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Varese Court of Justice

IMF Impianti Macchine Fonderia S.r.l. Bankruptcy Proceedings

N.R.G. 4426 /2016 – Judge: Dr. Nicola Cosentino – Receiver: dr. Marco Bianchi

Auction for the sale of the whole IMF Firm (or of the single business units) of IMF Bankruptcy Proceedings

AUCTION DATE 20/04/2017 – 10:00 AM

IMF Bankruptcy Proceedings (Varese Court of Justice) open an auction in order to receive within April 19th 2017, 12:00 PM at the Receiver office in Varese, Via Cavour, 42, purchase proposals following the present auction regulation for the sale of:

- a) The whole business of “IMF IMPIANTI MACCHINE FONDERIA S.R.L.” listed under RGF n. 4426/2016 Varese Court of Justice, represented by three business branch under the trade marks “IMF” (business unit NO Bake), “CARLO BANFI” (business unit shot blasting) and “Foundry Automation” (business unit core shooters);
- b) The 100% of the share capital of the French subsidiary BMF France S.a.r.l.
- c) The 100% of the share capital of the subsidiary IMF Foundry Equipment India Ltd;
- d) The 97% of the share capital of the subsidiary IMF Services Ltd;
- e) The 95% of the share capital of the subsidiary IMF North America Inc.
- f) The 71% of the share capital of the subsidiary IMF Brasil – Instalacoes e maquinas para fundicao LTDA;
- g) The 51% of the share capital of the subsidiary IMF Foundry Machinery (Tianjin) Co. LTD;
- h) The 51% of the share capital of the Joint Venture Qiqihar EEE Foundry Equipment Co. LTD.

The whole business of IMF S.r.l. as above mentioned under a) is located in Luino, Via F. Turati n. 110/1 concerns:

- i) The intangible assets represented by the trade marks “IMF” (business unit NO Bake), “CARLO BANFI” (business unit shot blasting) and “Foundry Automation” (business unit core shooters), technical designs and project, know – how (KH) and the list of customers;
- ii) The fixed assets (except the assets under leasing or rent agreement) represented by: furnishing, facility, machinery, cars and vehicles, office machines including tablet, mobile phones, the work in progress, the semi-finished products, and the spare parts warehouse.

All the employees were dismissed on September 27th 2016, after the bankruptcy declaration, following the procedure of art. 4 L. 223 /1991.

The fixed assets (under point ii) are listed in the inventory drafted by Mr. Sergio Giorgetti (copy sub. 1 of the synthetic inventory – the full inventory is available on request at the following e-mail address mbianchi@bianchicartabia.it / agiordano@bianchicartabia.it). The value of the whole inventory of €

1.985.838,00 is divided as follows: € 1.814.488,00 for "IMF No Bake" business unit, € 154.846,32 for "CARLO BANFI" business unit and € 16.504,20 for the "FUNDRIY AUTOMATION" business Unit.

The real estate property in Luino, Via Turati 110/1 (including the rights arising from the leasing contract n. D00138 of Dec. 16th, 2002 with Hypo Voralberg Leasing AG S.p.A.) is functional the IMF business.

AUCTION CONDITIONS

The non-revocable tender offers could concern:

AUCTION LOT 1: The whole business of "IMF IMPIANTI MACCHINE FONDERIA S.R.L." including all the assets listed under points i and ii as above mentioned **and** the real estate property in Luino, Via Turati 110/1 (including the rights arising from the leasing contract n. D00138 of Dec. 16th, 2002 with Hypo Voralberg Leasing AG S.p.A.) and the share capital of the companies listed under points b), c), d), e), f), g) and h) as above specified.

in a subordinate position

AUCTION LOT 2: The whole business of "IMF IMPIANTI MACCHINE FONDERIA S.R.L." including all the assets listed under points i and ii as above mentioned and the share capital of the companies listed under points b), c), d), e), f), g) and h) above specified, **except** the real estate property in Luino, Via Turati 110/1 and the rights arising from the leasing contract n. D00138 of Dec. 16th, 2002 with Hypo Voralberg Leasing AG S.p.A.).

