

**EXTRAORDINARY ADMINISTRATION OF  
ALITALIA – LINEE AEREE ITALIANE S.P.A.**

**NOTICE OF AIRCRAFT SALE**

**1. Recitals.**

Upon request of Alitalia – Linee Aeree Italiane S.p.A. (hereinafter, “**Alitalia**” or the “**Company**”), the President of the Council of Ministers, by its own decree dated August 29, 2008, admitted the Company to the extraordinary administration proceedings pursuant to Legislative Decree No. 347 of 23 December 2003, converted into Law 18 February 2004 no. 39 and subsequently amended and supplemented by Legislative Decree No. 134 of 28 August 2008, converted with amendments by law No. 166 of 27 October 2008, and appointed Prof. Avv. Augusto Fantozzi as the extraordinary commissioner (hereinafter the “**Extraordinary Commissioner**”).

On September 5, 2008, the Court of Rome, with decision No. 287, declared the state of insolvency of the Company and appointed as delegated judge Dott. Umberto Gentili.

On 19 November 2008, the Extraordinary Commissioner submitted to the Ministry of Economic Development (hereinafter, the “**Ministry**”) a sale program drafted pursuant to art. 27, paragraph 2, letter b-bis) of Legislative Decree No. 270 of 8 July 1999, which envisages, *inter alia*, the sale of the captioned aircrafts (hereinafter the “**Sale Program**”).

By its own decree issued on 19 November 2008, the Ministry approved the Sale Program and authorized its implementation.

During the implementation of the Sale Plan, Alitalia - Linee Aeree Italiane S.p.A. under extraordinary administration has received from an interested party an offer for the purchase of no. 14 ERJ-145 aircrafts. The offer provides for the purchase of the aircrafts in their current legal and factual state (“*as is where is*”) for a consideration of EUR 1,753,155.68 for each aircraft (for a total amount of EUR 24,544,179.52 for the entire lot); the offer also provides a guarantee deposit of an amount equal to 10% of the consideration offered and that the balance of the consideration will be fully paid upon execution of the sale (the “**Purchase Offer**”).

The Ministry, upon consultation with the Supervisory Committee, by its decree dated 6 October 2009, authorized the Extraordinary Commissioner to accept the Purchase Offer following the prior search on the market for any potential better offer.

Therefore, the Extraordinary Commissioner invites any party interested in the purchase of such aircrafts, to submit offers higher than the Purchase Offer, pursuant the terms and conditions set out below.

The sale procedure for the search for any higher offer relates to the aircrafts here below (hereinafter, the “**Aircrafts**”):

<b>No.</b>	<b>Model</b>	<b>Registration number</b>	<b>Owner</b>
1.	ERJ-145	I-EXMA	Alitalia
2.	ERJ-145	I-EXME	Alitalia
3.	ERJ-145	I-EXMI	Alitalia
4.	ERJ-145	I-EXMO	Alitalia
5.	ERJ-145	I-EXMU	Alitalia
6.	ERJ-145	I-EXMB	Alitalia

7.	ERJ-145	I-EXMC	Alitalia
8.	ERJ-145	I-EXMD	Alitalia
9.	ERJ-145	I-EXMF	Alitalia
10.	ERJ-145	I-EXMG	Alitalia
11.	ERJ-145	I-EXMH	Alitalia
12.	ERJ-145	I-EXML	Alitalia
13.	ERJ-145	I-EXMM	Alitalia
14.	ERJ-145	I-EXMN	Alitalia

## 2. MODALITIES AND CONDITIONS TO PARTICIPATE TO THE PROCEDURE AND FOR THE AWARDING

Offers must be higher than the Purchase Offer and, therefore, subject to the penalty of exclusion, higher than EUR 24,544,179.52, as the consideration for the purchase of the entire lot, plus any additional tax as per the applicable laws.

Subject to the penalty of exclusion, offers must provide for a guarantee in favour of Alitalia for an amount equal to 10% of the consideration offered. Such guarantee may be provided by way of:

- a) one or more autonomous and first demand bank guarantee(s), to be issued in favor of Alitalia Linee Aeree Italiane S.p.A. in a.s. by an Italian or a foreign bank. Such guarantees: (i) must be governed by the Italian law and cannot provide for a non Italian jurisdiction; (ii) must provide for the waiver of the right to request the main debtor to pay in first instance ("*beneficio della preventiva escussione del debitore principale*") and of all the exceptions provided under Articles 1945 and 1957 of the Italian civil code, the effectiveness of the guarantee through the payment to be executed within 15 days, by simple request in writing by Alitalia, all the objections removed; (iii) must expire not before November 30, 2009; or
- b) pledge in favor of Alitalia Linee Aeree Italiane S.p.A. in a.s. on cash or on securities guaranteed by the State, valid at the date of the pledge and deposited at the provincial treasury of the State or at any other authorized office; or
- c) one or more non transferable bank drafts ("*assegni circolari*") issued by an Italian or foreign bank in favour of Alitalia Linee Aeree Italiane S.p.A. in a.s..

