

SPECIAL SPECIFICATIONS

Renewable rental of the company for a thirty-year period, for the management of the tourism, hotel, spa and sports complex.

PREAMBLE

- board resolution No. 20 of 15 July 2011, issued by Naples Municipal Authority, sole shareholder in Terme di Agnano S.p.A., approved a number of actions aimed to reduce the operating costs of companies and bodies in which the Municipal Authority has an interest, with reformulation of the scope of the activities it oversees and including the transfer certain holdings including Terme di Agnano S.p.A.;
- on 6 November 2012, during the Board Meeting of Terme di Agnano S.p.A., the Chairman proposed that the Board should arrange an international call for tender for the management of the entire complex;
- on 13 November 2012, the Board of Directors resolved to publish a call for expressions of interest in running all the company branches identified, through a presentation of the company that would take into account the features and potential offered by the area;
- Naples Municipal Authority, in order to pay off the deficit and restore overall balance to administration by reviewing the current complex and organizational model, and so as to retain public ownership of the assets, guaranteeing accessibility for the public and important social role, issued subsequent Board resolution No. 58 of 30 November 2012, in accordance with article 4, paragraph 3sexies, of Decree Law No. 95/2012 (so-called “spending review decree”), which approved “the strategic guidelines aim to reorganize the municipal holdings referred to in Annex sub A, which the Municipal Council will submit for the approval of the Board, together with the long-term financial rebalancing plan, with specific resolutions for each holding”, including Terme di Agnano S.p.A.;

- for this purpose, Naples Municipal Authority has deemed it necessary to identify a private party able to manage Terme di Agnano S.p.A. more efficiently, overcoming the current situation of permanent financial deficit by operating the potentially most profitable part of the company to fund investments intended to regenerate the complex;
 - Terme di Agnano S.p.A. conducted an exploratory survey to identify interest in management of the “Terme di Agnano Complex”, asking candidates to submit an industrial development plan for the company by 15 February 2013, in which they should indicate their strategic objectives, regeneration work, investment plan and commitment to preserving existing employment.
 - the Terme di Agnano S.p.A. Board of Directors, having examined the expressions of interest received by the deadline, indicated that it would be desirable for the Chairman to convene a general meeting with the sole shareholder;
 - on 14 March 2013, during the general meeting, the Board resolved to hold a public tender, to be awarded on a best-price basis, i.e. the most financially advantageous proposal, identifying a company rental fee proportionate to the investments in the property, which must necessarily be made in keeping with environmental and landscape requirements and subject to approval by the owner;
 - the appropriately announced tender failed to achieve an outcome since only one (irregular) bid was received;
- on 11 December 2013 and 6 March 2014 the Board of Directors of Società Terme di Agnano S.p.A., decided to re-open the call for bids by modifying the terms of the notice, the specifications and the draft contract;
- this resolution was submitted to the consideration of the general meeting, which confirmed the Board’s decision on 25 March 2014.

I. OBJECT.

These special specifications form an integral and substantial part of the call for tenders and the contract, and contain regulations governing participation in the

tender for the “Renewable rental of the business for a thirty-year period, for the running of the tourism, hotel, spa and sports complex”, as well as a description of the assets making up the entire complex that Terme di Agnano S.p.A. intends to rent out, namely:

1. a hotel complex (four-star hotel, with annexed restaurant);
2. wellness complex (spa, indoor swimming pool and outdoor spa pools);
3. sports area (fitness trail, cycle path and other activities, including an area with potential for development as a golf course);
4. farmland area (with potential for development as a “kitchen garden” for the restaurant);
5. healthcare complex (spas operating in partnership with Na1 Local Health Authority);
6. mineral water springs with bottling plant;
7. archaeological site (Roman baths and the Grotta del Cane);
8. former inhalations building;
9. former grade one mud treatment building;
10. “Terme di Agnano” trademark;

The annexes describing the individual assets provide a detailed description, complete with land registry, graphic and descriptive data.

2. DESCRIPTION OF ASSETS

The Terme di Agnano Complex main entrance is at 24 Via Agnano Astroni, located in a popular tourist area known as Conca di Agnano, which is part of Naples’ Campi Flegrei, a vast area of volcanic origin to the west of the city of Naples.

The area’s many natural and cultural attractions, the presence of numerous public and private infrastructures (university campuses and the CNR offices, Mostra d’Oltremare, Città della Scienza, Centro RAI – Italian national TV studios, Agnano Racecourse, San Paolo Stadium, etc.), the excellent road and rail connections (500 m from the underground station and the Cumana railway, immediate vicinity to two slip roads leading off the ring road at the Agnano

Terme exit, bus lines), and the ambitious development prospects for urban enhancement, make the tourism, hotel, spa and sports complex a truly unique site in its genre.

