

*Non-Confidential Version*

**CASE COMP / M.8465 - VIVENDI / TELECOM ITALIA**

**COMMITMENTS OFFERED**

**BY VIVENDI**

**TO THE EUROPEAN COMMISSION**

May 4, 2017

04/05/2017

**Case M. 8465 – VIVENDI / TELECOM ITALIA**

**COMMITMENTS TO THE EUROPEAN COMMISSION**

Pursuant to Article 6(2) of Council Regulation (EC) No 139/2004 (the “Merger Regulation”), Vivendi S.A. (“Vivendi” or the “Notifying Party”) hereby enters into the following Commitments (the “Commitments”) vis-à-vis the European Commission (the “Commission”) with a view to rendering the acquisition of a *de facto* sole control by Vivendi over Telecom Italia S.p.A. (the “Concentration”) compatible with the internal market and the functioning of the EEA Agreement.

This text shall be interpreted in light of the Commission’s decision pursuant to Article 6(1)(b) of the Merger Regulation of the Merger Regulation to declare the Concentration compatible with the internal market and the functioning of the EEA Agreement (the “*Decision*”), in the general framework of European Union law, in particular in light of the Merger Regulation, and by reference to the Commission Notice on remedies acceptable under Council Regulation (EC) No 139/2004 and under Commission Regulation (EC) No 802/2004 (the “*Remedies Notice*”).

**Section A. Definitions**

1. For the purpose of the Commitments, the following terms shall have the following meaning:

**Affiliated Undertakings:** undertakings controlled by Vivendi and/or by the ultimate parent of Vivendi, whereby the notion of control shall be interpreted pursuant to Article 3 of the Merger Regulation and in light of the Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the “*Consolidated Jurisdictional Notice*”).

**Assets:** the assets that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Business as indicated in Section B, paragraph 6 (a), (b) and (c) and described more in detail in the Schedule.

**Closing:** the transfer of the legal title to the Divestment Business to the Purchaser.

**Closing Period:** the period of [Confidential] from the approval of the Purchaser and the terms of sale by the Commission.

**Confidential Information:** any business secrets, know-how, commercial information, or any other information of a proprietary nature that is not in the public domain.

**Conflict of Interest:** any conflict of interest that impairs the Trustee's objectivity and independence in discharging its duties under the Commitments.

**Divestment Business:** the business as defined in Section B and in the Schedule which the Notifying Party commits to divest.

**Divestiture Trustee:** one or more natural or legal person(s) who is/are approved by the Commission and appointed by Vivendi and who has/have received from Vivendi the exclusive Trustee Mandate to sell the Divestment Business, without prejudice to any rights of L'Espresso, to a Purchaser at no minimum price.

**Effective Date:** the date of adoption of the Decision.

**First Divestiture Period:** the period of [Confidential] from the Effective Date.

**Hold Separate Manager:** the person appointed by Telecom Italia for the Divestment Business to manage the day-to-day business under the supervision of the Monitoring Trustee.

**Key Personnel:** all personnel necessary to maintain the viability and competitiveness of the Divestment Business, as listed in the Schedule, including the Hold Separate Manager.

**Monitoring Trustee:** one or more natural or legal person(s) who is/are approved by the Commission and appointed by Vivendi, and who has/have the duty to monitor Vivendi's compliance with the conditions and obligations attached to the Decision.

**Parties:** the Notifying Party and the undertaking that is the target of the concentration.

**Personnel:** all staff currently employed by the Divestment Business, including staff seconded to the Divestment Business, shared personnel as well as the additional personnel listed in the Schedule.

**Purchaser:** the entity approved by the Commission as acquirer of the Divestment Business in accordance with the criteria set out in Section D.

**Purchaser Criteria:** the criteria laid down in paragraph 17 of these Commitments that the Purchaser must fulfil in order to be approved by the Commission.

**Schedule:** the schedule to these Commitments describing more in detail the Divestment Business.

**TI or Telecom Italia:** Telecom Italia S.p.A. and the companies controlled by Telecom Italia S.p.A. whereby the notion of control shall be interpreted pursuant to Article 3 of the Merger Regulation and in light of the Consolidated Jurisdictional Notice.

**Trustee(s):** the Monitoring Trustee and/or the Divestiture Trustee as the case may be.

**Trustee Divestiture Period:** the period of [Confidential] from the end of the First Divestiture Period.

**Vivendi:** Vivendi S.A., a company incorporated under the laws of France, with its registered office at 42, avenue de Friedland, 75380 Paris Cedex 08, France, incorporated under the Registrar of Companies of the Paris Commercial Court Company under number 343 134 763 and all of the undertakings controlled by Vivendi S.A. pursuant to Article 3 of the Merger Regulation (EC) No 139/2004 notably Telecom Italia.

