Notes shall be deemed to refer to the New Conditions as defined in this Second Supplemental Trust Deed.

1.2 Headings

The headings and sub-headings are for ease of reference only and shall not affect the construction of this Second Supplemental Trust Deed.

2 INCORPORATION OF ORIGINAL TRUST DEED AND CONTINUATION OF ORIGINAL TRUST DEED

2.1 Incorporation of Original Trust Deed

This Second Supplemental Trust Deed shall be read as one with the Original Trust Deed so that all references therein and in this Second Supplemental Trust Deed to “this Deed”, “these presents”, “this Trust Deed” or “the Trust Deed” shall be deemed to refer to the Original Trust Deed as amended and supplemented by this Second Supplemental Trust Deed.

2.2 Continuation of Original Trust Deed

Save as amended and supplemented for the purposes of amending the Conditions of the Notes by this Second Supplemental Trust Deed, the provisions of the Original Trust Deed shall continue in full force and effect.

2.3 Bondholders rights and remedies

Nothing in this Second Supplemental Trust Deed shall constitute or be construed as a waiver or release of any right or remedy of the Trustee or the Noteholders under the Notes, nor otherwise prejudice any right or remedy of the Trustee or any Noteholder under the Original Trust Deed or the Notes.

3 MODIFICATION OF THE CONDITIONS

The parties hereto hereby agree that the Conditions of the Notes are hereby modified with effect on and from the date of this Second Supplemental Trust Deed as set out in the New Conditions contained in Schedule 1 of this Second Supplemental Trust Deed.

4 FURTHER ASSURANCE

The Issuer shall, at the request of the Trustee and at its own expense, do all such acts and things necessary or desirable to give effect to the modifications effected or to be effected pursuant to this Second Supplemental Trust Deed or the New Conditions.

5 EXPENSES

The Issuer will reimburse in full and on demand the Trustee for all fees, costs and expenses properly incurred by it in connection with the negotiation, preparation and execution of this Second Supplemental Trust Deed, the passing of the Modification Resolution and any related documentation.

6 LAW AND JURISDICTION

6.1 Governing law

This Second Supplemental Trust Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

6.2 English courts

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**"), arising out of or in connection with this Second Supplemental Trust Deed (including a dispute relating to the existence, validity or termination of this Second Supplemental Trust Deed or any non-contractual obligations arising out of or in connection with this Second Supplemental Trust Deed) or the consequences of its nullity. The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

6.3 Proceedings outside England

Clause 13.2 (*English courts*) is for the benefit of the Trustee and the Noteholders only. To the extent allowed by law, the Trustee or any of the Noteholders may take (i) proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction or (ii) concurrent Proceedings in any number of jurisdictions.

6.4 Process agent

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to [Hackwood Secretaries Limited at One Silk Street, London EC2Y 8HQ] or, if different, at its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the Companies Act 2006. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer or it ceases to be registered in England or, for any other reason, is unable or unwilling to act in such capacity, the Issuer shall immediately appoint such other person in England as the Trustee may approve to accept service of process on its behalf. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing in this Clause shall affect the right of the Trustee or any Noteholder to serve process in any other manner permitted by law.

7 SEVERABILITY

In case any provision in or obligation under this Second Supplemental Trust Deed shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

8 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any provision of this First Supplemental Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

9 COUNTERPARTS

This Second Supplemental Trust Deed may be executed in any number of counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF this Second Supplemental Trust Deed has been executed as a deed by the parties hereto and is intended to be and is hereby delivered on the date first before written.

Schedule 1

1 The terms and conditions shall be amended to insert the following provision as new condition 7(e)

- (e) Call and Amendment Option of the Issuer during Mandatory Call Period Unless a Change of Control Notice has been given pursuant to Condition 7(d) (Redemption at the option of Noteholders upon a Change of Control), the Issuer may during the Mandatory Call Period exercise a Call and Amendment Option, on giving not less than [5] nor more than [10] days' notice to the Noteholders in accordance with Condition 17 (Notices) (which notice shall be irrevocable and shall specify the Mandatory Call Redemption Date). If the Issuer exercises the Call and Amendment Option:
- (i) on the Mandatory Call Redemption Date, the Issuer shall redeem €50,000,000 in aggregate principal amount of the Notes at par on a pro rata basis, in each case together with interest accrued to (but excluding) the Mandatory Call Redemption Date; and
 - (ii) from the Mandatory Call Redemption Date for the remainder of the life of the Notes, the amendments to the terms and conditions set out under Schedule [2] of the Supplemental Trust Deed shall apply to the Notes. Any notice of redemption given under this Condition 7(c) will override any notice of redemption given (whether previously, on the same date or subsequently) under Condition 7(b) (Redemption for taxation reasons).