Such guarantee will be returned by Alitalia in the event of non acceptance of the offer within its term of expiry, loss of all the Aircrafts prior to their delivery or non delivery or non transfer of the ownership of the aircrafts for reasons not attributable to the purchaser. The guarantee will be also returned to the awarded offeror at the time of the execution of the sale and purchase agreement and the full payment of the considerations for the purchase.

The aircrafts are sold in a single lot, therefore, offers relating to single aircrafts are not allowed. Neither offer on behalf of third parties, nor for persons to be designated are allowed.

During a public meeting, if any higher offer will be duly submitted, the Extraordinary Commissioner will require the offerors to submit increased offers, starting from the highest consideration which may be offered (upon condition that the representative of the offeror at such public meeting is granted with all the necessary powers, also to simultaneously increase the guarantee with a bank check). The interested party who has submitted the Purchase Offer will be also invited at the above public meeting and may propose any increased offer.

In the event of lack of any higher valid offer and/or increased offers, the Extraordinary Commissioner hereby gives notice that he will enter into private negotiations with the party which has submitted the Purchase Offer.

## **2.1 Submission of the offers**

The interested parties may submit their offers in a sealed envelope to be delivered by hand no later than 17.00 p.m. on October 23, 2009, at the registered office of Alitalia Linee Aeree Italiane s.p.a. in a.s. - 00148 Rome - viale A. Marchetti 111, to the attention of the Extraordinary Commissioner, setting out, in the heading, "Sale of the Aircrafts – STRICTLY PRIVATE AND CONFIDENTIAL".

The envelope must include the binding offer - initialed on each page and signed on the last page by the legal representative or by an attorney-in-fact, duly authorized - to be drafted pursuant to the form published on the website of the Extraordinary Administration of Alitalia, and contain, subject to the penalty of exclusion, the declarations of commitment provided under such form. The following documents must be attached to the binding offer:

- original of the bank guarantee(s) or, in the event of pledge on cash/securities, the original of the act of their deposit from which it results their issuance exclusively in favour of Alitalia or the original of the bank drafts issued in favour of Alitalia (provided that the potential awarding will be subject, in any case, to the verification, also in second instance, of the validity of the provided guarantee);
- original of the power of attorney by way of which the legal representative/attorney-in-fact of the offeror has been duly authorized to submit the binding offer;
- copy of the standard Aircrafts sale and purchase agreement, published on the internet website of the Extraordinary Administration Procedure, duly initialed on each page as for its full acceptance.
- copy of this notice, duly signed and initialed on each page as for its full acceptance.

The offers must not contain neither any condition, whether expressed or implicit, nor, for example, but not limited to, may be subject to any further due diligence activity or any financing or other events, or any company's authorizations or approvals.

The consideration offered for the lot must be indicated in numbers and in words with the indication that in the event of non coincidence the value expressed in letters shall prevail for all legal purposes. The price indicated in the offer (or in the potential auction, as it results from the minutes drafted by the public notary) for the purchase of the lot will be allocated in equal parts between the Aircrafts constituting the lot.

## **2.2 Evaluation of the offers**

The evaluation of the offers will take place starting from 12.00 noon on October 27, 2009, at the presence of the Extraordinary Commissioner (or such other party as may be delegated by the latter), and of a public notary, at the registered office of Alitalia Linee Aeree Italiane s.p.a. in a.s. Two representatives for each offeror may attend the public meeting, provided that a confirmation of their attendance is given by 17.00 p.m. on October 23, 2009 at the e-mail address [procedura@it.rothschild.com](mailto:procedura@it.rothschild.com). The Extraordinary Commissioner reserves the right to request the offerors to provide further information or clarifications during the public meeting.

In the event of submission of valid offers higher than the Purchase Offer, the Extraordinary Commissioner will request, during the public meeting, the offerors to submit increased offers, starting from the highest price offered (upon condition that the relevant representative of the offeror has the necessary powers, also to integrate the guarantee). The increased offers must be guaranteed by bank cheques (“*assegni bancari*”) on an Italian or foreign bank, for an amount equal to 10% of the difference between the consideration offered in the offer already submitted and the higher consideration offered in the public meeting. Also the interested party who has submitted the Purchase Offer will be invited to the public meeting and may submit increased offers.

In the event of lack of any higher valid offer and/or increased offers, the Extraordinary Commissioner hereby gives notice that it will enter into private negotiations with the party which has submitted the Purchase Offer.

The highest offer shall be deemed to having been accepted by Alitalia only after the issuance of the relevant written communication.

The execution of the sale and purchase agreement will take place, after the evaluation of the offers, in the date and place which will be timely communicated to the awarded offeror, no later than the 5<sup>th</sup> working day following the acceptance of the offer, to be indicated by a prior notice of 2 working days.