**Section B. The commitment to divest and the Divestment Business**

Commitment to divest

2. In order to maintain effective competition, Vivendi commits to procure the divestiture of the Divestment Business by the end of the Trustee Divestiture Period as a going concern to a purchaser and on terms of sale approved by the Commission in accordance with the procedure described in paragraph 18 of these Commitments. To carry out the divestiture, Vivendi commits that Telecom Italia shall find a purchaser and shall enter into a final binding sale and purchase agreement for the sale of the Divestment Business within the First Divestiture Period. If Telecom Italia has not entered into such an agreement at the end of the First Divestiture Period, Telecom Italia shall grant the Divestiture Trustee an exclusive mandate to sell the Divestment Business in accordance with the procedure described in paragraph 30 in the Trustee Divestiture Period.
3. Vivendi shall be deemed to have complied with this commitment if:
  - (a) by the end of the Trustee Divestiture Period, Telecom Italia or the Divestiture Trustee has entered into a final binding sale and purchase agreement and the Commission approves the proposed purchaser and the terms of sale as being consistent with the Commitments in accordance with the procedure described in paragraph 18; and
  - (b) the Closing of the sale of the Divestment Business to the Purchaser takes place within the Closing Period.
4. In order to maintain the structural effect of the Commitments, the Notifying Party shall, for a period of 10 years after Closing, not acquire, whether directly or indirectly, the possibility of exercising influence (as defined in paragraph 43 of the Remedies Notice, footnote 3) over the whole or part of the Divestment Business, unless, following the submission of a reasoned request from the Notifying Party showing good cause and accompanied by a report from the Monitoring Trustee (as provided in paragraph 44 of these Commitments), the Commission finds that the structure of the market has changed to such an extent that the absence of influence over the Divestment Business is no longer necessary to render the proposed concentration compatible with the internal market.

Structure and definition of the Divestment Business

5. The Divestment Business consists of TI's entire shareholding interest in Persidera, a digital broadcast operator. TI holds 70% of Persidera's share capital, whereas L'Espresso Group owns 30%. Persidera has five digital multiplexers and provides DTT broadcasting, content preparation, play-out, over-the-top (OTT) delivery, connectivity and several other multimedia services to the main television editors that operate in the Italian market.
6. The legal and functional structure of the Divestment Business as operated to date is described in the Schedule. The Divestment Business, described in more detail in the Schedule, includes all assets and staff that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Business, in particular:
  - (a) all tangible and intangible assets (including intellectual property rights);
  - (b) all licences, permits and authorisations issued by any governmental organisation for the benefit of the Divestment Business;

- (c) all contracts, leases, commitments and customer orders of the Divestment Business; all customer, credit and other records of the Divestment Business; and
  - (d) the Personnel.
7. In addition, the Divestment Business includes the benefit, for a transitional period of up to [Confidential] after Closing and on terms and conditions equivalent to those at present afforded to the Divestment Business, of all current arrangements under which TI or its Affiliated Undertakings supply products or services to the Divestment Business, as detailed in the Schedule, unless otherwise agreed with the Purchaser. Strict firewall procedures will be adopted so as to ensure that any competitively sensitive information related to, or arising from such supply arrangements (for example, product roadmaps) will not be shared with, or passed on to, anyone outside the relevant business unit/division providing the product/services operations.

### **Section C. Related commitments**

#### Preservation of viability, marketability and competitiveness

8. From the Effective Date until Closing, the Notifying Party shall procure the preservation of the economic viability, marketability and competitiveness of the Divestment Business, in accordance with good business practice, and shall minimise as far as possible any risk of loss of competitive potential of the Divestment Business. In particular Vivendi undertakes:
- (a) not to carry out any action that might have a significant adverse impact on the value, management or competitiveness of the Divestment Business or that might alter the nature and scope of activity, or the industrial or commercial strategy or the investment policy of the Divestment Business;
  - (b) procure to make available sufficient resources for the development of the Divestment Business, on the basis and continuation of the existing business plans;
  - (c) procure that all reasonable steps are being taken, including appropriate incentive schemes (based on industry practice), to encourage all Key Personnel to remain with the Divestment Business, and not to solicit or move any Personnel to Vivendi's or Telecom Italia's remaining business. Where, nevertheless, individual members of the Key Personnel exceptionally leave the Divestment Business, Vivendi shall provide a reasoned proposal to replace the person or persons concerned to the Commission and the Monitoring Trustee. Vivendi must be able to demonstrate to the Commission that the replacement is well suited to carry out the functions exercised by those individual members of the Key Personnel. The replacement shall take place under the supervision of the Monitoring Trustee, who shall report to the Commission.

#### Hold-separate obligations

9. The Notifying Party commits, from the Effective Date until Closing, to keep the Divestment Business separate from the businesses it is retaining and to ensure that unless explicitly permitted under these Commitments: (i) management and staff of the businesses retained by Vivendi have no involvement in the Divestment Business; (ii) the Key Personnel and Personnel of the Divestment

Business have no involvement in any business retained by Vivendi and do not report to any individual outside the Divestment Business.

10. Until Closing, Vivendi shall assist the Monitoring Trustee in ensuring that the Divestment Business is managed as a distinct and saleable entity separate from the businesses which Vivendi is retaining. Immediately after the adoption of the Decision, Vivendi shall procure that Telecom Italia appoints a Hold Separate Manager. The Hold Separate Manager, who shall be one of the representatives of the Key Personnel, shall, without prejudice to any rights of L'Espresso, manage and exercise Telecom Italia's rights relating to the Divestment Business independently and in the best interest of the business with a view to ensuring its continued economic viability, marketability and competitiveness and its independence from the businesses retained by Vivendi. The Hold Separate Manager shall closely cooperate with and report to the Monitoring Trustee and, if applicable, the Divestiture Trustee. Any replacement of the Hold Separate Manager shall be subject to the procedure laid down in paragraph 8(c) of these Commitments. The Commission may, after having heard Vivendi, require Vivendi to procure *via* Telecom Italia the replacement of the Hold Separate Manager.
11. To ensure that the Divestment Business is held and managed as a separate entity, Vivendi will procure that the Monitoring Trustee exercise TI's rights as shareholder in Persidera (except for its rights in respect of dividends that are due before Closing), with the aim of acting in the best interest of the business, which shall be determined on a stand-alone basis, as an independent financial investor, and with a view to fulfilling Vivendi's obligations under the Commitments. Furthermore, the Monitoring Trustee shall have the power to replace members of the supervisory board or non-executive directors of the board of directors of Persidera, who have been appointed on behalf of TI. Upon request of the Monitoring Trustee, TI shall resign as a member of the boards or shall cause such members of the boards to resign.