For the purposes of this Condition:

"Call and Amendment Option" means the option of the Issuer pursuant to this Condition 7(e) to redeem €50,000,000 in aggregate principal amount of the Notes at par, in each case together with interest accrued to (but excluding) the Mandatory Call Redemption Date and to apply amendments to the terms and conditions set out under Schedule [2] of the Supplemental Trust Deed from the Mandatory Call Redemption Date for the remainder of the life of the Notes;

"Mandatory Call Period" means the period from the date of the Supplemental Trust Deed to and including 30 September 2019;

"Mandatory Call Redemption Date" means the date specified for early redemption of the Notes in the notice given by the Issuer pursuant to this Condition 7(e) (Redemption at the option of the Issuer during Mandatory Call Period); and

"Supplemental Trust Deed" means the supplemental trust deed relating to the Notes dated on or around [date] June 2019.

2 The condition 7(e) "No other redemption" shall be deleted in its entirety and replaced with the following:

- (f) The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 7(a) (Scheduled Redemption) to (e) (*Call and Amendment Option of the Issuer during Mandatory Call Period*) above.

- 3 The condition 7(f) “Purchase” shall be renumbered 7(g)**
- 4 The condition 7(g) “Cancellation” shall be renumbered 7(h)**

Schedule 2

If the Issuer exercises the call option, from the Mandatory Call Redemption Date the terms and conditions shall be amended as follows:

1 Condition 1 shall be amended as follows

1.1 The reference to “2022” in the first line shall be replaced with “2024”

1.2 The definition of “Additional Rate of Interest” shall be deleted in its entirety;

1.3 The definition of “Annual Certification Date”, “Approved Bank”, “Budget”, “Cash” and “Cash Equivalent Investments”, shall be added as follows:

“Annual Certification Date” means any Certification Date in relation to a Determination Date falling on 31 December;

“Approved Bank” means:

- (a) a Club Deal Finance Party which is a bank;
- (b) a bank approved by the Club Deal Facility Agent (acting reasonably); or
- (c) a bank or other financial institution which is rated at least A by Standard & Poor’s Ratings Group or A2 by Moody’s Investors Service, Inc. or a comparable rating from an internationally recognised credit rating agency for its long-term debt obligations;

“Budget” means the annual budget of the Group which shall (i) include a projected consolidated profit and loss, balance sheet and cashflow statement for the Group and projected financial covenant calculations, (ii) be prepared in accordance with the Accounting Principles, and (iii) have been approved by the board of directors of the Issuer;

“Cash” means any credit balance on any deposit, savings, current or other account, and any cash in hand of any member of the Group which is:

- (d) freely with withdrawal on demand;
- (e) not subject to any Security Interest;
- (f) denominated and payable in freely transferable and freely convertible currency; and
- (g) capable of being remitted to an obligor in Euro or US\$;

“Cash Equivalent Investments” means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Approved Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom or any member of the European Economic Area rated A- or above, or any member state of the Euro Area rated BBB or above – by Standard & Poor’s Ratings Group or Moody’s Investors Service, Inc. or a comparable rating from an internationally recognised credit rating agency for its long-term debt obligations – or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;

- (c) commercial paper not convertible or exchangeable to any other security:
 - (i) for which a recognised trading market exists; and
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area or any State belonging to the European Union; and
 - (iii) which matures within one year after the relevant date of calculation; and
 - (iv) which:
 - A.** is issued by a Club Deal OMLA and has a rating of BBB or above by Standard & Poor's Ratings Group or Moody's Investors Service, Inc. or a comparable rating from an internationally recognised credit rating agency, or
 - B.** otherwise, has a credit rating of either A- or higher by Standard & Poor's Rating Services or A- or higher by Fitch Ratings Ltd or A- or higher by Moody's Investor Services Limited, or, in any case, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, a rating equivalent to that applicable indicated above;
- (d) any investment in money market funds which:
 - (i) (A) is issued or arranged by a Club Deal OMLA and has a rating of BBB or above by Standard & Poor's Ratings Group or Moody's Investors Service, Inc. or a comparable rating from an internationally recognised credit rating agency, or (B) otherwise, has a credit rating of either A- or higher by Standard & Poor's Rating Services or A- or higher by Fitch Ratings Ltd or A- or higher by Moody's Investor Services Limited;
 - (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (c) above; and
 - (iii) can be turned into Cash on not more than 30 days' notice; or
- (e) repurchase agreement (pronti contro termine) which mature within one year after the date of the relevant annual financial statement whose underlying assets is a security meeting the requirements set out in paragraphs (a) to (d); and
- (f) certificates of deposit maturing within three months after the relevant date of calculation and issued by a bank or other financial institution - which is rated at least BB by Standard & Poor's Ratings Group or Moody's Investors Service, Inc. or a comparable rating from an internationally recognised credit rating agency for its long-term debt obligations – incorporated in, and operating from, a country rated BB or above by Standard & Poor's Ratings Group or Moody's Investors Service, Inc. or a comparable rating from an internationally recognised credit rating agency for its long-term debt obligations;

in each case, such Cash Equivalents shall be (i) denominated in freely transferable and freely convertible currency; (ii) for the benefit of any member of the Group exclusively (also together with other members of the Group) and (iii) not issued or guaranteed by any member of the Group or subject to any Security Interest.