The validity of the offers shall cease only following the expiration of the term provided therein or upon expiration of the shorter term which may be communicated in writing by Alitalia and therefore the acceptance by Alitalia of another offer before the expiration of the above mentioned term shall not cause the other offers submitted to become invalid. If, for any reason, the transfer of the Aircrafts to the awarded offeror cannot be executed, Alitalia shall have, in any case, the right to award the lot to the second best offer received (and, subsequently, to the next offers with the highest consideration, if needed).

### **3. Virtual Data Room**

The interested parties, upon request to be submitted by e-mail to the address [procedura@it.rothschild.com](mailto:procedura@it.rothschild.com), will be admitted to the virtual data room concerning the Aircrafts (the “**Virtual Data Room**”) to which may be admitted starting from the date of publication of this notice up to the deadline for the submission of the binding offers, upon execution by the interested parties of the Virtual Data Room rules and the confidentiality agreement to be provided by Alitalia.

### **4. Request for clarifications**

For any further clarification and/or information on this notice of sale interested parties may send a specific request by 12.00 noon on October 21, 2009, exclusively via e-mail, to the address [procedura@it.rothschild.com](mailto:procedura@it.rothschild.com), indicating as the subject matter “clarifications on the procedure for the sale of the aircrafts” (“*chiarimenti su procedura di vendita aeromobili*”).

The Extraordinary Commissioner (or such other party as may be delegated by the latter), with the assistance of its advisors, shall send the requested clarifications and/or information to all of the requesting parties by and no later than 12.00 noon on October 22, 2009.

### **5. Further provisions**

Each decision in relation to this notice of sale, the sale procedure and the following execution of the sale and purchase agreement is, in any case, subject to the decisions of the Ministry of Economic Development, upon consultation with the Supervisory Committee.

The publication of this notice, the receipt of the expressions of interest and of the offers by the Extraordinary Commissioner does not give rise to any obligation or undertaking on the part of the Extraordinary Commissioner to proceed with the sale, with respect to the interested parties nor it does entail any right for those who have submitted the offers to receive any performance whatsoever from Alitalia or the Extraordinary Commissioner.

The Extraordinary Commissioner shall not bear any responsibility in relation to the truthfulness, correctness and completeness of the information and documents supplied.

With reference to the purchase of the Aircrafts, it is understood that, with the sole exception of the warranty of free and clear title, the Extraordinary Commissioner shall not provide any further representations and/or warranties in connection with the sale and purchase of the Aircrafts, any defects in the same, including latent defects, or absence of qualities of the Aircrafts or rights to be transferred. The purchase of the Aircrafts will take place on an “as is” basis, in their current factual and legal state, which is presumed to have been “seen and accepted” (“*visti e piaciuti*”).

The Extraordinary Commissioner reserves the right, in every moment, to withdraw from the sale procedure or to suspend, interrupt or amend its terms and conditions or to enter into negotiations with any third party. Also in such cases, the offerors may not rise any claims for compensation, indemnity or claims of any other nature against the Extraordinary Commissioner.

The advisors of the Extraordinary Commissioner does not bear any obligation towards the interested parties that through the execution of this notice of sale, declare to release them from any responsibility whatsoever and to waive any claim which they may have in relation to their activity carried out for the Extraordinary Commissioner.

This call for expressions of interest does not constitute an offer to the public pursuant to Article 1336 of the Italian civil code.

Each of the offerors shall bear the costs relating to the investigations and evaluations of the Aircrafts and expenses, including those related to their lawyers and advisors, and any other cost and expense related to the analysis of the transaction.

Personal data provided by the interested parties will be treated pursuant to Legislative Decree of June 30, 2003, No. 196. The rights of the interested parties and their confidentiality will be protected pursuant to the provisions of such Decree. The treatment of the personal data is carried out only for the purpose of verifying the qualifications of the interested parties in relation to this sale procedure and its development. Alitalia, in the person of the Extraordinary Commissioner (or such other party as may be delegated by the latter), is the responsible for the treatment of such data and for the exercise by any interested party of his rights pursuant to Article 7 of Legislative Decree of June 30, 2003, No. 196 .

This notice, the relevant sale procedure and anything provided therein is governed by Italian law.

The Court of Rome shall have the exclusive jurisdiction over any dispute that may arise in connection with this notice, the relevant sale procedure, its interpretation, validity and effectiveness.

This notice is published on the website of the Extraordinary Administration Procedure [www.alitaliaamministrazionestraordinaria.com](http://www.alitaliaamministrazionestraordinaria.com) and [www.alitaliaamministrazionestraordinaria.it](http://www.alitaliaamministrazionestraordinaria.it) in Italian and English language, provided that the only official version will be the Italian version and it shall prevail over the English version for all legal purposes. Furthermore, the aircraft sale and purchase agreement will be executed in the Italian language.

Rome, 14 October 2009

The Extraordinary Commissioner  
Prof. Avv. Augusto Fantozzi