Terme di Agnano S.p.A. is a publicly owned joint-stock company with a sole shareholder, Naples Municipal Authority, expiring 31 December 2050; the share capital of € 9,671,589.24 (nine million, six hundred and seventy-one thousand, five hundred and eight-nine/24 euros) is comprised of 1,874,339 shares owned by the sole shareholder.

The corporate purpose of Società Terme di Agnano S.p.A. is: *“a) the promotion and use of all current and future thermal and mineral waters on the spa site in the Agnano district of Naples, as well as ancillary and complementary activities, including the production and sale, including retail distribution, of said waters and all products deriving therefrom, including chemical, pharmaceutical and cosmetic preparations; b) the establishment and/or management of public healthcare facilities, hotels, tourist, recreational and sports facilities, whether or not connected with the activities at point a)”*, as indicated in art. 5 of the Articles of Association, annexed to these specifications (Annex 1). The Articles of Association also allow corporate purpose to be achieved through *“direct management by [...] in any other form permitted by current laws”*.

Società Terme di Agnano S.p.A. has authorizations and concessions granted by the competent authorities for implementing activities that fall within the corporate purpose.

The company incorporation certificate No. 2439 of 27 October 1917, drawn up by the Naples notary Alfonso Dragone, states that the real estate belonging to Terme di Agnano S.p.A. derives from the liquidation of Terme Agnano Napoli, and consists of land, farmhouses and buildings in the centre of Conca di Agnano.

These specifications (Annex 2) include the land use certificate which indicates the prescriptions contained in the General Development Plan for the city of Naples and identifies the regulations that authorize urban planning and building

development of the entire complex.

The real estate owned by the company covers a total area of approximately 652,000 m², of which approximately 477,000 m² are mainly covered by the “NFA Parchi” subzone, which authorizes the development of a golf facility (see datasheet Annex 2/A). The property, consisting of lands and buildings, derives from the company incorporation certificate No. 2439 of 27 October 1917, drawn up by notary Alfonso Dragone. Most of the buildings are located in the south-west of the complex (sheet 182), and there are also a number of buildings between Via Agnano Astroni and Via dell’Ippodromo (sheet 181). To the north, the property adjoins the Ippodromo di Agnano racecourse; to the east and south it adjoins the road skirting Lake Agnano; to the west it adjoins Via Agnano Astroni, as can be seen in the technical report and plans (Annex 3; Annex 3/A and Annex 3/B).

The property also encompasses Roman ruins and archaeological relics, as identified and described in greater detail (Annex 4 and Annex 4/A with plan), which will be granted to the Lessee on loan for use, subject to an inventory. The spa and hotel complex building, comprised of four storeys above ground and a basement, covers an area of approximately 18,000 m², of which 76% is occupied by the spa facilities and 24% is occupied by Hotel Terme di Agnano. Terme di Agnano S.p.A. has a mining concession, issued by State Ministry for Corporations Decree of 22 November 1930, registered at the Court of Auditors on 5 December 1930, Reg. 2 Corporations, Sheet no. 256-4716, registered in Rome on 18 February 1931, for the entire mineral water basin of Agnano (Terme di Agnano spring and Pisciarelli spring) (Annex 5 and Annex 5/A). The Terme di Agnano complex also includes three artesian springs known as “De Pisis”, “Sprudel” and “Marte”. The first two are hot water springs, while the third is a cold water spring, as specified and identified in greater detail in the Dellini survey of 4 May 2009 (Annex 6).

Since the company’s lease does not include use of geothermal energy, Società Terme di Agnano reserves the right to manage directly or by seeking a third party for future exploitation, agreeing with the partner the area to be allocated

to that resource, which may not exceed 10% of the total extension of agricultural areas, and will be identified in the plots exterior to the farmlands and green areas.

The tenderer is required to perform on-site surveys of the sites involved in the tender process, under penalty of exclusion from the procedure. The survey must be conducted, with the assistance of the person in charge of the procedure or their delegate, by the owner or legal representative of the participating enterprise, or their delegate, up to 5 days before the offer submission deadline, between 10 a.m. and 1 p.m. or between 3 p.m. and 6 p.m., by appointment only.

Applicants are required to issue a statement declaring the successful completion of the survey, to be included in envelope “A” .

1. Hotel complex (four-star hotel, with annexed restaurant). Hotel Terme di Agnano is located at Via Agnano Astroni, 24, Conca di Agnano, Naples, and covers a total area of 4,530 m², with a volume of approximately 14,500 m³. This five-storey building is a four-star hotel. It has 62 double and triple guestrooms, 11 modular conference and meeting rooms seat 20–300, and two dining rooms, including one with a panoramic view.

