

AUCTION REGULATIONS

Art. 1 Public auctions

Auctions called by the company Kruso Kapital S.p.A. (hereafter "Company") shall be announced by notice affixed on the premises of the Company and on the website www.krusokapital.com along with information concerning the location, date and time of the auction. The Company reserves the right, if appropriate, to establish other forms of advertising, which may also replace those described above, subject to compliance with the applicable legislation. A list of the items pledged that are to be sold at auction shall also be affixed on the Company's premises, along with details of the respective agreement numbers and reserve prices. Any person intending to purchase at auction may examine the items for sale in advance on any days stipulated for their presentation on the premises specified by the Company. Auctions shall be held at the discretion of the Company and may also take place over more than one working day. Auctions shall be held under all circumstances at a physical location, and the order in which items are presented for auction shall be established by the Company. Any party making an online bid (subject to registration via the app and confirmation by device-specific PIN) shall only be able to submit bids for specific lots to be sold at auction. The Company reserves the right to refuse online bidding for certain lots included in the auction. The submission of online bids shall be without prejudice to the ability to participate in the auction in person and to submit oral bids.

Participants in the auction must identify themselves by presenting a currently valid identification document. The details of each document shall be noted in the Company's registers and application systems, inter alia for the purpose of conducting due diligence in relation to customers pursuant to Italian Legislative Decree no. 231/07, as amended and supplemented.

Sale by public auction shall be governed by the provisions set forth in Italian Royal Decree no. 1279/1939 and shall not constitute any form of consumer credit, with the result that the provisions of the Italian Consumer Code shall not be applicable.

Art. 2 Suspension of auctions and exclusion of potential bidders

The Company may at its discretion suspend an auction, even if it has already started, due to insufficient public interest or for other reasons, even if online bids have been submitted. Auctions shall be managed by the Company official expressly authorised to do so.

This person shall be entitled:

- to exclude from the auction room any person who fails to behave with proper decorum or who fails to comply with the provisions of these regulations and/or any specific rules adopted by the Company from time to time;
- to exclude from bidding, and if appropriate to exclude from the auction room, any person who in any way disrupts the proper and regular conduct of the auction;
- to refrain from awarding any item(s) and to defer the sale until a later date should he/she consider that the auction is being conducted improperly or establishes that any agreements or other arrangements have been concluded between or among the persons attending or participating in the auction, including in relation to online bids, for the purpose of driving down prices for the items or diverting fellow bidders from the auction;

The Company may under all circumstances at its discretion exclude from the auction any potential customers (whether such customers are participating in the auction in person or by bidding online) who have been identified as engaging in unusual behaviour during previous auctions and/or after the item has been awarded, and whose presence is therefore not desired by the Company.

Art. 3 Types of bids

Participation in the auction may involve the submission of:

- oral bids, or bids submitted during the actual auction;
- fixed written bids (or bids submitted on paper or online in advance of the auction);
- written ascending bids, i.e. bids including a commitment to outbid competing bids up to a maximum limit indicated in the bid, as submitted on paper or online in advance of the auction;
- sealed, fixed, written bids, i.e. bids that are made public after the completion of any bidding competition in the auction room (after oral bidding has ended), which shall participate in the auction in accordance with the criteria set forth in Art. 4.

The auctioneer shall participate in the auction on behalf of customers who have submitted written bids (whether fixed, secret or ascending). The Company reserves the right to prevent the submission of certain types of online bid, out of those available.

Directors and employees of any companies belonging to the Banca CF+ banking group may only participate in auctions with written bids or online bids, which may be fixed, fixed-secret or ascending bids, without any requirement to lodge a deposit.

Art. 4 Criteria for awarding lots

The lot shall be awarded to the highest bid.

If two bids are submitted for the same amount, the lot shall be awarded to the bid that was submitted first.

If a written bid submitted on paper and a written online bid are submitted for the same amount and at the same time (hours and minutes), the lot shall be awarded to the online bidder.

Fixed written bids shall be opened by the auctioneer at the start of the auction; any oral bids must be higher than the fixed written bids, taking account of incremental raises.

By way of exception to the criteria set out above, if an oral bid and a secret or an ascending bid are submitted for the same amount and at the same time, the lot shall be awarded by to the oral bidder.

Should any dispute arise between or among two or more bidders who assert that they submitted identical bids at the same time, the person conducting the auction (auctioneer) shall reopen bidding starting with the next lowest bid.