#### Ring-fencing

12. Vivendi shall implement, or procure to implement, all necessary measures to ensure that it does not, after the Effective Date, obtain any Confidential Information relating to the Divestment Business and that any such Confidential Information obtained by Vivendi before the Effective Date will be eliminated and not be used by Vivendi. This includes measures vis-à-vis TI's appointees on the supervisory board and/or board of directors of the Divestment Business. In particular, the participation of the Divestment Business in any central information technology network shall be severed to the extent possible, without compromising the viability of the Divestment Business. Vivendi may obtain or keep information relating to the Divestment Business which is reasonably necessary for the divestiture of the Divestment Business or the disclosure of which to Vivendi is required by law.

#### Non-solicitation clause

13. The Parties undertake, subject to customary limitations, not to solicit, and to procure that Affiliated Undertakings do not solicit, the Key Personnel transferred with the Divestment Business for a period of [Confidential] after Closing.

Due diligence

14. In order to enable potential purchasers to carry out a reasonable due diligence of the Divestment Business, Vivendi shall procure that Telecom Italia will, subject to customary confidentiality assurances and dependent on the stage of the divestiture process:
- (a) provide to potential purchasers sufficient information as regards the Divestment Business;
  - (b) provide to potential purchasers sufficient information relating to the Personnel and allow them reasonable access to the Personnel.

Reporting

15. Vivendi shall submit written reports in English on potential purchasers of the Divestment Business and developments in the negotiations with such potential purchasers to the Commission and the Monitoring Trustee no later than 10 days after the end of every month following the Effective Date (or otherwise at the Commission's request). Vivendi shall submit a list of all potential purchasers having expressed interest in acquiring the Divestment Business to the Commission at each and every stage of the divestiture process, as well as a copy of all the offers made by potential purchasers within five days of their receipt.
16. Vivendi shall inform the Commission and the Monitoring Trustee on the preparation of the data room documentation and the due diligence procedure and shall submit a copy of any information memorandum to the Commission and the Monitoring Trustee before sending the memorandum out to potential purchasers.

**Section D. The Purchaser**

17. In order to be approved by the Commission, the Purchaser must fulfil the following criteria:
- (a) The Purchaser shall be independent of and unconnected to the Notifying Party and its Affiliated Undertakings (this being assessed having regard to the situation following the divestiture);
  - (b) The Purchaser shall have the financial resources, proven expertise and incentive to maintain and develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors;
  - (c) The acquisition of the Divestment Business by the Purchaser must neither be likely to create, in light of the information available to the Commission, *prima facie* competition concerns nor give rise to a risk that the implementation of the Commitments will be delayed. In particular, the Purchaser must reasonably be expected to obtain all necessary approvals from the relevant regulatory authorities for the acquisition of the Divestment Business.
18. The final binding sale and purchase agreement (as well as ancillary agreements) relating to the divestment of the Divestment Business shall be conditional on the Commission's approval. When Telecom Italia has reached an agreement with a purchaser, Vivendi shall submit a fully documented and reasoned proposal, including a copy of the final agreement(s), within one week to the Commission and the Monitoring Trustee. Vivendi must be able to demonstrate to the Commission

that the purchaser fulfils the Purchaser Criteria and that the Divestment Business is being sold in a manner consistent with the Commission's Decision and the Commitments. For the approval, the Commission shall verify that the purchaser fulfils the Purchaser Criteria and that the Divestment Business is being sold in a manner consistent with the Commitments including their objective to bring about a lasting structural change in the market. The Commission may approve the sale of the Divestment Business without one or more Assets or parts of the Personnel, or by substituting one or more Assets or parts of the Personnel with one or more different assets or different personnel, if this does not affect the viability and competitiveness of the Divestment Business after the sale, taking account of the proposed purchaser.

**Section E. Trustee**

I. Appointment procedure

19. Vivendi shall appoint a Monitoring Trustee to carry out the functions specified in these Commitments for a Monitoring Trustee. The Notifying Party commits not to exercise any voting rights or other influence over Persidera before the appointment of a Monitoring Trustee.
20. If Telecom Italia has not entered into a binding sale and purchase agreement regarding the Divestment Business one month before the end of the First Divestiture Period or if the Commission has rejected a purchaser proposed by Vivendi at that time or thereafter, Vivendi shall appoint a Divestiture Trustee. The appointment of the Divestiture Trustee shall take effect upon the commencement of the Trustee Divestiture Period.
21. The Trustee shall:
  - (i) at the time of appointment, be independent of the Notifying Party and its Affiliated Undertakings;
  - (ii) possess the necessary qualifications to carry out its mandate, for example have sufficient relevant experience as an investment banker or consultant or auditor; and
  - (iii) neither have nor become exposed to a Conflict of Interest.
22. The Trustee shall be remunerated by the Notifying Party in a way that does not impede the independent and effective fulfilment of its mandate. In particular, where the remuneration package of a Divestiture Trustee includes a success premium linked to the final sale value of the Divestment Business, such success premium may only be earned if the divestiture takes place within the Trustee Divestiture Period.