- 1.4** The definition of “**Certification Date**” shall be replaced with the following:
- (i) in relation to a Determination Date falling on 31 December, a date falling not later than 10 Business Days after the approval by the Issuer’s shareholders of the annual non-consolidated financial statements and, in any event, no later than 180 days after the end of the Financial Period;
 - (ii) in relation to a Determination Date falling on 30 June, a date falling not later than 75 days after the end of the Financial Period;
- 1.5** The definition of “**Club Deal Bookrunners**”, “**Club Deal Bookrunners**”, “**Club Deal Facility Agreement**”, “**Club Deal Finance Party**”, “**Club Deal Lenders**”, “**Club Deal OMLA**” and “**Club Deal Qualifying Hedging Counterparty**” shall be added as follows:
- “**Club Deal Bookrunners**” means Banca IMI S.p.A., Banca Monte dei Paschi di Siena S.p.A., BNP Paribas, Italian Branch and UniCredit S.p.A.;
- “**Club Deal Bookrunners**” means BNP Paribas, Italian Branch;
- “**Club Deal Facility Agreement**” means the EURO [212,000,000] Single Currency Term and Revolving Facilities Agreement between the Issuer, certain Subsidiaries of it and the Club Deal Lenders;
- “**Club Deal Finance Party**” means jointly and each of the Club Deal Facility Agent, the Club Deal OMLAs, the Club Deal Bookrunners, the Club Deal Qualifying Hedging Counterparties and the Club Deal Lenders;
- “**Club Deal Lenders**” means Intesa Sanpaolo S.p.A., Banca IMI S.p.A., Banca Monte dei Paschi di Siena S.p.A., Banco BPM S.p.A., BNP Paribas, Italian Branch, Banca Nazionale del Lavoro S.p.A., UniCredit S.p.A., IKB Deutsche Industriebank AG;
- “**Club Deal OMLA**” means Banca IMI S.p.A., Banca Monte dei Paschi di Siena S.p.A., Banco BPM S.p.A., BNP Paribas, Italian Branch and UniCredit S.p.A.;
- “**Club Deal Qualifying Hedging Counterparty**” means (a) any Club Deal Lender (other than IKB Deutsche Industriebank AG and UniCredit S.p.A.) or the head office (including in case it is a foreign one) of the same or a branch (including a foreign one) of the same or an affiliate of the same, which has entered into any hedging agreement with the Issuer; and (b) a Club Deal Lender or the head office (including in case it is a foreign one) of the same or a branch (including a foreign one) of the same or an affiliate of the same, which has entered into any hedging agreement with the Issuer, provided that, in both cases (a) and (b), where any foreign office of the Club Deal Lenders (other than IKB Deutsche Industriebank AG and UniCredit S.p.A.) or of the other Club Deal Lenders or their respective affiliates will be involved, no additional tax burden of any type will be placed upon the Issuer;
- 1.6** The definition of “**Compliance Certificate**” (i)(C), (i)(D) and (i)(E) shall be replaced with the following:
- (i) (C) in the case of a Determination Date falling on 31 December, that its audited consolidated financial statements in respect of the last Financial Period give a true and fair view of the financial condition of the Group as at the end of such Financial Period and of the results of its operations during such period;
 - (D) each of the applicable Financial Ratios as at the relevant Determination Date or, as the case may be, for the relevant Financial Period, together with each of the corresponding Financial Ratio Components (as well as the items that make up those

Financial Ratio Components, as set out in the definitions contained in these Conditions) and a statement confirming (1) the accuracy of the calculations of the Financial Ratios and (2) that the data on which such calculations are based have been correctly extracted from the audited consolidated financial statements referred to in (C) above; and

(E) whether it is in compliance with the covenant contained in Condition 5(a) (Compliance with ratios), whether any breach has occurred and whether such breach constitutes a breach of Condition 5(b) (Tolerance for one breach only);

1.7 The definition of “**Compliance Certificate**” (i)(F) shall be deleted in its entirety.

1.8 The definition of “**Compliance Certificate**” (ii)(E) shall be replaced with the following;

(ii) (E) on the basis of such pro forma financial data; its Financial Ratios are such as would have resulted in compliance with its obligations under Condition 5(a) (Compliance with ratios) and no breach would occur constituting a breach under Condition 5(b) (for one breach only);

1.9 The definition of “**Determination Date**” shall be replaced with the following:

“**Determination Date**” means 30 June and 31 December in each year;

1.10 The definition of “**Equity**” shall be replaced with the following:

“**Equity**” means the Issuer’s consolidated total shareholders’ equity, as shown in the Group’s Relevant Consolidated Financial Statements provided that the cumulative translation adjustment reserve (riserva da conversione) will not be computed in the Equity calculation

1.11 The definition of “**Existing Security**” shall be added as follows:

“**Existing Security**” means the existing securities listed in Schedule 3 to the Supplemental Trust Deed;

1.12 The definition of “**Fixed Coupon Amount**” shall be replaced with the following:

“**Fixed Coupon Amount**” means, in relation to an Interest Period, for each amount representing the Calculation Amount, a proportion of that amount represented by:

- (i) for the Initial Interest Period, €4,712.88;
- (ii) for each subsequent Interest Period (other than the Last Interest Period), €4,700.00;
- (iii) for the Last Interest Period, €[•];