Sales at auction shall be recorded in strictly chronological order by labels indicating:

- the date of the auction;
- the number of the agreement associated with the lot sold;
- a summary description of the items sold;
- the unique code attributed to the bid;
- the amount of the loan to which the agreement relates;
- the name of the successful bidder;
- the award price.

If the item is not awarded, the fact that it has not been sold due to a lack of bids shall be noted.

Art. 5 Bids submitted using the paper form

Bids submitted at the branch must be drawn up using the Company's dedicated forms in accordance with the regulations and must be signed by the bidder. The Company reserves the right to charge an administration fee for each individual written bid (cf. Art. 15). Any such bids shall be deemed to be void where: i) the incremental raises specified by the Company have not been respected; ii) the module was not compiled in full; or iii) the module was not compiled clearly so as to enable the bidder and the amount bid to be identified clearly and unequivocally. The Company shall issue a receipt to the bidder stating the bid number for each written bid.

Art. 6 Incremental raises

All bids must comply with the incremental raises specified below:

- € 5, up to € 250;
- € 10, from € 251 to € 500;
- € 25, from € 501 to € 2,500;
- € 50, from € 2,501 to € 5,000;
- € 100, from € 5,001 to € 10,000;
- € 250, from € 10,001 to € 25,000;
- € 500, from € 25,001 to € 50,000;
- € 1,000 above € 50,000.

Art. 7 Deposit

In the event that written bids are submitted, the Company reserves the right to charge a deposit amounting to 20% of the reserve price for the auction.

A receipt shall be issued upon the payment of the deposit, which shall not accrue interest, for any written bids submitted at the branch, which receipt shall state the same consecutive number as that indicated on the bid form. Any deposits paid for items that have not been awarded shall be returned at the end of the auction exclusively to the person who submitted the bid, after establishing that person's identity. For online bids, the Company shall request the temporary blocking of the amount of the deposit on the customer's credit card (*pre-authorisation*). As a result of this operation, that amount will no longer be available to the customer to spend; however, the amount will not be charged to his/her current account. In the event that an item is not awarded at auction, the amount of the deposit shall be released within three working days of the conclusion of the auction. Conversely, in the event that the item is awarded to the customer, the deposit shall be released after the full amount of the award price has been paid, which shall occur in the manner and in accordance with the timescale set forth below. If the price for the item awarded is not paid, Company shall be entitled to definitively appropriate the amount of the deposit.

Art. 8 Inspection of items for sale at auction for faults and defects affecting the items awarded

Any customer who intends to submit a bid may view in advance the items for sale at auction on any days designated for their display on the premises indicated by the Company or may consult the photographs and descriptions contained on the Company's website, and in the app showroom. In participating in the auction or signing a written bid, the bidder acknowledges the state of repair of the items, accepts that they are consistent with the description and acknowledges that he/she has been informed concerning the rules set out in these regulations. Descriptions of items for sale at auction shall state the general state of repair of the items, are provided as guidance and do not purport to be exhaustive and should not under any circumstances be construed as a warranty commitment for the purposes of the Italian Consumer Code; it shall be for the buyer to examine the lots carefully whilst they are on display and to request any clarifications concerning them from the appraiser.

The Company may not be held liable for any faults or defects and/or the inadequate quality of the item awarded, which shall be purchased by the customer as "seen and approved", including in the event that written bids are submitted online. Accordingly, the customer waives any warranty and any attendant related action against the Company in respect of faults and/or defects, whether apparent or latent, and/or defective quality of the item pursuant to Art. 1490 et seq of the Italian Civil Code.

Art. 9 Ownership of items awarded at auction

Ownership of the items awarded shall be transferred to the successful bidder upon payment of the award price. No objections will be accepted regarding quality, insufficient weight, faults or apparent or latent defects affecting the item or its state of repair after the award price has been paid by the seller and he/she has taken possession of the item.

Art. 10 Payment for the item awarded

The customer must arrange for payment to be made for any items awarded at auction within 48 hours of the award or of receipt of an email concerning the award. In the event that oral bids are submitted, the Company reserves the right to request a down payment from the successful bidder at the end of the auction. Should the above-mentioned time limit fall on a public holiday or the day before a public holiday, the time limit shall be postponed until the next working day. It shall be for the customer to establish promptly whether the item has been awarded to him/her by checking his/her email account and/or any notices received via the app, where they have been activated. If the item is not paid for within the above-mentioned time limit, the award of the item shall be null and void, and the item shall be put up for auction once again. The Company reserves the right to exclude the successful bidder from future auctions in the event that the price has not been duly paid and to withhold as a penalty charge the amount of any deposit paid.