For the renovation of the hotel, the Lessee will be able to make reference to the plans contained in the project drawn up by the architect Franco Berardini, dated 14 December 2010 (Annex 7a), for the purposes of the industrial investment plan. These plans provide for a possible extension of the hotel by developing 230 new guestrooms and suites, as well as renovation work to be implemented. The report suggests that transfer of treatment units to the renovated grade one mud treatment building, which would become the new site for the spa and relative services, would allow conversion of the building currently occupied by the spa, administrative offices and hotel, for new tourism and hospitality purposes, subject to major redevelopment work. This could free up around 14,000 m² of space, making it possible to achieve a considerable increase in the number of guestrooms and creation of a modern conference centre to meet

various requirements.

It is evident that this technical report requires further study and review, in keeping with urban planning, building and landscaping regulations, and in accordance with existing restrictions.

Società Terme di Agnano S.p.A., in this as in other investments, undertakes to endorse all applications that the Lessee intends to make to the competent authorities, but will clearly not be held liable in any respect.

The complex includes an area given over to parking of cars and tour coaches, currently leased to Napolipark, and a small area used by Società Terme di Agnano S.p.A. staff.

2. Wellbeing complex (spa, indoor swimming pool and outdoor spa pools).

The spa is open all year round, and provides wellness services (natural dry heat saunas, spa water whirlpool, tisane lounge, fitness area, massages, etc.) and beauty treatments (“remise en forme”, anti-aging, beauty and anti-stress programmes). It covers an area of approximately 1,000 m², with an indoor spa water whirlpool measuring approximately 80 m²; 6 natural saunas in communicating grottoes at variable temperatures; bathrooms; thermal showers; changing rooms; indoor relaxation lounge; outdoor sun deck; 2 massage rooms; various types of equipment; fitness room; beauty cabins, (all. 7B).

The spa currently also offers its own line of cosmetics, ideal for sensitive skin but equally suitable for all skin types. The interior includes archaeological relics from the Roman baths: granite capitals and statues dating back to the first half of the 2nd century A.D.. Again, an analytical inventory will be drawn up of the archaeological assets offered on free loan for use to the Lessee.

The wellness complex also includes six modern infinity spa pools in the building that was once the mud unit, the context of the crater’s hot springs.

The pools have a remote water temperature control system and respective whirlpools. The outdoor spa pool has an area of approximately 500 m², while a direct tunnel linking the outdoor pool to the building heated with thermal water allows guests to transit move from one to the other in comfort, even in the

winter. The thermal pools are supported by amenities that include a relaxation lounge, changing rooms and a refreshment area.

Overall, the objective of the spa park project is to boost use of the spa centre all year round.

3. Outdoor green areas.

The outdoor area of the complex covers approximately 574,000 m² (Annex 8, plan), which are partly farmed, partly used as sports facilities, and partly occupied by the Consorzio di Bonifica della Conca di Agnano (Annex 8).

3.1 Sports area (fitness trail, cycle path and other activities, including an area with potential for development as a golf course).

A “fitness trail” has recently been developed in the area adjacent to the spa pools, which enhances the spa centre’s sports/wellness facilities. There is also a freshwater swimming pool designed to attract “families with children”.

Given the size of the area and in keeping with its planned use, new sports facilities could be developed here, including a golf course which could become part of a circuit with nearby courses (Castel Volturno, Carney Park, Salerno), without overlooking the fact that many of these areas are currently tended by farmers or smallholders, as specified below in point 4.

4. Farmland area (with potential for development as a “kitchen garden” for the restaurant).

There is an area measuring approximately 392,000 m² which is cultivated by tenant farmers with current and/or expired leases, and an area of 85,000 m² already available to the company for potential use as a “kitchen garden” for the restaurant, as described in the Dellini survey, which includes a list of pending disputes, with relative plan and report (Annex 9; Annex 9/A; Annex 9/B).

5. Healthcare complex (Na1 Local Health Authority spa partners).

The spa is open to the public all year round except for two maintenance closures, for two weeks in January and two in August. The Italian NHS

primarily subsidizes balneotherapy and mud therapies, inhalation therapy, aerosol therapy, rhinogenic deafness therapy, pulmonary ventilation, natural dry sauna and vascular trail provided in the “Stufe San Germano” building measuring approximately 800 m², with 15 individual relaxation rooms, bathrooms, changing rooms, thermal showers, 4 natural saunas in communicating grottoes, and a Kneipp pool.