1.13 The definition of “**Indebtedness**” shall be replaced with the following:

“**Indebtedness**” means any indebtedness (including principal and interest) of any Person for or in respect of financial liabilities, including (without limitation and without double counting) any indebtedness for or in respect of: amounts raised by acceptance under any acceptance credit, bill acceptance or bill endorsement or similar facility;

- (i) amounts raised under any note purchase facility;
- (ii) the amount of any liabilities under leases or hire purchase contracts which would, in accordance with the Accounting Principles, be treated as finance leases;
- (iii) amounts due under any factoring, to the extent that such factoring is on a recourse basis;

- (iv) any mandatory redemption obligations in respect of any class of capital of a Person that is preferred over any of its other equity interests as to payment of dividends or any amount upon liquidation or dissolution of such Person, to the extent that such mandatory redemption payments fall due prior to the final maturity of the Notes; and
- (v) any other amounts classified as borrowings under Accounting Principles;

1.14 The definition of "**Initial Rate of Interest**" shall be deleted in its entirety.

1.15 The definition "**Interest Payment Date**" shall be replaced with the following:

"**Interest Payment Date**" means 1 August in each year and the Maturity Date;

1.16 The definition of "**Last Interest Period**" shall be added:

"**Last Interest Period**" means the Interest Period ending on the Maturity Date

1.17 The definition "**Maturity Date**" shall be replaced with the following:

"**Maturity Date**" means 1 November 2024;

1.18 The definition of "**Maximum Additional Rate of Interest**" shall be deleted in its entirety.

1.19 The definition "**Net Debt**" shall be replaced with the following:

"**Net Debt**" means, as at the relevant Determination Date, the sum of the following items, calculated on a consolidated basis,

- (i) Total Debt; less
- (ii) available cash (disponibilità finanziarie) and Cash Equivalents; less
- (iii) any other financial assets represented by bonds with an investment grade rating, including any loan receivables due from members of the Group accounted for in the Relevant Consolidated Financial Statements using the equity method, with a maturity of up to 18 months, measured at amortised cost in accordance with the Accounting Principles, provided that the amount of such loan receivables, either individually or in the aggregate, shall not exceed the sum of €25,000,000,

in each case, as shown in, or determined by reference to, the Relevant Consolidated Financial Statements;

1.20 The definition "**Permitted Holders**" shall be replaced with the following:

"**Permitted Holders**" means:

- (i) the members of the Magnetto Family;
- (ii) ArcelorMittal, société anonyme; and
- (iii) any Person directly or indirectly controlled by any of the foregoing;

– The definition "**Permitted Security Interest**" shall change as follows:

- (i) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Group;
- (ii) any Security Interest or Quasi-Security over or affecting any asset acquired by a member of the Group, if:

- (a) the Security Interest or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Group;
 - (b) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group; and
 - (c) the Security Interest or Quasi-Security is removed or discharged within 2 months of the date of acquisition of such asset;
- (iii) any Security Interest or Quasi-Security over or affecting any asset of any company, which becomes, as a result of an acquisition, a member of the Group, where the Security Interest or Quasi-Security is created prior to the date on which that company becomes a member of the Group, if:
- (a) the Security Interest or Quasi-Security was not created in contemplation of the acquisition of that company;
 - (d) the principal amount secured has not increased in contemplation of or since the acquisition of that company; and
 - (e) the Security Interest or Quasi-Security is removed or discharged within 2 months of that company becoming a member of the Group;
- (iv) any Security Interest or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effects, in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms, and not arising as a result of any default or omission by any member of the Group;
- (v) any Quasi-Security arising as a result of a disposal;
- (vi) any Existing Security;
- (vii) any Security Interest created pursuant to the Club Deal Facility Agreement (other than any derivative transaction aimed at hedging interest rate risk fluctuations in connection with the Club Deal Facility Agreement);
- (viii) any first ranking pledge over the entire equity interest of the relevant entity becoming a member of the Group in the context of one or more acquisitions, securing the repayment of the term loan facility to be made available by Banco BPM under the "Euro 15,000,000 Single Currency Term Facility Agreement" toward the financing of the relevant acquisition, to the extent all the following conditions are jointly met: (i) the first ranking pledge is granted simultaneously to, and is shared pro-quota amongst, Banco BPM and the Club Deal Lenders; and (ii) the relevant first ranking pledge is granted by 31 December 2019;
- (ix) any Security Interest created in connection with, or pursuant to, an asset based financing, limited recourse financing, securitisation or other like arrangement where the payment obligations in respect of the Indebtedness secured by the relevant Security Interest are to be discharged solely from the revenues generated by the assets (including, without limitation, receivables) that are comprised within such securitisation or other like arrangement (the "Securitized Assets") provided that the market value of the Securitized Assets shall not exceed Euro 10,000,000 (or its equivalent in other currencies) in any Financial Year; or