*Proposal by Vivendi*

23. No later than two weeks after the Effective Date, Vivendi shall submit the name or names of one or more natural or legal persons whom Vivendi proposes to appoint as the Monitoring Trustee to the Commission for approval. No later than one month before the end of the First Divestiture Period or on request by the Commission, Vivendi shall submit a list of one or more persons whom Vivendi proposes to appoint as Divestiture Trustee to the Commission for approval. The proposal shall contain sufficient information for the Commission to verify that the person or persons proposed as Trustee fulfil the requirements set out in paragraph 21 and shall include:



- (a) the full terms of the proposed mandate, which shall include all provisions necessary to enable the Trustee to fulfil its duties under these Commitments;
- (b) the outline of a work plan which describes how the Trustee intends to carry out its assigned tasks;
- (c) an indication whether the proposed Trustee is to act as both Monitoring Trustee and Divestiture Trustee or whether different trustees are proposed for the two functions.

*Approval or rejection by the Commission*

24. The Commission shall have the discretion to approve or reject the proposed Trustee(s) and to approve the proposed mandate subject to any modifications it deems necessary for the Trustee to fulfil its obligations. If only one name is approved, Vivendi shall appoint or cause to be appointed the person or persons concerned as Trustee, in accordance with the mandate approved by the Commission. If more than one name is approved, Vivendi shall be free to choose the Trustee to be appointed from among the names approved. The Trustee shall be appointed within one week of the Commission's approval, in accordance with the mandate approved by the Commission.

*New proposal by Vivendi*

25. If all the proposed Trustees are rejected, Vivendi shall submit the names of at least two more natural or legal persons within one week of being informed of the rejection, in accordance with paragraphs 19 and 24 of these Commitments.

*Trustee nominated by the Commission*

26. If all further proposed Trustees are rejected by the Commission, the Commission shall nominate a Trustee, whom Vivendi shall appoint, or cause to be appointed, in accordance with a trustee mandate approved by the Commission.

II. Functions of the Trustee

27. The Trustee shall assume its specified duties and obligations in order to ensure compliance with the Commitments. The Commission may, on its own initiative or at the request of the Trustee or Vivendi, give any orders or instructions to the Trustee in order to ensure compliance with the conditions and obligations attached to the Decision.

*Duties and obligations of the Monitoring Trustee*

28. The Monitoring Trustee shall:

- (i) propose in its first report to the Commission a detailed work plan describing how it intends to monitor compliance with the obligations and conditions attached to the Decision.
- (ii) oversee, in close co-operation with the Hold Separate Manager, the on-going management of the Divestment Business with a view to ensuring its continued economic viability, marketability and competitiveness and monitor compliance by Vivendi with the conditions and obligations attached to the Decision. To that end the Monitoring Trustee shall:

- (a) monitor the preservation of the economic viability, marketability and competitiveness of the Divestment Business, and the keeping separate of the Divestment Business from the business retained by Vivendi, in accordance with paragraphs 8 and 9 of these Commitments;
- (b) supervise the management of the Divestment Business as a distinct and saleable entity, in accordance with paragraph 10 of these Commitments;
- (c) with respect to Confidential Information:
  - determine all necessary measures to ensure that Vivendi does not after the Effective Date obtain any Confidential Information relating to the Divestment Business,
  - in particular strive for the severing of the Divestment Business’ participation in a central information technology network to the extent possible, without compromising the viability of the Divestment Business,
  - make sure that any Confidential Information relating to the Divestment Business obtained by Vivendi before the Effective Date is eliminated and will not be used by Vivendi and
  - decide whether such information may be disclosed to or kept by Vivendi as the disclosure is reasonably necessary to allow Vivendi to carry out the divestiture or as the disclosure is required by law;
- (d) monitor the splitting of assets and the allocation of Personnel between the Divestment Business and Vivendi or Affiliated Undertakings;
- (iii) propose to Vivendi such measures as the Monitoring Trustee considers necessary to ensure Vivendi’s compliance with the conditions and obligations attached to the Decision, in particular the maintenance of the full economic viability, marketability or competitiveness of the Divestment Business, the holding separate of the Divestment Business and the non-disclosure of competitively sensitive information;
- (iv) review and assess potential purchasers as well as the progress of the divestiture process and verify that, dependent on the stage of the divestiture process:
  - (a) potential purchasers receive sufficient and correct information relating to the Divestment Business and the Personnel in particular by reviewing, if available, the data room documentation, the information memorandum and the due diligence process, and
  - (b) potential purchasers are granted reasonable access to the Personnel;
- (v) act as a contact point for any requests by third parties, in particular potential purchasers, in relation to the Commitments;
- (vi) provide to the Commission, sending Vivendi a non-confidential copy at the same time, a written report within 15 days after the end of every month that shall cover the operation and management of the Divestment Business as well as the splitting of assets and the allocation of Personnel so that the Commission can assess whether the business is held in a manner

consistent with the Commitments and the progress of the divestiture process as well as potential purchasers;

- (vii) promptly report in writing to the Commission, sending Vivendi a non-confidential copy at the same time, if it concludes on reasonable grounds that Vivendi is failing to comply with these Commitments;
- (viii) within one week after receipt of the documented proposal referred to in paragraph 18 of these Commitments, submit to the Commission, sending Vivendi a non-confidential copy at the same time, a reasoned opinion as to the suitability and independence of the proposed purchaser and the viability of the Divestment Business after the Sale and as to whether the Divestment Business is sold in a manner consistent with the conditions and obligations attached to the Decision, in particular, if relevant, whether the Sale of the Divestment Business without one or more Assets or not all of the Personnel affects the viability of the Divestment Business after the sale, taking account of the proposed purchaser;
- (ix) assume the other functions assigned to the Monitoring Trustee under the conditions and obligations attached to the Decision.