The agreement dated 15 July 1987 (Annex 10 and Annex 11) with Local Health Authority 38 (Now NA1 Local Health Authority), signed subject to the issue of municipal and regional administrative documents, is for the provision of hydrothermal healthcare treatments on the basis of a provisional accreditation scheme. Therefore, although the healthcare complex is available for immediate use on a “private” basis, that is to say without public aid or reimbursement to the Lessee, the abovementioned agreement cannot currently be transferred or perfected immediately. Therefore, until its transfer and/or until administrative provisions are in place to authorize/enable the Lessee to run the healthcare complex as part of the public health system, it will continue to be run by Società Terme di Agnano S.p.A., which will remain the holder of the authorizations and the agreement. Pending the completion of the above administrative procedures, for provision of the contracted services Terme di Agnano will make use, by detachment, of the personnel transferred to the Lessee (pursuant to art. 10, below).. Their salaries and all associated costs will be borne by Terme di Agnano until the relocation or transfer of the agreement. Società Terme di Agnano S.p.A. will work in partnership with the Lessee to enable it to obtain the documents needed to run this branch of the company, while Società Terme di Agnano S.p.A. may not be held liable for any delays and/or non-fulfilments concerning the issuance of the abovementioned documents.

6. Mineral water springs with bottling plant.

A reinforced concrete building, currently in a state of disrepair, is equipped for bottling mineral drinking water from the “Apollo” spring. The area adjacent to

the outdoor pools requires reclamation to make it suitable for use. The park also includes other mineral water springs rich in curative properties.

La Società Terme di Agnano S.p.A. holds the state mining concession (Ministerial Decree 21 November 1930: Annex 2) for the entire Agnano mineral water basin, including all the springs located on land owned by the company and those to which it has subsoil rights. These springs may be used upon application for the state mining sub-concession, which the successful bidder will submit to the competent authorities, pursuant to Campania Regional Law No. 8 of 2008.

7. Archaeological site (Roman baths and the Grotta del Cane).

Società Terme di Agnano S.p.A. owns the archaeological site comprising the Roman baths dating back to the reign of Hadrian (117–138 A.D.), famous primarily for the volcanic mofettes, now open to the public after years of neglect. The restoration of the road around the lake would allow access to an archaeological site of great significance, known as the “Grotta del Cane” and which would enhance its appeal to tourists as a spa and cultural attraction, connecting the spa area to the external road network (Annex 12/A).

Again, the complex is offered for free loan for use subject to inventory.

8. Former inhalations building.

The historical building known as the “Palazzina ex Inalazioni”, located near the boundary of the complex and the entrance of the spa, with an indoor area of approximately 550 m² (Annexes 13/A; 13/B; 13/C; 13/D; 13/E).

It is currently in a state of serious decline and neglect.

The architectural project, dating back to 2001, has been given clearance by the Naples architectural and environmental heritage department (Annex 14), and provides for repurposing as a restaurant and cafeteria. The catering unit would have a seating potential of 300, in two indoor dining rooms, in addition to 100 covers on the terrace, for a maximum total of 400 in summer.

9. Former grade one mud treatment building.

The former grade one mud treatment building is a historical structure dating to the 1920s, designed by architect Giulio Ulisse Arata (Annexes 15/A; 15/B; 15/C; 15/D; 15/E).

At one time this was home to the mud therapy departments and could now undergo consolidation and recovery of its static condition for a new, upgraded function that would respect its original use as well as combining administrative offices with the therapy units. The new site, with a useful area of about 4,500 m², could house all the units currently housed in the main hotel building, integrating the spa and wellness treatments.

10. “Terme di Agnano” trademark.

Società Terme di Agnano S.p.A. is the owner of the EU trademark (see illustration in Annex 16).

3. CLARIFICATION REGARDING ASSETS.

The assets identified by numbers 1 to 10 – with the restriction referred to in point 5 – are immediately available, without prejudice to the requirement for the Lessee to acquire the specific authorizations and permits issued by the competent administrative authorities, as specified above). It will be the responsibility of the Lessee to request and obtain these authorizations/permits and, in particular, by way of example and not limited to: 1) regional authorization: a) for an agreement with the national health service for use of the spa structure to provide hydrothermal treatments; b) for the use of natural and thermal mineral waters; c) sub-contracts and/or transfer of the concession for the use of thermal mineral waters; 2) municipal authorizations: a) for the use of thermal waters, subject to the ruling of the local health service; b) for implementation of the works indicated in the industrial development plan (e.g. for renovation of the hotel complex, the former inhalations building, former mud building, for the possible creation of sports facilities, etc.); 3) ministerial and/or archaeological heritage department authorizations for use of the

archaeological area of international importance; 4) archaeological heritage department and Naples Municipal Authority permits for building works. Under the terms of the lease, the Lessee will be authorized, at its own expense, to perform preliminary, final and construction design required for the better management of the company, bearing in mind, as mere reference, the technical report drawn up by the architect Franco Berardini, which forms an integral part of these specifications, as well as the works of renovation, improvement and optimization of the complex referred to herein.