- (x) any Security Interest granted by a member of the Group and securing Indebtedness of such member of the Group whose outstanding principal amount (when aggregated with the outstanding principal amount of any other Indebtedness which has the benefit of a Security Interest given by any member of the Group other than any permitted under paragraphs (i) to (ix)) does not exceed at any time Euro 35,000,000 (or its equivalent in other currencies) on a cumulative basis;
- (xi) any Security Interest created in connection with any Indebtedness arising under leasing operations (other than sale & leaseback transactions) entered into by any member of the Group;
- (xii) any Security Interest created in connection with any sale and lease-back transactions of assets in an aggregate amount with reference to the entire Group not exceeding Euro 15,000,000 in any Financial Year;

1.21 The definition "**Rate of Interest**" shall be replaced with the following:

"Rate of Interest" means: 4.70 per cent. per annum (subject to Condition 6(d));

1.22 The definition of "**Relevant Indebtedness**" shall be deleted in its entirety.

1.23 The definition of "**Security Interest**" shall be deleted in its entirety and replaced with the following:

"Security Interest" means any security interest, lien, pledge, mortgage, assignment by way of security, title retention arrangement, option, irrevocable instruction, charge or any other third party right, which impairs the relevant person's right, title or interest in the asset subject thereto, any patrimonio separato pursuant to Article 2447-bis of the Italian Civil Code, any patrimonio separato created in connection with one or more finanziamenti destinati ad uno specifico affare pursuant to Article 2447-decies of the Italian Civil Code and any commitment, agreement or arrangement having substantially the same economic or financial effect as any of the foregoing.

1.24 The definition of "**Tolerance Threshold Event**" shall be deleted in its entirety.

2 **Condition 4 "Negative Pledge" shall be deleted in its entirety and replaced with the following:**

So long as any Note remains outstanding, the Issuer shall not, and shall procure that none of its Material Subsidiaries will, create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure (i) any Relevant Indebtedness or (ii) any guarantee and/or indemnity in relation to any Relevant Indebtedness, without (a) at the same time or prior thereto securing the Notes and the Coupons equally and rateably therewith to the satisfaction of the Trustee or (b) providing such other security, guarantee, indemnity or other arrangement for the Notes as the Trustee may in its absolute discretion consider to be not materially less beneficial to the interests of the Noteholders or as may be approved by an Extraordinary Resolution of Noteholders.

- (i) In these Conditions, "Quasi-Security" means a transaction described in paragraph (iii) below.
- (ii) The Company shall not, and the Company undertakes that no other member of the Group will:

- (a) create or permit to subsist any Security Interest over any of its assets;
 - (b) segregate assets for the purpose of article 2447-bis of the Code (“patrimoni destinati ad uno specifico affare”);
 - (c) enter into any transaction which could qualify as a “finanziamento destinato” pursuant to article 2447-decies of the Code or any other equivalent provisions of law under the applicable jurisdiction. or take any step aimed at, the creation of a patrimonio separato pursuant to Article 2447-bis of the Code.
- (iii) The Company shall not, and the Company shall ensure that no other member of the Group will:
- (f) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Issuer or any other member of the Group;
 - (g) sell, transfer or otherwise dispose of any of its receivables on recourse terms (including but not limited to pro solvendo);
 - (h) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts;
 - (i) enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Indebtedness or of financing the acquisition of an asset.

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Indebtedness or of financing the acquisition of an asset.

- (iv) Paragraphs (ii) and (iii) above do not apply to any Security Interest or (as the case may be) Quasi-Security, which is a Permitted Security Interest.

3 Condition 5 “Covenants” letter (a), (b), (c) and (d) shall be replaced with the following;

For the purpose of this Condition 5 (*Covenants*) and the calculation of the covenants set forth herein, all the financial definitions shall be read and construed without taking into account new IFRS 16, as may be applicable, starting from 1 January 2019 onwards

(a) Compliance with ratios

So long as any Note remains outstanding, the Issuer shall ensure that:

- (i) its Net Debt-to-EBITDA Ratio in respect of any Financial Period ending on any Determination Date specified in column “Financial Period (ending on)” below shall not exceed the ratio set out in column “Ratio” below opposite that Financial Period:

Ratio	Financial Period (ending on)
-------	---------------------------------

3.00 to 1.0	31 December 2018
3.00 to 1.0	30 June 2019
3.00 to 1.0	31 December 2019
3.00 to 1.0	30 June 2020
2.75 to 1.0	31 December 2020
2.75 to 1.0	30 June 2021
2.75 to 1.0	31 December 2021
2.75 to 1.0	30 June 2022
2.50 to 1.0	31 December 2022 and each Determination Date thereafter

- (ii) its Interest Coverage Ratio for each Financial Period ending on any Determination Date is no less than 4.25 to 1.0;
- (iii) its Net Debt-to-Equity Ratio for each Financial Period ending on any Determination Date is no more than 1.6 to 1.0; and
- (iv) its Total Subsidiary Debt-to-Total Assets Ratio is no more than 1.0 to 5.0 in relation to any Financial Period ending on any Determination Date falling on 31 December.