29. If the Monitoring and Divestiture Trustee are not the same legal or natural persons, the Monitoring Trustee and the Divestiture Trustee shall cooperate closely with each other during and for the purpose of the preparation of the Trustee Divestiture Period in order to facilitate each other's tasks.

*Duties and obligations of the Divestiture Trustee*

30. Within the Trustee Divestiture Period, the Divestiture Trustee shall, without prejudice to any rights of L'Espresso, sell at no minimum price the Divestment Business to a purchaser, provided that the Commission has approved both the purchaser and the final binding sale and purchase agreement (and ancillary agreements) as in line with the Commission's Decision and the Commitments in accordance with paragraphs 17 and 18 of these Commitments. The Divestiture Trustee shall include in the sale and purchase agreement (as well as in any ancillary agreements) such terms and conditions as it considers appropriate for an expedient sale in the Trustee Divestiture Period. In particular, the Divestiture Trustee may include in the sale and purchase agreement such customary representations and warranties and indemnities as are reasonably required to effect the sale. The Divestiture Trustee shall protect the legitimate financial interests of Vivendi, subject to the Notifying Party's unconditional obligation to divest, without prejudice to any rights of L'Espresso, at no minimum price in the Trustee Divestiture Period.
31. In the Trustee Divestiture Period (or otherwise at the Commission's request), the Divestiture Trustee shall provide the Commission with a comprehensive monthly report written in English on the progress of the divestiture process. Such reports shall be submitted within 15 days after the end of every month with a simultaneous copy to the Monitoring Trustee and a non-confidential copy to the Notifying Party.

III. Duties and obligations of the Parties

32. Vivendi shall procure that Telecom Italia will provide and shall cause its advisors to provide the Trustee with all such co-operation, assistance and information as the Trustee may reasonably require to perform its tasks. The Trustee shall have full and complete access to the Divestment Business' books, records, documents, management or other personnel, facilities, sites and technical

information necessary for fulfilling its duties under the Commitments and the Divestment Business shall provide the Trustee upon request with copies of any document. Telecom Italia and the Divestment Business shall make available to the Trustee one or more offices on their premises and shall be available for meetings in order to provide the Trustee with all information necessary for the performance of its tasks.

33. Vivendi shall procure that Telecom Italia will provide the Monitoring Trustee with all managerial and administrative support that it may reasonably request on behalf of the management of the Divestment Business. This shall include all administrative support functions relating to the Divestment Business which are currently carried out at headquarters level. Vivendi shall procure that Telecom Italia shall provide and shall cause its advisors to provide the Monitoring Trustee, on request, with the information submitted to potential purchasers, in particular give the Monitoring Trustee access to the data room documentation and all other information granted to potential purchasers in the due diligence procedure. Vivendi shall procure that Telecom Italia will inform the Monitoring Trustee on possible purchasers, submit lists of potential purchasers at each stage of the selection process, including the offers made by potential purchasers at those stages, and keep the Monitoring Trustee informed of all developments in the divestiture process.
34. Vivendi shall grant or procure Affiliated Undertakings to grant comprehensive powers of attorney, duly executed, to the Divestiture Trustee to effect the sale (including ancillary agreements), the Closing and all actions and declarations which the Divestiture Trustee considers necessary or appropriate to achieve the sale and the Closing, including the appointment of advisors to assist with the sale process. Upon request of the Divestiture Trustee, Vivendi shall cause the documents required for effecting the sale and the Closing to be duly executed.
35. Vivendi shall indemnify the Trustee and its employees and agents (each an “*Indemnified Party*”) and hold each Indemnified Party harmless against, and hereby agrees that an Indemnified Party shall have no liability to Vivendi for, any liabilities arising out of the performance of the Trustee’s duties under the Commitments, except to the extent that such liabilities result from the wilful default, recklessness, gross negligence or bad faith of the Trustee, its employees, agents or advisors.
36. At the expense of Vivendi, the Trustee may appoint advisors (in particular for corporate finance or legal advice), subject to Vivendi’s approval (this approval not to be unreasonably withheld or delayed) if the Trustee considers the appointment of such advisors necessary or appropriate for the performance of its duties and obligations under the Mandate, provided that any fees and other expenses incurred by the Trustee are reasonable. Should Vivendi refuse to approve the advisors proposed by the Trustee the Commission may approve the appointment of such advisors instead, after having heard Vivendi. Only the Trustee shall be entitled to issue instructions to the advisors. Paragraph 35 of these Commitments shall apply *mutatis mutandis*. In the Trustee Divestiture Period, the Divestiture Trustee may use advisors who served Vivendi during the Divestiture Period if the Divestiture Trustee considers this in the best interest of an expedient sale.
37. Vivendi agrees that the Commission may share Confidential Information proprietary to Vivendi with the Trustee. The Trustee shall not disclose such information and the principles contained in Article 17 (1) and (2) of the Merger Regulation apply *mutatis mutandis*.
38. The Notifying Party agrees that the contact details of the Monitoring Trustee are published on the website of the Commission's Directorate-General for Competition and they shall inform interested third parties, in particular any potential purchasers, of the identity and the tasks of the Monitoring Trustee.

39. For a period of 10 years from the Effective Date the Commission may request all information from the Parties that is reasonably necessary to monitor the effective implementation of these Commitments.