The Company shall not incur any liability in relation to the safe storage and conservation of any items that have been paid for where they are not collected within 10 days of payment, except in situations involving wilful wrongdoing or gross negligence.

Art. 11 Payment arrangements

Items awarded at auction may be paid for in cash at the location of the Company where the auction was held in accordance with Art. 49(1) of Italian Legislative Decree no. 231/07 or using any other means of payment accepted by the Company (e.g. bank transfer). Any bank transfers received from a current account not held or jointly held in the name of the successful bidder will not be accepted; the Company reserves the right to consider the award of the item null and void, and to put the item up for auction once again. In such an eventuality, the Company shall be entitled to withhold as a penalty charge the amount of any deposit paid.

For online bids, the item awarded may be paid for exclusively by bank transfer from a current account held (or jointly held) by the customer at a banking and financial intermediary based in Italy or in a Member State of the European Union (in accordance with the provisions governing due diligence for distance customers laid down in Italian Legislative Decree no. 231/07, as amended and supplemented). The transfer must state as the payment reference the payment code indicated in the app.

Art. 12 Buyer's premium

In addition to the award price, the successful bidder is also obliged to pay the buyer's premium as well as the respective taxes and duties and any other charge relating to the transfer of ownership over the items awarded, if specified in the pledge agreement and in the information notice applicable at the time the pledge agreement was issued. The Company reserves the right to charge an auction fee to the successful bidder in the event that items relating to pledge agreements that have been acquired by third party companies are sold at auction. In such an eventuality, the percentage amount of the auction fee, calculated on the award price, shall be indicated in the auction notice.

Art. 13 Exclusion of an item from the auction

The submission of written bids shall be without prejudice of the right of the bearer of the pledge agreement relating to any item put up for auction to arrange for the agreement to be renewed or the item to be redeemed, including on the day of the auction, at any time prior to the award of the item. Accordingly, the Company reserves the right to cancel any written bid previously submitted in the event that the bearer of the pledge agreement renews the policy or redeems the item before the item is awarded at auction. In such an eventuality, the deposit paid at the branch or blocked on the credit card shall be returned or released immediately after the pledge agreement has been renewed or the item has been redeemed, and under all circumstances upon completion of the auction.

Art. 14 Delivery of the item

For online bids, the item awarded shall be delivered to the customer in the manner selected in the app or on the website, i.e

- collection by the customer from one of the Company's ProntoPegno branches; or
- delivery of the item to the home address or to any other shipping address indicated in the app by specialist carrier. In such cases, the carrier shall put in place adequate insurance cover for transportation based on the value declared by the Company, subject to an "absolute first risk" guarantee, including the risk of robbery. The value declared by Kruso Kapital shall correspond to the item's award price at auction, irrespective of the actual market value of the item purchased. The Company shall not bear liability for any damage caused to the item during transportation. It shall be for the customer to verify and report to the carrier any visible indications of interference at the time the package is delivered by adding a reservation to the receipt, waybill or delivery note and to declare in writing any defect, damage or any other anomaly. The report must be made within 48 hours, and must also be submitted to Kruso Kapital.

In both cases, the shipping costs shall be computed separately from the award price and shall be paid for in advance along with the item awarded at auction.

The Company shall not incur any liability in relation to the safe storage and conservation of any items that have been paid for where they are not collected within 10 days of payment, or are returned by the carrier on the grounds that the customer cannot be reached, except in situations involving wilful wrongdoing or gross negligence. In such an eventuality, Kruso Kapital shall charge the customer for any increased cost calculated by the carrier for subsequent delivery.

Art. 15 Summary of financial terms

The financial terms associated with purchase at auction and/or the submission of bids are summarised below:

Buyer's premium	Calculated on the award price. Potential buyer is informed concerning the percentage applied, if provided for, before bids are submitted by publication in the DigitalPegno app and in the list of items for sale at auction, which is affixed in the branch (cf. Art. 12)
Deposit in relation to written and online bids	Maximum non-interest-bearing deposit of 20.00% of the reserve price for the auction (cf. Art. 7)
Management costs for the "Written bids" form	€ 2 for each written bid submitted at the branch (cf. Art. 5)
Shipping costs for the item	The costs charged are indicated in the document "Shipping Service" contained in the Transparency section of the Company's website (www.krusokapital.com)