Individual industrial investment plan implementation projects shall be examined and approved by Società Terme di Agnano S.p.A. Board of Directors within an obligatory 30 days from the date of delivery.

The corporate complex excludes: a) the restaurant with annexed sports complex, named “Le Due Palme”; b) the area on which a fuel distribution plant is installed, located along Via Agnano Astroni, covering an area of about 2,000 m² (Annex 17).

The area given over to parking of 250 vehicles, for about 7,900 m², leased to Società Napolipark (Annex 18) for an annual rental fee of € 12,000.00 (Annex 19) is included, however.

Società Terme di Agnano S.p.A. reserves the right to retain two rooms within the complex for its corporate activities, without any charges for the Lessee.

4. FREE LOAN FOR USE ASSETS

All routine and extraordinary maintenance costs relating to assets given on free loan for use, notwithstanding Art. 1808 of the Italian Civil Code, will be borne by the Lessee.

5. AWARD PRICE.

The Lessee undertakes to pay the rental fee for the entire duration of the contract (thirty years).

The rental fee will be updated automatically every year to the extent of 100% of the total variation in increase of the consumer price index determined by

ISTAT for worker families measured with respect to the month prior to the date of contract signing, even without an explicit request made by Terme di Agnano S.p.A.

The Lessee undertakes to pursue an industrial development plan and urban, building and environmental upgrading actions, applying a time schedule and which will be an integral and substantial part of the actual investment plan to be completed within the obligatory ten-year period.

The annual rental fee must be paid in advance quarterly instalments, guaranteed by a bank surety at first request, for an amount equal to that covered by the selected tender price.

6. PROPOSAL SUBMISSION METHOD.

As indicated in the contract notice, at the time of submission of tenders the bidders shall deposit the following envelopes, closed, sealed, stamped and counter-signed on the closing flaps, indicating the name of the sender on the exterior:

A) the first envelope, bearing the letter “A” and the wording “Documentazione per la gara per l’affitto dell’azienda per la durata di trenta anni, rinnovabili, concernente l’attività di gestione dell’intero Complesso Turistico Terme di Agnano”, containing, under penalty of exclusion:

1) the legal representative’s application to participate in the tender pursuant to DPR – President of the Republic’s Decree – No. 445 of 2000, drafted according to the form (Annex 20), duly signed by the bidder and providing general information on the bidding company/companies, with the legal representative’s declaration pursuant to DPR 445/00 that:

- a) the bidding company/companies is/are not bankrupt, in compulsory liquidation, in composition with creditors, except in the case referred to in Art. 186bis of Royal Decree no. 267 of 16 March 1942, or in whose respect is there is a procedure in progress for declaration of any of these situations;
- b) there are no pending proceedings for the application of one of the preventive measures or one of the reasons for disqualification envisaged by Legislative

Decree no. 159 of 6 September 2011, or precautionary measures referred to in Art. 45 of Legislative Decree no. 231 of 8 June 2001; the exclusion and prohibition are applicable if pending proceedings relate to the owner or technical manager in the case of sole proprietorship; partners or the technical manager in the case of an unlimited partnership; general partners or the technical manager in the case of a limited partnership company; directors with powers of attorney or the technical manager or the sole partner, or the majority shareholder in the case of companies with fewer than four partners, if it is another type of company;

c) there has been no *res judicata* sentence, or irrevocable conviction for a criminal offence, or judgment imposing the penalty requested, pursuant to Art. 444 of the Code Criminal Procedure for serious crimes against the State or community and affecting professional morality. Moreover a *res judicata* sentence for one or more offences of participation in a criminal organization, corruption, fraud, money laundering, as defined by the EC acts indicated in Art. 45, para. 1, Directive 2004/18/EC, is also cause for exclusion. Exclusion and prohibition are applicable if the sentence or ruling has been issued for the owner or technical manager in the case of sole proprietorship; partners or the technical manager in the case of an unlimited partnership; general partners or the technical manager in the case of a limited partnership company; directors with powers of attorney or the technical manager or the sole partner, or the majority shareholder in the case of companies with fewer than four partners, if it is another type of company or consortium;

d) no duly established serious offences have been committed with regard to workplace safety and any other obligations arising from labour relations, including legislation applicable to social security contributions, pursuant to the law of Italy or the State in which it/they is/are established;