IV. Replacement, discharge and reappointment of the Trustee

40. If the Trustee ceases to perform its functions under the Commitments or for any other good cause, including the exposure of the Trustee to a Conflict of Interest:

(a) the Commission may, after hearing the Trustee and Vivendi, require Vivendi to replace the Trustee; or

(b) Vivendi may, with the prior approval of the Commission, replace the Trustee.

41. If the Trustee is removed according to paragraph 40 of these Commitments, the Trustee may be required to continue in its function until a new Trustee is in place to whom the Trustee has effected a full hand over of all relevant information. The new Trustee shall be appointed in accordance with the procedure referred to in paragraphs 19-26 of these Commitments.

42. Unless removed according to paragraph 40 of these Commitments, the Trustee shall cease to act as Trustee only after the Commission has discharged it from its duties after all the Commitments with which the Trustee has been entrusted have been implemented. However, the Commission may at any time require the reappointment of the Monitoring Trustee if it subsequently appears that the relevant remedies might not have been fully and properly implemented.

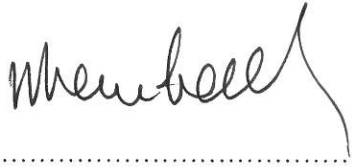
**Section F. The review clause**

43. The Commission may extend the time periods foreseen in the Commitments in response to a request from Vivendi or, in appropriate cases, on its own initiative. Where Vivendi requests an extension of a time period, it shall submit a reasoned request to the Commission no later than one month before the expiry of that period, showing good cause. This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non-confidential copy of the report to the Notifying Party. Only in exceptional circumstances shall Vivendi be entitled to request an extension within the last month of any period.

44. The Commission may further, in response to a reasoned request from the Notifying Party showing good cause waive, modify or substitute, in exceptional circumstances, one or more of the undertakings in these Commitments, [Confidential]. This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non-confidential copy of the report to the Notifying Party. The request shall not have the effect of suspending the application of the undertaking and, in particular, of suspending the expiry of any time period in which the undertaking has to be complied with.

**Section G. Entry into force**

45. The Commitments shall take effect upon the date of adoption of the Decision.



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duly authorised for and on behalf of Vivendi

## SCHEDULE

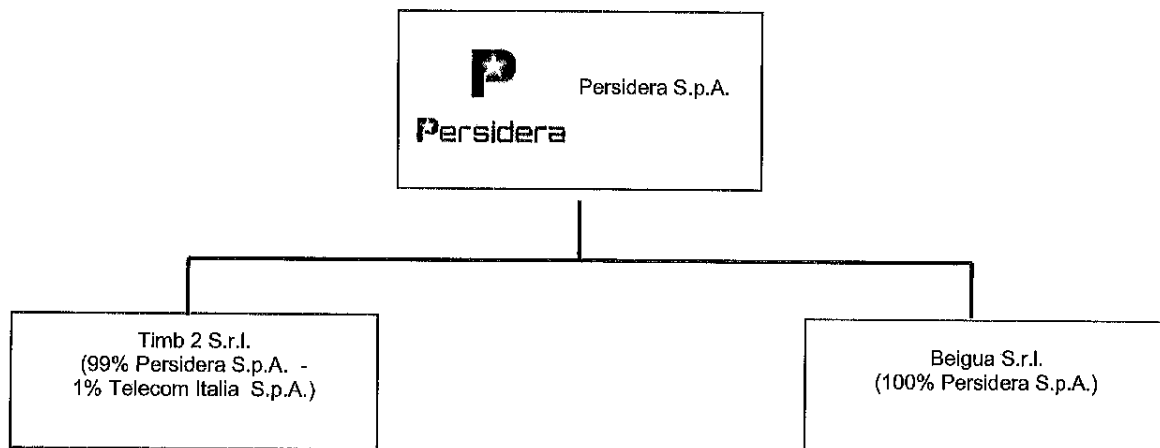
### 1. The Divestment Business as operated to date has the following legal and functional structure:

The Divestment Business consists of Telecom Italia's 70% shareholding interest in Persidera S.p.A.

On December 1, 2014 Rete A S.p.A. was merged by incorporation into Telecom Italia Media Broadcasting S.r.l., which had changed its name in Persidera S.p.A. ("Persidera"). Effective from September 30, 2015, Telecom Italia Media, the company directly holding 70% shares of Persidera, was merged by incorporation into Telecom Italia S.p.A.

Therefore, currently Telecom Italia S.p.A. owns 70% share in Persidera. The remaining 30% share capital is held by Gruppo Editoriale L'Espresso.

Organizational chart (as of 26 April 2017):



Timb2 S.r.l. has been created in 2014 but is not currently active.

Please also note that, on April 11, 2017 the merger for incorporation of Beigua S.r.l. in Persidera has been approved by the shareholders meetings of both Beigua and Persidera. Closing is currently envisaged in the third quarter of 2017.