In the further alternative

AUCTION LOT 3: one or more than one of the business unit listed under point i and represented by the trade marks "CARLO BANFI" (**Auction lot 3.1**), "Foundry Automation" (**Auction lot 3.2**) and "IMF" (**Auction Lot 3.3**), each one represented by its own technical designs and project, know – how (KH), list of specific customers, technical assets, work in progress, the semi finished products, and spare parts warehouse.

AUCTION LOT 4: the share capital held in the subsidiaries BMF France Sarl (**Auction lot 4.1**), IMF Foundry Equipment India Ltd (**Auction lot 4.2**), IMF Services Ltd (**Auction lot 4.3**), IMF North America inc. (**Auction lot 4.4**), IMF Brasil LTDA (**Auction lot 4.5**), IMF Foundry Machinery (Tianjin) Co. LTD (**Auction lot 4.6**), Qiqihar EEE Foundry Equipment Co. LTD (**Auction lot 4.7**).

In the event of more than one purchase offer, the preference will be reserved to the one concerning the whole IMF Business (in order Auction lot 1 and, following, Auction Lot 2).

In the event of the sale of the sole subsidiaries without the IMF business unit, the share capital will be awarded only after the change of the name of the company in order to cancel the words IMF and after taking the written commitment not to assume a name that can confusing with IMF trade mark.

The sale of the whole Business or of each single business branch and of the subsidiaries will take place all as found. Everyone interested to present an offer can ask for a meeting to visit the business unit or the business units under the condition to sign a confidentiality commitment / agreement.

The real estate included in Auction lot 1 will be sold with all its pertinence, active and passive servitude including the rights arising from the leasing contract n. D00138 of Dec. 16th, 2002 with Hypo Voralberg Leasing AG S.p.A.. The sale is in the body and not to measure. The real estate will be sold free from any prejudice that will be cancelled by the Bankruptcy procedure.

The sale will take place in front of a public notary (chosen by the Bankruptcy receiver) and the cost, including taxes, will be beared by the buyer.

The payment of the purchase price less the amount of the guarantee plus the costs and taxes will be paid before the sale in front of the public notary by bank wire on the bank account of the Bankruptcy procedure (the IBAN code will be communicated to the buyer).

All the official documents will be in Italian Language.

Tax (registration tax, mortgage and cadastral tax, VAT and any other tax concerning the transfer of the property with the only exception of the one concerning the seller) and the costs concerning the transfer of the property of the Business Unit (s) and of the subsidiaries (including the cost for the change of the name of the company - if necessary) will be borne by the buyer.

B) HOW TO PRESENT AN OFFER

The bid is free (with the only exception for Lot. 1 for which the price can't be lower than € 11.830.000,00) not subject to any condition, binding and irrevocable for the bidder and will concern the whole Lot it is made for. The offer must be signed (if not, it will not be considered).

The offers subject to any condition will not be taken into consideration.

It is not possible to present offer on behalf of person to be appointed (ex art. 1401 e ss cod. civ)

The bid must be presented into a closed envelope in the office of the Bankruptcy Receiver in Varese (21100), Via Cavour n. 42, (Studio Bianchi Cartabia) no later than h. 12,00 a.m. of April 19th 2017. A receipt will be delivered with the date and the time of the deposit.

The envelope will show the words "FALL. IMF S.R.L. – TRIBUNALE DI VARESE" and will contain, under penalty of exclusion:

1) the name of the person or of the company who present the offer:

- if a natural person: the surname and the name, the place and the date of the birth, the fiscal code and the VAT number if the offer comes from a company or a person acting as a business firm, the place of affairs, the civil status and the telephone number; if the bidder is married under legal community of property must indicate the generalities of his /her Husband/wife; if the bidder is under the majority, the bid must be underwritten by a parent or a legal tutor with the Judge authorization;
- if a legal entity: the name, the legal address, the fiscal code, VAT number (PEC – legal e mail address - and the e – mail address - for the subject located in States where PEC is not available) the generality of the legal representative

2) the precise identification of the Lot/Lots the offer refer(s) to.