e) no duly established serious offences have been committed with regard to obligations relevant to the payment of taxes and levies, pursuant to the law of Italy or the State in which it/they is/are established;

f) a declaration is produced that it/they is/are in compliance with the rules

governing the right to work of disabled persons under Art. 17 of Law no. 68 of 12 March 1999, as amended;

g) it/they has/have not been subject to the ban referred to in Art. 9, para. 2, letter c), 13 and 16 of Legislative Decree no. 231 of 8 June 2001, or other bans from engaging in contracts with the public administration;

h) as victims of offences provided for and punished by articles 317 and 629 of the Criminal Code, aggravated pursuant to Art. 7 of Decree Law no. 152 of 13 May 1991, converted with amendments by Law no. 203 of 12 July 1991, it/they has/have not reported the facts to the judicial authority, unless the cases are covered by Art. 4, para. 1, of Law no. 689 of 24 November 1981. The circumstance referred to in the first sentence must emerge from the evidence underpinning the request for indictment formulated against the accused in the year preceding the publication of the invitation to tender;

i) it/they is/are not connected to another participant in the same procurement procedure in a controlled situation covered by Art. 2359 of the Civil Code or in any, including de facto, relations if the controlled situation or the relationship means that bids are traceable to a single decision-making centre;

l) having read all the documentation (terms, specifications, technical annexes and plans), as well as the draft contract. These documents shall be stamped and signed on every page as having been read and accepted;

m) m.1.) net equity declared in the last financial reports was at least €10,000,000.00 (ten million/00 euros); m.2.) turnover for the last three financial years was an overall minimum of €15,000,000.00 (fifteen million/00 euros); m. 3.) over the past decade it/they have overseen and managed enterprises operating in Italy or abroad in at least one of the following sectors: health, wellness, spa, hotel and tourism, for a turnover of at least €30,000,000.00 (thirty million/00 euros). The aforesaid economic and financial capacity shall be proven by the declaration of at least two authorized banks or financial intermediaries, as well as by filing the most recent corporate financial reports and similar management contracts, where they exist;

n) the commitment to request and obtain from the competent administrative

authorities the permits and authorizations required: 1) for partnering the national health service for provision of hydrothermal treatments at the spa structure; 2) for the overseeing the archaeological area of international importance; 3) for use and marketing of thermal water and mineral springs; 4) to perform the works referred to in the industrial development plan.

The affidavits – in the case of companies in joint venture produced by each legal representative – shall be accompanied by a copy of a valid identification document and specific authorization for Società Terme di Agnano S.p.A to process personal and/or corporate data in compliance with Legislative Decree no. 196/2003 and subsequent modifications and integrations;

2) a Chamber of Commerce certificate of registration issued no more than two months before submission of the tender, indicating the corporate purpose or business performed, declaring: listing in the Register of Companies, date of incorporation and any changes, share capital amount, economic activity and mafia clearance, or equivalent certificates for non-Italian companies;

3) criminal records office certificate for all legal representatives or directors with power of attorney to the effect that there are no convictions for offences in *res judicata* for professional misconduct, or equivalent certificates for non-Italian companies.

B) the other envelope, bearing the letter “B” (drafted as per Annex 23) and marked “Offerta economica per la gara per l’affitto dell’azienda per la durata di trenta anni, rinnovabili, concernente l’attività di gestione dell’intero Complesso Turistico Terme di Agnano”, containing:

B.1) The form indicating the personal information of the legal representative, tax and VAT number of bidding companies, the registered office and the indication in figures and in words of the amount offered, which should be higher than the reserve price, and referring to the rental fee as well as to the total amount of planned investments for the ten-year period. It shall indicate the date and be signed clearly and legibly by the legal representative or the owner of the sole proprietorship; in the case of a joint venture all participants should sign;

The industrial investment plan accompanied, under penalty of exclusion, by a declaration signed by one or more loan institutes expressing interest in funding the plan. Investments to be made and a calendar for the first decade should be included, aiming to safeguard the integrity of the hotel and spa complex; upgrade and develop the entire complex; maintain the levels of employment offered by the structure; redevelop and enhance facilities through promotional marketing. The declaration of the loan institutes must show the bankable nature of the plan, which consists of a set of requirements (commercial interest, certainty of a flow of income etc..) that enable revenue to be generated. In other words, this financial sustainability must be understood as the project's ability to generate cash flow sufficient to guarantee the repayment of any loans, or the capacity of the plan to cope with the debt service coverage over the years taken into account, or otherwise in reference to the entire repayment period of the loan agreed. The industrial plan may also be financed with personal resources, which must be attested by the institute of credit and guaranteed by an appropriate bank or insurance surety (these must be established institutions);