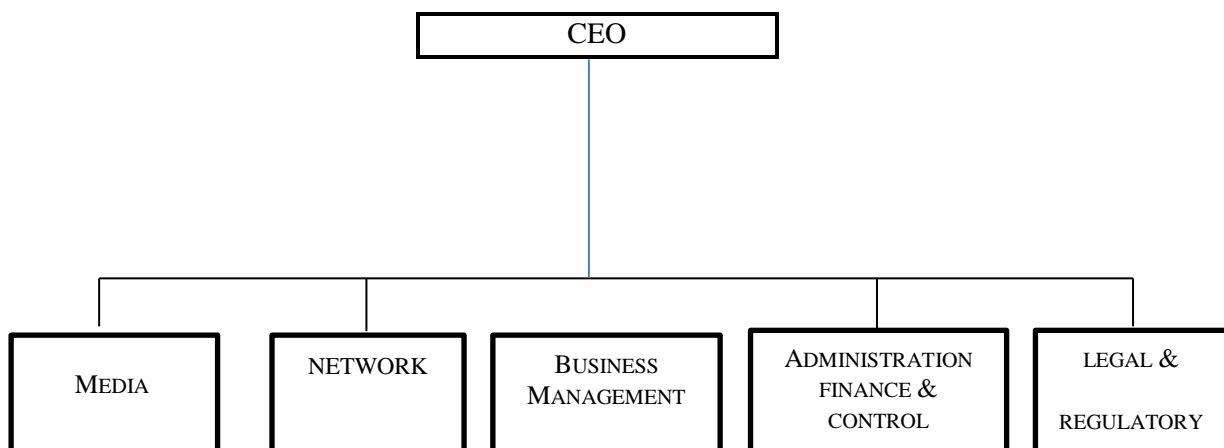
Persidera also holds some minority participations in the following consortia, dealing with the management of transmission sites:

- Consorzio emittenti Radio Televisive – C.E.R.T.
- Consorzio Antenna Monte Conero
- Consorzio Colle Maddalena
- Consorzio Puglia Basilicata e Molise S.r.l.
- Consorzio Antenna Colbuccaro
- Consorzio Antenna Tolentino

Board of Directors	Name	Function	Date of appointment	Already member of the Board in the period 2014-2016
	[Confidential]	Chairman	11/04/2017	30/06/2014
	[Confidential]	CEO	11/04/2017	30/06/2014
	[Confidential]	Deputy Chairman	11/04/2017	26/10/2016
	[Confidential]	Board member	11/04/2017	30/06/2014
	[Confidential]	Board member	11/04/2017	30/06/2014
	[Confidential]	Board member	11/04/2017	no
	[Confidential]	Board member	11/04/2017	28/04/2016
	[Confidential]	Board member	11/04/2017	no
	[Confidential]	Board member	11/04/2017	28/04/2016
Statutory* Auditors	Name	Function	Date of appointment	
	[Confidential]	Chairman	30/06/2014	
	[Confidential]	Auditor	30/06/2014	
	[Confidential]	Auditor	30/06/2014	
	[Confidential]	Deputy Auditor	30/06/2014	
	[Confidential]	Deputy Auditor	30/06/2014	

\*More updated information on Statutory Auditors is not currently available.

As far as the functional structure of Persidera is concerned, in the meeting of 21 July 2016, the Board of Directors of Persidera decided to adopt a new organizational structure aimed at a more efficient management and focus on the business. The new structure is the following:





**Media:** assigned *ad interim* to [Confidential]. With responsibilities for the innovation, engineering and operation of video platforms. It also ensures the programming, quality control and delivery of the managed audio/video content.

**Network:** assigned *ad interim* to [Confidential]. With responsibilities for the design, implementation and operation of the broadcast network, management of the transmission infrastructures and related services.

**Business Management:** assigned to [Confidential], for the development of the portfolio of services, commercial management of clients, revenue assurance and management of the supply chain, linking with the relevant divisions of Telecom Italia.

**Administration, Finance & Control:** assigned to [Confidential], for ensuring the management of the administrative/accounting processes, fiscal and financial activities, management control, linking with the relevant divisions of Telecom Italia.

**Legal & Regulatory:** assigned to [Confidential], for legal support, commercial contracts, regulatory issues, representation of the company.

**2. In accordance with paragraph 6 of these Commitments, the Divestment Business includes, but is not limited to:**

**a. the following main tangible and intangible assets:**

Persidera's network consists of three main parts:

- Network Assets;
- Head End;
- Network Operations Centre ("NOC").

**i. Network Assets**

The Network Assets consists of transmission sites, a national fibre backbone, a regional contribution network, an international gateway of interconnection and a satellite hub.

**Transmission Sites:** The network includes around 1.000 antenna sites with digital television equipment for the 5 DVB-T multiplexers. Persidera owns around 25 sites and has the contractual rights to use the remaining ones whereas the equipment is owned by Persidera. All sites are equipped with satellite receivers, radiolink and fully redundant transmission equipment; the most important sites are also equipped with business continuity and on site spare parts. More than 500 sites are equipped with telemetry devices.

**National Fiber Backbone:** Persidera's high capacity fibre optic backbone consists of a new generation high-capacity network which supports a variety of transmission signals, and has been designed to guarantee maintenance of service under any circumstances.

**Contribution:** Persidera implemented a national backbone network using IP / SDH (Synchronous Digital Hierarchy) radiolinks. Through this National radiolink network all regional centers are supplied with MUX signals. Persidera's IP/Radiolink Contributions are new generation wired/wireless network for national contributions.

Persidera can count also on a contribution fiber optic network which interconnects regional Points-of-Presence to Rome. The contribution network uses technology and service level agreement of the highest standard and in line with Telecom Italia's optical network.

**International Gateway of Interconnection:** Using optical interconnections with TI Sparkle Network, Persidera can provide high capacity connectivity to hubs in London (Arqiva) and Milano Caldera. International gateways are able to handle any kind of TV signal (IP, ASI, SDI, HD SDI even uncompressed) and deliver it to the ultimate client all over the world.

**Satellite Hub:** Persidera's satellite hub, based in Rome, allows a point-to-point and point-to-multipoint distribution of audio/video signals in live or on demand mode, both in DVB-S and DVB-S2 standard. The hub is used both for broadcasting (as backup) and for contribution purposes.