3) the price/s for the Lot/los and all the other economic conditions of the offer (such as terms of payment)

4) a telefax number or a PEC (e – mail for the subject located in States where PEC is not available) address for any communication from the Bankruptcy Receiver.

The offer will hold:

- a non-transferable cashier's check on behalf of " Fall. 4426/2016 – Curatore dott. Marco Bianchi" for an amount equal to the 10% of the offered price
- the copy of identity document and of the Fiscal code of the person presenting the offer

- the copy of identity document and of the Fiscal code of legal representative if the offer is presented by a Company (in this event is necessary a copy of the CCAA certificate or of an equivalent certificate issued by the Chamber of Commerce or by the local Court or local legal entity showing the representative powers of the foreign person who signs the offer.

5) The authorization to personal data processing: signing, also at the bottom of the offer, a specific written and undersigned authorization to data processing following D.Lgs 196/2003.

6) the undersigned declaration to have read the present auction and the Mr. Sergio Giorgetti and Geom. Giuseppe Ribera appraisals (the declaration for Geom Giuseppe Ribera's appraisal is requested only for the offer concerning Lot 1).

In the event of an interest for the real estate it will be possible to make a visit calling the Bankruptcy Receiver at the following Tel. Number 0332 232176. The expert will supply technical information if needed.

PRICES

Lot	Description	Price
1)	The whole business of "IMF IMPIANTI MACCHINE FONDERIA S.R.L." including all the assets listed under points i and ii as above and the real estate property in Luino, Via Turati 110/1 (including the rights arising from the leasing contract n. D00138 of Dec. 16th, 2002 with Hypo Voralberg Leasing AG S.p.A.) and the share capital of the subsidiaries listed under points b), c), d), e), f), g) and h) as above	11.830.000,00
2)	The whole business of "IMF IMPIANTI MACCHINE FONDERIA S.R.L." including all the assets listed under points i and ii above and the share capital of the companies listed under points b), c), d), e), f), g) and h) above except the real estate property in Luino, Via Turati 110/1 and the rights arising from the leasing contract n. D00138 of Dec. 16th, 2002 with Hypo Voralberg Leasing AG S.p.A.).	3.900.000,00
3.1)	CARLO BANFI Business Unit with its own technical designs and project, know – how (KH), list of specific customers, technical assets, work in progress, the semi finished products, and spare parts warehouse	450.000,00
3.2)	FOUNDRY AUTOMATION Business unit its own technical designs and project, know – how (KH), list of specific customers, technical assets, work in progress, the semi finished products, and spare parts warehouse	450.000,00
3.3)	IMF Business Unit with its own technical designs and project, know – how (KH), list of specific customers, technical assets, work in progress, the semi finished products, and spare parts warehouse	3.000.000,00
4.1)	Share capital (100%) of BMF Sarl	100.000,00
4.2)	Share capital (100%) of IMF India LTD	100.000,00
4.3)	Share capital (97%) of IMF Services LTD	Best offer
4.4)	Share capital (95%) of North America INC	Best offer
4.5)	Share capital (71%) of IMF Brasil LTDA	35.000,00

4.6)	Share capital (51%) of IMF Foundry Machinery (Tianjin) CO. Ltd.	Best offer
4.7)	Share capital (51%) QIQIHAR EEE Foundry Equipment Co Ltd.	70.000,00

The fiscal costs (registration tax, mortgage and cadastral tax, VAT etc.) if due, concerning the transfer of the property will be added at the offered price. The professional cost of a public notary, if necessary, will be beared by the awarded.