(b) Tolerance for one breach only

By way of partial limitation of the obligations of the Issuer under Condition 5(a) (*Compliance with ratios*), so long as any Note remains outstanding, the Issuer may fail to comply with any covenant set out in Condition 5(a) (*Compliance with ratios*) as at any Determination Date or for any Financial Period on one occasion during the life of the Notes, it being understood that a second failure so to comply shall constitute a breach of this Condition 5(b), provided however that its Net Debt-to-EBITDA Ratio may at no time exceed 4.5 to 1.0 and if such ratio is exceeded even on one occasion Condition 6(d) (*Default Interest*) and Condition 10 (*Events of Default*) will apply.

(c) Certification

So long as any Note remains outstanding, the Financial Ratios shall be tested as at each relevant Certification Date:

- (i) with reference to any Determination Date falling on 30 June, on the basis of the most recent semi-annual unaudited consolidated financial statements of the Issuer and, with respect to the EBITDA and the Net Financial Expense on a twelve months rolling basis (taking into account a twelve month period ending on that Determination Date) also with reference to most recent audited consolidated annual financial statements of the Company; and
- (ii) with reference to any Determination Date falling on 31 December, on the basis of the most recent audited consolidated annual financial statements of the Issuer,

in each case, as evidenced by the relevant Compliance Certificate delivered pursuant to Condition 5(d) (*Delivery of financial information*).

For the purpose of this Condition 5, an amount outstanding or repayable on a particular day in a currency other than euro shall on that day be taken into account in its equivalent currency at the rate of exchange that would have been used in an audited consolidated balance sheet of the Group been prepared as at that day in accordance with the Accounting Principles.

For the purpose of this Condition 5, no item shall be included or excluded more than once in any calculation.

(d) Delivery of financial information

So long as any Note remains outstanding, the Issuer shall, no later than the applicable Certification Date, deliver to the Trustee (and, if so requested by any Noteholder, to the relevant Noteholder at the email address indicated by such Noteholder to the Issuer from time to time):

- (i) a copy of the Group's audited consolidated annual financial statements (which for the avoidance of doubts shall include the *relazione sulla gestione*), in each case translated into English and ensure that each set of such financial statements is, without prejudice to Condition 5(e) (Accounting policies):
 - (a) audited by independent auditors; and
 - (b) accompanied by a Compliance Certificate; and
- (ii) a copy of the Group's unaudited consolidated semi-annual financial statements, in each case translated into English and ensure that each set of such financial statements is, without prejudice to Condition 5(e) (Accounting policies) accompanied by a Compliance Certificate.

So long as any of the Notes remains outstanding, the Issuer shall, no later than the Certification Date: (i) make such financial statements available for inspection free of charge by any Noteholder or Couponholder on its website (www.gruppocln.com) and at its own registered office, together with such description of changes and adjustments and such other information referred to in Condition 5(e) (*Accounting policies*) as may be necessary; and (ii) make the accompanying Compliance Certificate for the relevant Financial Period available for inspection free of charge by any Noteholder at the Specified Office of each Paying Agent.

In addition, the Issuer shall deliver to the Trustee (and, if so requested by any Noteholder, to the relevant Noteholder at the email address indicated by such Noteholder to the Issuer from time to time) within 30 Business Days after the start of each Financial Period ending on 31 December, an annual Budget for that Financial Period.

4 Condition 6 "Interest" letter (a) "Accrual" shall be replaced with the following:

The Notes bear interest from the Issue Date at the Rate of Interest (subject to Condition 6(d)) payable annually in arrear on each Interest Payment Date, subject as provided in Condition 8 (Payments). The first Interest Payment Date will be 1 August 2016.

5 Condition 6 “Interest” letter (d) “Default Interest” shall be added as follows:

Without prejudice to Condition 10, the Rate of Interest applicable (A) for any Interest Period following an Annual Certification Date on which the Issuer is in breach of its obligations pursuant to Conditions 5(a), 5(b) and 5(c), or (B) in the event that the Issuer fails to pay any amount due and payable by it pursuant to these Conditions and for long as such failure to pay is continuing shall be 6.5 per cent. per annum, provided that (i) if, in respect of any breach set out under limb (A) of this condition, on any subsequent Annual Certification Date the Issuer is no longer so in breach, the Rate of Interest for each subsequent Interest Period when the Issuer is no longer so in breach shall be 4.70 per cent. per annum (ii) no such increase shall apply in respect of a breach of Condition 5(c) in the event that such breach has been remedied within 10 Business Days of the relevant Annual Certification Date.

6 Condition 7 “Redemption and Purchase” the following sentence of the letter (d) shall be deleted in its entirety

(d) For so long as the Notes are listed on a securities market of the Irish Stock Exchange and the rules of such exchange so require, the Issuer shall also notify the Irish Stock Exchange promptly of any such Change of Control, providing information equivalent to that required to be given in a Change of Control Notice under this Condition 7(d).