## **ii. Head End**

Persidera's IP based head end handles all contribution signal formats (ASI, SDI, IP, etc.) preparing them for all distribution platforms (DTT, satellite and web) through the same infrastructure.

Persidera head end infrastructure is based in Rome, Via della Pineta Sacchetti 229 and currently manages 7 multiple transport streams:

- 4 Dvb-T MUXes SFN at 22.4 Mbps and 1 Dvb-T MUX SFN at 24.9 Mbps;
- 3 satellite transponders, respectively at 54, 17 and 12 MHz.

## **iii. Network Operations Centre**

Based in Rome, Persidera's NOC is in charge of all configuration, management and real-time monitoring of terrestrial and satellite broadcasting network.

The NOC provides first-level support for trouble-shooting and represents the single contact point for all TIMB's external customers and for all technical problems faced by the network operator with minimal manual intervention.

## **b. the following main licences, permits and authorisations:**

Persidera has a general authorization for TV broadcasting in DTT on a national basis, according to article 25 of legislative decree no. 259/2003 (the "Communications Code") and article 15 of the TUSMAR.

On 28 June 2012, following the analogue switch-off, Telecom Italia Media Broadcasting S.r.l. and Rete A were assigned by MISE digital frequency rights for a 20-year duration, till the end of 2032, for the operation respectively of 3 and 2 DVB-T multiplexers on a Single Frequency Network basis. In particular:

- Persidera is assignee of frequency rights as a result of some Determine Direttoriali of the Ministry of Economic Development (reference no. DGSCER/Div. III/53913 of June 28, 2012, as amended by reference no. DGSCER DIR/51843 of August 6, 2013 and

reference no. DGSCER DIR/58122 of September 26, 2013 for National MUX TIMB1, TIMB2 and TIMB3;

- Effective from December 1st 2014, Persidera has merged by incorporation its fully controlled subsidiary Rete A S.p.A., a national digital terrestrial network operator assignee of frequency rights as result of some Ministry of Economic Development's Determine Direttoriali (reference no. DGSCER/Div. III/53916 of June 28, 2012, as amended by reference no. DGSCER/Div. III/25593 of April 9, 2013 for National MUX RETEA1 and RETEA2). The frequencies authorisations have been transferred from Rete A to Persidera on 26 January 2015 (reference no. mise.AOO\_COM.REGISTRO UFFICIALE(U).0004096).

Four muxes have a capacity of about 22 Mbps; the fifth mux has a capacity of about 24 Mbps, for a total of 112.4 Mbps.

Persidera has the following additional authorizations:

- Resale of capacity on satellite (n. DPGGSRIII/256R/257C/004/2004 e n. DPGGSRIII/0675R/0676C/0090/2010);
- Resale of capacity on optic fiber 14 July 2008 (*Preso d'atto* 29/10/2008 prot. 029435).

**c. the following main contracts, agreements, leases, commitments and understandings**

Customer name	Belong to your group (Yes or No)	FTA/Pay-TV/both	HD content (Yes or No)	Contract duration	Contract expiry date	Termination clause(s)	Exclusivity clause(s)
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]

[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]
[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]	[Confidential]

Persidera agreements with its main customers are related to the technical services (“Technical Services”) for the broadcasting channels. The technical services consist of one or more of the following activities:

- (i) play-out services, preparation and broadcasting of the materials (i.e. the audiovisual content that makes up the channels’ schedule or are accessories thereof, including programmes, interstitials (e.g., themes, promos, on-air elements, graphics, animated graphics, signs and all short video contributions), advertising materials, etc.
- (ii) constituting the channels, according to the “playlist” (i.e. the transmission plan for the channels, detailed for each event/programme specifying the materials to be played out in consecutive chronological order);
- (iii) the reception and handling, including live, of external signals;
- (iv) other ancillary services.

Persidera agreements with **its main suppliers** are the following:

- Agreements for hosting services for Persidera transmission equipment on providers’ transmission sites: (the main suppliers are: [Confidential]) (see below);
- Framework agreements for maintenance of Persidera transmission equipment (the main suppliers are: [Confidential]);
- Satellite Transmission services: [Confidential];
- Fiber optic and radio –link transmission services: [Confidential] (see below);
- Outsourcing services for service desk/IT/payout management ([Confidential]).

Please find below further details about the contracts with [Confidential] and [Confidential] (including duration, expiry date, change of control and termination clauses).

(i) Contracts with [Confidential]

[Confidential]

(ii) Contracts with [Confidential]

[Confidential]

**d. the following customer, credit and other records:**

A list of Persidera's customers is provided below: [Confidential]

According to Persidera's Annual Report 2015, as of 31 Decembre 2015 it had commercial credits for about EUR [Confidential]; commercial debts vis-à-vis third parties amounted to about EUR [Confidential].

**e. the following Personnel:**

As of 26 April 2017, Persidera has [Confidential] employees.

**f. the following Key Personnel:**

For Persidera's key personnel, see above the information on the managers at the head of each division of Persidera.

**g. the arrangements for the supply with the following products or services by Telecom Italia or Affiliated Undertakings for a transitional period of up to 1 year after Closing:**

Below is a list of all current agreements between Persidera and companies of the Telecom Italia Group. [Confidential]

**3. The Divestment Business shall not include:**

Not applicable.

**4. If there is any asset or personnel which is not be covered by paragraph 2 of this Schedule but which is both used (exclusively or not) in the Divestment Business and necessary for the continued viability and competitiveness of the Divestment Business, that asset or adequate substitute will be offered to potential purchasers.**

Not applicable to Vivendi's knowledge.