B.3) The temporary deposit of an amount equal to 2% of the offer (total, including the thirty-year starting rental fee, obviously without ISTAT increments, and the industrial investment plan amount), in the form of a bank guarantee or insurance policy, or a policy issued by a financial intermediary, duly certified by a notary, registered in the special list indicated in Art. 107 of Legislative Decree no. 385 of 1 September 1993 – issued by a leading institution or subject and approved by Terme di Agnano S.p.A. – valid for at least 180 days from the date of submission of the tender, specifically waiving the benefit of the principal debtor's right to execution, applicability within 15 days following the request of the transferor company, and waiving of the exception indicated in Art. 1957, para. 2 of the Civil Code. The deposit covers the successful bidder's failure to sign the contract through their own responsibility and is released automatically at the time of signing the contract. The deposit shall contain the guarantor's explicit declaration that they have

read the contract notice, the specifications and all tender documentation, agreeing to issue the final surety indicated in the point below.

Any businesses that tender as a group or consortium, if successful tenderers, may constitute a newco, which must be guaranteed for the duration of the contract by the constituent companies.

7. PERFORMANCE BOND.

Upon signing the lease for the company, the successful bidder will offer a guarantee of its obligations under the contract, as well as security for the payment of damages in case of breach of these obligations, and under penalty of loss of the contract shall pay a performance bond in the amount of 5% of the total bid, in the form of a bank guarantee or insurance policy, or a policy issued by a financial intermediary, duly certified by a notary, registered in the special list indicated in Art. 107 of Legislative Decree no. 385 of 1 September 1993, issued by a leading institution or subject and approved by Terme di Agnano S.p.A. This unconditional bond specifically waives the benefit of the principal debtor's right to execution and states its applicability upon request by Società Terme di Agnano S.p.A. and no exceptions will be recognized (performance bond).

The deposit shall contain the guarantor's explicit declaration that:

- a) it has read the contract notice, the specifications and all tender documentation;
- b) it considers the bond valid until the expiration of the contractual relationship, including any extension to the terms of the lease.

Società Terme di Agnano S.p.A. may enforce the bond as compensation for damages in the event of the termination of the lease.

The bond shall be updated at least every two years in the light of the variation of the Lessee's good and valuable consideration.

8. CAUSES FOR EXCLUSION.

No subject in litigation or in debt with Società Terme di Agnano S.p.A. or

Naples Municipal Authority may make a bid, nor may those:

a) who are bankrupt, in compulsory liquidation, in composition with creditors, except in the case referred to in Art. 186bis of Royal Decree no. 267 of 16 March 1942, or in whose respect there is a procedure pending for declaration of any of these situations; b) against whom there are pending proceedings for the application of one of the preventive measures or one of the reasons for disqualification envisaged by Legislative Decree no. 159 of 6 September 2011, or precautionary measures referred to in Art. 45 of Legislative Decree no. 231 of 8 June 2001; the exclusion and prohibition are applicable if pending proceedings relate to the owner or technical manager in the case of sole proprietorship; partners or the technical manager in the case of an unlimited partnership; unlimited partners or the technical manager in the case of a limited partnership company; directors with powers of attorney or the technical manager or the sole partner, or the majority shareholder in the case of companies with fewer than four partners, if it is another type of company;

c) against whom a *res judicata* sentence, or irrevocable conviction for a criminal offence, or judgment imposing the penalty requested, pursuant to Art. 444 of the Code Criminal Procedure for serious crimes against the State or community and affecting professional morality has been issued. Moreover a *res judicata* sentence for one or more offences of participation in a criminal organization, corruption, fraud, money laundering, as defined by the EC acts indicated in Art. 45, para. 1, Directive 2004/18/EC, is also cause for exclusion. Exclusion and prohibition are applicable if the sentence or ruling has been issued for the owner or technical manager in the case of sole proprietorship; partners or the technical manager in the case of an unlimited partnership; general partners or the technical manager in the case of a limited partnership company; directors with powers of attorney or the technical manager or the sole partner, or the majority shareholder in the case of companies with fewer than four partners, if it is another type of company or consortium;

d) who have committed duly established serious offences with regard to

workplace safety and any other obligations arising from labour relations, including legislation applicable to social security contributions, pursuant to the law of Italy or the State in which it/they is/are established;

e) who have committed duly established serious offences with regard to obligations relevant to the payment of taxes and levies, pursuant to the law of Italy or the State in which it/they is/are established;

f) who do not submit a declaration of compliance with the rules governing the right to work of disabled persons under Art. 17 of Law no. 68 of 12 March 1999, as amended;

g) are subject to the ban referred to in Art. 9, para. 2, letter c), 13 and 16 of Legislative Decree no. 231 of 8 June 2001, or other bans from engaging in contracts with the public administration;