7 Condition 13 “Trustee and Paying Agents” the following sentence shall be deleted in its entirety:

“for so long as the Notes are listed on the Irish Stock Exchange and it is a requirement of applicable laws and regulations, a paying agent in the Republic of Ireland (c)”

8 Condition 17 “Notices” shall be replaced with the following:

Notices to the Noteholders shall be valid if published in a reputable leading English language daily newspaper having general circulation in Europe (which is expected to be the Financial Times). Any such notice shall be deemed to have been given on the date of first publication.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders

Schedule 3

Existing Encumbrances on Short Term Financings as at the Signing Date

COMPANY	Creation date of Security	Expiring date of Security	Note	Type of Security	Beneficiary of the Security	Granted Secured Amount (EUR)	CCY Rate at 31/12/18	CCY	Granted Secured Amount
MW Romania S.A.	23/04/2008	Revolving		Pledge on Inventory	Banca Transilvania SA	2.833.000	4,6635	RON	13.211.696
				Pledge on Receivable	Banca Transilvania SA				
MA Polska S.A.	11/12/2014	10/12/2019	(*)	Mortgage	Bank Millenium S.A.	19.761.000	4,3014	PLN	84.999.965
	14/05/2007	31/05/2019		Pledge on Receivable	IFIS	2.004.000	1,0000	EUR	2.004.000
DP Metal Processing Sp. Z.o.o.	11/12/2014	10/12/2019	(*)	Mortgage	Bank Millenium S.A.	2.325.000	4,3014	PLN	10.000.755
MW Lublin Sp. Z.o.o.	01/04/2016	29/11/2019		Mortgage	Raiffeisen Bank Polska	4.651.000	4,3014	PLN	20.005.811
MW Kingisepp LLC	14/08/2013	25/06/2019		Pledge on Asset	Vitabank	513.000	79,7153	RUB	40.893.949