With regard to Lot 1 the offers lower than € 11.830.000,00 will not be taken into consideration.

The whole real estate in Luino, or detectable parts of it, could be object of expression of interest by subject presenting offers for the whole business units (lot. 2) or for single business unit (Lot. 3). Such expression of interest will be considered by the representative of the Bankruptcy Proceedings based on the offered price and of the possibility to sell as a separate part of the whole real estate property. **The presentation of any offer for the real estate property or for single part or parts it will not constitute any right to their assignment by the representative of the Bankruptcy Procedure.**

The present auction does not include items classified as “junk” stored in the “Ratti” Warehouse, located in Luino.

The action involved in this “invitation to offer” form doesn’t include the sale of any item described as “junk material”.

C) MANAGEMENT OF THE AUCTION

The envelope opening and the exam of the bid will take place on April 20th 2017, 10:00 AM, in front of the Bankruptcy Receiver in his office in Varese, Via Cavour, 42.

In the event of multiple bid for the same Lot, The Bankruptcy Receiver will invite the bidders to submit an upward offer to sell the Lot to the best bidder (ex art. 107 l.f.). Only the bidders attending the opening of the envelopes will take place to the offer upward. The starting price will be the highest price offered by the bidders.

The upward auction will be free (no lower upward will be fixed).

The time between an upward bid and the following will not exceed 180 seconds.

The upward auction will take place as follows:

- the best upward bid, at the end of all upward, will obtain the temporary award for auction;
- if no upward bid will take place, in the event of bids at the same price and economic terms, the temporary award for auction will be given to the bid presented first.

Any expression of interest for the real estate (different from Lot 1) will be examined by the representative of the Bankruptcy Proceedings who will decide, under their freely decision, for the related award.

The Bankruptcy Receiver can (under art. 107, 4[^] c. L.F.) stop the auction award if, within April 30th 2017, 12:00 PM, He receives an irrevocable bid for the purchase at a price higher than 10% of the temporary award price. Such irrevocable bid must be draw up and granted by a deposit following the above instruction of the present auction.

The deposit presented by the subject(s) who is not be the "best bidder" will be returned immediately at the end of the upward auction. The best bidder will provide, within 30 days from the definitive award, to pay the difference between the deposit and the award price.

It is specified that the definitive award is subject to the expressed approval by the Creditors Committee and the Bankruptcy Judge.

PUBLIC NOTICE OF THE AUCTION

The present auction will be published on Auction Portal of Varese Court of Justice on the following internet address: www.astefallimentivarese.net and <http://fair.camcom.it/index.phtml?ldVMenu=1i.it>

DATA PROCESSING AND PRIVACY

D.lgs 30.06.2003 n. 106 guarantees data processing under the rights and of the fundamental freedoms particular in respect of the right to privacy, personal identity and data protection. With the deposit of the bid also the authorization to data processing will be given.

So, following art. 13 of D.lgs 196/2003 the bidders are informed that:

- the data supplied by bidders will be processed only in reference to the auction they refers to;
- data processing will take place with paper and electronic support;
- the authorization to data processing is strictly necessary to manage the auction the bidders are interested to
- the only person who will know data are the one involved in the auction management and for the above mentioned purposes
- data will be communicated or diffused only to fulfill specific legal requirements
- the data holder is the Bankruptcy Proceedings n. 4426/2016 – Varese Court of Justice
- the Bankruptcy Receiver dr. Marco Bianchi is responsible for data processing
- every moment the bidder can exercise his rights toward the data holder following art. 7 od D.lgs 196/2003.

Any further information can be given by the Bankruptcy Receiver (dr. Marco Bianchi) office in Varese, Via Cavour, 42 – 21100 Varese – Tel. 0332 232176, Fax 0332 231030, e mail mbianchi@bianchicartabia.it or agiordano@bianchicartabia.it .

Varese, february 27th 2017

The Bankruptcy Receiver

Dott. Marco Bianchi