h) even as victims of offences provided for and punished by articles 317 and 629 of the Criminal Code, aggravated pursuant to Art. 7 of Decree Law No. 152 of 13 May 1991, converted with amendments by Law No. 203 of 12 July 1991, it/they has/have not reported the facts to the judicial authority, unless the cases are covered by Art. 4, para. 1, of Law No. 689 of 24 November 1981. The circumstance referred to in the first sentence must emerge from the evidence underpinning the request for indictment formulated against the accused in the year preceding the publication of the invitation to tender;

i) who are connected to another participant in the same procurement procedure in a control situation covered by Art. 2359 of the Civil Code or in any, including de facto, relations if the control situation or the relationship means that bids are traceable to a single decision-making centre.

9. MAINTENANCE.

The Lessee undertakes to carry out all routine and extraordinary maintenance, and all structural work, on the complex acquired for management, as well as actions provided for in the industrial investment plan. Failure to perform the abovementioned works will cause termination of the contract with request for damages.

10. HUMAN RESOURCES.

Tenderers are advised that a redeployment procedure for employees of companies owned by Naples Municipal Authority is in progress as per Law 147 of 27 December 2013; in a letter dated 1.10.2014, Naples Municipal Authority initiated the above procedure (Annex 22).

The Lessee acquires all staff currently employed by Società Terme di Agnano S.p.A (Annex 24) and for these employees shall apply all legal and salary conditions required by National Collective Labour Contracts in force for the time and the place in which the activities for management of the company are performed at the date of signing the lease, as well as those who will be subsequently recruited and engaged.

A breach of this obligation will result in Società Terme di Agnano S.p.A. immediately filing a complaint with the Labour Inspectorate, as well as with social security institutions.

With regard to the implementation of the management of the agreement mentioned as asset 5 of Art. 2, Terme di Agnano S.p.A. avails itself of the personnel necessary as per Annex 24.

Società Terme di Agnano S.p.A. has in progress an exceptional earnings supplement fund action for its restructuring process (Annex 25).

Società Terme di Agnano S.p.A. reserves the right to retain two employees for its own management purposes.

11. PAYABLES AND RECEIVABLES.

The leasing of the company includes the contribution requested annually from the Consorzio di Bonifica for operations of its competence, and also TARSU/TARES waste collection tax, such taxes, fees and contributions of a tax or fiscal nature to be borne by the user of an asset, beginning at the date of signing of the contract. Terme di Agnano S.p.A. is liable for mortgage instalments and any taxes, fees and contributions pertaining to the owner, including the provision, thus far met by Terme di Agnano, for severance

indemnity (TFR) due to employees, for leave accrued but not yet paid, and 14h month annual bonus accrued but not yet paid.

12. TENDER PROCEEDINGS.

The opening of the envelopes will occur the day after the deadline for submission of tenders, at 10:00 a.m. in the Società Terme di Agnano S.p.A. registered office. Only one representative or delegate of each bidder may be present. The special commission will be composed of three members appointed by the Board of Directors and the names will be disclosed only on the day the tenders are opened.

The person in charge of the proceedings will serve as a non-voting secretary.

The Commission may request clarifications and/or integrations to the submitted documentation, referred to in point “A” of the bid.

The tender proceedings minutes are considered provisional as the stipulation is subordinate to verification that the documents are compliant with the requirements stated at the time of submission of tenders. The positive outcome of the evaluation of the documentation may be declared at the time of final award.

The stipulation of the contract will be made by a public act within thirty days of notification of the final award by fax or recorded delivery.

13. TENDER PROTOCOL.

Making a bid for tender implies unconditional acceptance of all the clauses contained in the Tender Protocol signed by Naples Municipal Authority and the Prefecture of Naples on 1 August 2007, as published on the website www.comune.napoli.it, which should be referred to in full.

14. CONTRACT COSTS.

The successful tenderer is liable for the tender and contracts proceedings, including contract registration and legal fees. The successful tenderer assistance will also bear costs for drafting of the tender acts to the extent equal

to the professional legal counsel rate indicated in Ministerial Decree 140/2012, with the application of the minimum coefficients established with reference to the total value of the offer (30-year lease in addition to the amount provided by the industrial investment plan in the first decade) for the bracket applied to contracts in excess of € 2,000,000.00 of the extrajudicial table of the aforementioned tariff, and will be paid to Terme di Agnano within thirty days from the stipulation of the contract, with a ceiling € 100,000.00.

Naples, 12 May 2014

TERME DI AGNANO S.p.A.

Il Presidente
Avv. Marinella de Nigris