(*) Security in common between MA POLSKA S.A. and DP METAL PROCESSING Sp Zoo

Existing Encumbrances on Medium Long Term Financings as at the Signing Date

COMPANY	Creation date of Lien	Expiring date of Lien	Expiring year of Financing	Note	Type of Lien	Beneficiary of the Lien	Outstanding Sec Debt (EUR)	CCY Rate at 31/12/2018	CCY	Outstanding Sec Debt
C.L.N. Coils Lamiere Nastri S.p.A.	19/07/2011	30/09/2019	2019		Mortgage on Real Estate	Banca Credito Piemontese Spa	38.000	1,0000	EUR	38.000
MW ROMANIA S.A.	03/12/2012	26/11/2020	2020		Pledge on Asset Mortgage on Real Estate	Banca Transilvania SA Banca Transilvania SA	578.000	4,6635 4,6635	RON RON	2.695.503
MA Polska S.A.	12/10/2016	05/10/2021	2021		Pledge on Asset	BANK MILLENNIUM S.A.	782.000	4,3014	PLN	3.363.695
	09/01/2018	05/03/2023	2023		Pledge on Asset	BANK MILLENNIUM S.A.	1.563.000	4,3014	PLN	6.723.088
	27/03/2015	28/04/2020	2020		Pledge on Asset	ING	1.299.000	4,3014	PLN	5.587.519
	08/05/2015	15/04/2020	2020		Pledge on Asset	Societe Generale	61.000	4,3014	PLN	262.385
	14/03/2017	15/03/2022	2022		Pledge on Asset	ING	14.443.000	4,3014	PLN	62.125.120
	27/10/2016	30/06/2022	2022		Pledge on Asset	Raiffeisen	2.572.000	4,3014	PLN	11.063.201
27/10/2016	30/06/2022	2022		Mortgage on Real Estate	Raiffeisen		4,3014	PLN		
DP METAL PROCESSING Sp Zoo	05/10/2017	20/02/2022	2022		Pledge on Asset	WZ WBK S.A.	7.683.000	4,3014	PLN	33.047.656
MW Lublin Sp. Z.o.o.	30/12/2019	30/12/2023	2023		Pledge on Asset	ING Bank Śląski	895.000	4,3014	PLN	3.849.753
	20/05/2015	30/12/2019	2019		Pledge on Asset	ING Bank Śląski	182.000	4,3014	PLN	782.855
	24/07/2015	31/12/2022	2022	(*)	Pledge on Asset	ING Bank Śląski	1.366.000	4,3014	PLN	5.875.712
	05/11/2015	08/10/2020	2020	(*)	Pledge on Asset	Citi handlowy	1.881.000	4,3014	PLN	8.090.933
MA Tool and Die (Pty) Ltd	21/12/2011	15/04/2019	2019	(**)	Mortgage on Real Estate	ABSA Bank	1.750.000	16,4594	ZAR	28.803.950
	28/08/2012	15/04/2019	2019	(**)	Mortgage on Real Estate	ABSA Bank		16,4594	ZAR	
	21/12/2011	15/04/2019	2019	(**)	Mortgage on Real Estate	ABSA Bank	3.038.000	16,4594	ZAR	50.003.657
	28/08/2012	15/04/2019	2019	(**)	Mortgage on Real Estate	ABSA Bank		16,4594	ZAR	
MA AUTOMOTIVE DEUTSCHLAND GmbH	27/01/2011	01/11/2020	2020		Pledge on Asset	GEFA	146.000	1,0000	EUR	146.000
	01/05/2013	31/07/2021	2021		Pledge on Asset	Sudleasing	337.000	1,0000	EUR	337.000
	20/04/2011	01/09/2022	2022		Pledge on Asset	Commerzreal	2.978.000	1,0000	EUR	2.978.000
	10/10/2013	01/05/2022	2022		Pledge on Asset	Unicredit	914.000	1,0000	EUR	914.000
	18/02/2015	01/02/2021	2021		Pledge on Asset	AKF	291.000	1,0000	EUR	291.000
	18/02/2013	30/06/2019	2019		Pledge on Asset	Sachsenbank	279.000	1,0000	EUR	279.000
	05/08/2014	02/04/2019	2019		Pledge on Asset	Berivo	3.302.000	1,0000	EUR	3.302.000
	22/03/2017	31/08/2022	2022		Pledge on Asset	Deutsche Leasing	1.714.000	1,0000	EUR	1.714.000
	12/01/2017	31/01/2024	2024		Pledge on Asset	Deutsche Leasing	1.623.000	1,0000	EUR	1.623.000
	08/05/2017	31/03/2024	2024		Pledge on Asset	IKB Deutsche Industriebank AG	28.400.000	1,0000	EUR	28.400.000
	07/03/2003	30/04/2020	2020		Pledge on Asset	Quotas	426.000	1,0000	EUR	426.000
	01/07/2012	30/03/2019	2019		Pledge on Asset	Quotas	31.000	1,0000	EUR	31.000
31/08/2013	31/08/2019	2019		Pledge on Asset	Merkur Bank	103.000	1,0000	EUR	103.000	
Eurostamp S.A.S.	30/09/2015	25/09/2022	2022		Mortgage on Real Estate	GE Capital	5.908.000	1,0000	EUR	5.908.000
	22/12/2015	22/11/2020	2020		Pledge on Asset	GE Capital	240.000	1,0000	EUR	240.000
	31/03/2017	31/03/2024	2024		Pledge on Asset	Banque Publique d'investissement	2.650.000	1,0000	EUR	2.650.000
MA France S.A.S.	30/10/2015	01/04/2021	2021		Pledge on Asset	Berivo	5.521.000	1,0000	EUR	5.521.000
	31/12/2015	30/12/2020	2020		Pledge on Asset	Le Crédit Lyonnais	309.000	1,0000	EUR	309.000
	14/03/2016	13/03/2021	2021		Pledge on Asset	Le Crédit Lyonnais	967.000	1,0000	EUR	967.000
	26/05/2016	25/05/2021	2021		Pledge on Asset	Le Crédit Lyonnais	562.000	1,0000	EUR	562.000
	16/12/2019	16/12/2023	2023		Pledge on Asset	La Banque Postale	5.101.000	1,0000	EUR	5.101.000
	30/04/2016	30/04/2021	2021		Pledge on Asset	La Banque Postale	342.000	1,0000	EUR	342.000
	21/06/2016	21/04/2021	2021		Pledge on Asset	La Banque Postale	140.000	1,0000	EUR	140.000
	12/04/2016	21/07/2021	2021		Pledge on Asset	La Banque Postale	604.000	1,0000	EUR	604.000
	27/12/2017	27/12/2022	2022		Pledge on Asset	GE Capital	2.012.000	1,0000	EUR	2.012.000
17/10/2016	17/10/2021	2021		Pledge on Asset	La Banque Postale	1.178.000	1,0000	EUR	1.178.000	
CLN Slovakia s.r.o.	22/03/2016	31/12/2026	2026		Pledge on Asset	Slovenska Sporitelna	4.326.000	1,0000	EUR	4.326.000
MA Srl	01/05/2010	01/05/2020	2020		Pledge on Asset	UBI Leasing	1.262.000	1,0000	EUR	1.262.000
	08/08/2011	28/02/2020	2020		Pledge on Asset	Alba Leasing	747.000	1,0000	EUR	747.000
	29/07/2015	31/01/2019	2019		Pledge on Asset	GE Capital (IFIS)	27.000	1,0000	EUR	27.000
	29/07/2015	30/11/2020	2020		Pledge on Asset	GE Capital (IFIS)	1.238.000	1,0000	EUR	1.238.000
	25/05/2018	25/05/2023	2023		Pledge on Asset	CALIT	1.306.000	1,0000	EUR	1.306.000
	06/07/2012	06/05/2019	2019		Pledge on Asset	Cellino	503.000	1,0000	EUR	503.000
	09/11/2012	17/09/2022	2022		Pledge on Asset	CALIT	2.877.000	1,0000	EUR	2.877.000
MW France S.A.	26/03/2018	26/02/2023	2023		Pledge on Asset	CIC	505.000	1,0000	EUR	505.000
	26/03/2018	26/02/2023	2023		Pledge on Asset	CIC	498.000	1,0000	EUR	498.000
	20/05/2016	20/04/2021	2021		Pledge on Asset	Natixis	212.000	1,0000	EUR	212.000

(*) Security in common between Short Term and Medium/Long Term

(**) Security in common on multiple Loans

SIGNATURES

THE COMMON SEAL of)
DEUTSCHE TRUSTEE COMPANY LIMITED)
was affixed to this deed in the presence of:)

Associate Director

Associate Director

EXECUTED as a deed of **C.L.N. S.p.A.**)
acting by [●])
its duly authorised legal representative)